STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 03/25)

Fiscal Year	Business Unit Number	Department
2026-27	4150	Department of Managed Health Care

Hyperion Budget Request Name	Relevant Program or Subprogram
4150-028-BCP-2026-GB	3870-Health Plan Program

Budget Request Title
Health Care Provider Credentials (AB 1041)

Budget Request Summary
The Department of Managed Health Care (DMHC) requests four positions and $1,196,000 in 2026-27, $1,166,000 in 2027-28, increasing to five ongoing positions and $1,434,000 in 2028-29, and $1,426,000 in 2029-30 and annually thereafter from the Managed Care Fund to implement the requirements of AB 1041 (Chapter 630, Statutes of 2025).

Requires Legislation (submit required legislation with the BCP)	Code Section(s) to be Added/Amended/Repealed
☐ Trailer Bill Language ☐ Budget Bill Language ☒ N/A	N/A

Does this BCP contain information technology (IT) components? ☐ Yes ☒ No	Department CIO	Date
	N/A	N/A

For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), the approval date, and the total project cost.

Project No. N/A **Approval Date:** N/A

Project Approval Document: N/A **Total Project Cost:** N/A

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No

Prepared By	Date	Reviewed By	Date
Rita Pearson	1/10/2026	Gita Mehirdel	1/10/2026
Department Director	**Date**	**Agency Secretary**	**Date**
Mary Watanabe	1/10/2026	Kim Johnson	1/10/2026

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ Dept. of Technology

Principal Program Budget Analyst	Date submitted to the Legislature
Joseph Donaldson	1/10/2026

A. Problem Statement

The Department of Managed Health Care (DMHC) requests four positions and $1,196,000 in 2026-27, $1,166,000 in 2027-28, increasing to five positions and $1,434,000 in 2028-29, and $1,426,000 in 2029-30 and annually thereafter from the Managed Care Fund to implement the requirements of AB 1041(Chapter 630, Statutes of 2025).

The following table notes the requested positions by program and classification:

Table 1- Positions Requested

Program / Classification	Number of Positions 2026-27 and 2027-28	Number of Positions 2028-29 / Ongoing
Office of Plan Licensing (OPL)		
Attorney III	1	1
Total Positions (OPL)	**1**	**1**
Office of Plan Monitoring (OPM)		
Health Program Specialist II	1	1
Attorney III	2	2
Total Positions (OPM)	**3**	**3**
Office of Enforcement (OE)		
Attorney III	0	1
Total Positions (OE)	**0**	**1**
Total Positions	**4**	**5**

Background/History

The DMHC's mission is to ensure health plan members have access to equitable, high-quality, timely, and affordable health care within a stable health care delivery system. As part of this mission, the DMHC licenses and regulates health plans under the Knox-Keene Health Care Service Plan Act of 1975 (Knox-Keene Act). Embedded in the mission is the task of evaluating and promoting health care service plan (health plan) regulatory compliance and ensuring enrollees have consistent access to timely and medically necessary health care services.

Existing law allows health plans to use their own credentialling programs, requiring providers to submit credentialing applications separately to each health plan. Credentialing is a process that many health plans use to verify the qualifications of health care professionals before adding them to the health plan's network. The process is not to be confused with providers obtaining the skills, education, or other qualifications needed to practice within their field or perform any services. Rather, the provider who submits a credentialing application to a health plan should already be fully qualified and licensed or certified as appropriate for their profession. Credentialing is a quality control measure used by the health plan to verify that the provider is legitimately qualified to perform those services.

Current law also requires a health plan that provides coverage for mental health and substance use disorder (MH/SUD) to complete provider credentialing within 60 days of receiving a complete application and notify applicants within 7 business days of receipt of an application. Health plans may require non-physicians and terminated providers who continue services beyond their contract end date to comply with all prior contractual terms, including credentialling and quality assurance requirements. If a terminated provider fails to comply, the plan may discontinue their services. Additionally, California will start to require both commercial and Medi-Cal managed care plans to obtain and maintain National Committee for Quality Assurance (NCQA) accreditation by January 1, 2026.

In addition to these regulatory requirements, health plans also rely on industry-wide initiatives to streamline credentialing and data management. One such initiative is led by the Council for Affordable Quality Healthcare (CAQH), a non-profit organization formed by health plans and focused on simplifying administrative processes within the healthcare industry.

The CAQH's primary tool, known as ProView (now called the CAQH Provider Data Portal), serves as an online database where healthcare providers can submit and manage their professional practice information. This data is then used by health plans and other healthcare organizations for credentialing, directory management and other administrative purposes. According to America's Physician Groups' (APG), the CAQH application is widely used by its member physician organizations and accepted by most health plans. APG also notes that there is no charge for healthcare providers to complete their applications, and that health plans pay a fee to download them.

AB 1041 further expands credentialing requirements for health plans and their delegates. Beginning January 1, 2028, every full-service health plan, or its delegate must subscribe to and use the CAQH credentialing form except as otherwise specified. The bill also requires a health plan or its delegates to complete credentialing determinations within 90 days of receiving a completed provider credentialing application. Upon approval, the plan must activate the provider and notify the applicant of the activation within 10 days of approval. If a health plan fails to meet the 90-day deadline, the provider's credentials must be provisionally approved for 120 days, unless certain exceptions apply. However, these provisions do not apply to providers of MH/SUD.

AB 1041 also requires each health plan or its delegate to use the most recent version of the CAQH credentialing form and follow the CAQH credentialing process. Providers must submit and maintain their credentialing information in the CAQH database in accordance with CAHQ standards. The health plans may request additional information from provider only when necessary to clarify or verify details not explicitly included in the CAQH application. Providers are required to respond within 10 business days, and health plans must minimize the number of requests for additional information to streamline the credentialing process.

To address the requirements of AB 1041, the DMHC will need to:

- On or before July 1, 2027, review the NCQA, Medicare, and Medicaid credentialing requirements and adopt regulations to:
    - Establish minimum standards or policies and processes designed to streamline the provider credentialing process, reduce redundancy and administrative burden and reduce delay in physician credentialing.
    - Develop a standardized credentialing form for use by health plans and insurers.

- Update the standardized credentialing form at least every three years, or as necessary to reflect changes in laws, regulations or credentialing guidelines.

- Promulgate regulations to implement the requirements of AB 1041.
- Make the standardized credentialing form available electronically to facilitate ease of access and submission.
- Conduct reviews of health plans and medical surveys to confirm compliance with AB 1041.
- Enforce compliance through appropriate oversight for health plans or delegates that fail to meet the requirements of AB 1041.

B. Justification

AB 1041 is necessary to modernize and streamline California's provider's credentialing process, which is currently burdened by delays, administrative complexity and a lack of transparency. By reducing unnecessary paperwork and standardizing credentialing procedures, AB 1041 assists qualified providers by allowing them to begin serving patients more quickly.

According to the DMHC, a more efficient and coordinated credentialing system would enhance California's ability to meet health care needs of its patients, particularly during health care emergencies when timely access to health care is critical.

Additionally, the DMHC believes that reducing administrative barriers in provider credentialing is an important step in ensuring health plans maintain adequate provider network and deliver timely access to high-quality health care services.

The DMHC has determined the following resources are necessary to implement the requirements of AB 1041.

Office of Plan Licensing (OPL)

The DMHC's OPL is responsible for assuring regulatory compliance of health plans with the Knox Keene Act. This is accomplished by reviewing applications for licensure, material modifications to existing licenses and amendments to existing licenses. This review includes requiring legally sufficient documentation of plan organization, disclosures, enrollee benefits and other aspects of regulatory compliance.

The OPL anticipates that AB 1041 will impact all health plans that contract for their providers' network. In total, approximately 137 licensed health plans are expected to be affected.

The OPL anticipates additional workload to issue legal guidance, review health plan contracts, policies and procedures, evidence of coverage and disclosure forms for compliance with the requirements set forth in AB 1041.

The OPL is requesting the following resources to address the anticipated workload:

1.0 Attorney III
This position will perform complex legal reviews of provider contracts, plan to plan agreements and other health plan documents to verify compliance with AB 1041. In addition, the position will support the development and implementation of regulations, draft guidance and create standardized formats, procedures and sample exhibits for credentialing.

Total OPL Costs
The DMHC estimates the OPL costs to be one position and $273,000 in 2026-27, $265,000 in 2027-28 and annually thereafter.

Office of Plan Monitoring (OPM)

The DMHC's OPM Division of Plan Survey (DPS) performs routine (triennial) and non-routine medical surveys of DMHC-licensed health, behavioral and specialized health plans.

DPS currently assesses health plans for compliance with existing Knox-Keene Act credentialing requirements via document review, including policies and procedures, provider and delegate contracts and monitoring and tracking reports of credentialing and re-credentialing. AB 1041 will now require DPS to routinely review individual credentialing files to verify compliance.

AB 1041 would require DPS to update, develop and implement new and existing survey tools, including but not limited to the Quality Assurance (QA) and Behavioral Health (BH) Technical Assistance Guides (TAGs), pre-onsite document and log requests and File Review Worksheets (FRWs) to verify health plans and health plan delegates are using the standardized credentialing form for provider credentialing, meeting credentialing timelines for all providers and once the DMHC regulations are effective, further update or develop new survey tools to incorporate their requirements.

The OPM anticipates AB 1041 will impact approximately 109 health plans each year in 2026-27 and 2027-28, increasing to approximately 112 health plans beginning in 2028-29 and annually thereafter.

The OPM is requesting the following resources to address the anticipated workload:

2.0 Attorney III
These positions will lead development and revision of credentialling and survey monitoring tools, writing legal memoranda and other program materials regarding compliance monitoring. These positions will also provide complex legal review, guidance, and consultation in identifying compliance monitoring activities, and work with clinical consultants to revise, validate and maintain the QA, BH, and delegation oversight electronic filing checklists, including creating new, complex log requests for credentialing and recredentialling files for health plans and health plan delegates.

1.0 Health Program Specialist II
This position will provide ongoing analysis and administrative support for AB 1041 survey activities, including the preparation of reports and supporting documentation. This position will collaborate with legal and vendor teams to regularly update compliance tools, ensuring they reflect the latest changes in law and regulations and making necessary revisions.

Consultant Funding
The OPM is requesting consulting funding of $43,000 in 2026-27, $30,000 in 2027-28, $39,000 in 2028-29 and annually thereafter to provide statistical consultation with developing methodology and assessment tools for surveys and enforcement actions to assess compliance with AB 1041 credentialling requirements and to conduct ongoing statistical review during health plan surveys.

The OPM also requests consulting funding of $88,000 in 2026-27, $103,000 in 2027-28, $79,000 in 2028-29 and annually thereafter for clinical consulting services to assist OPM in developing new AB 1041 credentialing compliance review tools and updating them on an ongoing basis and providing ongoing clinical reviews and assessments of health plans and health plan delegates during health plan surveys.

The consultant funding amounts are based on OPM's experience with similar contracts and an anticipated hourly rate of $250 for statistical consultants and $350 for clinical consultants.

The work performed by the clinical and statistical consultants requires the use of highly specialized expertise that is not available through the civil service system. Additionally, utilizing consultant contracts offers flexibility in accessing specialized expertise in various clinical areas, which is not available when limited to a specific civil service classification.

Total OPM Costs
The DMHC estimates the OPM costs to be three positions and $895,000 in 2026-27, $873,000 in 2027-28, $858,000 in 2028-29 and annually thereafter. These costs include consulting funding cited above totaling $131,000 in 2026-27, $133,000 in 2027-28, $118,000 in 2028-29 and annually

thereafter for clinical and statistical consultant services to meet the requirements set forth in AB 1041.

Office of Enforcement (OE)

The DMHC's OE handles the enforcement needs of the DMHC, including referrals from offices within the DMHC that review the activities of health plans for compliance with statute and regulation requirements. The OE anticipates increased investigative referrals related to AB 1041 compliance.

The OE anticipates 21 survey enforcement referrals annually beginning in 2028-29 and ongoing following the passage of AB 1041.

The OE is requesting the following resources to address the additional workload:

1.0 Attorney III, beginning in 2028-29
This position will be responsible for providing advanced legal support to investigate referral cases, including the preparation, coordination and oversight of the investigation and the resolution process.

Legal Software Licensing Costs
The OE is requesting $2,000 in 2028-29 and ongoing for legal software licensing to support the enforcement position identified in this proposal.

Total OE Costs
The DMHC estimates the OE costs to be one position and $275,000 in 2028-29, $267,000 in 2029-30 and annually thereafter.

Office of Technology and Innovation (OTI)

The DMHC's OTI is responsible for all DMHC IT-related facets, including application/system development and support, procurement and management of IT assets, data security and supporting staff members' IT needs. OTI anticipates additional annual software licensing costs for the new employees included in this proposal.

The DMHC estimates the OTI costs to be $22,000 each year in 2026-27 and 2027-28, $28,000 in 2028-29 and annually thereafter for software licensing costs.

Office of Administrative Services (OAS)

The DMHC's OAS is responsible for all administrative support services for the DMHC, including human resources, labor relations, training, EEO (Equal Employment Opportunity), DEIB (Diversity, Equity, Inclusion and Belonging), employee wellness, health and safety, accounting, budgeting, facilities management, business services, contracts, procurements, organizational effectiveness and improvement, business continuity planning, policies management and strategic planning

The OAS anticipates additional legal education costs to support the new legal positions. The DMHC estimates the OAS costs to be $6,000 each year in 2026-27 and 2027-28, $8,000 in 2028-29 and annually thereafter for legal education software licensing.

C. Departmentwide and Statewide Considerations

This proposal aligns with the DMHC's mission to support health plan members have access to equitable, high-quality, timely, and affordable health care within a stable health care delivery system. This proposal also aligns with the DMHC's strategic plan to regulate fairly, efficiently and effectively and foster a culture of excellence.

This proposal supports the California Health and Human Services Agency's strategic priority to Build a Healthy California for All by monitoring for and addressing barriers to care in health plans' delivery systems to support access to care.

D. Outcomes and Accountability

Approval of this proposal will provide the DMHC with the necessary resources to implement the requirements of AB 1041.

E. Implementation Plan

The DMHC will begin implementing the requirements of AB 1041 on July 1, 2026.

F. Supplemental Information

This request will be funded through annual assessment of the health plans that are regulated by the DMHC. The ongoing fiscal impact of this request to full-service health plans is estimated at $0.03 per enrollee per year.

