Schedule D

**FTE Starting Values and FTE Starting Value Adjustments**

Each specialist physician that offers in-person appointments on an outpatient basis, as defined, will be assigned a full-time equivalency (FTE) value based on the county type and the FTE Starting Value and the FTE Starting Value Adjustments set forth in the ratio standard. These adjustments are calculated according to **Table 1** below.

**FTE Starting Values:** FTE Starting Values by county type are set forth in Table 1.

FTE Starting values are assigned based on the typical number of licensed networks a specialist contracts with, by county type, based on previous annual network submissions, as follows:

* + 1. Large Metro counties – 10 networks
    2. Metro counties – 10 networks
    3. Micro counties – 5 networks
    4. Rural counties – 5 networks
    5. CEAC counties – 5 networks

**FTE Starting Value Adjustments:**

1. The FTE Starting Value for a specialist shall be adjusted for the following factors, as set forth in the ratio standard:
   1. Full-Time/Part-Time
   2. Participation in a Single County or Multiple Counties
2. FTE Starting Value Adjustments by Full-Time/Part-Time and Single County/Multiple Counties are set forth in Table 1.

**Table 1: FTE Starting Values and Starting Value Adjustments by County Type**

| **County Type** | **FTE Starting Value** | **Full Time, Single-County**  **Adjustment** | **Part-Time, Single-County**  **Adjustment** | **Full-Time, Multiple-County**  **Adjustment** | **Part-Time, Multiple-County**  **Adjustment** |
| --- | --- | --- | --- | --- | --- |
| Large Metro and Metro | 0.10 | 0.10 | 0.06 | 0.05 | 0.03 |
| Micro, Rural, and CEAC | 0.20 | 0.20 | 0.12 | 0.10 | 0.06 |

**Example 1: Application of FTE Starting Values and FTE Starting Value Adjustments to the Dermatology Ratio Standard in Fresno and Madera Counties**

Table 2 below depictsthe specialist physician ratio standard for Dermatology applied to a fictional network operating in both Madera County and Fresno County.

The ratio standard for Dermatology is at least 1 FTE per 15,000 enrollees.

**Table 2: Example FTE Starting Values and Starting Value Adjustments**

|  | **Madera (Micro)** | | | **Fresno (Metro)** | | |
| --- | --- | --- | --- | --- | --- | --- |
| **Network Provider Classification** | **FTE Value** | **Full-Value Provider Count\*** | **Summed FTEs** | **FTE Value** | **Full-Value Provider Count** | **Summed FTEs** |
| Full-time, Single-County | 0.2 | 1 | 0.2 | 0.1 | 6 | 0.6 |
| Part-time, Single-County | 0.12 | 1 | 0.12 | 0.06 | 6 | 0.36 |
| Full-time, Multi-County | 0.1 | 0 | 0 | 0.05 | 2 | 0.1 |
| Part-time, Multi-County | 0.06 | 0 | 0 | 0.03 | 0 | 0 |
| Total (In Person) |  | 2 | 0.32 |  | 14 | 1.06 |
| Enrollment |  |  | 27,500 |  |  | 150,000 |
| FTE Ratio  (1: \_\_\_\_) |  |  | 27,500÷0.32 = 85,938 |  |  | 150,000÷1.06 = 141,509 |

\*Full-value provider count is defined in the Specialist Physician Ratio Standards and Methodology document. It means a count of each individual provider, where each individual counts as one complete provider, without regard to full-time equivalent value.

**Madera County**

In the Madera County example, the health plan service network (plan) reported two dermatologists in Madera County for the network being evaluated, and the network’s total enrollment in the county is 27,500. To derive the FTE, the FTE starting value for Micro counties is applied to Madera County, using Table 1. Next, the network is evaluated for FTE starting value adjustments. One network provider is full-time, and one network provider is part-time. Both network providers only have practice locations within Madera County. The applicable FTE starting value adjustments from Table 1 are applied to each network provider.

In Madera County the network has a total FTE value for the county of 0.32. With an enrollment of 27,500, the ratio for this county equals one FTE dermatologist per 85,938 enrollees.

