



State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

June 1, 2021

Dear Interested Parties:

**SUBJECT: RELEASE OF DRAFT REQUEST FOR PROPOSAL # 20-10029
MEDI-CAL MANAGED CARE PLANS (MCP)**

The purpose of this letter is to announce the release of the **DRAFT** Request for Proposal (RFP) for the Medi-Cal Managed Care Plan (MCP) procurement as well as to seek comments from Interested Parties. **This is not a solicitation for submission of a proposal at this time, but only a solicitation for comments from Interested Parties regarding the content of the DRAFT RFP for consideration prior to release of the FINAL RFP.**

The Department of Health Care Services (DHCS) is releasing this **DRAFT** of RFP # 20-10029 on behalf of the Managed Care Operations Division (MCOB). Interested Parties are welcome to review this draft and submit written comments to DHCS (see Questions and Comments Section on page 2 of this letter).

The RFP will be released in its final form at a later date. The **FINAL** RFP will solicit proposals from firms that are able to provide managed health care services to beneficiaries of Medi-Cal, the State's Medicaid program.

Medi-Cal Managed Care provides high quality, accessible, and cost-effective health care through managed care delivery systems. Medi-Cal Managed Care contracts for health care services through established networks of organized systems of care, which emphasize primary and preventive care. Managed Care plans are a cost-effective use of public health care resources that improve health care access and ensure quality of care.

Today, approximately 12 million Medi-Cal beneficiaries in all 58 California counties receive their health care through [six main models of managed care](#): Two-Plan, Geographic Managed Care (GMC), Regional Model (RM), Imperial, San Benito, and County Operated Health Systems (COHS). Medi-Cal providers who wish to provide services to managed care enrollees must participate in the managed care plan's provider network.

Contract Services Branch
1501 Capitol Avenue
Sacramento, CA 95814
Phone: 916.552.8006
Internet Address: <http://www.DHCS.ca.gov>

The RFP will not be used to procure the COHS Plans, or Local Initiative Plans in the Non-COHS plan model types.

Interested Parties may now download the **DRAFT** RFP from the location listed on the [CSB web site](#).

Please note:

1. The RFP document that is being released at this time is a **DRAFT** of the requirements expected to be included in the **FINAL** RFP. The following documents will not be released with the **DRAFT** RFP: Attachment 10, Evaluation Questions; Attachment 11, Proposer Response Guide; Appendices; Operational Readiness Contract Sample Exhibits; Secondary Contract Sample Exhibits.
2. The estimated date for the **FINAL** RFP release is the end of 2021. Please continue to view the aforementioned website on a regular basis for the latest information concerning the release of the **FINAL** RFP.
3. DHCS requests that Interested Parties carefully consider the Scope of Work requirements to be fulfilled under this contract and offer input on the work to be performed. DHCS will review and consider the submitted comments, and the **FINAL** RFP may reflect comments and modifications accepted by DHCS. Details about the Scope of Work requirements may be found in Exhibit A, Attachments I through III.
4. Many sections in this **DRAFT** RFP that include important due dates, term (dates) of the contract, the proposal content requirements, evaluation and selection instructions and procedures, and rating factors are subject to change before the **FINAL** RFP is released.
5. Interested Parties who would like to receive a copy of the **FINAL** RFP are highly encouraged to submit the completed Request for Inclusion on Distribution List Attachment 8, which will be included in this **DRAFT** RFP. Only organizations who return this attachment will be included on the distribution list when the release of the **FINAL** RFP is announced. Interested Parties should also continue to monitor the CSB website for any updates.
6. Please do not provide comments on items or issues that are outside the control of DHCS or that are in conflict with law, regulation, or federal mandate governing the Medi-Cal Managed Care Program.

Questions and Comments

The input from Interested Parties is very important in helping DHCS finalize this RFP. DHCS will not provide responses to the comments and/or questions submitted by interested parties in response to the **DRAFT** RFP. However, any and all comments and/or questions will be highly valued and will be considered when drafting the **FINAL** RFP. Interested Parties will have an opportunity to submit questions that will be formally answered in response to the release of the **FINAL** RFP, in accordance with RFP Section, Proposer Questions.

Please submit your comments or questions by close of business **on or before July 1, 2021, 4:00 PM Pacific Time (PT)** to ensure they are fully considered. Interested parties are strongly encouraged to submit questions in the format specified below.

Please include:

1. Although not required, we request inquirers to include their name and title, name of firm submitting the inquiry, mailing address, email address, area code and telephone number.
2. Following the table format below, supply the RFP document in which the issue exists, the section and page number, a description of the specific problem or issue in question, and remedy sought, if any. **Microsoft Word or Excel format is preferred.**

RFP Reference	Section and Page Number	Issue, Question or Comment	Remedy Sought
Use "General" for general questions. Use "RFP Main" if the question is about a section in the RFP Main. For questions regarding exhibits and attachments, identify the exhibit by letter and the attachment by number, e.g., "Exhibit A, Attachment I", etc.	Indicate the RFP Main section by letter. Include the number(s) or letter(s) of any subsection(s) or paragraph(s). Indicate the exhibit letter and attachment number, and identify any subsection(s) by number(s) or letter(s). Example: A.1; pg 27		

Respondents should not include any information that might be considered proprietary or confidential. All materials submitted in response to this **DRAFT** RFP, including questions, will become the property of DHCS and, as such, are subject to the California Public Records Act (PRA) (GC Section 6250, et seq.). DHCS will disregard any language purporting to render all or portions of any RFP response as confidential.