Attachment A: BCP Fiscal Detail Sheet

Attachment B: Workload Standards

Attachment C: Current Org Chart

Attachment D: Proposed Org Chart

BCP Fiscal Detail Sheet

(Dollars in Thousands)

BCP Title: Health Care Provider Credentials (AB 1041)

BR Name: 4150-028-BCP-2026-GB

Budget Request Summary

Personal Services

Personal Services	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
Positions - Permanent	0	4	4	5	5	5
Total Positions	**0**	**4**	**4**	**5**	**5**	**5**
Earnings - Permanent	0	570	570	727	727	727
Total Salaries and Wages	**$0**	**$570**	**$570**	**$727**	**$727**	**$727**
Total Staff Benefits	0	353	353	447	447	447
Total Personal Services	**$0**	**$923**	**$923**	**$1,174**	**$1,174**	**$1,174**

Operating Expenses and Equipment

Operating Expenses and Equipment	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
5301 - General Expense	0	11	11	13	13	13
5302 - Printing	0	4	4	5	5	5
5304 - Communications	0	8	8	10	10	10
5306 - Postage	0	4	4	5	5	5
5320 - Travel: In-State	0	33	33	36	36	36
5322 - Training	0	16	16	20	20	20
5340 - Consulting and Professional Services - External	0	131	133	118	118	118
5340 - Consulting and Professional Services - Interdepartmental	0	2	2	2	2	2
5346 - Information Technology	0	28	28	38	38	38
5368 - Non-Capital Asset Purchases - Equipment	0	36	4	13	5	5
Total Operating Expenses and Equipment	**$0**	**$273**	**$243**	**$260**	**$252**	**$252**

Total Budget Request

Total Budget Request	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
Total Budget Request	**$0**	**$1,196**	**$1,166**	**$1,434**	**$1,426**	**$1,426**

Fund Summary

Fund Source

Fund Source	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
State Operations - 0933 - Managed Care Fund	0	1,196	1,166	1,434	1,426	1,426
Total State Operations Expenditures	**$0**	**$1,196**	**$1,166**	**$1,434**	**$1,426**	**$1,426**
Total All Funds	**$0**	**$1,196**	**$1,166**	**$1,434**	**$1,426**	**$1,426**

Program Summary

Program Funding

Program Funding	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
3870 - Health Plan Program	0	1,196	1,166	1,434	1,426	1,426
Total All Programs	**$0**	**$1,196**	**$1,166**	**$1,434**	**$1,426**	**$1,426**

Personal Services Details

Positions

Positions	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
5795 - Attorney III	0	3	3	4	4	4
8336 - Hlth Program Spec II	0	1	1	1	1	1
Total Positions	**0**	**4**	**4**	**5**	**5**	**5**

Salaries and Wages

Salaries and Wages	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
5795 - Attorney III	0	471	471	628	628	628
8336 - Hlth Program Spec II	0	99	99	99	99	99
Total Salaries and Wages	**$0**	**$570**	**$570**	**$727**	**$727**	**$727**

Staff Benefits

Staff Benefits	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
5150450 - Medicare Taxation	0	8	8	11	11	11
5150500 - OASDI	0	35	35	45	45	45
5150630 - Retirement - Public Employees - Miscellaneous	0	179	179	228	228	228
5150820 - Other Post-Employment Benefits (OPEB) Employer Contributions	0	10	10	12	12	12
5150900 - Staff Benefits - Other	0	121	121	151	151	151
Total Staff Benefits	**$0**	**$353**	**$353**	**$447**	**$447**	**$447**

Total Personal Services

Total Personal Services	FY26 Current Year	FY26 Budget Year	FY26 BY+1	FY26 BY+2	FY26 BY+3	FY26 BY+4
Total Personal Services	**$0**	**$923**	**$923**	**$1,174**	**$1,174**	**$1,174**

Attachment B
WORKLOAD STANDARDS
Office of Plan Monitoring (OPL)
1 Attorney III

Activities/ Tasks	**Tasks Per Year**	**Hours Per Task**	**2026-27/ Ongoing Total Hours**
Review Provider contracts, plan to plan agreements and ASAs for legal compliance, issue comments and review plan responses.	70	5	350
Review the Policies and Procedures, issue comments and review plan responses.	70	5	350
Conduct legal research, draft and track the APLs, draft internal guidance (if needed), participate in stakeholder meetings and coordinate with other DHMC offices.	0	6	0
Assist in promulgating regulations, conduct legal research, participate in stakeholder meetings and coordinate with other DHMC offices.	2	10	20
Develop uniform format/standards and example exhibit for credentialing.	2	120	240
Draft guidance regarding compliance with promulgated regulations and the standardized form in an All Plan Letter (APL).	1	90	90
Review the Policies and Procedures, issue comments and review plan responses.	72	7	502
Conduct legal research for ongoing credentialing updates, participate in stakeholder meetings and coordinate with other DHMC offices.	2	40	80
Develop updated uniform format/standards and example exhibit for credentialing.	1	80	80
Draft guidance regarding compliance with the updated standardized form in an All Plan Letter (APL).	1	80	80
Review the Policies and Procedures, issue comments and review plan responses.	2	4	8
Total Hours Worked			**1,800**
Number of Positions Required			**1**

WORKLOAD STANDARDS
Office of Plan Monitoring (OPM)
2 Attorney III

Activities/ Tasks	2026-27 Tasks Per Year	2027-28 Tasks Per Year	2028-29 Tasks Per Year	2026-27 Hours Per Task	2026-27 Hours Per Task	2026-27 Hours Per Task	2026-27 Total Hours	2027-28 Total Hours	2028-29/ Ongoing Total Hours
Provide ongoing legal review and consultation pertaining to AB 1041. Assist in identifying compliance monitoring activities, coordinate and provide legal guidance to DMHC legal and analytical staff, contracted consultants, and health plans. Assist with strategizing, developing tools and trainings, write legal memoranda, and other program materials regarding compliance monitoring.	52	26	26	15	15	15	780	390	390
Provide legal guidance and consultation to analyst staff in their review of amendment filings and review material modifications resulting from survey deficiencies. Assume 50% of plans surveyed (19) will be required to submit filings because of survey deficiencies associated with the bill. Plans affected by the bill will submit filings Year 2 and ongoing.	0	19	19	0	25	25	0	475	475
Coordinate internally and confer with clinical consultants to revise and validate the Quality Assurance (QA), Behavioral Health (BH), and delegation oversight eFiling checklists. Years one and two.	1	1	0	50	50	0	50	50	0
Coordinate internally and confer with clinical consultants to revise and validate the QA, BH, and delegation oversight eFiling checklists. Year three and ongoing.	0	0	1	0	0	20	0	0	20
Provide legal consultation and confer with clinical consultants to create new, complex log requests for credentialing and recredentialing files for plans and plan delegates. The logs will address many elements to verify plans are compliant with both the new credentialing timelines associated with AB 1041 and the separate, existing BH provider timelines. Years one and two.	52	26	0	25	25	0	1,300	650	0

Activities/ Tasks	2026-27 Tasks Per Year	2027-28 Tasks Per Year	2028-29 Tasks Per Year	2026-27 Hours Per Task	2026-27 Hours Per Task	2026-27 Hours Per Task	2026-27 Total Hours	2027-28 Total Hours	2028-29/ Ongoing Total Hours
Provide legal consultation and confer with clinical consultants to assist DPS in developing new file pull methodology for credentialing and recredentialing files for plans and plan delegates and revise pre-onsite document requests related to credentialing. Years one and two.	52	26	0	20	20	0	1,040	520	0
Provide legal guidance and assist DPS staff and consultants to maintain and update compliance tools. Year three and ongoing.	0	0	52	0	0	10	0	0	520
Provide legal guidance regarding Routine Survey activity related to AB 1041 requirements. Assume 109 plans (year two) and 112 plans (year three and ongoing) are subject to assessment every three years during Routine Survey. The additional three licensed plans per year are based on historical averages.	0	36	37	0	7	7	0	252	259
Provide legal guidance to survey team on data analysis of QA, BH, and delegation oversight and to develop file pull strategies. Assume 100% of year two and year three and ongoing plans will require a focused file review of QA, BH, delegation oversight and credentialing files related to AB 1041.	0	36	37	0	7	7	0	252	259
Provide legal review of Routine Survey Preliminary and Final Reports related to AB 1041 findings.	0	36	37	0	7	7	0	252	259
Assume 100% of the plans surveyed have uncorrected deficiencies at issuance of the Final Report and require Follow-Up Surveys. Strategize with lead analyst to develop scope of work and technical assistance guide, conduct analysis of health plan data and information and provide legal review reports in Follow-Up Surveys. Year three and ongoing.	0	0	37	0	0	5	0	0	185
Assume 100% of the plans will have uncorrected deficiencies at Follow-Up and 50% of those will require referrals to the Office of Enforcement (OE) (19 less complex). Provide Legal guidance	0	0	19	0	0	10	0	0	190

Activities/ Tasks	**2026-27 Tasks Per Year**	**2027-28 Tasks Per Year**	**2028-29 Tasks Per Year**	**2026-27 Hours Per Task**	**2026-27 Hours Per Task**	**2026-27 Hours Per Task**	**2026-27 Total Hours**	**2027-28 Total Hours**	**2028-29/ Ongoing Total Hours**
with OE referrals for any uncorrected deficiencies. Year three and ongoing.									
Provide assistance to OE with enforcement actions. Year three and ongoing.	0	0	19	0	0	4	0	0	76
Provide legal consultation, strategy, research and analysis activities for Nonroutine Surveys. Assume one Moderately Complex Nonroutine Surveys per year beginning in 2028-29.	0	0	1	0	0	70	0	0	70
Conduct legal review, analysis and revisions as needed to Nonroutine Survey Reports. Year three and ongoing.	0	0	1	0	0	20	0	0	20
Draft referral to the Office of Enforcement (OE) for uncorrected AB 1041 deficiencies. Anticipate 1 moderately complex referral each year beginning in 2028-29 and ongoing.	0	0	1	0	0	20	0	0	20
Provide assistance to OE with enforcement actions. Year three and ongoing.	0	0	1	0	0	10	0	0	10
Provide consultation and input to OLS on the development of regulations and the initial credentialing form.	52	26	0	8.26	10	0	430	260	0
Provide ongoing consultation and input on each subsequent credentialing form update Year two and ongoing.	0	26	52	0	19.19	16.29	0	499	847
Total Hours Worked							**3,600**	**3,600**	**3,600**
Number of Positions Required							**2**	**2**	**2**

WORKLOAD STANDARDS
Office of Plan Monitoring (OPM)
1.0 Health Program Specialist II

Activities/ Tasks	2026-27 Tasks Per Year	2027-28 Tasks Per Year	2028-29 Tasks Per Year	2026-27 Hours Per Task	2027-28 Hours Per Task	2028-29 Hours Per Task	2026-28 Total Hours	2027-28 Total Hours	2028-29/ Ongoing Total Hours
Coordinate and contribute to the development of administrative support pertaining to AB 1041 requirements. Work with contracted consultants and legal staff in developing new or and revising existing compliance tools (e.g., technical assistance guides, checklists, communication and reporting templates, memorandums, etc.) and program processes and procedures regarding compliance monitoring. Year one and two.	52	52	0	34.04	24	1	1,770	1,248	0
Provide ongoing analysis and administrative support pertaining to AB 1041 requirements. Assist in defining compliance monitoring activities, coordinate and help DPS Legal, contracted consultants, and health plans. Assist with developing other program materials regarding compliance monitoring. Year 3 and ongoing	0	0	52	0	0	5	0	0	260
Work with Attorney III, clinical and statistical consultants and provide management support to revise and implement assessment tools including Prescription Drug, Utilization Management, Quality Assurance, and Continuity of Care Technical Assistance Guides, health plan document and data requests, data analytical tools, logs, file pull strategies, file review worksheets, and guidance. Year one and two.	1	1	0	20	20	0	20	20	0
Work with attorneys and consultants to develop and provide training for staff and vendors on AB 1041 requirements. Year one and two.	1	1	0	10	10	0	10	10	0
Assist in the maintenance of training for staff and vendors. Year three and ongoing.	0	0	52	0	0	0.5	0	0	26

Activities/ Tasks	2026-27 Tasks Per Year	2027-28 Tasks Per Year	2028-29 Tasks Per Year	2026-27 Hours Per Task	2027-28 Hours Per Task	2028-29 Hours Per Task	2026-28 Total Hours	2027-28 Total Hours	2028-29/ Ongoing Total Hours
Ongoing update/maintenance/accessibility of survey tools, FRWs and TAGs. Year three and ongoing.	0	0	52	0	0	0.5	0	0	26
Develop survey scope of work and conduct initial analysis of health plan information and data, including analysis of additional logs and data requested from health plans, related to new requirements of AB 1041. Each licensed health plan is subject to a Routine Survey every three years.	0	36	37	0	12	11.28	0	432	417
Support surveys for additional analysis of health plan data. Coordinate with survey team for focused file pull related to identified concerns. Assume 25% of year two and year three and ongoing plans will require a focused case file review of for compliance with AB 1041.	0	9	10	0	10	10	0	90	100
Strategize with attorneys and clinical consultants to develop scope of work and technical assistance guide, conduct analysis of health plan data and information in Follow-Up Surveys. Assume 100% of the plans surveyed have uncorrected deficiencies at issuance of the Final Report and require Follow-Up Surveys. Year three and ongoing	0	0	37	0	0	20	0	0	740
Assist Attorney III with the Office of Enforcement (OE) referral for any uncorrected deficiencies. Assume 50% of plans requiring a Follow-Up Survey result in an enforcement referral - 19 less complex referrals. Year three and ongoing.	0	0	19	0	0	10	0	0	190
Develop Survey scope of work and conduct analysis of health plan information for Nonroutine Survey related to AB 1041 requirements. Assume one Nonroutine Survey per year.	0	0	1	0	0	40	0	0	40
Monitor vendor compliance with administrative requirements (background checks, security clearance, etc.), verify timely completion of deliverables/services, perform quality review of vendor performance (services and	0	0	1	0	0	1	0	0	1

Activities/ Tasks	2026-27 Tasks Per Year	2027-28 Tasks Per Year	2028-29 Tasks Per Year	2026-27 Hours Per Task	2027-28 Hours Per Task	2028-29 Hours Per Task	2026-28 Total Hours	2027-28 Total Hours	2028-29/ Ongoing Total Hours
deliverables), track issues and report to DPS management, monitor contract budget, coordinate with DPS onsite and administrative staff to aggregate vendor performance feedback, complete contractor evaluation at contract termination, develop new contracts in two-three year intervals based on program need, confirm vendor travel costs comply with CalHR rates and requirements for reimbursement, verify timely review and response to vendor invoices and track associated expenditures.									
Total Hours Worked							**1,800**	**1,800**	**1,800**
Number of Positions Required							**1**	**1**	**1**