**Fresno County**

In the Fresno County example, the plan reported 14 dermatologists in Fresno County for the network evaluated, and the network’s total enrollment in the county is 150,000. To derive the FTE, the FTE starting value for Metro counties is applied to Fresno County, using Table 1. Next, the network is evaluated for FTE starting value adjustments. Eight network providers are full-time and only have practice locations within Fresno County. Four network providers are part-time and only have practice locations within Fresno County. Three network providers are full-time and have practice locations both within Fresno County and within other counties. The applicable FTE starting value adjustments from Table 1 are applied to each network provider.

The network in Fresno has a total FTE value of 1.06 network dermatologists, and an enrollment of 150,000. The ratio is one FTE dermatologist per 141,509 enrollees.

**Outcome of Example 1, Table 1:**

This fictional network has not met compliance under the applicable FTE ratio standard for either Madera County or Fresno County.

See Table 2 above illustrating the FTE value and ratio calculations for each county.

Schedule D-1

**Ratio Modifier for Telehealth-Only Network Providers**

The Department of Managed Health Care (DMHC) may apply a ratio modifier to the denominator of the ratio to account for networks that provide access to telehealth-only providers, as defined in the standard. A telehealth-only network provider coefficient will be calculated for networks reported with telehealth-only providers. The coefficient is a network-level value, meaning that it is calculated at the network level and applied as a constant when calculating the FTEs for each county. This coefficient will be multiplied by the summed FTE values for each network service area county to produce a ratio modifier that is added to the denominator of the ratio. The network telehealth coefficient may not exceed 5%, or 0.05.

The network telehealth coefficient is calculated as the lesser of:

1. **Network Telehealth Coefficient** =

or

1. **Network Telehealth Coefficient** =

The telehealth ratio modifier for the network service-area county is calculated at the network and county level as:

**Telehealth Ratio Modifier** = (The summed FTE starting values and FTE starting value adjustments for network providers of that specialist physician type in the county) \* (Network Telehealth Coefficient)

**Example 2: Application of the Telehealth Ratio Modifier to the Dermatology Ratio Standard in Fresno and Madera Counties**

Table 3below depictsexample calculations for the Telehealth Ratio Modifier, applying the same FTE and ratio figures from the fictional network depicted in Schedule D, Table 2 (Madera and Fresno Counties).

First, the Telehealth Ratio Modifier is applied to the fictional network. In this example, the whole network has one reported telehealth-only dermatologist that is a network provider, and a total of 19 reported dermatologists in the network at practice locations that provide in-person services on an outpatient basis. This leads to a telehealth coefficient of 0.05. The telehealth coefficient is then applied to applicable counties within the network (including Madera and Fresno Counties in this example).

**Table 3 - Example 2: Telehealth Ratio Modifier for Two Network Counties**

|  | **Telehealth Only Providers** | **In-Person Providers** | **Telehealth Coefficient** |
| --- | --- | --- | --- |
| Network Telehealth Coefficient Calculation | 1 | 19 | 1/19 = 0.05 |

| **County Capacity Calculations\*** | **Madera** | **Fresno** |
| --- | --- | --- |
| Summed FTE Values, Derived in Schedule D, Table 2 | 0.32 | 1.06 |
| Telehealth Coefficient | 0.05 | 0.05 |
| Telehealth Modifier | 0.32 \* 0.05 = 0.016 | 1.06 \* 0.05 = 0.053 |
| Enrollment | 27,500 | 150,000 |
| FTE Ratio (1:\_\_\_\_) | 27,500 ÷ (0.32 + 0.016) = 81,845 | 150,000÷  (1.06 + 0.053) = 134,771 |

\*Values are derived from the outcome of Example 1 above. (See Schedule D, Table 2).

**Madera County**

The telehealth coefficient of .05 is multiplied by the network’s total FTE value for Madera County. This produces a telehealth ratio modifier of 0.016. Adding this value to the ratio denominator (0.32 + 0.016) results in a ratio of 1 FTE dermatologist per 81,845 enrollees for the county.

**Fresno County**

The telehealth coefficient of .05 is multiplied by the network’s total FTE value for Fresno County. Fresno county receives a telehealth ratio modifier of 0.053. This is added to the ratio calculation, resulting in a ratio of 1 FTE dermatologist per 134,771 enrollees.

