

PARTNERSHIP HEALTHPLAN OF CALIFORNIA

POLICY / PROCEDURE

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| Policy/Procedure Number: MCCP2036 | | | Lead Department: Health Services Business Unit: Care Coordination | |
| Policy/Procedure Title: Memorandum of Understanding (MOU) Requirements For Medi-Cal Managed Care Plans and Third-Party Entities | | | <input checked="" type="checkbox"/> External Policy <input type="checkbox"/> Internal Policy | |
| Original Date: 08/13/2025 Effective Date: 01/01/2024 | | Next Review Date: 08/13/2026 Last Review Date: 08/13/2025 | | |
| Applies to: | <input type="checkbox"/> Employees | <input checked="" type="checkbox"/> Medi-Cal | <input type="checkbox"/> Partnership Advantage | |
| Reviewing Entities: | <input checked="" type="checkbox"/> IQI | <input type="checkbox"/> P & T | <input checked="" type="checkbox"/> QUAC | |
| | <input type="checkbox"/> OPERATIONS | <input type="checkbox"/> EXECUTIVE | <input type="checkbox"/> COMPLIANCE | <input type="checkbox"/> DEPARTMENT |
| Approving Entities: | <input type="checkbox"/> BOARD | | <input type="checkbox"/> COMPLIANCE | <input type="checkbox"/> FINANCE |
| | <input type="checkbox"/> CEO | <input type="checkbox"/> COO | <input type="checkbox"/> CREDENTIALS | <input checked="" type="checkbox"/> PAC |
| Approval Signature: Robert Moore, MD MPH MBA | | | Approval Date: 08/13/2025 | |

I. RELATED POLICIES:

- A. MCCP2035 – Local Health Department (LHD) Coordination
- B. MPBP8005 – Dispute Resolution Between Partnership and BHPs in Delivery of Mental Health Services
- C. ADM41 - PHC's Community Emergency Response Plan
- D. MPBP8003 - Mental Health Services
- E. MPUP3047 - Tuberculosis Related Treatment
- F. MCCP2024 - Whole Child Model For California Children's Services (CCS)
- G. MPNP9008 - Women, Infants and Children (WIC) Supplemental Food Program
- H. MPCP2034 - Transitional Care Services (TCS)
- I. MCUP3103- Coordination of Care for Child Welfare-Involved Members

II. IMPACTED DEPTS:

- A. Administration
- B. Compliance
- C. Health Services
- D. Grievance and Appeals
- E. Member Services
- F. Provider Relations

III. DEFINITIONS:

- A. Behavioral Health Plan (BHP): A county behavioral health plan that is responsible for providing behavioral health services outlined in Title 9 CCR and Title 22 CCR.
- B. Closed loop referral: A closed loop referral means bidirectional information sharing between two or more parties to communicate requests for services and the associated outcomes of the requests. The frequency and format of this information sharing varies by service provider and by the degree of formality that may be required according to local community norms. Depending on the type of service needed, this process may include referral to medical, dental, behavioral, and /or social services or community agencies. While a warm hand off may occasionally be appropriate, a closed loop referral does not imply that a warm hand off is required.
- C. Managed Care Plan (MCP): Partnership HealthPlan of California (Partnership) is contracted as a Department of Health Care Services (DHCS) Managed Care Plan (MCP). MCPs are required to provide and cover all medically necessary physical health and non-specialty mental health services.
- D. Memorandum of Understanding (MOU): A formal written agreement between two or more

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governmental entities or community-based organizations to outline and define roles and responsibilities. MOUs do not constitute a provider contract.

- E. Mental Health Plan (MHP): A county Mental Health Plan in Partnerships' service area. MHPs are required to provide and cover all medically necessary SMHS in accordance with their contracts with DHCS.