Attachment B
WORKLOAD STANDARDS
Office of Enforcement (OE)
1 Attorney III

Activities/ Tasks	**Tasks Per Year**	**Hours Per Task**	**2026-27/ Ongoing Total Hours**
Evaluate cases, draft and send investigative discovery, evaluate responses, analyze need for further information and follow up.	19	43	817
Evaluate and recommend course of action based upon evidence received and violations found, negotiate settlement and corrective action, and close enforcement action. Prepare operative documents at each stage.	19	43	817
Evaluate case and document production from DPS and the plan, draft and send investigative discovery, evaluate responses, analyze need for further information and follow up.	1	100	100
Evaluate and recommend course of action based upon evidence received, consultation with experts, and violations found. Research applicable law, potential violations, and potential defenses to prosecute action.	1	40	40
Prepare appropriate course of resolution using accusation/pleadings, including appropriate location for prosecution, or settlement without a hearing.	1	26	26
Total Hours Worked			**1,800**
Number of Positions Required			**1**

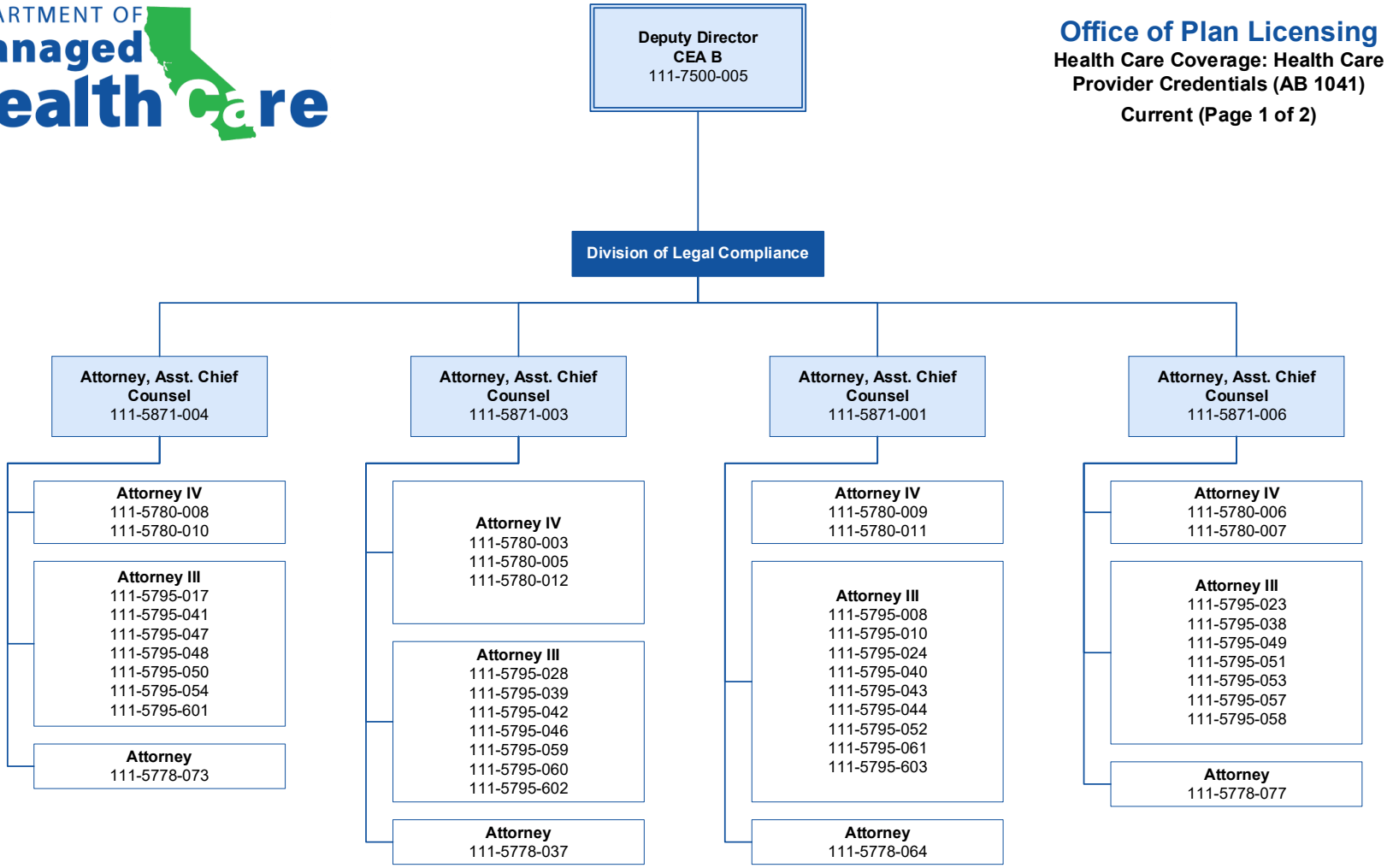
DEPARTMENT OF Managed Health Care

Attachment C

Office of Plan Licensing

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 1 of 2)



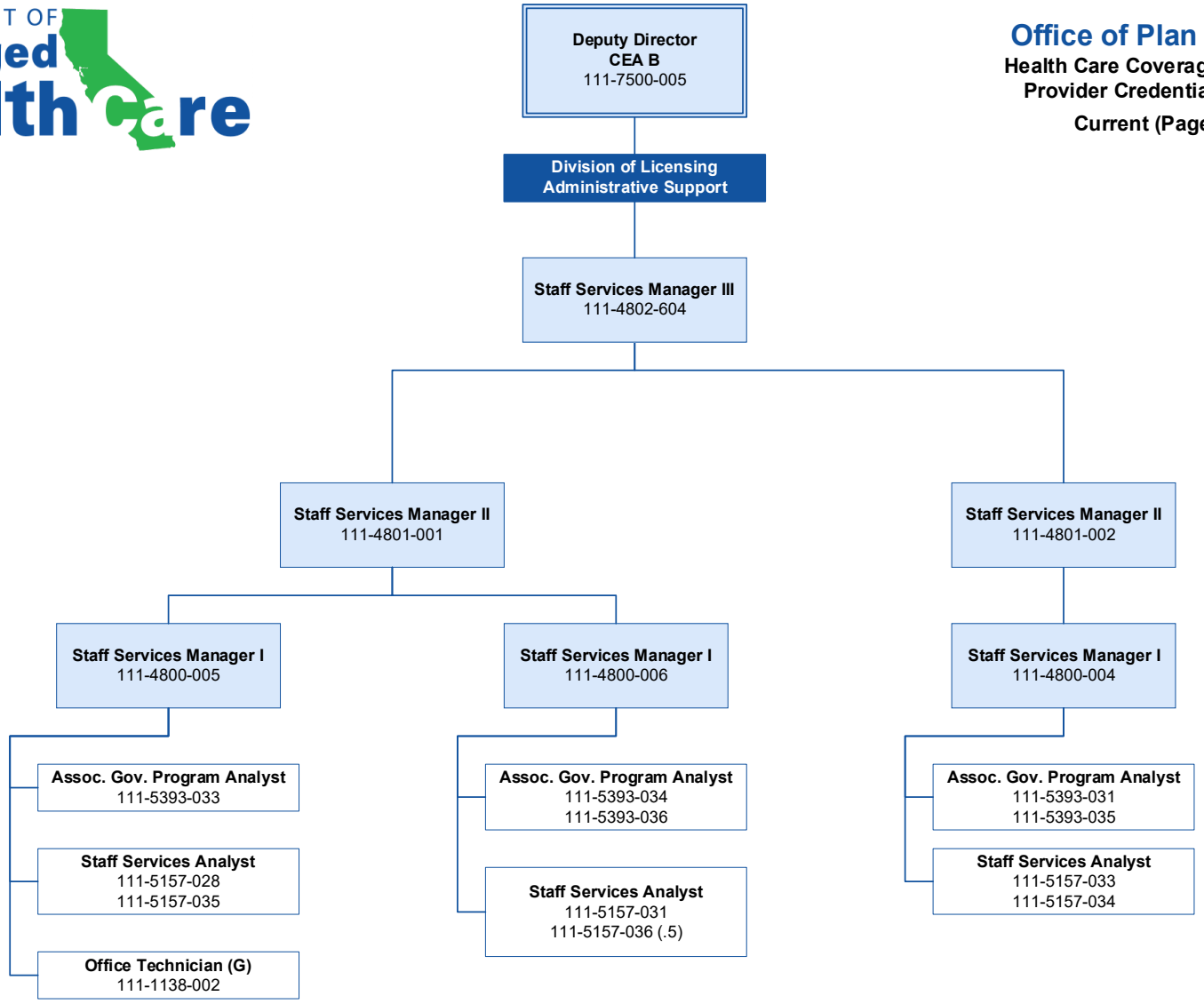
Attachment C

DEPARTMENT OF Managed Health Care

Office of Plan Licensing

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 2 of 2)



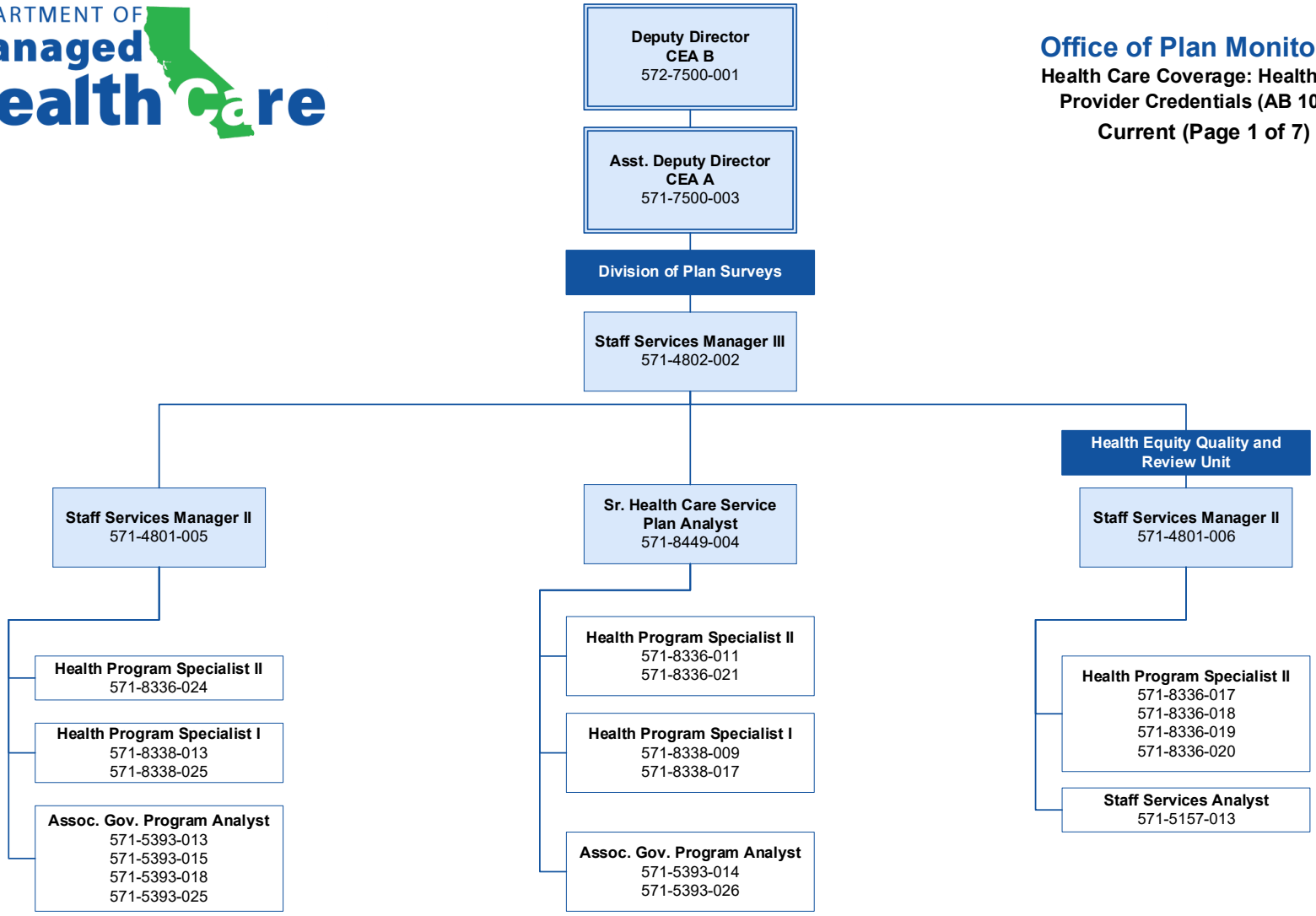
Attachment C

DEPARTMENT OF Managed Health Care

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 1 of 7)