**Outcome from Example 2**

The Telehealth Modifier has reduced the ratios in both Fresno and Madera Counties. However, this fictional network still does not meet compliance under the applicable FTE ratio standard for either Madera or Fresno Counties.

See Table 3 above illustrating the Telehealth Ratio Modifier calculations.

Schedule D-2

**Alternative Methodology**

**FTE Modifier for Exclusive Providers (EP)**

For network providers that are exclusive providers (EP), as defined, within a network service area county, the DMHC may replace the FTE Starting Values listed in Schedule D, Table 1, with an FTE modifier value for EPs, when applicable. The FTE modifier value for EPs shall be further adjusted with the FTE Starting Value Adjustments for full-time/part-time and single county/multiple county designations.

Table 4belowdepicts the calculations for the FTE values assigned to EPs based on the FTE modifier for EPs and the FTE Starting Value Adjustments set forth in the standard.

**Table 4: FTE Values for EPs by Full-time/Part-time, and Single-County/Multiple County Designations**

| **Provider Classification** | **FTE Calculation for EPs** |
| --- | --- |
| Full Time, Single-county | 1 ÷ (*county nets*) |
| Part-time, Single-county | (1 ÷ (*county nets*)) \* 0.6 |
| Full-time, Multiple-county | (1 ÷ (*county nets*)) \* 0.5 |
| Part-time, Multiple-county | (1 ÷ (*county nets*)) \* 0.3 |

“County nets” are the number of networks the plan offers in the county.

**Example 3: Application of the EP Modifier to the Dermatology Ratio Standard**

**Fresno County**

Table 5 below provides an example of the application of the FTE modifier for EPs, using the same fictional network operating in Fresno County that is depicted in Schedule D, Table 2, and in Schedule D-1, Table 3. In the example below, the Plan has two networks that include Fresno County in the network service area (Network 1 and Network 2). Network 1 is the network depicted in Examples 1 and 2 in Schedules D and D-1. Example 3 shown in Table 5 below also pertains to Network 1.

Details concerning the network providers and enrollees in Fresno County for Network 1 are in Schedule D, Table 2 above. Network 1 has 14 reported dermatologists in Fresno County. Two of the six dermatologists that are full-time, single county providers are also EPs. Because the plan has two county networks in Fresno County, the two EPs will have their original FTE values of 0.10 (as described in Schedule D, Table 2) replaced with a value of ½, or 0.5, based on the calculation in Table 4. This increases the total FTEs for the network county from 1.06 to 1.86. When the telehealth ratio modifier is added to the calculation, as set forth in Schedule D-1, Table 3, the ratio for Network 1 in Fresno County drops to one FTE dermatologist per 78,411 enrollees. (Note that the telehealth ratio modifier is not impacted by EP FTE calculations).

**Table 5 - Example 3: Ratio Calculation with Network EPs, Fresno County**

| **Fresno County - Network 1**  **Plan with two Networks in Fresno County** | | | | |
| --- | --- | --- | --- | --- |
| **Network Provider Classification** | **FTE Value\*** | **EP FTE** **Value**: | **Full-Value Provider Count\*\*** | **Summed FTEs** |
| EP: Full-time, Single-County | [replace with EP FTE] | 1 ÷ [# of networks]  = 1 ÷ 2  = 0.5 | 2 | 1 |
| Full-time, Single-County | 0.1 |  | 4 | 0.4 |
| Part-time, Single-County | 0.06 |  | 6 | 0.36 |
| Full-time, Multi-County | 0.05 |  | 2 | 0.1 |
| Part-time, Multi-County | 0.03 |  | 0 | 0 |
| Total for Network 1 Providers |  |  | 14 | 1.86 |
| Telehealth Ratio Modifier, Calculated in Schedule D-1, Table 3 |  |  |  | 0.053 |
| Enrollment |  |  |  | 150,000 |
| FTE Ratio (1: \_\_\_\_\_) |  |  | 150,000 ÷ (1.86 + 0.053) = 78,411 | |

\*Original FTE Values are derived from Schedule D, Table 2, and Schedule D-1, Table 3.