IV. ATTACHMENTS:

- A. [Base Memorandum of Understanding Template](#)
- B. [In Home Supportive Services Memorandum of Understanding Template](#)
- C. [Regional Center Memorandum of Understanding Template](#)
- D. [Specialty Mental Health Services Memorandum of Understanding Template](#)
- E. [Substance Use Disorder Treatment Services Memorandum of Understanding Template](#)
- F. [Local Health Department Memorandum of Understanding Template](#)
- G. [County Social Services Programs and Child Welfare Memorandum of Understanding Template](#)
- H. [Women, Infant, & Children Memorandum of Understanding Template](#)
- I. [County-Based Targeted Case Management Memorandum of Understanding Template](#)
- J. [Drug Medi-Cal State Plan Memorandum of Understanding Template](#)
- K. [First 5 Memorandum of Understanding Template](#)
- L. [California Children's Services \(CCS\) Whole Child Model Program Memorandum of Understanding Template](#)

V. PURPOSE:

To describe and define the intent of the Memorandum of Understanding (MOUs) required to be entered into by Partnership HealthPlan of California (as the Medi-Cal Managed Care Plan [MCP]) and Third Party Entities as defined below under the Medi-Cal Managed Care Contract with the Department of Health Care Services (DHCS).

VI. POLICY / PROCEDURE:

A. MOU OVERSIGHT & COORDINATION

1. Partnership HealthPlan of California (Partnership) shall negotiate in good faith and execute an MOU with Third Party Entities as required under the Medi-Cal Managed Care Contract (MCP Contract) with the Department of Health Care Services (DHCS).
 - a. Partnership will submit all executed MOUs to DHCS as required by the DHCS-MCP Contract Exhibit A, Attachment III, Subsection 5.6.1 (MOUs with Third Party Entities and County Programs).
 - b. To the extent the plan does not execute an MOU required by the DHCS-MCP contract within four months of the effective date of the contract, Partnership must submit quarterly reports to their DHCS contract manager documenting the plan's continuing good faith efforts to execute the MOU, until such time as the MOU is executed. Documentation of good faith efforts to execute the MOU must include a justification for why the MOU has not been executed.
 - c. Partnership is responsible for authorizing medically necessary covered services and coordinating care for Members provided by Partnership's Network Providers and other providers of carved-out programs, services, and benefits.
2. Partnership has a designated point of contact responsible for the oversight and supervision of the terms of all MOUs entered into by the plan.
 - a. The appropriate level of leadership for both the parties to the MOU must be present at all engagements when defining the terms of the MOU.
 - b. Partnership will notify the Third Party Entities of any changes to Partnership's designated MOU

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- point of contact in writing as soon as reasonably practical but no later than the date of change.
 - c. Partnership will notify DHCS within five working days of any change in the designated MOU point of contact.
- 3. All Partnership Subcontractors, Downstream Subcontractors, and Network Providers are required to comply with any applicable provisions for all MOUs entered into by the plan.
 - a. Partnership provides training and orientation for its employees who carry out responsibilities under an MOU and on any provisions applicable to Subcontractors, Downstream Subcontractors, and Network Providers in any MOUs entered into by the plan, on an annual basis, at a minimum. The training must include information on MOU requirements, what services are provided or arranged for by each of the MOU parties, and policies and procedures outlined in the MOU.
 - b. Partnership and Third Party Entities will work together to develop training and educational materials that covers services provided or arranged for by the MOU parties.
- 4. The MOU parties must work collaboratively to ensure Members are referred to appropriate programs and/or services. Referrals must be facilitated among the MOU parties for Members who potentially meet criteria or quality for such programs and/or services.
- 5. The MOU parties will coordinate Members' access to care and services that incorporate all the requirements noted in the MOU. Partnership would need to maintain collaboration with Third Party Entities and to identify strategies to monitor and assess the effectiveness of the MOU in place.
- 6. At a minimum, the plan must review its MOUs annually for any needed modifications or renewal of responsibilities and obligations outlined within.
 - a. Partnership will submit evidence of the plan's annual review of MOUs to their DHCS contract manager, along with copies of any MOUs that have been modified or renewed as a result.
- 7. All executed MOU's are available on the Partnership website at:
<https://www.partnershiphp.org/About/Pages/MOU-Documents.aspx>
- B. MOU Meetings
 - 1. For each MOU entered into by the plan, Partnership will hold regular meetings with the 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 parties to the MOU, who are knowledgeable about the topics to be discussed, must:
 - 1) Be present, and
 - 2) Include at least one individual who 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. Partnership will report to DHCS updates from each regularly held MOU meeting in a manner and frequency specified by DHCS.
- C. Quality Improvement (QI)
 - 1. The MOU parties may develop QI activities specifically for the oversight of the requirements of the MOU, including, without limitation, any applicable performance measures and QI initiatives, including those to prevent duplication of services, as well as reports that track referrals, Member engagement, and service utilization. Partnership must document these QI activities in its policies and procedures or the MOU parties may agree to additional requirements that involves adopting joint policies and procedures to establish and address QI activities for coordinating the care and delivery of services for Members.
- D. Data Sharing, Exchange, and Confidentiality
 - 1. The MOU parties must ensure that the minimum necessary Member information and data for

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accomplishing the goals of the MOU are exchanged timely and maintained securely and confidentially.