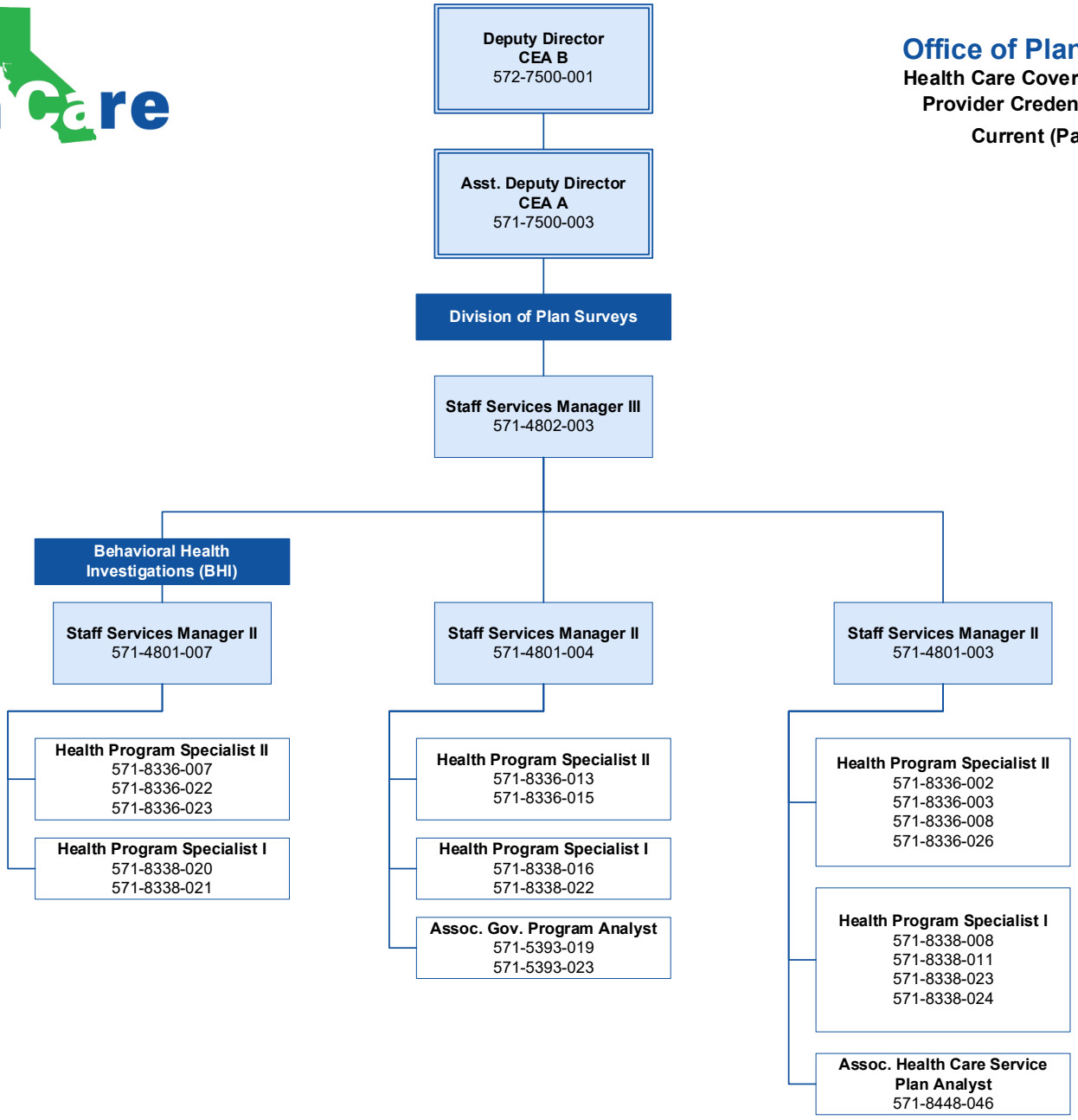
DEPARTMENT OF Managed Health Care

Attachment C

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 2 of 7)



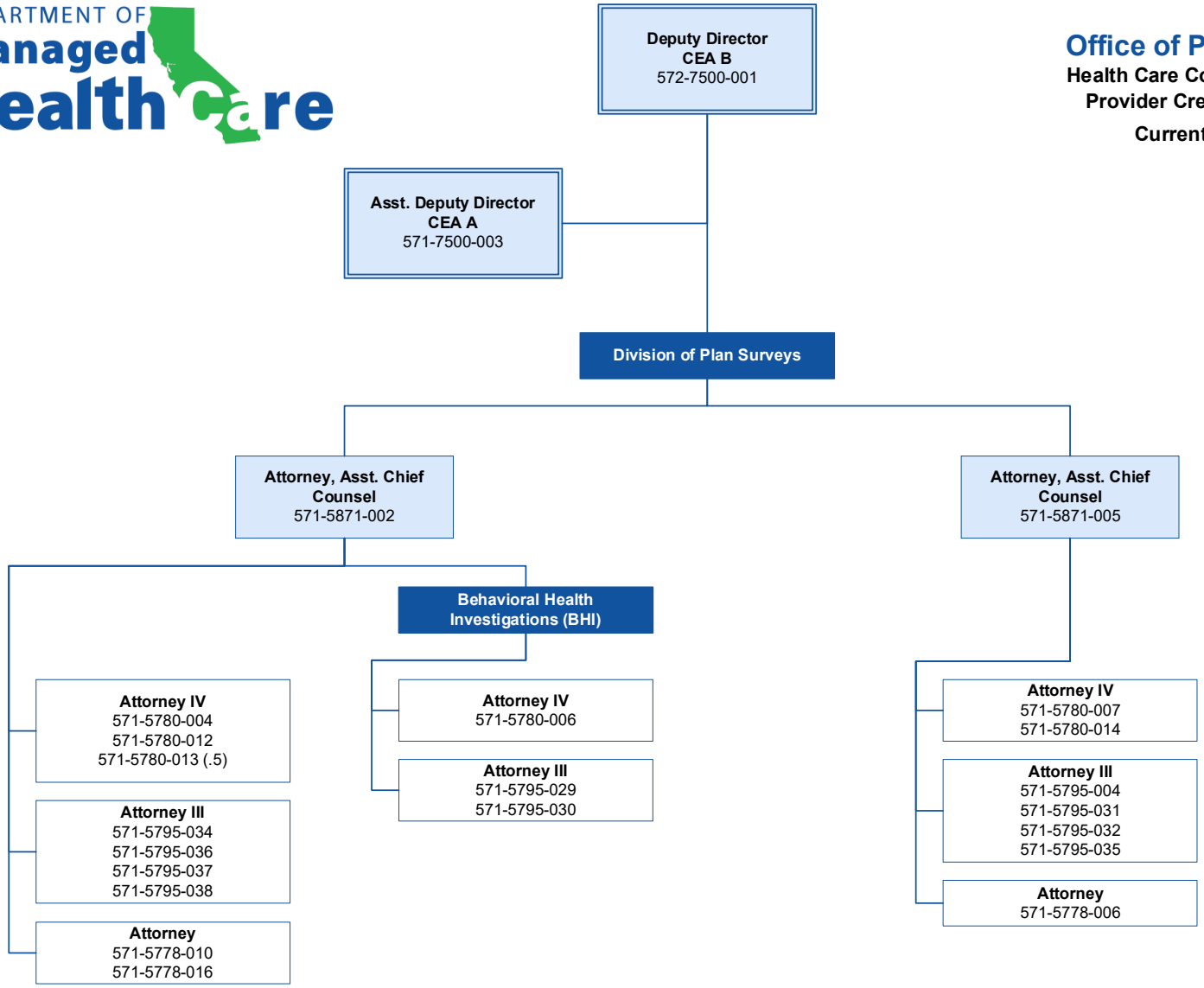
Attachment C

DEPARTMENT OF Managed Health Care

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 3 of 7)



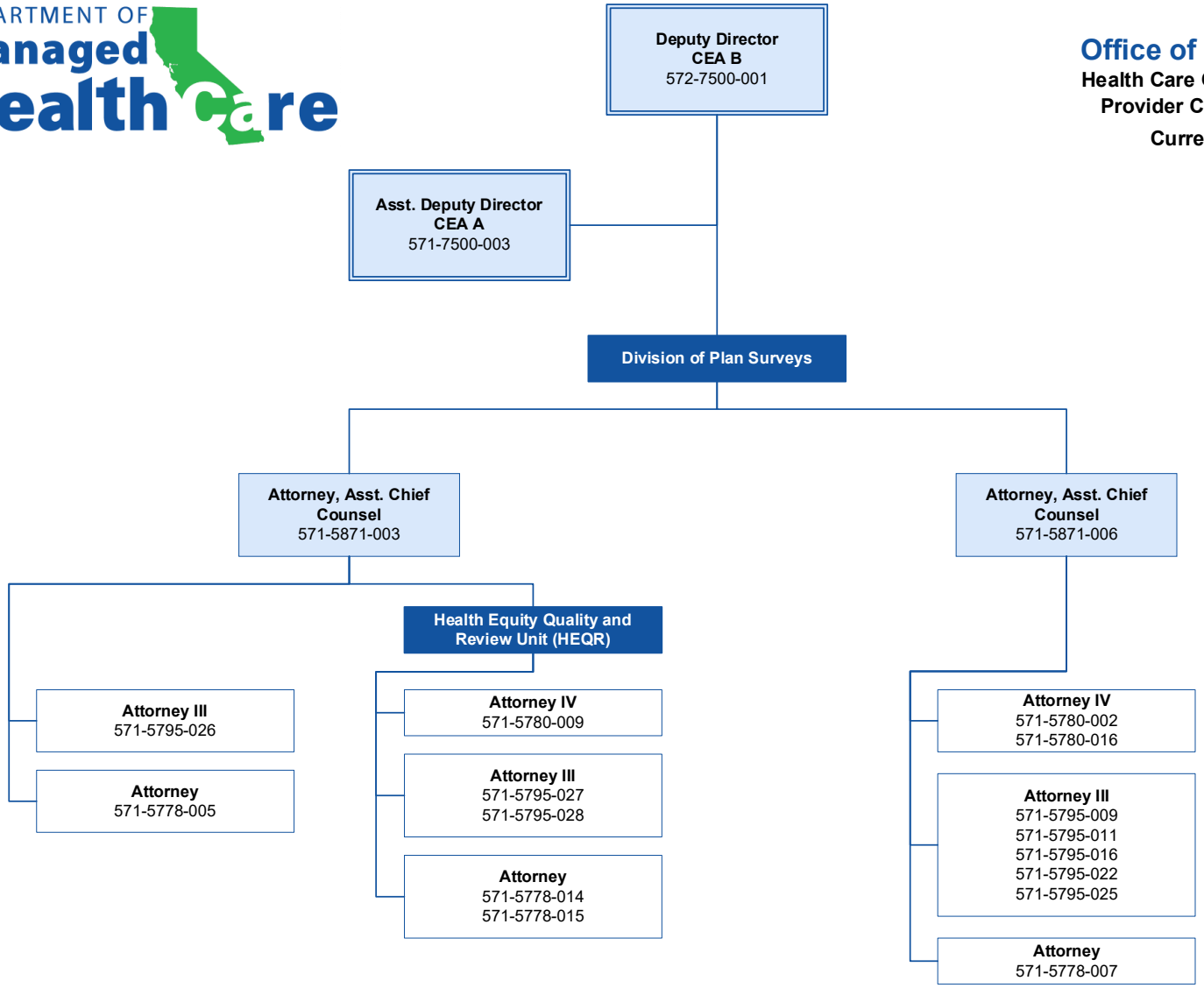
Attachment C

DEPARTMENT OF Managed Health Care

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 4 of 7)



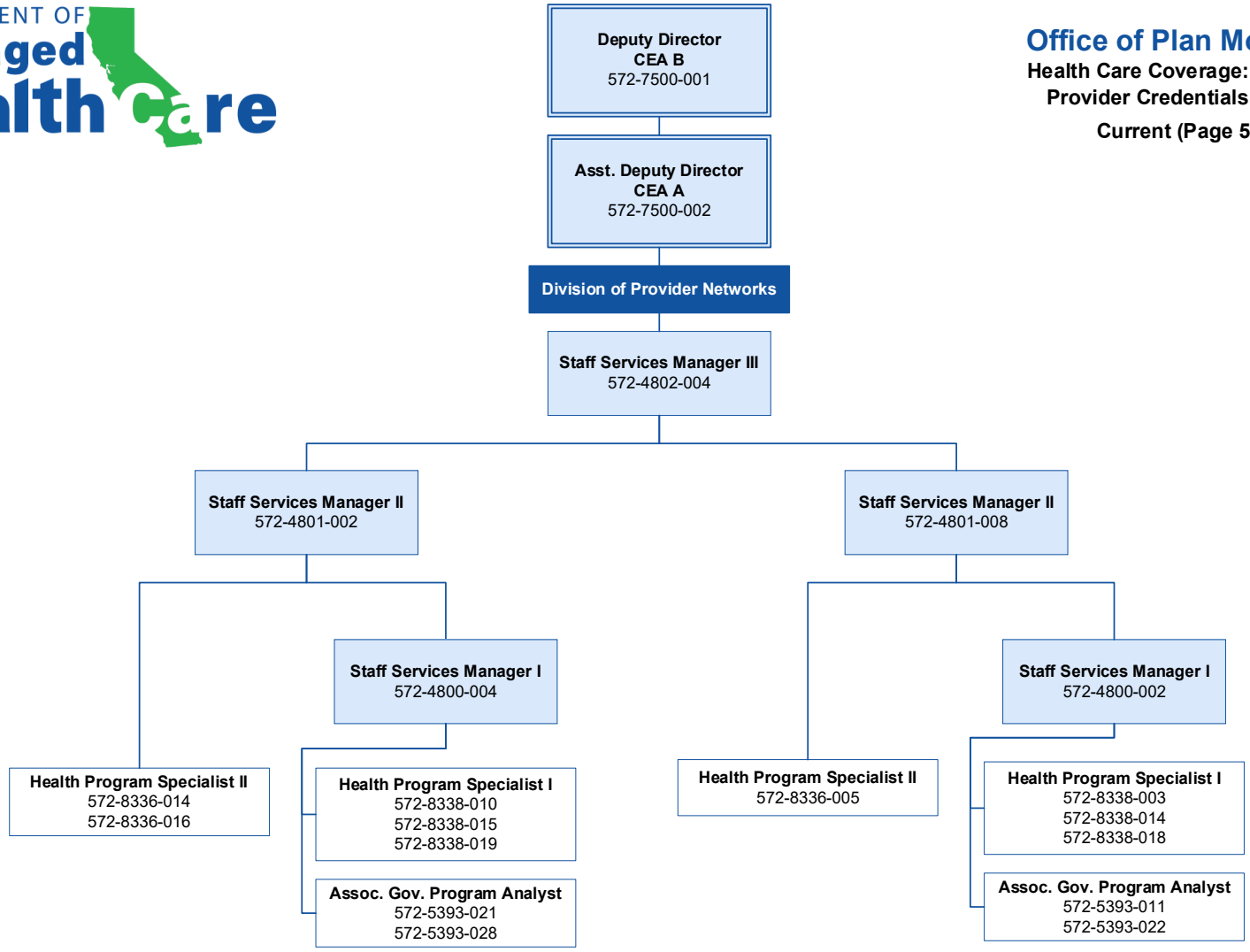
Attachment C

DEPARTMENT OF Managed Health Care

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 5 of 7)