\*\*Full-value provider count is defined in the Specialist Physician Ratio Standards and Methodology for reporting year 2025

**Outcome from Example 3:**

The EP Modifier has further reduced the ratio in Fresno County. However, this fictional network still does not meet compliance under the applicable FTE ratio standard for Fresno County.

Schedule D-3

**Alternative Methodology**

**Provider FTE Modifier for High Enrollment Counties**

**Threshold Value for High Enrollment Counties:**

A Provider FTE Modifier for High Enrollment Counties is applied to networks that enroll more than 1% of a county’s population. County population figures are calculated using population points, posted annually by the DMHC as set forth in Rule 1300.67.2.2(b)(11).

**Enrollment Multiplier for High Enrollment Counties:**

Once the threshold value of 1% is met, the application of a provider FTE modifier is set forth according to enrollment levels, based on the percentage of county population enrolled. Enrollment levels and corresponding multipliers are listed in Table 6.

**The Provider FTE Modifier for High Enrollment Counties:**

Each enrollment level has a corresponding provider FTE modifier listed in Table F. To modify the FTE values in a network’s ratio for the county using the Provider FTE Modifier for High Enrollment Counties, the DMHC will multiply the applicable value listed in Table 6 by the network’s summed in-person FTE values for the county. The multiplier is conditional on the percentage of county population enrolled with the network and the county type, as set forth in the table below.

The total enrollment-adjusted FTE value may not exceed 80% of the full-value count of in-person network providers of the specialty type, reported for the county.

**Table 6: High-Enrollment FTE Coefficients**

| **Threshold Value Enrollment Level** | **High Enrollment FTE Multiplier for CEAC, Rural and Micro Counties** | **High Enrollment Multiplier Large Metro and Metro Counties** |
| --- | --- | --- |
| **Level 1:** The percent (%) of county population enrolled is below 1% | No multiplier | No Multiplier |
| **Level 2:** The percent (%) of county population enrolled is from 1% to <2.5% | 1.5 | 2 |
| **Level 3:** The percent (%) of county population enrolled is from 2.5% to < 7.5% | 3 | 4 |
| **Level 4**: The percent (%) of county population enrolled is 7.5% to < 17.5% | 4 | 5.5 |
| **Level 5**: The percent (%) of county population enrolled is > 17.5% | 5 | 7 |

**Example 4: Application of the High Enrollment Modifier to the Dermatology Ratio Standard (Fresno and Madera Counties)**

Table 7 provides an example of the Provider FTE Modifier for High Enrollment Counties applied to the fictional network in Madera and Fresno County, which is also depicted in the example tables within Schedules D, D-1 and D-2.

**Table 7 - Example 4: Ratio Calculation with High Enrollment Network,**

**Fresno and Madera Counties\***

|  |  |  |
| --- | --- | --- |
|  | **Fresno** | **Madera** |
| County Enrollment | 150,000 | 27,500 |
| County Population | 1,079,115 | 170,244 |
| % County Enrolled | 13.9% | 16.2% |
| High-Enrollment Coefficient, from Table 6 | 5.5 | 4 |
| Total FTEs with EPs, Calculated in Schedule D-2, Table 5 | 1.86 | 0.32 |
| Enrollment-Adjusted Total FTEs | 5.5 \* 1.86 = 10.23 | 4 \* 0.32 = 1.28 |
| Confirm under 80 % Cap (Per Schedule D, Table 2, the county has 14 full-value providers in Fresno, and 2 full-value providers in Madera) | 14\* 0.8 = 11.2 10.23 <11.2 | 2\* 0.8 = 1.6 1.28 <1.6 |
| Telehealth Ratio Modifier, Calculated in Schedule D-1, Table 3 | 0.053 | 0.016 |
| FTE Ratio (1: \_\_\_\_\_) | 150,000 ÷ (10.23 + 0.053) = 14,587 | 27,500 ÷ (1.28 + 0.016) = 21,219 |

\*Values in this example are derived from Schedule D, Table 2, Schedule D-1, Table 3 and Schedule D-2, Table 5.

