Policy:	EE.1124
Title:	**Health Network Encounter Data Performance Standards**
Department:	Finance
Section:	Encounters
CEO Approval:	*/s/ Michael Hunn 10/31/2024*
Effective Date:	01/01/2003
Revised Date:	10/01/2024
Applicable to:	☒ Medi-Cal ☐ OneCare ☐ PACE ☐ Administrative

I. PURPOSE

This policy establishes the process by which CalOptima Health measures a Health Network's compliance with Encounter data performance standards for dates of submission beginning January 1, 2024, for services rendered to CalOptima Health Medi-Cal Program Members.

II. POLICY

A. A Health Network shall meet the Encounter data performance standards set forth in this Policy.

B. CalOptima Health shall annually measure a Health Network's compliance with performance standards with regards to the timely submission of complete and accurate Encounter data, in accordance with this Policy. CalOptima Health shall utilize retrospective Encounter data to conduct its evaluation. The measurement year is the twelve (12)- month calendar year.

C. CalOptima Health shall provide a Health Network with a Health Network Encounter Data Scorecard to report a Health Network's progress check score and annual score relating to the status of the Health Network's compliance with Encounter data performance standards.

D. If a Health Network's annual score is non-compliant with Encounter data performance standards as specified in Section III.D. of this Policy, CalOptima Health shall implement the following:

1. A Health Network may be required to submit a written Corrective Action Plan (CAP), in accordance with CalOptima Health Policy HH.2005: Corrective Action Plan.

2. CalOptima Health may impose Sanctions, including, without limitation, financial penalties against a Health Network that is consistently non-compliant with Encounter data performance standards requirements as outlined in this Policy and in accordance with the Contract for Health Care Services and CalOptima Health Policy HH.2002: Sanctions.

III. PROCEDURE

A. A Health Network shall submit Encounter data in accordance with CalOptima Health Policy EE.1111: Health Network Encounter Reporting Requirements.

B. CalOptima Health shall provide a Health Network with a progress check score relating to the status of the Health Network's compliance with the Encounter data performance standards.

1. CalOptima Health shall calculate a Health Network's progress check score based on dates of service from January 1 through June 30 of the measurement year.

2. CalOptima Health shall utilize all Encounters submitted during a ten (10) month submission period from January 1 through October 31 of the measurement year to calculate the measures identified in Section III.D. of this Policy for a Health Network's progress check score.

3. CalOptima Health shall report a Health Network's progress check score on the Health Network Encounter Data Scorecard and forward the progress check score to a Health Network in December of the measurement year. Results may be submitted to CalOptima Health's Delegation Oversight Committee (DOC) in February of the year following the measurement year.

C. CalOptima Health shall provide a Health Network with an annual score relating to the status of the Health Network's compliance with the Encounter data performance standards.

1. CalOptima Health shall calculate a Health Network's annual score based on dates of service from January 1 through December 31 of the measurement year.

2. CalOptima Health shall utilize all Encounters submitted during a seventeen (17)- month submission period from January 1 through May 31 of the following year to calculate the measures identified in Section III.D. of this Policy for a Health Network's annual score.

3. CalOptima Health shall report a Health Network's annual score on the Health Network Encounter Data Scorecard and forward the scorecard to the Health Network in July of the year following the measurement year. Results may be submitted to CalOptima Health's Delegation Oversight Committee (DOC) in August of the year following the measurement year.

D. CalOptima Health shall evaluate Health Network Encounter submissions as follows:

1. Shared Risk Group (SRG):

a. Professional rejected records: Utilizes all professional files submitted during the measurement year. A Health Network shall have a five percent (5%) or less rejection rate in order to be compliant with this standard.

b. Encounter timeliness analysis: Utilizes all professional files submitted during the measurement year to calculate the number of days between the date of Encounter submission and the Date of Service (DOS). A Health Network shall submit seventy-five percent (75%) of Encounters within ninety (90) calendar days after DOS to be compliant with this standard.