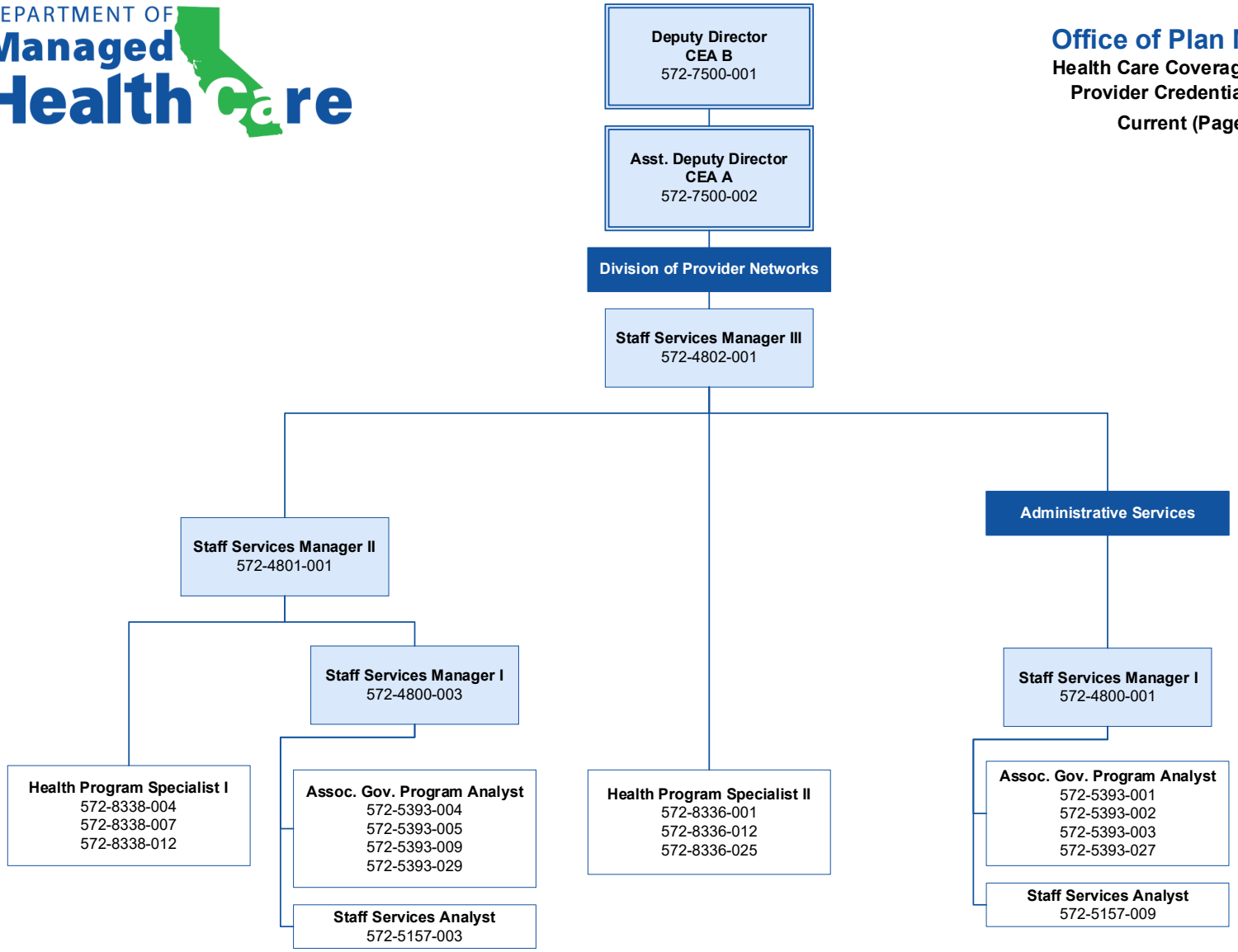
Attachment C

DEPARTMENT OF Managed Health Care

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 6 of 7)



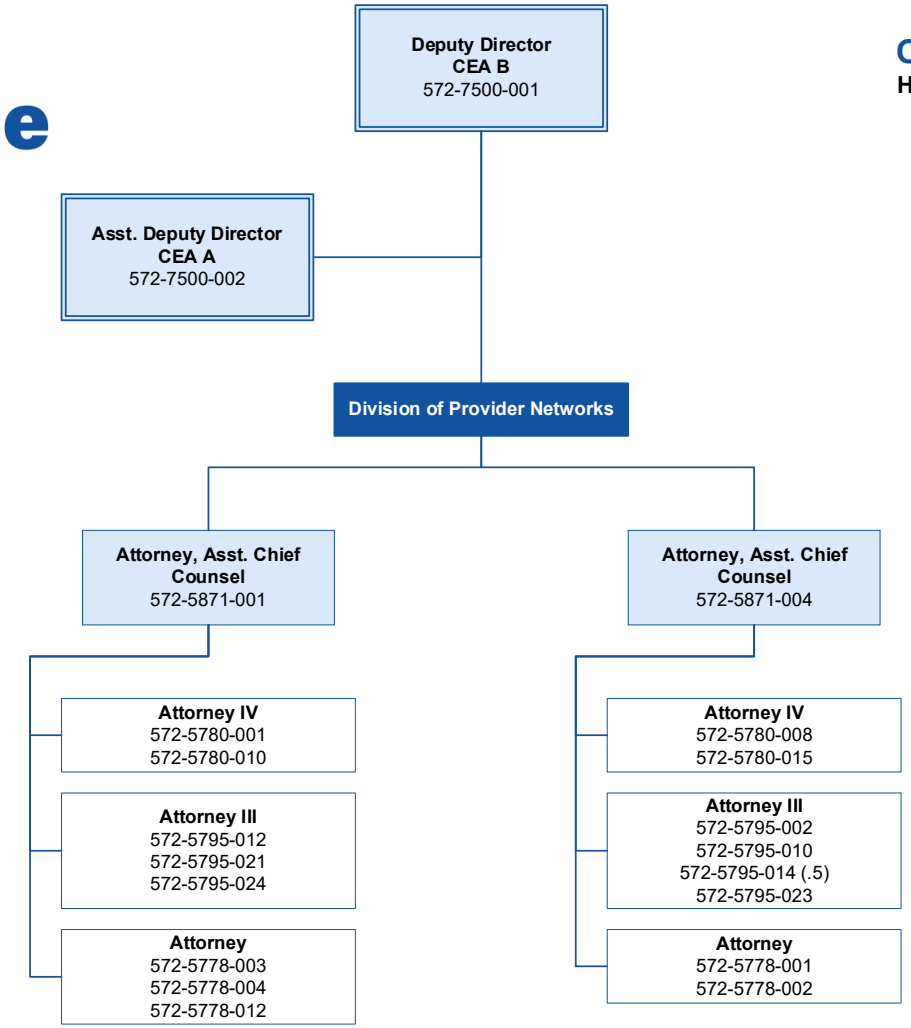
DEPARTMENT OF Managed Health Care

Attachment C

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 7 of 7)



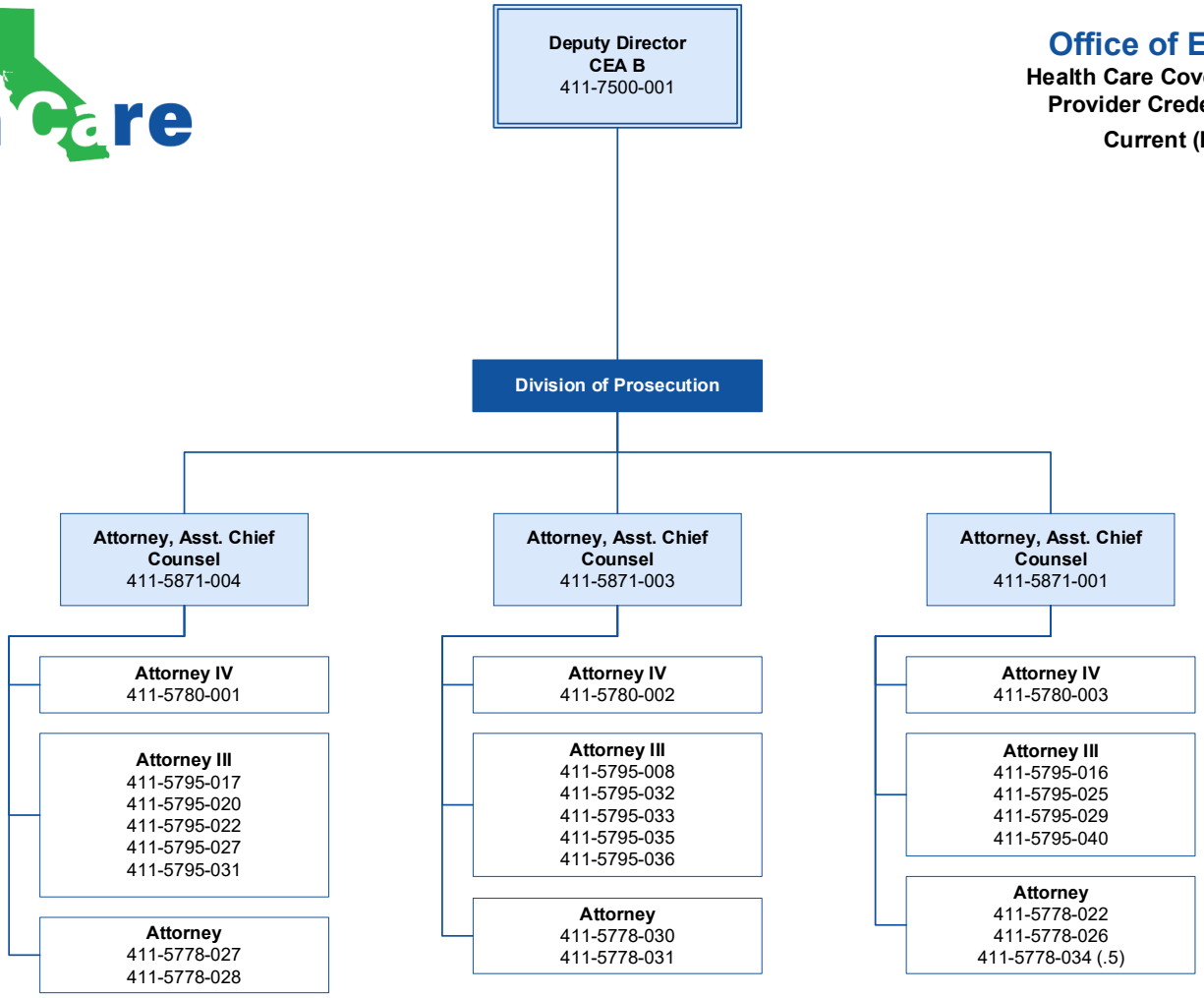
Attachment C

DEPARTMENT OF Managed Health Care

Office of Enforcement

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 1 of 4)



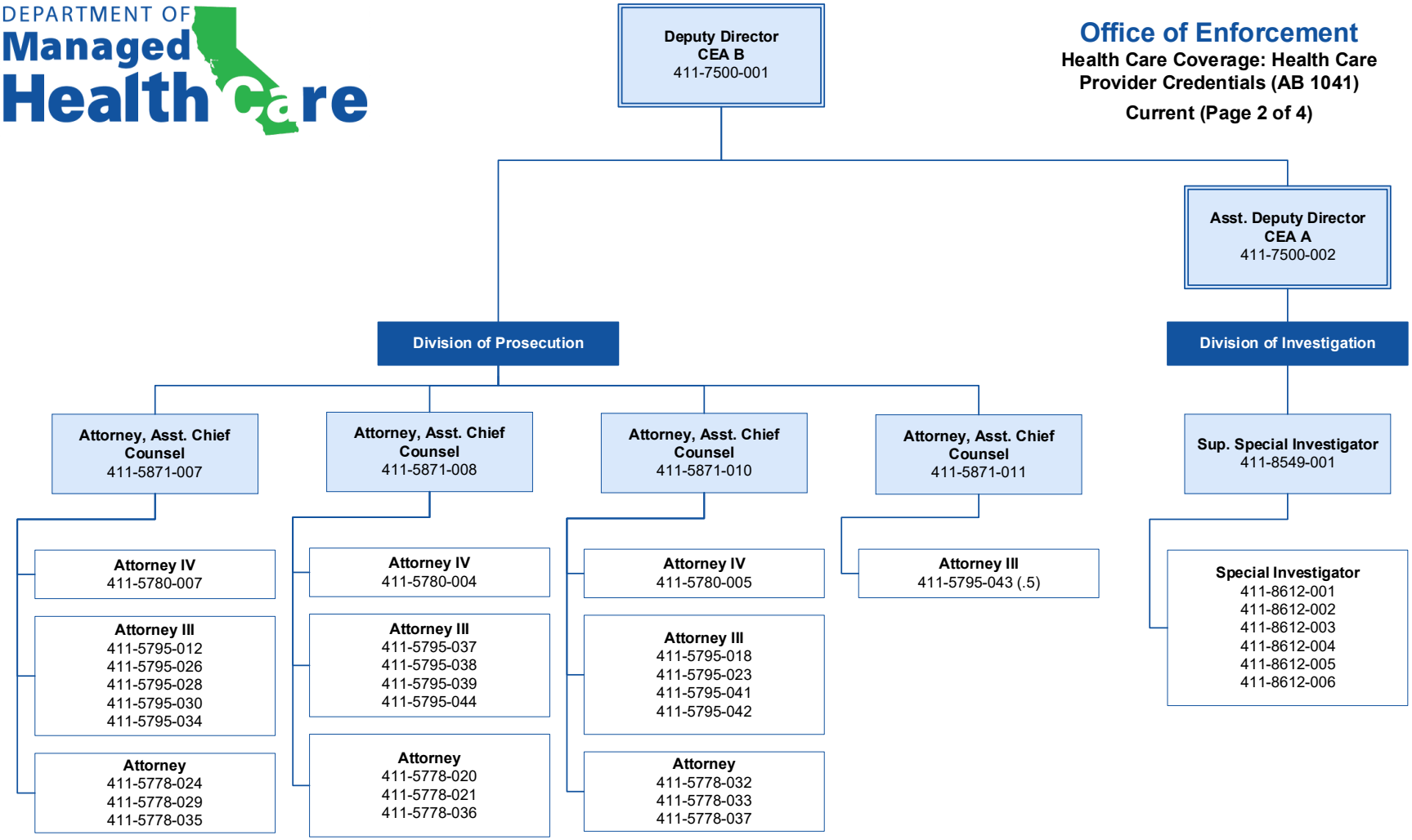
Attachment C

DEPARTMENT OF Managed Health Care

Office of Enforcement

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 2 of 4)