**Fresno County**

Fresno has a total county population of 1,079,115, based on published population points. The plan’s enrollment for the network in Fresno County is 150,000. The network enrolls 13.9 % of the county population. The network is in Level 4 for the county and will receive a high-enrollment multiplier of 5.5 for Large and Metro counties, according to Table 6 above. The multiplier of 5.5 is multiplied by the total county FTE value of 1.86. This FTE is derived in Schedule D, Table 2, and includes the EP FTE adjustment derived in Schedule D-2, Table 5. With the high-enrollment multiplier, the network county receives a total in-person FTE value of 10.23, which is added to the telehealth ratio modifier of 0.053, producing a ratio of one FTE dermatologist per 14,587 enrollees. (Note the telehealth ratio modifier is not impacted by the high-enrollment adjustment).

**Madera County**

Madera has a total county population of 170,224, based on published population points. The plan’s enrollment for the network in Madera County is 27,500. The network enrolls 16.2% of the county population. The network is in Level 4 and will receive a high-enrollment multiplier of 4 for Micro, Rural and CEAC counties, increasing its FTE from 0.32 to 1.28. This value does not exceed the 80% FTE cap for high enrollment counties, so it is applied to the ratio calculation. With the addition of the telehealth ratio modifier of 0.016, the ratio for this county becomes 1 FTE dermatologist per 21,219.

**Outcome from Example 4:**

The High Enrollment Modifier has further reduced the ratio in Fresno County. This fictional network county meets compliance under the applicable FTE ratio standard for Fresno County.

The High Enrollment Modifier has further reduced the ratio in Madera County. However, this fictional network county does not meet compliance under the applicable ratio standard for Madera County.

Schedule D-4

**Alternative Methodology**

**Combined County Ratio** **Modifier**

The DMHC shall follow the steps below to calculate the FTE specialist physician ratios within a combined county grouping, subject to the rules identified within section I.E. of the Specialist Physician Ratio Standards and Methodology document:

1. Identify all deficient CEAC and Rural counties within the network service area. A county is deficient if it does not meet the ratio standard applicable to the specialty type after accounting for the FTE calculations in Schedule D and Alternative Methodologies described in Schedules D-1, D-2, and D-3. For reporting year (RY) 2025, designated CEAC and Rural counties include:
   1. CEAC counties: *Alpine, Del Norte, Inyo, Lassen, Modoc, Mono, Siskiyou, and Trinity*.
   2. Rural counties: *Calaveras, Colusa, Glenn, and Mariposa*.
2. Identify all deficient Large Metro, Metro, and Micro counties within the network service area. For reporting year (RY) 2025, designated Large Metro, Metro, and Micro counties include:
   1. Large Metro counties: *Alameda, Contra Costa, Los Angeles, Orange, Sacramento, San Francisco, San Mateo, and Santa Clara.*
   2. Metro counties: *Butte, El Dorado, Fresno, Kern, Kings, Marin, Merced, Monterey, Napa, Nevada, Placer, Riverside, San Bernardino, San Diego, San Joaquin, San Luis Obispo, Santa Barbara, Santa Cruz, Solano, Sonoma, Stanislaus, Sutter, Tulare, Ventura, Yolo, and Yuba.*
   3. Micro counties: *Amador, Humboldt, Imperial, Lake, Madera, Mendocino, San Benito, Shasta, Tehama, and Tuolumne.*
3. Confirm that the deficient Large Metro, Metro and/or Micro counties meet the minimum threshold requirement for a combined county grouping for the specialty type. The threshold requirement for each specialty type is set forth in the document, entitled **“RY 2025 Combined County Modifier - Thresholds for Eligibility”** attached to the Specialist Physician Ratio Standard and Methodology document. See Schedule D-5 for details concerning how this threshold requirement is implemented.
4. For all deficient CEAC and Rural counties, and all Large Metro, Metro and Micro counties that meet the threshold for a combined county grouping, identify adjacent sufficient counties within the network service area or adjacent to the network service area.
   1. A county is sufficient if it meets the applicable FTE ratio standard after accounting for the FTE calculations and Alternative Methodologies described in Schedules D, D-1, D-2, and D-3.
   2. Adjacent counties include counties bordering the deficient county, whether inside or outside of the network service area. When an adjacent county outside of the network service area is combined, both the county and any reported enrollment are included in the ratio calculation. Adjacent counties in other states that contain network providers may be used in this analysis. Additionally, the DMHC has identified certain counties as exceptions to the county adjacency rule. These counties will be treated as an adjacent county to the deficient county being evaluated for the Combined County Alternative, due to the travel distance from the county’s metro center to the deficient county.
   3. For a list of adjacent counties, and non-adjacent county exceptions, refer to the document entitled **“Adjacent Counties and Exceptions for RY 2025 Standards and Methodology”** attached to the Reporting Year 2025 Specialist Ratio Standards and Methodology document.
5. Define a potential county grouping: A county grouping consists of two or more adjacent counties that meet the parameters of either a single deficient county grouping, or a single sufficient county grouping, as described in section I.E. of the Specialist Physician Ratio Standards and Methodology Document.
6. Once a county is included in a county grouping, exclude the county from consideration in any other county groupings for the network. The DMHC will not evaluate a combined county separately under the ratio standard.
7. Calculate a single specialist ratio across the combined county grouping. This combined specialist physician ratio is the sum of enrollment across all included counties divided by the sum of adjusted FTE values across all included counties within the grouping and telehealth modifiers for all network service area counties within the grouping. The combined specialist physician ratio is calculated after any other applicable alternative standards or ratio modifiers are applied to each county.