2. Physician Hospital Consortium (PHC) (including Pediatric) or Health Maintenance Organization (HMO):

c. Rejected records: Utilizes all files submitted during the measurement year. A Health Network shall have a five percent (5%) or less rejection rate for both the professional and facility Encounter files, calculated separately, in order to be compliant with this standard.

d. Encounter timeliness analysis: Utilizes all files submitted during the measurement year to calculate the number of days between the date of Encounter submission and the DOS. A Health Network shall submit seventy-five percent (75%) of Encounters within ninety (90) calendar days after DOS to be compliant with this standard.

IV. ATTACHMENT(S)

A. Health Network Encounter Data Scorecard for PHC/HMO
B. Health Network Encounter Data Scorecard for Shared Risk Physician Groups

V. REFERENCE(S)

A. CalOptima Health Contract with Department of Health Care Services (DHCS) for Medi-Cal
B. CalOptima Health Contract for Health Care Services
C. CalOptima Health Policy EE.1111: Health Network Encounter Reporting Requirements
D. CalOptima Health Policy HH.2002: Sanctions
E. CalOptima Health Policy HH.2005: Corrective Action Plan

VI. REGULATORY AGENCY APPROVAL(S)

Date	Regulatory Agency	Response
11/08/2010	Department of Health Care Services (DHCS)	Approved as Submitted

VII. BOARD ACTION(S)

None to Date

VIII. REVISION HISTORY

Action	Date	Policy	Policy Title	Program(s)
Effective	01/01/2003	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	11/01/2004	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	01/01/2008	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	08/01/2010	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	12/01/2015	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	08/01/2016	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	04/01/2017	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	10/01/2018	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	07/01/2019	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	06/01/2020	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal

Action	Date	Policy	Policy Title	Program(s)
Revised	08/01/2021	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	05/01/2022	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	08/01/2023	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	05/01/2024	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal
Revised	10/01/2024	EE.1124	Health Network Encounter Data Performance Standards	Medi-Cal

IX. GLOSSARY

Term	Definition
Aid Code	The two (2) character code, defined by the State of California, which identifies the aid category under which a Member is eligible to receive Medi-Cal Covered Services.
Corrective Action Plan (CAP)	A plan delineating specific and identifiable activities or undertakings that address and are designed to correct program deficiencies or problems identified by formal audits or monitoring activities by CalOptima Health, the State, or designated representatives. Health Networks and Providers may be required to complete a CAP to ensure that they are in compliance with statutory, regulatory, contractual, CalOptima Health policy, and other requirements identified by CalOptima Health and its regulators.
Covered Service	Those health care services, set forth in W&I sections 14000 et seq. and 14131 et seq., 22 CCR section 51301 et seq., 17 CCR section 6800 et seq., the Medi-Cal Provider Manual, the California Medicaid State Plan, the California Section 1115 Medicaid Demonstration Project, the contract with DHCS for Medi-Cal, and DHCS APLs that are made the responsibility of CalOptima Health pursuant to the California Section 1915(b) Medicaid Waiver authorizing the Medi-Cal managed care program or other federally approved managed care authorities maintained by DHCS. Covered Services do not include: 1. Home and Community-Based Services (HCBS) program as specified in the DHCS contract for Medi-Cal Exhibit A, Attachment III, Subsections 4.3.15 (Services for Persons with Developmental Disabilities), 4.3.20 (Home and Community-Based Services Programs) regarding waiver programs, 4.3.21 (In-Home Supportive Services), and Department of Developmental Services (DDS) Administered Medicaid Home and Community-Based Services Waiver. HCBS programs do not include services that are available as an Early and Periodic Screening, Diagnosis and Treatment (EPSDT) service, as described in 22 CCR sections 51184, 51340 and 51340.1. EPSDT services are covered under the DHCS contract for Medi-Cal, as specified in Exhibit A, Attachment III, Subsection 4.3.11 (Targeted Case Management Services), Subsection F4 regarding services for Members less than twenty-one (21) years of age. CalOptima Health is financially responsible for the payment of all EPSDT services; 2. California Children's Services (CCS) as specified in Exhibit A, Attachment III, Subsection 4.3.14 (California Children's Services), except for Contractors providing Whole Child Model (WCM) services; 3. Specialty Mental Health Services as specified in Exhibit A, Attachment III, Subsection 4.3.12 (Mental Health Services); 4. Alcohol and SUD treatment services, and outpatient heroin and other opioid detoxification, except for medications for addiction treatment as specified in Exhibit A, Attachment III, Subsection 4.3.13 (Alcohol and Substance Use Disorder Treatment Services); 5. Fabrication of optical lenses except as specified in Exhibit A, Attachment III, Subsection 5.3.7 (Services for All Members);