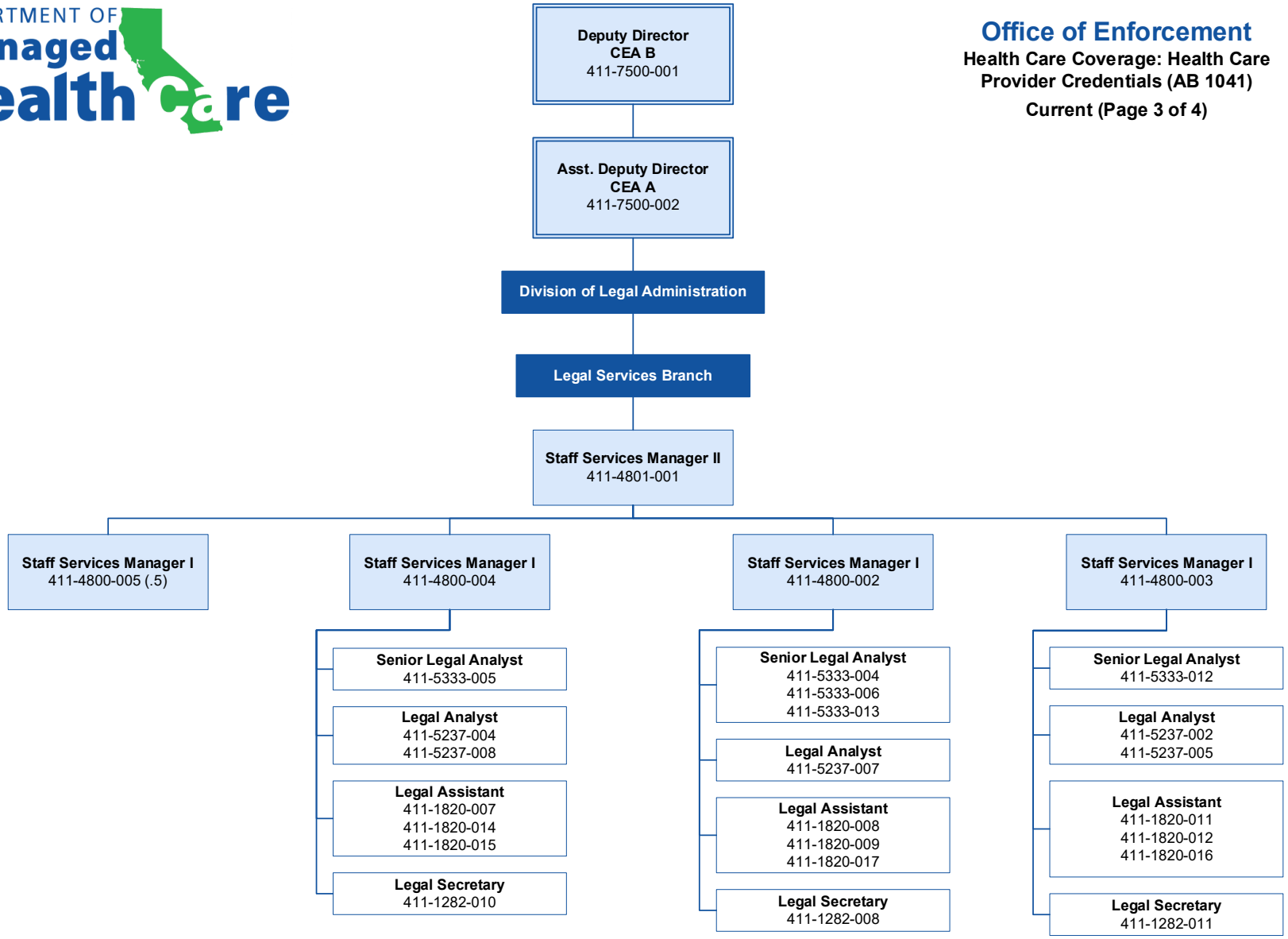
Attachment C

DEPARTMENT OF Managed Health Care

Office of Enforcement

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 3 of 4)



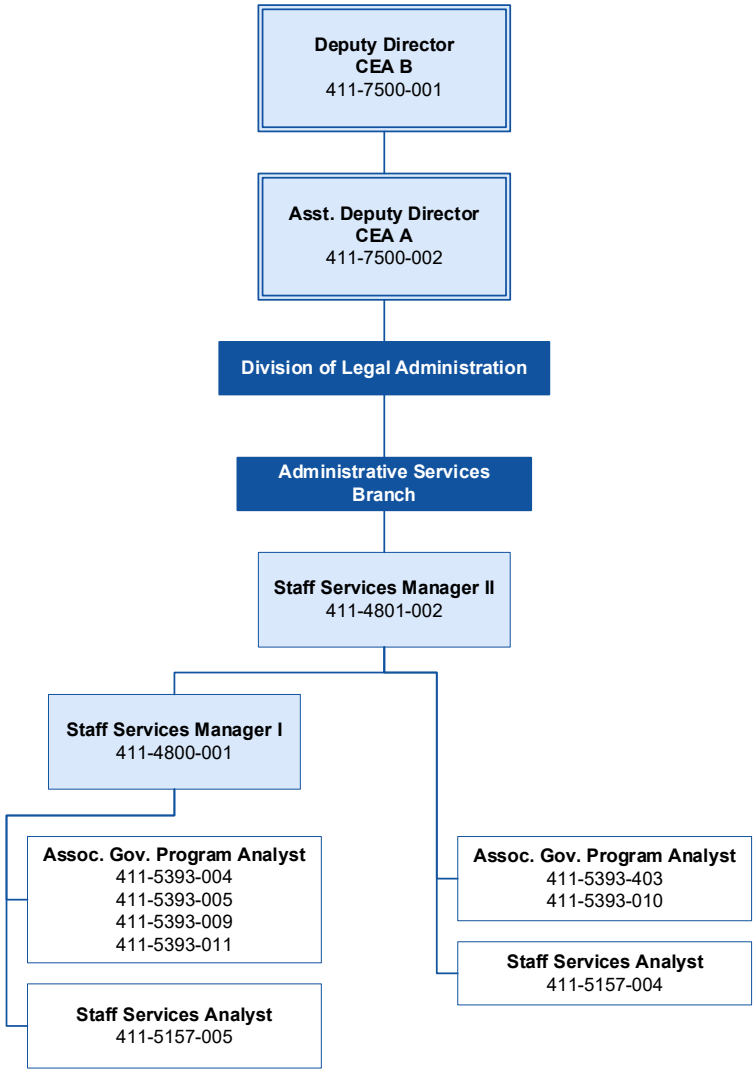
DEPARTMENT OF Managed Health Care

Attachment C

Office of Enforcement

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Current (Page 4 of 4)



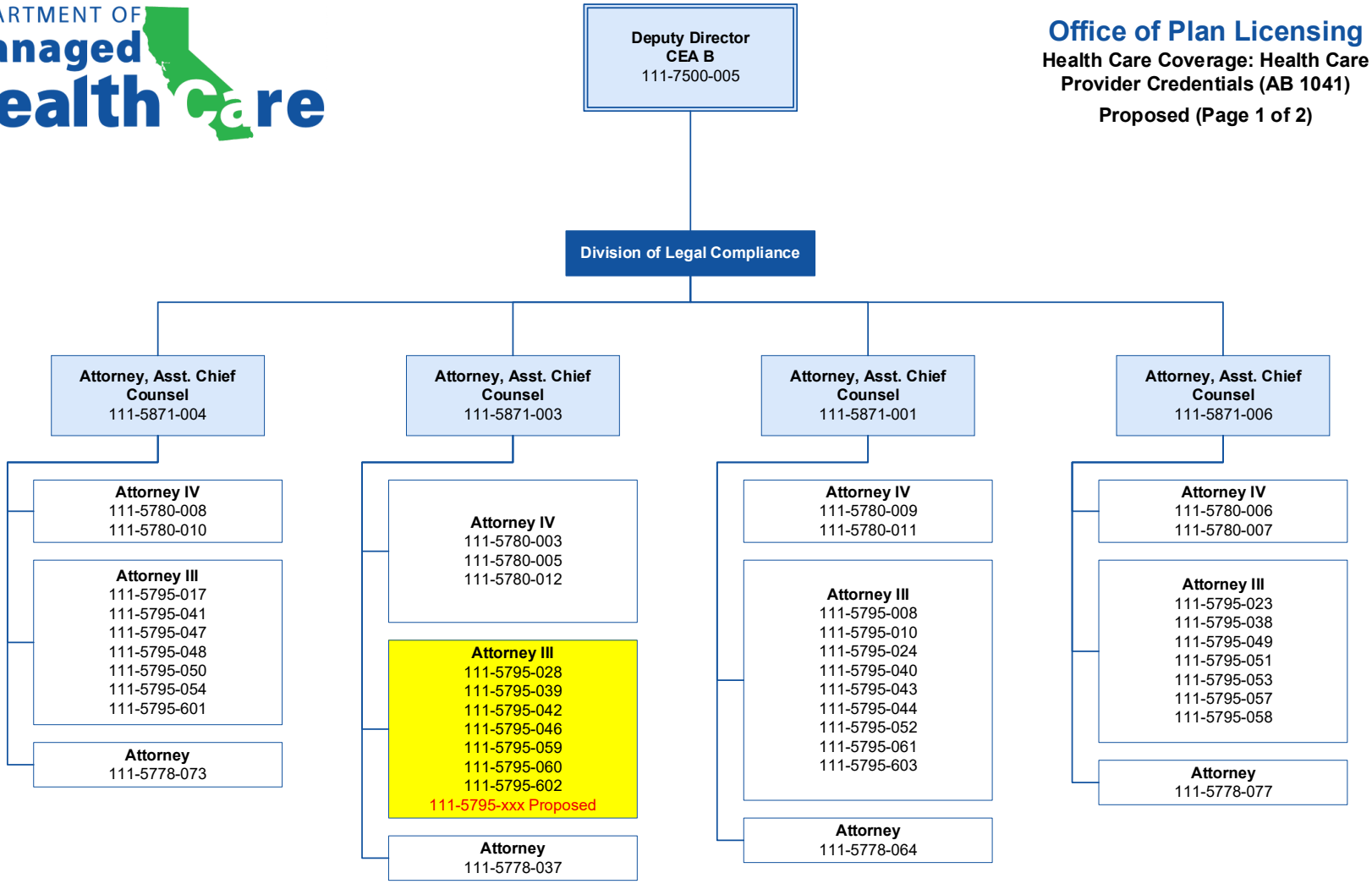
Attachment D

DEPARTMENT OF Managed Health Care

Office of Plan Licensing

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 1 of 2)



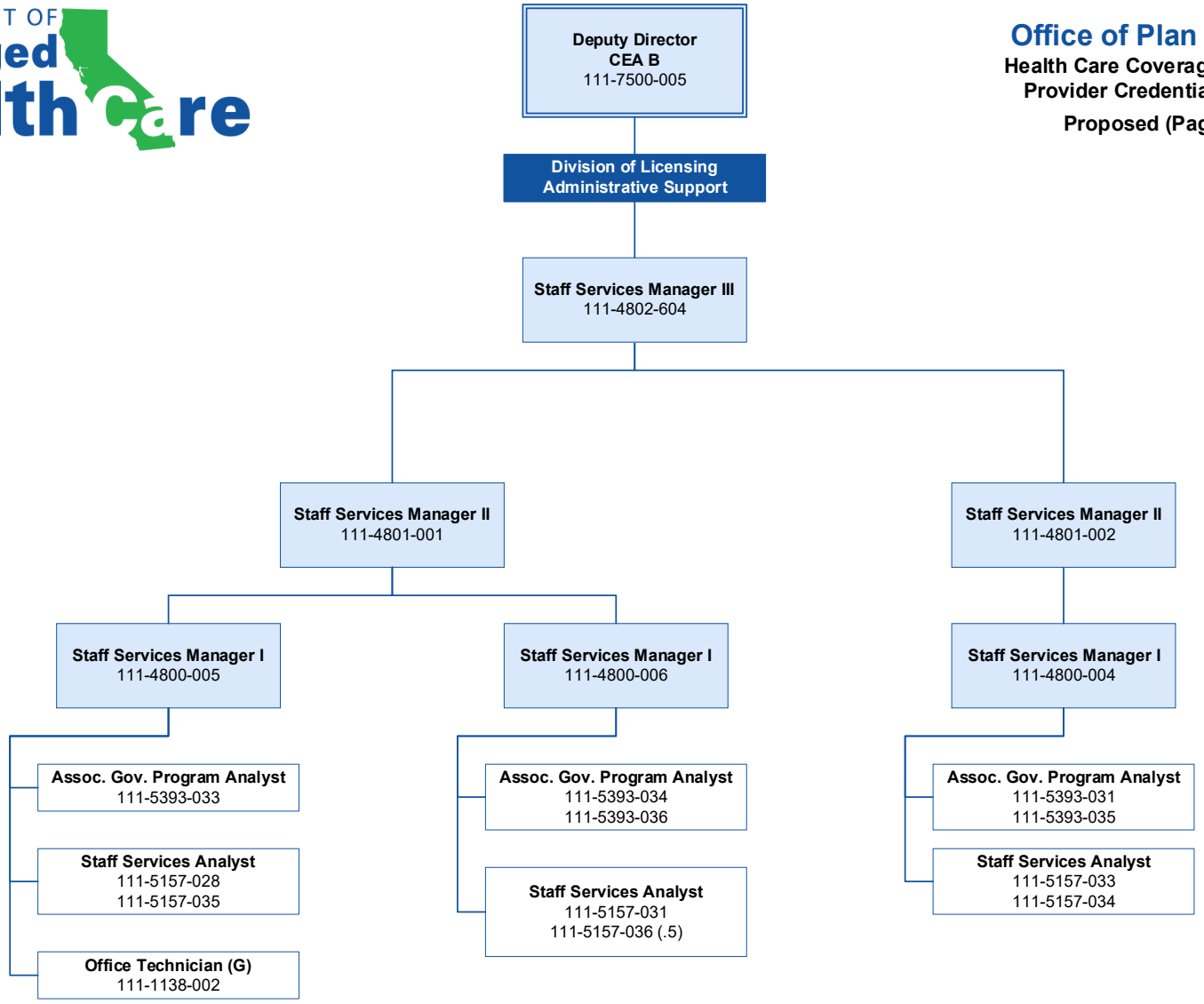
Attachment D

DEPARTMENT OF Managed Health Care

Office of Plan Licensing

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 2 of 2)



