



<b>Policy and Procedure No: PR 25.1</b>		<b>Revision No: 1</b>
<b>Division: Care Management</b>		
<b>Department: Provider Relations</b>		
<b>Title: PHC-CA MOUs with Local Government Agencies, County Programs, and Third Parties</b>		
<b>Effective Date: 1/1/2024</b>		
<b>Supersedes Policy No: 15.0</b>		
<b>Reviewed/Revised by: Sandy Johansson</b>		<b>Review/Revision Date: 2/11/2025</b>
<b>Approving Committee: Member Provider Committee</b>		<b>Date: 12/15/2025</b>
<b>Executive Oversight Committee Date: 12/16/2025</b>		

**Purpose:**

To describe the obligations of PHC California (the Health Plan) to secure and maintain memorandums of understanding (MOUs) with local government agencies (LGAs), county programs, and third parties as required by contract with the Department of Health Care Services (DHCS) and DHCS All Plan Letter (APL) 23-029, for the purpose of coordinating and facilitating the provision of medically necessary services to enrollees, sharing data, and as applicable, avoiding the duplication of services where enrollees are served by multiple parties.

**Policy:**

1. The Health Plan coordinates with LGAs, county programs, and third-party entities to ensure that enrollees receive all medically necessary services even if those services are not the financial responsibility of the Health Plan. In circumstances where the Health Plan is coordinating care and not financially responsible for the care, the Health Plan negotiates in good faith and seeks to execute an MOU, incorporating all required provisions of its DHCS contract, DHCS APL 23-029, and MOU templates and guidance. The Health Plan submits all executed MOUs to DHCS.
2. The Health Plan uses the MOU templates provided by DHCS. The Health Plan and the LGAs, county programs, and third-party entities may incorporate requirements in addition to any requirements set forth in the Health Plan’s contract with DHCS or the DHCS issued templates so long as such requirements do not conflict with any required provision.
3. The Health Plan will seek to execute MOUs with each local health department (LHD) in Los Angeles County for the following programs and services, at a minimum:
  - a. Maternal health;
  - b. Tuberculosis (TB) direct observed therapy (DOT);
  - c. Community health worker services, as appropriate; and
  - d. All other medically necessary services that are the responsibility of LHDs, not otherwise specified.
4. The Health Plan will seek to execute MOUs with Los Angeles County LGAs, such as the Los Angeles County Department of Mental Health (LACDMH) and Los Angeles County Department of Public Social Services (LACDPSS), to assist with coordinating the following programs and services, at a minimum:

- a. Specialty mental health services (SMHS);
  - b. Alcohol and substance use disorder (SUD) treatment services, including the Drug Medi-Cal Organized Delivery System (DMC-ODS);
  - c. Targeted Case Management (TCM); and
  - d. In-Home Supportive Services (IHSS).
5. The Health Plan will seek to execute MOUs to coordinate services provided by Regional Centers (RCs) for persons with developmental disabilities in accordance with DHCS APL 18-009 and APL 23-029, including DHCS issued templates.
  6. By January 1, 2026, the Health Plan will seek to execute an MOU with the Los Angeles County Department of Public Health for the purpose of coordinating transitions of care for enrollees leaving incarceration in Los Angeles County Jails.
  - 7.
  8. The appropriate level of leadership for all parties to the MOU must be present at all engagements when defining the terms of the MOU.
  9. The Health Plan is committed to resolving conflicts that arise between MOU parties within a reasonable timeframe.
  10. For each MOU entered into by the Health Plan, the Health Plan must hold regular meetings with MOU parties, at least quarterly, to address policy and practical concerns that may arise between MOU parties.
    - a. For each regular meeting, appropriate representatives from both the parties to the MOU, who are knowledgeable of the topics to be discussed, must (a) be present and (b) include at least one individual that directly interacts with the member population being served.
    - b. At each regular meeting, there will be an opportunity to discuss and address care coordination and MOU-related issues directly with county executives, when applicable.
    - c. The Health Plan reports to DHCS updates from each regularly held MOU meeting in the manner and frequency specified by DHCS.
  11. The Health Plan requires subcontractors, downstream subcontractors (if any), and network providers to comply with any applicable provisions for all MOUs entered into by the Health Plan. The Health Plan provides training and orientation on provisions applicable to subcontractors, downstream subcontractors (if any), and network providers in any MOUs entered into by the plan, on an annual basis, at a minimum.
  12. If DHCS requests a review of any existing MOU, the Health Plan submits the requested MOU within ten working days of receipt of DHCS' request.
  13. To the extent the Health Plan does not execute an MOU required by its contract with DHCS by the effective date of the contract, the Health Plan will submit quarterly reports to DHCS

documenting the Health Plan's continuing good faith efforts to execute the MOU, until such time as the MOU is executed. Documentation must include a justification for why the MOU has not been executed.

14. The Health Plan reviews its MOUs annually for any needed modifications or renewal of responsibilities and obligations outlined within. The Health Plan will submit evidence of this review as well as copies of any MOUs modified or renewed as a result.

**Procedure:**

1. The National Director of Contracting and Provider Relations or designee negotiates MOUs with local government agencies, county programs and third parties and ensures that the appropriate level of leadership for all parties to the MOUs are present at all engagements when defining the terms of the MOU.
2. The National Director of Contracting and Provider Relations or designee compiles documentation of the Health Plan's good faith efforts to execute MOUs, including justification for why an MOU has not been executed. The Compliance Officer or designee submits quarterly reports of this documentation to DHCS.
3. The Compliance Officer, Plan Administrator or designee(s) submits copies of executed MOUs to DHCS.
4. The Plan Administrator or designee serves as the MCP-MHP Liaison, the designated point of contact responsible for the oversight and supervision of the terms of all MOUs entered into by the plan.
  - a. The Plan Administrator or designee reports on the Health Plan's compliance with MOUs to the plan's Compliance Officer at least quarterly.
  - b. The Compliance Officer or designee notifies DHCS within five working days of any change in the designated MOU point of contact.
5. The National Director of Care Management oversees operational coordination with other parties to the MOUs. The National Director of Care Management or designee serves as point of contact with parties to the MOUs for the purposes of care coordination, case management, transitions of care, referrals and exchange of clinical information.
6. The Plan Administrator or designee schedules regular meetings with MOU parties, at least quarterly, to address policy and practical concerns that may arise between MOU parties, keeps records from each meeting, and supplies meeting updates as required to DHCS.
7. The Plan Administrator or designee oversees the annual review of each MOU, seeking input from (at minimum), the National Director of Care Management, the Medical Director, the Compliance Officer, the National Director of Contracting and Provider Relations, and the designees of the MOU's other party. If the review results in the need for modification to an MOU, the National Director of Contracting and Provider Relations negotiates the modifications with the other party. The Compliance Officer or designee submits evidence of the review and copies of modified or renewed



MOUs to DHCS.

**Monitoring:**

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

**Regulatory Agency Approval(s):**

<b>Date</b>	<b>Version</b>	<b>Regulatory Agency</b>	<b>Purpose</b>	<b>Response</b>
1/26/2024	25.0	Department of Health Care Services (DHCS)	Operational Readiness (O/R) R.0277	Approved
	25.1	DHCS	APL 23-029 (Revised)	