



Policy and Procedure No: MS 27.5		Revision No: 5
Division: Care Management		
Department: Member Services		
Title: PHC-CA Health Plan Disenrollment Process		
Effective Date: 3/1/2008		
Supersedes Policy No: 91004, MS 8, MS 27.0, MS 27.1, MS 27.2, MS 27.3, MS 27.4		
Reviewed/Revised by: Sandy Johansson		Review/Revision Date: 12/5/2025
Approving Committee: Member Provider Committee		Date: 12/15/2025
Executive Oversight Committee Date: 12/16/2025		

Purpose:

To describe the criteria and process for Health Plan-initiated disenrollment and the steps the Health Plan takes to process Health Plan-initiated and enrollee-requested (voluntary) disenrollment.

Policy:

1. The Health Plan disenrolls enrollees who request to voluntarily disenroll.
2. The Health Plan implements and maintains procedures to ensure that all enrollees requesting disenrollment are provided an explanation of their right to disenroll at any time, with the requirement that they enroll in a competing Medi-Cal managed care plan in the county, subject to the requirements in 22 CCR section 53891(c) and any restricted disenrollment period.
3. The Health Plan shall immediately refer enrollees requesting disenrollment to the DHCS enrollment contractor so the enrollee may be enrolled in another Medi-Cal managed care plan or disenrolled because they require a carved-out service.
4. Pursuant to DHCS APL 24-002, American Indian Medi-Cal beneficiaries residing in Los Angeles County (which is not a County Organized Health System [COHS] nor a Single Plan Model county) are not required to enroll in a managed care plan. The Health Plan permits American Indian Medi-Cal beneficiaries who voluntarily enroll in the plan to disenroll from the plan without cause, even if their aid code is subject to mandatory managed care enrollment.
5. In the event of a merger or reorganization affecting the Health Plan, the Health Plan gives enrollees the option to disenroll for any cause and request enrollment in another Medi-Cal managed care plan within 60 calendar days. The Health Plan does not disenroll the Member to Fee for Service (W&I Code 14303.1,2).
6. The Health Plan provides expedited voluntary disenrollment to enrollees under the following circumstances:
 - a. Enrollees with special health care needs including, but not limited to, major organ transplants
 - b. Enrollees who have family members already enrolled in another Medi-Cal, Medicare, or commercial managed care plan.
7. The Health Plan submits voluntary disenrollment requests to the California Department of Health Care Services (DHCS) within five (5) days of receipt of completed disenrollment request forms from enrollees.

8. Disenrollments are effective on the first day of the next month after the Department of Health Care Services (DHCS) receives all documentation it determines are necessary to process the disenrollment, provided disenrollment was requested at least thirty (30) calendar days prior to that date.
 - a. Except as provided in above, enrollment terminates no later than midnight on the last day of the first calendar month after DHCS receives the enrollee's disenrollment request and all required supporting documentation for enrollment in a competing plan. On the first day after enrollment ceases, the Health Plan is relieved of all obligations to provide covered services to the enrollee. The Health Plan returns to DHCS any capitation payment forwarded to the Health Plan for enrollees no longer enrolled with the Health Plan.
9. The Health Plan disenrolls (Health Plan-initiated disenrollment) enrollees for the following reasons:
 - a. Enrollee loses Medi-Cal eligibility
 - b. Enrollee gains Medi-Cal share of cost
 - c. Enrollee moves outside of the Health Plan's service area (Los Angeles County)
 - d. Enrollee requires services not contractually provided by the Health Plan
10. The Health Plan confirms disenrollment and effective date of disenrollment in writing to the enrollee within seven (7) days from the day disenrollment is approved by the California Department of Health Care Services (DHCS).
11. The Health Plan may request that DHCS approve disenrollment of an enrollee for the following reasons:
 - a. Enrollee refuses to cooperate with his or her primary care provider (PCP);
 - b. Enrollee repeatedly obtains non-emergency medical services from providers outside the Health Plan's provider network;
 - c. Enrollee acts in an abusive or violent manner in the presence of Health Plan providers, ancillary, or administrative staff;
 - d. Enrollee allows someone else to use his or her Health Plan member identification/pharmacy card or Medi-Cal beneficiary identification card to obtain health care services or medications;
 - e. Enrollee has been prosecuted and convicted of Medi-Cal fraud involving the inappropriate use of Medi-Cal coverage under PHC California.
12. In the case of Health Plan-initiated disenrollment described in number 7 in the Policy section of this Policy and Procedure, the Health Plan sends a disenrollment notification letter to the enrollee after receipt of DHCS disenrollment approval to include:
 - a. Reason(s) for disenrollment;

- b. Names of three (3) Medi-Cal providers who the enrollee may contact for services after disenrollment;
 - c. Proposed date of disenrollment from the Health Plan.
13. Should an enrollee dispute Health Plan-initiated disenrollment described in number 7 in the Policy section of this Policy and Procedure within twenty (20) days of the notice to disenroll, and DHCS determines the enrollee has a valid protest, the Health Plan will either request a hearing on the case from DHCS or reinstate the enrollee into the Health Plan.
14. The Health Plan publishes its enrollment and disenrollment policies and procedures in its Membership Guide (Evidence of Coverage and Disclosure Form).