To ensure the timely receipt of comments and questions, please send those via email to the following email address:

CSBRFP8@dhcs.ca.gov

Subject line: **Draft Request For Proposal #20-10029, Medi-Cal Managed Care Plans**

DRAFT RFP Webinar

The Department will host a public webinar to present the **DRAFT** RFP on Thursday, June 10, 2021, 2:00 PM – 3:30 PM. [Attendees must pre-register for the DRAFT RFP Webinar.](#)

DHCS reserves the right to determine which inquiries will be answered during the conference. **Spontaneous verbal remarks provided in response to questions/inquiries are unofficial and are not binding on DHCS unless later confirmed in writing.**

Thank you for your interest.

Sincerely,

Signed Electronically

Christina Soares, Chief
Contract Services Branch

DHCS is providing the status of the following items related to this Procurement:

1. Status of RFP and Managed Care Contract related-Policy updates

Item	Additional Information on Status
General	<p>The DRAFT RFP including the sample contract were developed before the May 2021 budget revision. Updates related to the May 2021 Budget will be incorporated into the FINAL RFP as appropriate.</p> <p>In addition, any updates to State or Federal laws or regulations will be included in the FINAL RFP and/or the executed 2024 Managed Care Contract as outlined in RFP Main, Section N. (<i>Scope of Work</i>).</p>
Narrative Proposal Requirements and Evaluation and Scoring Criteria	<p>Narrative Proposal Requirements and evaluation and scoring criteria will be included in the FINAL RFP and will align with CHHS and DHCS’ priorities including, but not limited to:</p> <ul style="list-style-type: none"> • Quality Performance Measures and scores; • Oversight and reduction of delegation by the Proposer; and • Public disclosure of delegation and how each delegated network meets State and Federal network adequacy requirements.
Medi-Cal Rx	<p>All related language to this policy is in the Sample MCP Contract contained in DRAFT RFP.</p>
CalAIM – PHM	<p>A portion of the contract requirements are in the Sample Contract contained in the DRAFT RFP.</p> <p>The remainder of requirements will be incorporated into the Sample Contract included in the FINAL RFP.</p>
CalAIM - ECM	<p>Updated ECM contract requirements based on most recent Stakeholder Feedback is available at the Enhanced Care Management and In Lieu of Services website and final language will be included in the FINAL RFP. Cross-references within the ECM/ILOS contract attachment to other contract sections are cited to the current MCP Boilerplate language and will be updated in the FINAL RFP.</p>

Item	Additional Information on Status
CalAIM - ILOS	<p>Updated ILOS contract requirements based on most recent Stakeholder Feedback is available at the Enhanced Care Management and In Lieu of Services website and final language will be included in the FINAL RFP. Cross-references within the ECM/ILOS contract attachment to other contract sections are cited to the current MCP Boilerplate language and will be updated in the FINAL RFP.</p>
CalAIM - Standardize Managed Care Benefits (Carve-in Transplants, LTC carve-in, carve out of MSSP)	<p>All related language to this policy is in the Sample MCP Contract contained in DRAFT RFP.</p> <p>Reimbursement language in Exhibit A, Subsections 3.3.14 and 3.3.15, regarding FFS-equivalent reimbursement of major organ transplants and long-term care services (except when the plan and provider mutually agree to a different rate), is consistent with the CalAIM Trailer Bill Language (TBL) published on February 16, 2021. Any applicable language changes in the version of the TBL that is ultimately adopted will be considered and reflected in the FINAL RFP.</p>
Health Disparities and Health Equities	<p>A portion of the contract requirements are in the Sample Contract contained in the DRAFT RFP.</p> <p>The remainder of requirements will be incorporated into the Sample Contract included in the FINAL RFP.</p>
Behavioral Health (BH) Reforms including but not limited to, No Wrong Door.	<p>A portion of the contract requirements are in the Sample Contract contained in the DRAFT RFP.</p> <p>The language will be incorporated throughout the Sample Contract included in the FINAL RFP.</p>

Item	Additional Information on Status
School-based services including but not limited to, preventative early-intervention for behavioral health services by school-affiliated health providers. Policy will create a cross system partnership between schools, schools-based settings and managed care plans to ensure access to Behavioral Health services and the mental well-being to children.	Policy is still being developed. Requirements will be incorporated into the Sample Contract included in the FINAL RFP.

2. Plan Model Transition Status

The **DRAFT** RFP reflects the current managed care models and counties as of June 1, 2021.

Some counties have expressed interest in transitioning to a model that includes a local plan and submitted the preliminary Letter of Interest by March 31, 2021 and the Letter of Intent by April 30, 2021 as required by DHCS. DHCS’s timeline to finalize the plan model transition is October 2021.

Any plan model changes impacting this RFP will be incorporated in the **FINAL** RFP.

Additional information on the [Plan Model Transition is available online](#).