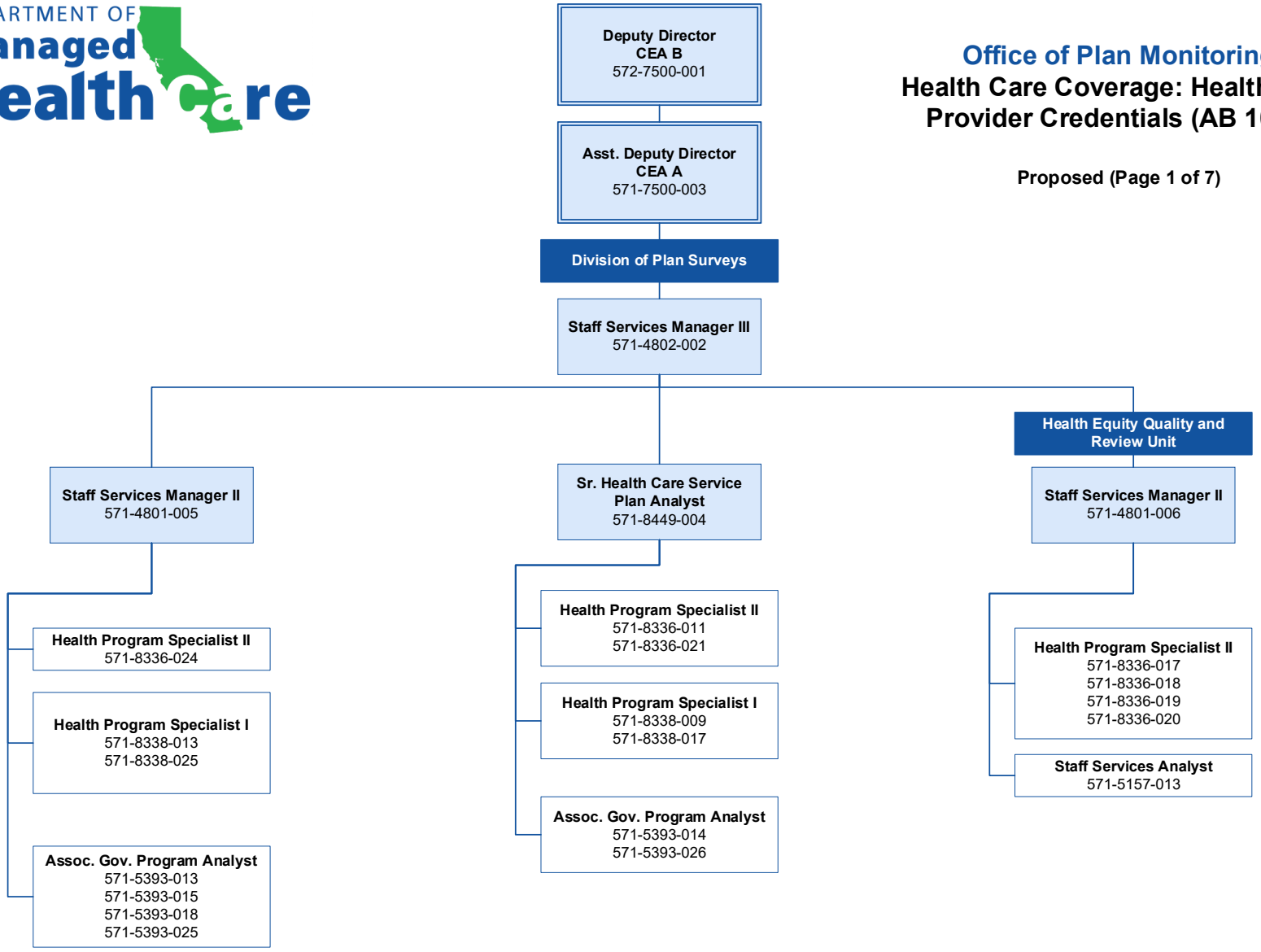
Attachment D

DEPARTMENT OF Managed Health Care

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 1 of 7)



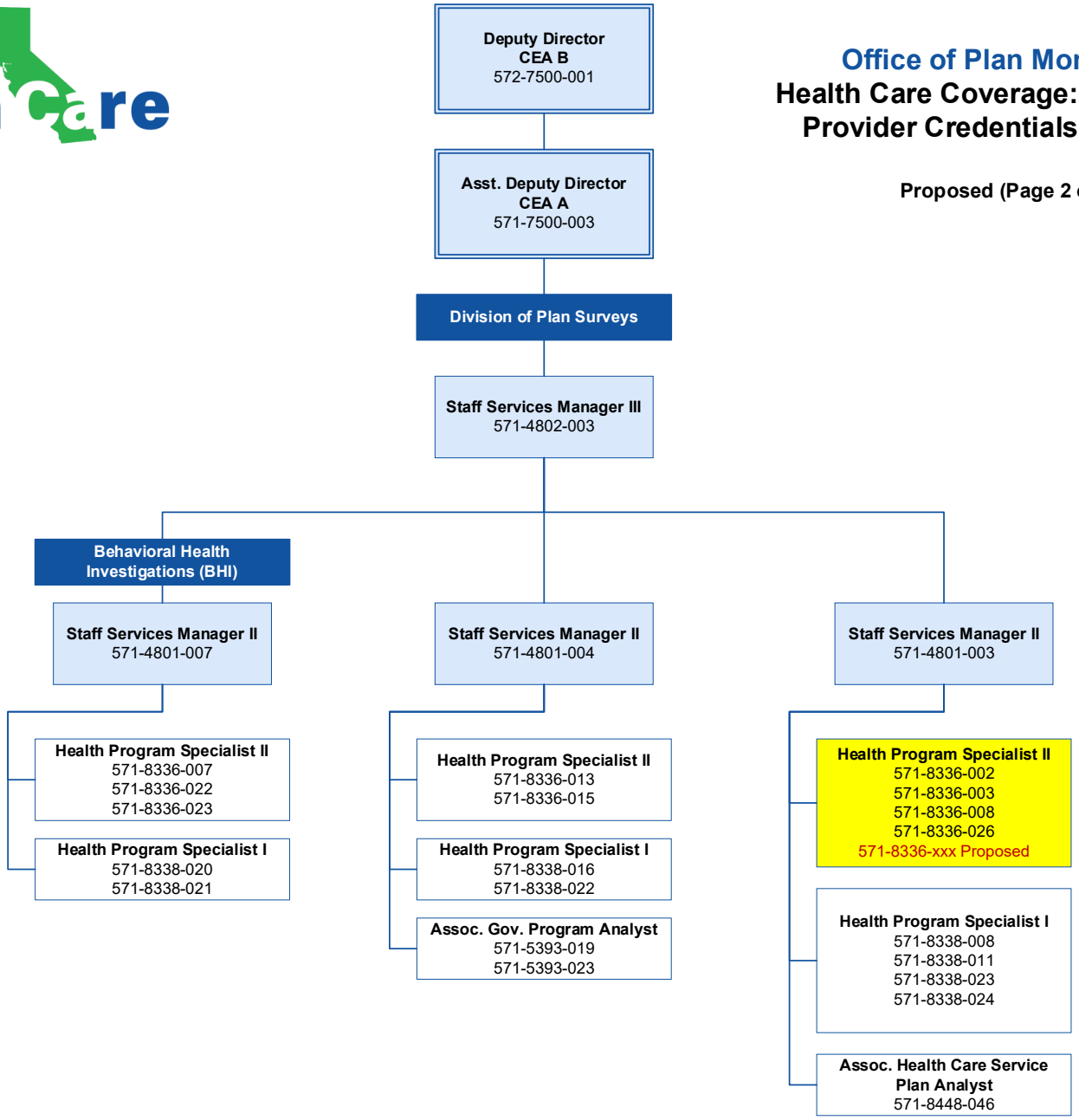
DEPARTMENT OF Managed Health Care

Attachment D

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 2 of 7)



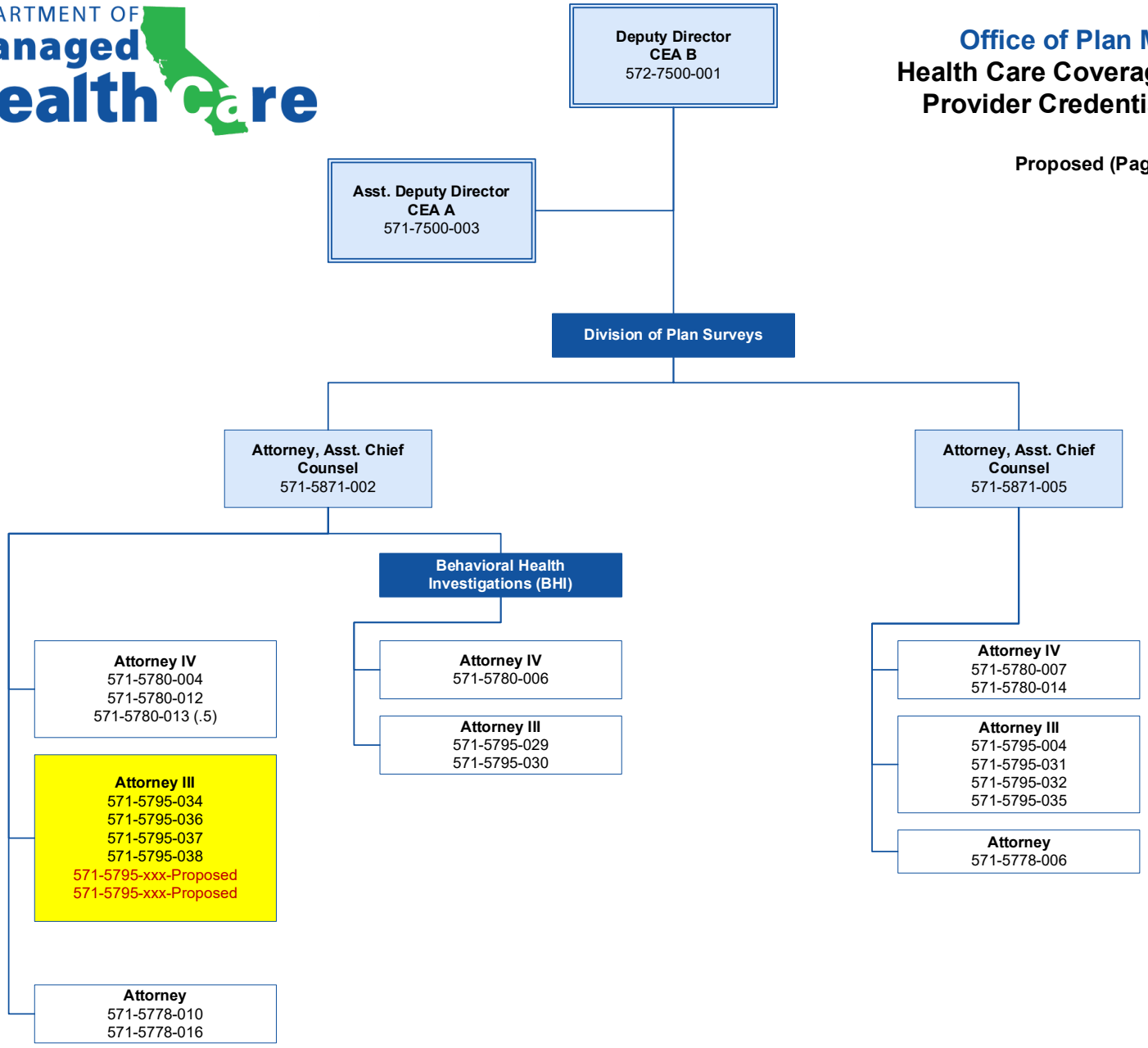
Attachment D

DEPARTMENT OF Managed Health Care

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 3 of 7)



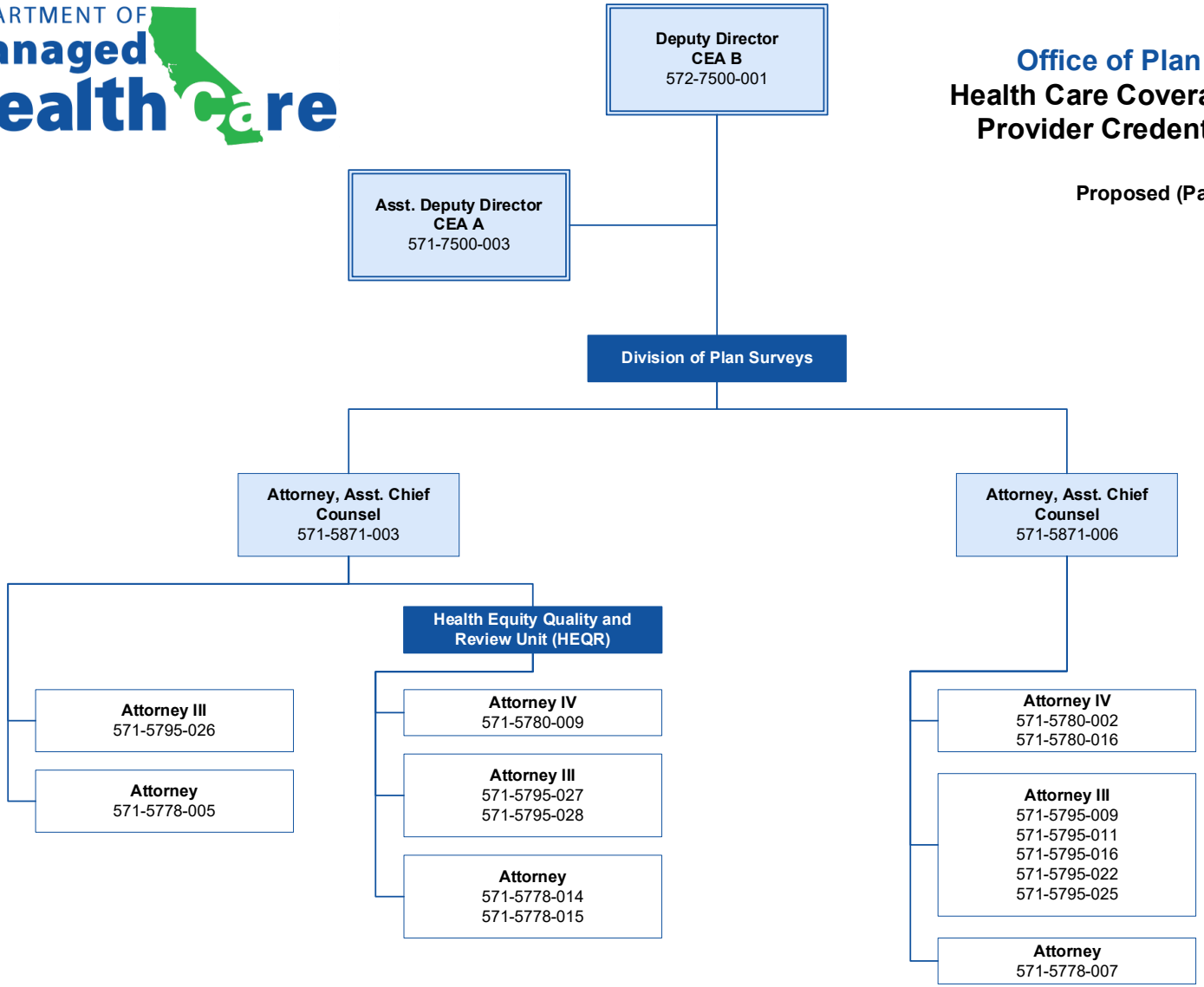
Attachment D

DEPARTMENT OF Managed Health Care

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 4 of 7)