**Example 5: Deficient County Anchor Grouping for Madera County**

Table 8 below provides an example of the Combined County Modifier applied to a fictional network in Madera County, which is also depicted in the example Tables within Schedules D, D-1, and D-3.

This fictional network has two network service area counties: Fresno and Madera. There is one non-network service area county depicted in the example: Merced. In this example, the Plan reported five (5) dermatologist network providers in Merced County (three full-time, single-county network providers and two full-time, multi-county network providers).

**Table 8: Example 5: Combined County Calculation for a Deficient County Anchor Grouping (with Madera as the Deficient County)\***

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Madera:**  **Deficient Anchor County** | **Merced:**  **Non-Network Service Area County** | **Fresno:**  **Sufficient County** |
| Enrollment | 27,500 | 0 | 150,000 |
| Full-Value Provider Count: Dermatologists | 2 | 5 | 14 |
| Total FTEs (Schedule D, Table 2) | 0.32 | 0.4 | 1.06 |
| Telehealth Ratio Modifier, (Schedule D-1 Table 3) | 0.016 | NA | 0.053 |
| Total FTEs with EP adjustment, Calculated in Schedule D-2, Table 5 | No EPs | NA | 1.86 |
| High-Enrollment Multiplier | 4 | NA | 4 |
| High-Enrollment Adjusted FTEs, (Schedule D-3, Table 7) | 1.28 | NA | 10.23 |
| Total County FTE | (1.28 +.016) =1.296 | 0.4 | (10.23 +.053) = 10.283 |
| Single-county FTE Ratio (1: \_\_\_\_) | 27,500 ÷ 1.296  =21,219 | NA | 150,000 ÷ 10.283= 14,587 |
| Required Ratio for Compliance  (1:\_\_\_\_\_) | 15,000 | NA | 15,000 |
| Combined FTE Ratio  (1: \_\_\_\_) | (27,500 + 0 + 150,000) ÷ (1.296 +0.4 + 10.283) = 14,818 | | |

\*Values in this example are derived from Schedule D, Table 2, Schedule D-1, Table 3, Schedule D-2, Table 5, and Schedule D-3, Table 7.

**Madera County- Deficient County**

In Table 8Madera County is a single deficient Micro County that is eligible for combining with one or more adjacent sufficient counties. In this example, the minimum threshold for dermatologists for Madera County is two dermatologists, based on the document entitled **“RY 2025 Combined County Modifier – Thresholds for Eligibility*.*”** Please see Schedule D-5 for further information on how the minimum threshold is applied. Here the fictional network meets the minimum threshold for the combined county alternative because the network contracts with two dermatologists in Madera County. The plan’s network providers in this county alone are insufficient to meet the ratio standard in Madera County, following the application of all applicable alternative methodologies except the Combined County Alterative.

