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ALL PLAN LETTER

DATE: October 14, 2020

TO: All Full-Service Health Care Service Plans¹

FROM: Sarah Ream
Acting General Counsel

SUBJECT: APL 20-037 - Vaccinations; Coverage and Flexibility

Given the ongoing state of emergency due to the COVID-19 pandemic, the Department of Managed Health Care (DMHC) is concerned with the potential effects of the upcoming flu season on California's population and health care system as well as a surge in other vaccine preventable illnesses, particularly in children. For example, the DMHC is aware that some health care providers caring for medically fragile children and elders have the opportunity to administer vaccines, including the flu vaccine, to individuals under their care, but are experiencing delays and difficulty receiving reimbursement from payors. Now more than ever, it is imperative that all Californians receive timely and appropriate vaccinations and that barriers to coverage of and provider reimbursement for the vaccinations are lessened.²

The purpose of this all-plan letter (APL) is to remind health plans of existing requirements and to encourage health plans and their delegated entities to exercise maximum flexibility in covering and reimbursing for vaccines for enrollees.

I. Coverage of Flu Vaccination

Health plans are reminded that flu vaccines are a covered essential health benefit and, pursuant to the Advisory Committee on Immunization Practices (ACIP), a preventive service with no cost-sharing requirement.³

¹ This APL applies to full-service health plans with limited or restricted licenses. It does not apply to health plans with only Medicare Advantage lines of business licensed by the DMHC.

² Guidance from the Centers for Disease Control and Prevention (CDC) recommends people get the flu vaccine before the end of October: [Key Facts About Seasonal Flu Vaccine](#) (last accessed October 5, 2020).

³ See Health and Saf. Code section 1367.002.

II. Delegation of Responsibility

Health plans are reminded that existing law makes the health plan financially responsible for the provision of health care services unless the provision has first been negotiated and agreed to between the health care service plan and the risk-bearing organization.⁴ Unless the risk-bearing organization has accepted financial responsibility for provision of the flu vaccine as required by the Health and Safety Code, the health plan is financially responsible for coverage and for timely, appropriate reimbursement of the health care provider.

Additionally, health plans are reminded the ultimate obligation of the plan to comply with Knox-Keene Act requirements is not waived when the plan delegates any services that it is required to perform to its medical groups, independent practice associations, or other contracting entities.⁵

III. Flexibility Regarding Utilization Management for Flu Vaccination

Health care service plan contracts often include utilization management requirements, such as requirements for prior authorization or requirements to receive health services from an in-network health care provider. Given the extraordinary circumstances of the current public health emergency and the critical importance of timely, widespread administration of flu vaccines, the DMHC encourages and urges health care service plans and their delegated entities to relax utilization management requirements or similar protocols and policies in order to lessen barriers to timely flu vaccination of enrollees. In addition, the DMHC encourages and urges health care service plans to provide timely reimbursement of reasonable provider claims.

IV. Health Plan Communication with Delegated Entities

The DMHC encourages health plans to swiftly communicate with all delegated entities who are contractually responsible for providing or arranging enrollee flu vaccinations. Consistent with this APL, the DMHC encourages health plans to emphasize the importance to enrollee health and the health care system stability of widespread flu vaccination and prompt provider reimbursement. The DMHC also encourages health plans to urge their delegated entities to provide the same flexibility in utilization management for flu vaccination recommended in this APL.

If you have questions regarding this APL, please contact your health plan's assigned reviewer in the DMHC's Office of Plan Licensing.

⁴ Cal Health and Saf. Code section 1375.4-.5.

⁵ Health and Saf. Code section 1367(i).