

March 29, 2020

Sent via email

Brad Gilbert, MD - Director
Department of Health Care Services
1501 Capitol Avenue
Sacramento, CA 95814

Michelle Rouillard, Director
Department of Managed Health Care
980 9th Street, 5th Floor
Sacramento, CA 95814

Re: APG Suggestions on Telehealth Implementation

Dear Directors Dr. Gilbert & Rouillard:

APG appreciates that you conducted a joint stakeholder call on Wednesday, March 25 to exchange information on telehealth resources and implementation across the health care delivery system. Cutting to the chase, some progress is being made toward rapid telehealth deployment across the delegated model, however significant roadblocks exist. I'm writing to you to discuss some potential solutions. APG believes that California's ambulatory delivery system must transition to virtual care mechanisms as quickly as possible, wherever feasible.

Existing Telehealth Infrastructure: Several integrated physician groups have already or are deploying Zoom and/or using EPIC telehealth modules to address all types of ambulatory care needs with patients. Most of these practices are within multispecialty medical group models rather than independent practice associations.

Impact of Risk-Shifting by Plans onto Delegated Providers: Because all current capitated plan-provider contracts do not include pandemic clauses that anticipate the extraordinary financial risk exposure to risk-bearing providers, the economic strain on capitated physician groups will be severe as the surge peaks. After the immediate crisis ends by the late Spring, there will be a further surge of pent-up demand for other deferred health care services. APG urges you to closely monitor the physician group and small practice community for signs of closures. It is our goal to emerge from this crisis with the same number of risk-bearing groups as existed at the beginning.

Single Source of Truth on Telehealth Standards under Commercial & Medi-Cal: We urge you to issue a joint guidance on the compliance and billing standards for the fully insured commercial market and the Medi-Cal managed care system. APG has submitted a draft

document to you on Monday, March 30th from our CMA, Dr. Amy Nguyen-Howell. We hope this draft summary will help with this effort.

Provide Funding Sources for Provider Groups to Implement Telehealth & eConsult Services:

We urge you to open-up the existing undertaking funds to provide grants for groups to adopt telehealth services, particularly for Medi-Cal managed care populations. In addition to the limited funding left in the Centene undertaking, we urge the DMHC to evaluate the feasibility of opening-up the remaining capital in the prior Anthem and United undertaking funds which we understand exceeds \$400 million.

Clarify the Role of Third Party Administrators and ASOs in the Self -Funded Market: As the federal government considers flexibility for ERISA-preempted plans, we believe that TPAs and ASOs can play an active role in facilitating coverage for telehealth services for the 6 million Californians covered under self-funded plans. Many Knox Keene health plans lease their networks through their ASO and TPA arms to self-funded payers. We have received several enquiries from our members about problems and confusion with telehealth coverage for enrollees covered under such plans.

Thank you for your consideration and for the efforts of you and your staffs on behalf of all Californians.

Sincerely,



Bill Barcellona
EVP, Government Affairs

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