Madera has four adjacent counties, as set forth in the document: “**Adjacent Counties and Exceptions for RY 2025 Standards and Methodology**” attachedtothe Specialist Physician Ratio Standards and Methodology for reporting year 2025.The adjacent counties are Fresno, Mariposa, Merced, and Mono Counties. Fresno and Merced counties are selected for combining with Madera County because this county grouping provides the plan with the best possible scenario to meet the ratio standard in the most counties within the network service area.

Below is an excerpt from the document “Adjacent Counties and Exceptions for RY 2025 Standards and Methodology”for Madera County:

| **Network Service-Area County** | **Adjacent County** | **Adjacent County** | **Adjacent County** | **Adjacent County** | **Adjacent County** |
| --- | --- | --- | --- | --- | --- |
| Madera | Fresno | Mariposa | Merced | Mono | Tuolumne |

**Fresno and Merced Counties – Sufficient Counties**

Table 8 above depicts a combined county ratio with one deficient anchor and two sufficient adjacent counties. In this example, neither Merced County nor Fresno County have sufficient excess capacity for Madera County on their own, so both sufficient counties are combined with Madera County. Madera County’s deficient ratio is one FTE dermatologist per 21,219 enrollees. Fresno County’s sufficient ratio is one FTE dermatologist per 14,587 enrollees. (See the Examples in Schedule D, D-1, D-2, and D-3 for how the Fresno and Madera County ratios were derived).

Merced County is not a network service area county and therefore does not have a calculated FTE ratio. The network has 0.4 dermatologist FTEs that can be applied to the combined county ratio. This FTE value for Merced is derived from the Metro County FTE starting values set forth in Schedule D, Table 1 for the 5 dermatologist network providers reported in the county: Three full-time, single-county providers (3 \* 0.1) and two full-time, multi-county providers (2 \* 0.6).

**Outcome of Example 5: Combined County Ratio**

The combined enrollment for Madera, Fresno and Merced counties is 177,500. The combined FTE value for these counties is 11.91, with a combined telehealth ratio modifier value of 0.069, derived from the summed telehealth ratio modifiers for the two counties inside the network service area: Madera and Fresno Counties. This brings the combined FTE value to 11.979.

When combining the FTE values, all applicable FTE alternative ratio adjustments are applied to the network service area counties. In this example, Fresno County has an adjustment for EPs, and both Madera and Fresno Counties have adjustments for high enrollment. The ratio calculation is: 177,500/11.979 = 14,818. This ratio is derived by summing the total FTE from all three of the counties resulting in a combined ratio. Using this summed ratio, the two network service area counties meet the FTE ratio standard, with a ratio of 1 FTE dermatologist per 14,818 enrollees.

The Plan’s two network service area counties, Fresno County and Madera County, now both meet the ratio standard of 1 FTE dermatologists per 15,000 enrollees.

Schedule D-5

**Alternative Methodology**

**Minimum Threshold Requirement for a Combined County Ratio**

**Large Metro, Metro and Micro Counties - Specialist Physicians**

As set forth in the Specialist Physician Ratio Standards and Methodology for reporting year 2025, for a deficient Large Metro, Metro, or Micro County to be eligible for a combined county ratio, the network must have a minimum number of network providers of the specialist physician type within the county.

The minimum threshold requirement is set forth in the document entitled **“RY 2025 Combined County Modifier - Thresholds for Eligibility,”**which is attached to the Specialist Physician Ratio Standards and Methodology for reporting year 2025. This document depicts the minimum number of physicians of each specialty type that must be reported as network providers in the county before the network will be eligible to apply the Combined County Ratio Modifier to a deficient Large Metro, Metro, or Micro county. The minimum thresholds in this document have been derived to reflect available specialist physician providers in California counties, based on applicable Medical Board data and previous network data reported to the DMHC. The following additional factors apply:

1. Where a county and specialist physician type states: “Eligible” instead of a minimum threshold, the DMHC will apply the Combined County Ratio Modifier as described for CEAC and Rural Counties in Schedule D-4.
2. Where the network service area includes a partial Large Metro, Metro, or Micro County, the network is not required to meet the minimum threshold if the partial county network service area accounts for fewer than 20% of the ZIP Codes contained within the county or fewer than 20% of the population count for the county, as set forth in section I.E. of the Specialist Physician Ratio Standards and Methodology for reporting year 2025. In such cases, the Large Metro, Metro, or Micro County would follow the county grouping methodology described for CEAC and Rural Counties described in Schedule D-4.

