



FACT SHEET

Accountability in the Medi-Cal Managed Care Program

Introduction

CALIFORNIA'S MEDICAID PROGRAM, MEDI-CAL, IS administered by the state's Department of Health Care Services (DHCS). Approximately 82% of Medi-Cal beneficiaries are enrolled in a Medi-Cal Managed Care Plan (MCP), a private or public health insurance entity that takes responsibility for most of an enrollee's medical benefits, including primary care, specialty care, and non-specialty mental health services.¹ There are more than 30 full-service and specialty MCPs that participate in Medi-Cal's managed care program, and federal and state payments to MCPs totaled approximately \$49 billion in the state's 2017-2018 fiscal year.²

What Data Does DHCS Use to Assess Quality?

DHCS assesses information on the quality of contracted plans annually using measures from the Healthcare Effectiveness Data and Information Set (HEDIS) and every three years using measures from the Consumer Assessment of Healthcare Providers and Systems (CAHPS).

HEDIS, a national performance improvement tool in managed care, is a set of roughly 90 metrics that measure access, the effectiveness of care, and patients' experience of care, among other domains.³ For example, HEDIS captures the percentage of plan members receiving preventive health screenings, like mammograms, and getting best-practice care for chronic diseases like diabetes. CAHPS is a national survey that asks a

health plan member to rank the managed care plan, doctors, and overall health care experience, among other questions. It is administered to a sample of plan beneficiaries by a third party on behalf of the state.

The department also assesses enrollee grievances, utilization and encounter data, dis-enrollment data, "secret shopper" information, and the results of quality audits.

What MCP Quality Information Is Publicly Available?

DHCS is required by federal law to contract with an external quality review organization, which compiles and provides detailed public reports to monitor and assess health plan performance. The department makes public selected information about health plan compliance, enrollment, and quality. Other key activities include:

- As required by federal law, DHCS has developed a written strategy for assessing and improving quality in its Medicaid managed care program.
- DHCS makes public the performance of MCPs on an aggregate and individual basis through its online [Managed Care Performance Dashboard](#).

The California Health Care Foundation is dedicated to advancing meaningful, measurable improvements in the way the health care delivery system provides care to the people of California, particularly those with low incomes and those whose needs are not well served by the status quo. We work to ensure that people have access to the care they need, when they need it, at a price they can afford.



For more information, visit www.chcf.org.

- DHCS further assesses MCP performance using an [external accountability set](#), a subset of 30 HEDIS and CAHPS measures, as shown in Table 1.

Table 1. External Accountability Set for MCPs – Measurement Year 2018

- Plan all-cause readmissions
- Ambulatory care—outpatient and emergency department visits
- Monitoring for patients on persistent medications
- Avoidance of antibiotic treatment
- Breast cancer screening
- Cervical cancer screening
- Childhood immunization status
- Childhood access to primary care providers
- Comprehensive diabetes care
- Controlling high blood pressure
- Immunizations for adolescents
- Asthma medication ratio
- Prenatal and postpartum care
- Depression screening and follow up
- Use of imaging for low back pain
- Weight assessment and counseling for children and adolescents
- Well-child visits

Source: California Department of Health Care Services

How Does DHCS Address Poor MCP Quality?

DHCS primarily uses two tools to hold plans accountable for quality:

- **Auto-Assignment Incentive:** Medi-Cal has taken steps to encourage competition based on quality in counties with multiple plans by auto-assigning beneficiaries who do not make a choice to the plan within the county that demonstrated the highest quality scores on a pre-determined subset of measures in the prior year.
- **Improvement Plans:** DHCS requires health plans to create improvement plans (IPs) related to measures in the external accountability set that fall below Medi-Cal's minimum performance level set at below the 25th percentile among Medicaid health plans nationally. These IPs detail the health plan's strategy to improve their performance, including what the plan will test, how it will measure improvement, the measurable target for that cycle, and the plan's analysis of results.

Looking Ahead

Despite these monitoring and oversight activities by DHCS, quality across the Medi-Cal managed care system varies widely among managed care plans and regions. There are opportunities for DHCS to use additional financial and non-financial tools to hold plans accountable for achieving a high level of quality and access for members.

More information on quality in Medi-Cal is available at www.chcf.org/collection/holding-plans-accountable-quality-medi-cal-managed-care/.

Endnotes

1. *The Medi-Cal Program: An Overview*, California Health Care Foundation, February 2019, www.chcf.org/publication/medi-cal-program-overview/.
2. *Medi-Cal Facts and Figures: Crucial Coverage for Low-Income Californians*, California Health Care Foundation, February 2019, www.chcf.org/publication/2019-medi-cal-facts-figures-crucial-coverage/.
3. "HEDIS and Performance Measurement," National Committee for Quality Assurance, accessed April 19, 2019, www.ncqa.org/hedis/.
4. "CAHPS: Surveys and Tools to Advance Patient-Centered Care," Agency for Healthcare Research and Quality, accessed April 19, 2019, www.ahrq.gov/cahps/index.html.

Medi-Cal Explained is an ongoing series on Medi-Cal for those who are new to the program, as well as those who need a refresher. To see other publications in this series, visit www.chcf.org/MC-explained.