Procedure:

- 1. The Director of Member Services or his or her designee is responsible for processing voluntary disenrollment requests from enrollees. He or she will submit a disenrollment request to DHCS only when he or she receives a completed disenrollment request form. He or she may accept verbal disenrollment requests over the telephone and transcribe enrollee information on the disenrollment request form, however, he or she must obtain enrollee signature on the form prior to submission to DHCS.
- 2. The Director of Member Services or his or her designee is responsible for generating and mailing enrollee disenrollment letters as described in the Policy section of this Policy and Procedure.
- 3. The Director of Member Services or his or her designee is responsible for contacting the enrollee after disenrollment confirmation to administer the telephonic disenrollment survey. Should he or she not be able to reach the enrollee over the phone, he or she will mail a disenrollment survey and self-addressed, postage-paid envelope to the enrollee. The Director of Member Services is responsible to analyze and consolidate disenrollment survey data into a monthly report and submit it to Health Plan Administrator.
- 4. The Health Plan Administrator is responsible for requesting DHCS approval of Health Plan-initiated disenrollment as described in number 9 in the Policy section of this Policy and Procedure. He or she is responsible for generating and mailing DHCS and enrollee correspondence related to Health Plan-initiated disenrollment.
- 5. The Director of Member Services or his or her designee is responsible for entering enrollee disenrollment details into the Health Plan's member management system.
- 6. The Director of Member Services in collaboration with the Health Plan Administrator is responsible for training Member Services agents to answer disenrollment inquiries from enrollees, accept disenrollment requests and mail out the disenrollment form.
- 7. The Health Plan Administrator is responsible for including language describing the Health Plan's enrollment and disenrollment policies and procedures in its Membership Guide (Evidence of Coverage and Disclosure Form).

Definitions:



1. Department of Health Care Services (DHCS) or Department: means the single State department responsible for the administration of the Medi-Cal Program, California Children’s Services (CCS), Genetically Handicapped Persons Program (GHPP), and other health-related programs, as provided by statute and/or regulation.
2. Enrollment: means the process by which a Potential Member becomes a Member of Health Plan.
3. Involuntary disenrollment: Disenrollment initiated by Positive Healthcare either because an enrollee is not eligible to remain enrolled in Positive Healthcare or the enrollee has behaved in an adverse, inappropriate, violent or fraudulent manner to Positive Healthcare and its providers and staff.
4. Member Handbook or Evidence of Coverage (EOC): means the document that describes the health care benefits and Covered Services that are available to a Member.
5. Potential Member or Potential Enrollee: means a Medi-Cal beneficiary who resides in Health Plan’s Service Area and is subject to mandatory Enrollment, or who may voluntarily elect to enroll, but is not yet enrolled, in a Medi-Cal managed care health plan and is in one of the aid codes found within Exhibit L, Article 1.0.
6. Voluntary disenrollment: Disenrollment at the request of the enrollee.

Monitoring:

This policy is updated, as necessary, reviewed and approved at least annually by the Member Provider Committee.

References:

1. DHCS OR Contract #22-20597, Exhibit A Attachment III Section 5.1.3 I.4 (n)
2. 22 CCR section 53891 (c)
3. 22 CCR 53889
4. W&I Code 14303.1,2
5. [DHCS APL 24-002, Medi-Cal Managed Care Plan Responsibilities for Indian Health Care Providers and American Indian Member \(Supersedes APL 09-009\), published February 8, 2024.](#)

Regulatory Agency Approvals:

Date	Version	Agency	Purpose	Response
9/20/2023	MS 27.2	Dept. of Health Care Services (DHCS)	2024 Operational Readiness (O/R) R.0167	Approved
10/17/2023	MS 27.2	DHCS	2024 O/R R.0103	AIR1
11/6/2023	MS 27.3	DHCS	2024 O/R R.0103 AIR1	Approved
7/5/2024	MS 27.4	DHCS	APL 24-002	Approved