Schedule D-6

**Methodology for Calculating Network Ratio**

The network ratio will be evaluated using total network enrollment and the total FTEs and telehealth ratio modifiers across all counties with in-person providers. The alternative methodology adjustments to FTEs for EPs and high enrollment counties will be applied to network service area counties. If an alternative methodology is applied to a network provider that modifies the provider’s original FTE starting value with adjustments, the application of the alternative methodology shall not generate an FTE value for the provider that exceeds 0.8. The telehealth ratio modifier will be applied to networks with telehealth-only providers.

The DMHC will calculate FTE values for in-person network providers *outside* of the network service area according to the FTE Starting Values and FTE Starting Value Adjustments listed in section I.C. of the Specialist Physicians Ratio Standards and Methodology document, and as further detailed in Schedule D, Table 1. In-person network providers outside of the network service area are not subject to alternative methodology adjustments for telehealth-only providers, EPs, or high enrollment counties.

**Example 6: Application of Network Ratio Standard to Fictional Network**

Table 9 below depicts a network FTE ratio calculation using the fictional network and counties depicted in the Example tables within Schedules D, D-1, D-2, D-3, and D-4 for Fresno and Madera Counties. In this example there are two counties within the network service area, Fresno and Madera County, and two counties outside of the network service area, Merced and Kern County.

The network has two dermatologists that are network providers in Kern County; one that is a full-time, single-county network provider and another that is a part-time, single county network provider. This adds a summed FTE value of 0.16 to the denominator of the network ratio calculation. There are also 100 enrollees reported in Kern County.

The FTE values and telehealth ratio modifiers for the network service area counties are calculated in the same manner as those used for the combined county example in Schedule D-4, Table 8. Madera County does not receive an alternative modifier for EPs. Both Madera County and Fresno County receive a high enrollment modifier and a telehealth ratio modifier. Fresno County also receives an adjustment for two EPs. The two non-network service area counties do not receive adjustments or modifiers.

**Outcome of Example 6:**

Summing all enrollment, including enrollment in Kern County, along with the FTEs from all the counties, the network ratio is 1 FTE dermatologist per 14,631 enrollees. This meets the FTE ratio standard for dermatology.

**Table 9 - Example 6: Application of Network Ratio Standard**

|  | **Madera**  **County** | **Merced**  **County**  **(Non-Network Service Area County)** | **Fresno**  **County** | **Kern**  **County**  **(Non-Network Service Area County)** |
| --- | --- | --- | --- | --- |
| Enrollment | 27,500 | 0 | 150,000 | 100 |
| Number of network providers (Full Value) | 2 | 5 | 14 | 2 |
| Total FTEs, Calculated (Schedule D) | 0.32 | 0.4 | 1.06 | 0.16 |
| Telehealth Ratio Modifier, Calculated in Schedule D-1, Table 3 | 0.016 | NA | 0.053 | NA |
| Total FTEs with EP adjustment, Calculated in Schedule D-2, Table 5 | No EPs | NA | 1.86 | NA |
| High-Enrollment Multiplier | 4 | NA | 4 | NA |
| High-Enrollment Adjusted FTEs, Calculated in Schedule D-3, Table 7 | 1.28 | NA | 10.23 | NA |
| Total County FTE | (1.28 +.016) =1.296 | 0.4 | (10.23 +.053) = 10.283 | 0.16 |
| Network FTE Ratio (1: \_\_\_\_) | (27,500 + 150,000 + 100) ÷ (1.296 + 0.4 + 10.283 + 0.16) = 14,631 | | | |

Values in this example are derived from Schedule D, Table 2, Schedule D-1, Table 3, Schedule D-2, Table 5, and Schedule D-3, Table 7.