Term	Definition
	6. Direct Observed Therapy for Treatment of Tuberculosis (TB) as specified in Exhibit A, Attachment III, Subsection 4.3.18 (Direct Observed Therapy for Treatment of Tuberculosis); 7. Dental services as specified in W&I sections 14131.10, 14132(h), 14132.22, 14132.23, and 14132.88, and EPSDT dental services as described in 22 CCR section 51340.1(b). However, CalOptima Health is responsible for all Covered Services as specified in Exhibit A, Attachment III, Subsection 4.3.17 (Dental) regarding dental services; 8. Prayer or spiritual healing as specified in 22 CCR section 51312; 9. Educationally Necessary Behavioral Health Services that are covered by a Local Education Agency (LEA) and provided pursuant to a Member's Individualized Education Plan (IEP) as set forth in Education Code section 56340 et seq., Individualized Family Service Plan (IFSP) as set forth in California Government Code (GC) section 95020, or Individualized Health and Support Plan (IHSP). However, CalOptima Health is responsible for all Medically Necessary Behavioral Health Services as specified in Exhibit A, Attachment III Subsection 4.3.16 (School-Based Services); 10. Laboratory services provided under the State serum alpha-feto-protein-testing program administered by the Genetic Disease Branch of California Department of Public Health (CDPH); 11. Pediatric Day Health Care, except for Contractors providing Whole Child Model (WCM) services; 12. State Supported Services; 13. Targeted Case Management (TCM) services as set forth in 42 USC section 1396n(g), W&I sections 14132.48 and 14021.3, 22 CCR sections 51185 and 51351, and as described in Exhibit A, Attachment III, Subsection 4.3.11 (Targeted Case Management Services). However, if Members less than twenty-one (21) years of age are not eligible for or accepted by a Regional Center (RC) or a local government health program for TCM services, CalOptima Health must ensure access to comparable services under the EPSDT benefit in accordance with DHCS APL 23-005; 14. Childhood lead poisoning case management provided by county health departments; 15. Non-medical services provided by Regional Centers (RC) to individuals with Developmental Disabilities, including but not limited to respite, out-of-home placement, and supportive living; 16. End of life services as stated in Health and Safety Code (H&S) section 443 et seq., and DHCS APL 16-006; and 17. Prescribed and covered outpatient drugs, medical supplies, and enteral nutritional products when appropriately billed by a pharmacy on a pharmacy claim, in accordance with DHCS APL 22-012.
Delegation Oversight Committee (DOC)	A subcommittee of the Compliance Committee chaired by the Director(s) of Delegation Oversight to oversee CalOptima Health's delegated functions. The composition of the DOC includes representatives from CalOptima Health's departments as provided for in CalOptima Health Policy HH.4001: Delegation Oversight Committee.