2. The MOU parties must support the timely and frequent exchange of Member information and data, which may include behavioral health and physical health data; for ensuring the confidentiality of exchanged information and data; and, if necessary, for obtaining Member consent.
- E. Disaster and Emergency Preparedness
1. The MOU parties must develop policies and procedures to mitigate the effects of natural, man-made, or war-caused disasters involving emergency situations and/or broad health care surge events greatly impacting the MOU parties' health care delivery system to ensure the continued coordination and delivery of the Third Party Entities programs and services and Partnership's Covered Services for impacted Members.
 2. Refer to Partnership policy ADM41 PHC's Community Emergency Response Plan for more details.
- F. Dispute Resolution Process
1. Partnership and MOU parties shall negotiate in good faith and execute memoranda of understanding (MOUs) to ensure coordination of Medi-Cal services, delineate the responsibilities of each respective party, and afford for a dispute resolution process.
 2. MOUs shall be entered into and maintained, consistent with any future-related DHCS guidance as communicated in writing.
 3. Emphasis on Timely, Collaborative Resolution
 - a. The provision of medically necessary services for Members will not be delayed during the pendency of any dispute.
 - b. Partnership and the MOU party staff will make a good faith effort to agree to resolutions that are in the best interest of Members and are agreeable to all parties involved.
 - c. Proactive and timely communication is expected between Partnership and the MOU party.
 4. Partnership or the MOU parties may seek to remedy a dispute informally through discussion and dialogue. If this fails to resolve the dispute, either party may request, in writing, a formal meeting between the two parties to identify issues and possible solutions. The receipt of the written request will initiate the Plan Level Dispute timeline.
 - a. A Request for Plan Level Dispute Resolution can be submitted via secure email to any of Partnership's respective MOU liaisons, Directors, Behavioral Health Administrator, or Chief Health Services Officer as applicable.
 - b. Within 10 business days, the meeting will be conducted at a mutually agreeable time. Representatives from both Partnership and the MOU parties must participate in the meeting.
 - c. Within 5 business days from the date of the meeting, Partnership will issue to the MOU party a written final position on the matter in dispute signed by the CEO or their designee.
 - d. Partnership will maintain records of Plan Level Dispute Resolutions consistent with applicable Partnership record retention policy.
 5. Refer to Partnership policy MPBP8005 Dispute Resolution Between Partnership and BHPs in Delivery of Mental Health Services for more details on dispute resolution between Partnership and Behavioral Health Plans (BHPs) in delivery of mental health services. The receipt of the written request will initiate the Plan Level Dispute timeline in which the dispute must be resolved within 15 business days.

VII. REFERENCES:

- A. DHCS Contract, Exhibit A, Attachment III, Section 5.6 (MOUs with Third Party Entities and County Programs)
- B. DHCS All Plan Letter ([APL](#)) 23-029 Memorandum of Understanding Requirements for Medi-Cal Managed Care Plans and Third-Party Entities (01/08/2025)

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 - [First 5 Memorandum of Understanding Template](#)
- C. Title 9, California Code of Regulations (CCR) Sections §1810.370, §1850.505, §1850.520, §1850.525, and §1850.530
- D. [Template for Memorandum of Understanding between \[MCP\] Medi-Cal Managed Care Plans and \[County\] California Childrens Services \(CCS\) Whole Child Model Program](#) (07/2024)
- E. Partnership External Website Memoranda of Understanding (MOU) Documents:
<https://www.partnershipphp.org/About/Pages/MOU-Documents.aspx>

VIII. DISTRIBUTION:

- A. Partnership Department Directors
- B. Partnership Provider Manual

IX. POSITION RESPONSIBLE FOR IMPLEMENTING PROCEDURE: Chief Health Services Officer

X. REVISION DATES: N/A

PREVIOUSLY APPLIED TO: N/A