Term	Definition
Downstream Entity	Any party that enters into a written arrangement, acceptable to DHCS and/or CMS, with persons or entities involved with a CalOptima Health Program benefit, below the level of arrangement between CalOptima Health and a First Tier Entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services.
Encounter	Any unit of Covered Service provided to a Member by a Health Network regardless of Health Network reimbursement methodology. These services include any Covered Services provided to a Member, regardless of the service location or Provider, including out-of-network Covered Services and sub-capitated and delegated Covered Services.
First Tier, Downstream, and Related Entities (FDR)	First Tier, Downstream or Related Entity, as separately defined herein. For the purposes of this policy, the term FDR includes delegated entities, contracted providers, Health Networks, Physician Medical Groups, Physician Hospital Consortia, and Health Maintenance Organizations.
First Tier Entity	Any party that enters into a written arrangement, acceptable to DHCS and/or CMS, with CalOptima Health to provide administrative services or health care services to a Member under a CalOptima Health Program.
Health Maintenance Organization (HMO)	A health care service plan, as defined in the Knox-Keene Health Care Service Plan Act of 1975, as amended, commencing with Section 1340 of the California Health and Safety Code.
Health Network	A Physician Hospital Consortium (PHC), physician group under a shared risk contract, or health care service plan, such as a Health Maintenance Organization (HMO), that contracts with CalOptima Health to provide Covered Services to Members assigned to that Health Network.
Medically Necessary or Medical Necessity	Reasonable and necessary Covered Services to protect life, to prevent significant illness or significant disability, or alleviate severe pain through the diagnosis or treatment of disease, illness, or injury, as required under W&I Code 14059.5(a) and Title 22 CCR Section 51303(a). Medically Necessary services shall include Covered Services necessary to achieve age-appropriate growth and development, and attain, maintain, or regain functional capacity. For Members under 21 years of age, a service is Medically Necessary if it meets the Early and Periodic Screening, Diagnostic and Treatment (EPSDT) standard of medical necessity set forth in Section 1396d(r)(5) of Title 42 of the United States Code, as required by W&I Code 14059.5(b) and W&I Code Section 14132(v). Without limitation, Medically Necessary services for Members under 21 years of age include Covered Services necessary to achieve or maintain age-appropriate growth and development, attain, regain or maintain functional capacity, or improve, support or maintain the Member's current health condition. CalOptima Health shall determine Medical Necessity on a case-by-case basis, taking into account the individual needs of the child.
Member	A Medi-Cal eligible beneficiary as determined by the County of Orange Social Services Agency, the California Department of Health Care Services (DHCS) Medi-Cal Program, or the United States Social Security Administration, who is enrolled in the CalOptima Health program.
Physician Hospital Consortium (PHC)	A Physician Group or Physician Groups contractually aligned with at least one (1) hospital, as described in CalOptima Health's Contract for Health Care Services.

Term	Definition
Practitioner	A licensed independent practitioner including, but not limited to, a Doctor of Medicine (MD), Doctor of Osteopathy (DO), Doctor of Podiatric Medicine (DPM), Doctor of Chiropractic Medicine (DC), Doctor of Dental Surgery (DDS), Doctor of Psychology (PhD or PsyD), Licensed Clinical Social Worker (LCSW), Marriage and Family Therapist (MFT or MFCC), Nurse Practitioner (NP), Nurse Midwife, Physician Assistant (PA), Optometrist (OD), Registered Physical Therapist (RPT), Occupational Therapist (OT), or Speech and Language Therapist, furnishing Covered Services.
Primary Care Provider (PCP)	A person responsible for supervising, coordinating, and providing initial and primary care to patients; for initiating referrals; and for maintaining the continuity of patient care. A PCP may be a Primary care Physician or Non-Physician Medical Practitioner.
Related Entity	Any entity that is related to the Medicare Advantage organization by common ownership or control and: 1. Performs some of the Medicare Advantage organization's management functions under contract or delegation; 2. Furnishes services to Medicare enrollees under an oral or written agreement; or 3. Leases real property or sells materials to the Medicare Advantage organization at a cost of more than two thousand five hundred dollars ($2,500) during a contract period.
Sanction	An action taken by CalOptima Health, including, but not limited to, restrictions, limitations, monetary fines, termination, or a combination thereof, based on an FDR's or its agent's failure to comply with statutory, regulatory, contractual, and/or other requirements related to CalOptima Health programs.
Shared Risk Group (SRG)	A Health Network who accepts delegated clinical and financial responsibility for professional services for assigned Members, as defined by written contract and enters into a risk sharing agreement with CalOptima Health as the responsible partner for facility services.