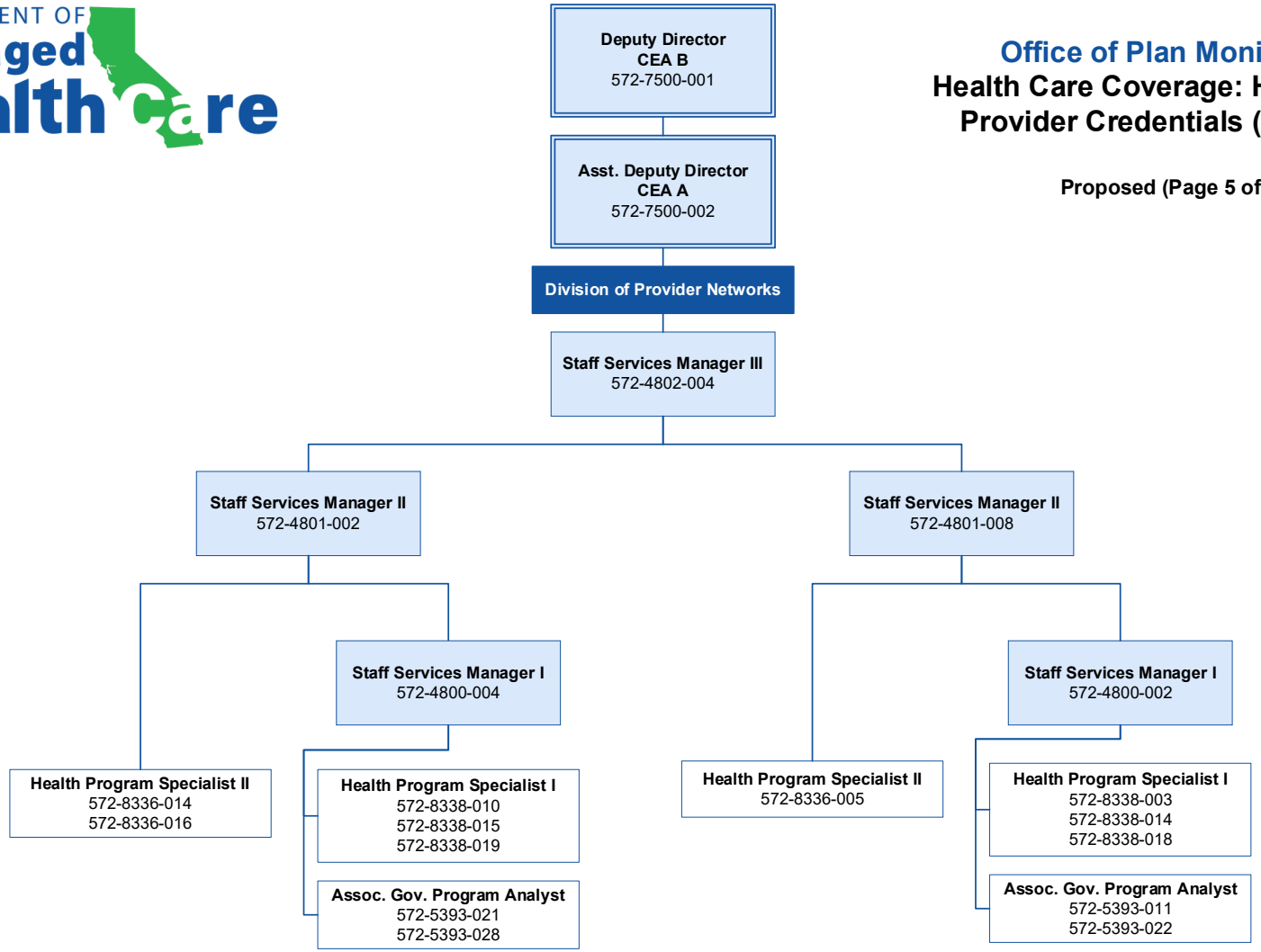
Attachment D

DEPARTMENT OF Managed Health Care

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 5 of 7)



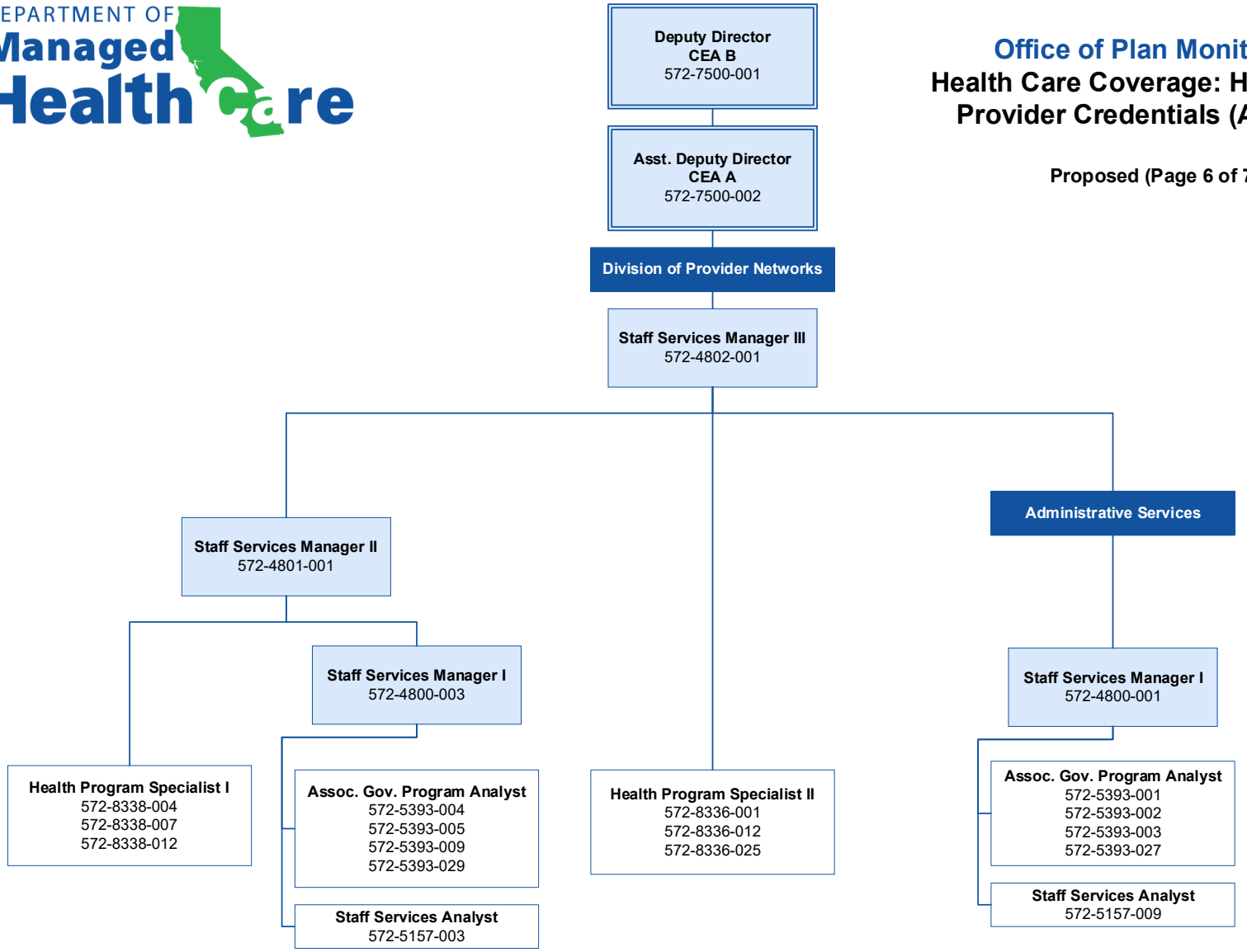
DEPARTMENT OF Managed Health Care

Attachment D

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 6 of 7)



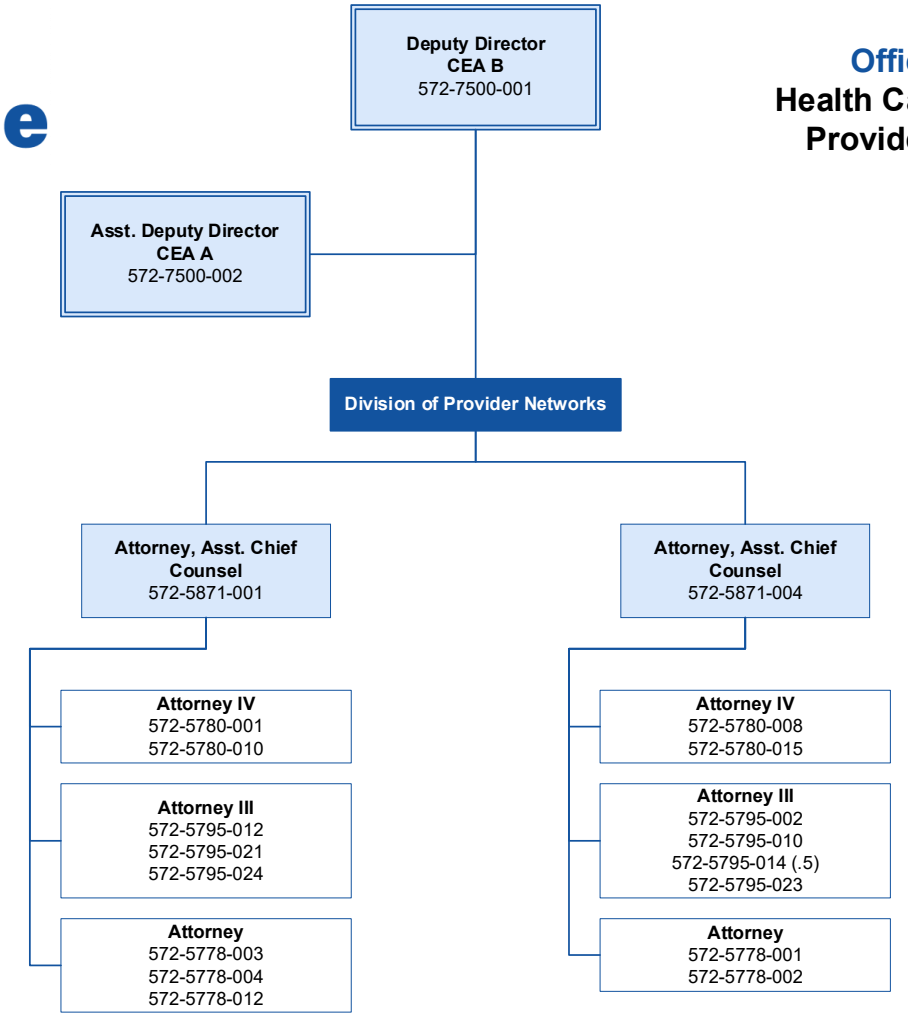
Attachment D

DEPARTMENT OF Managed Health Care

Office of Plan Monitoring

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 7 of 7)



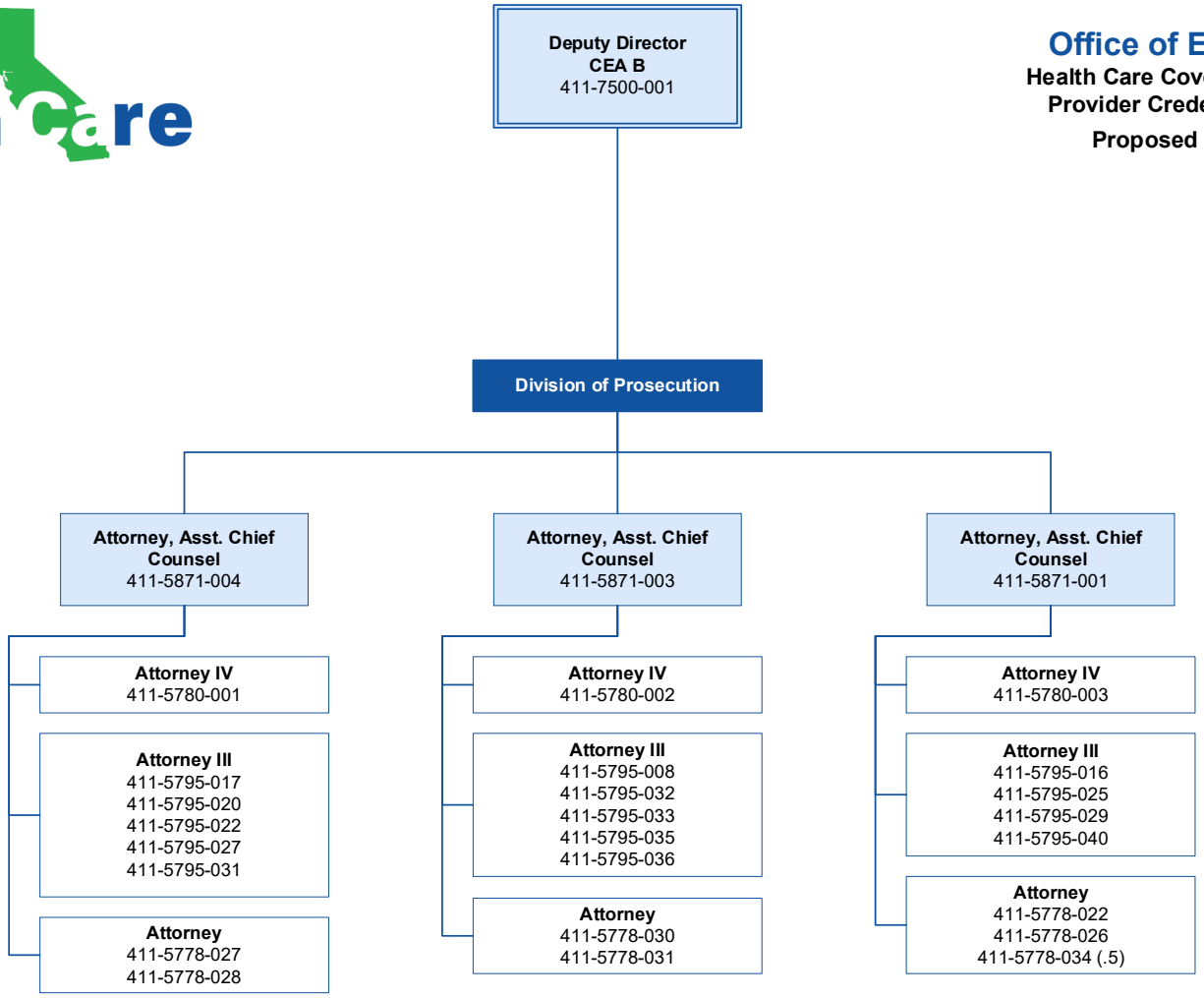
Attachment D

DEPARTMENT OF Managed Health Care

Office of Enforcement

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 1 of 4)



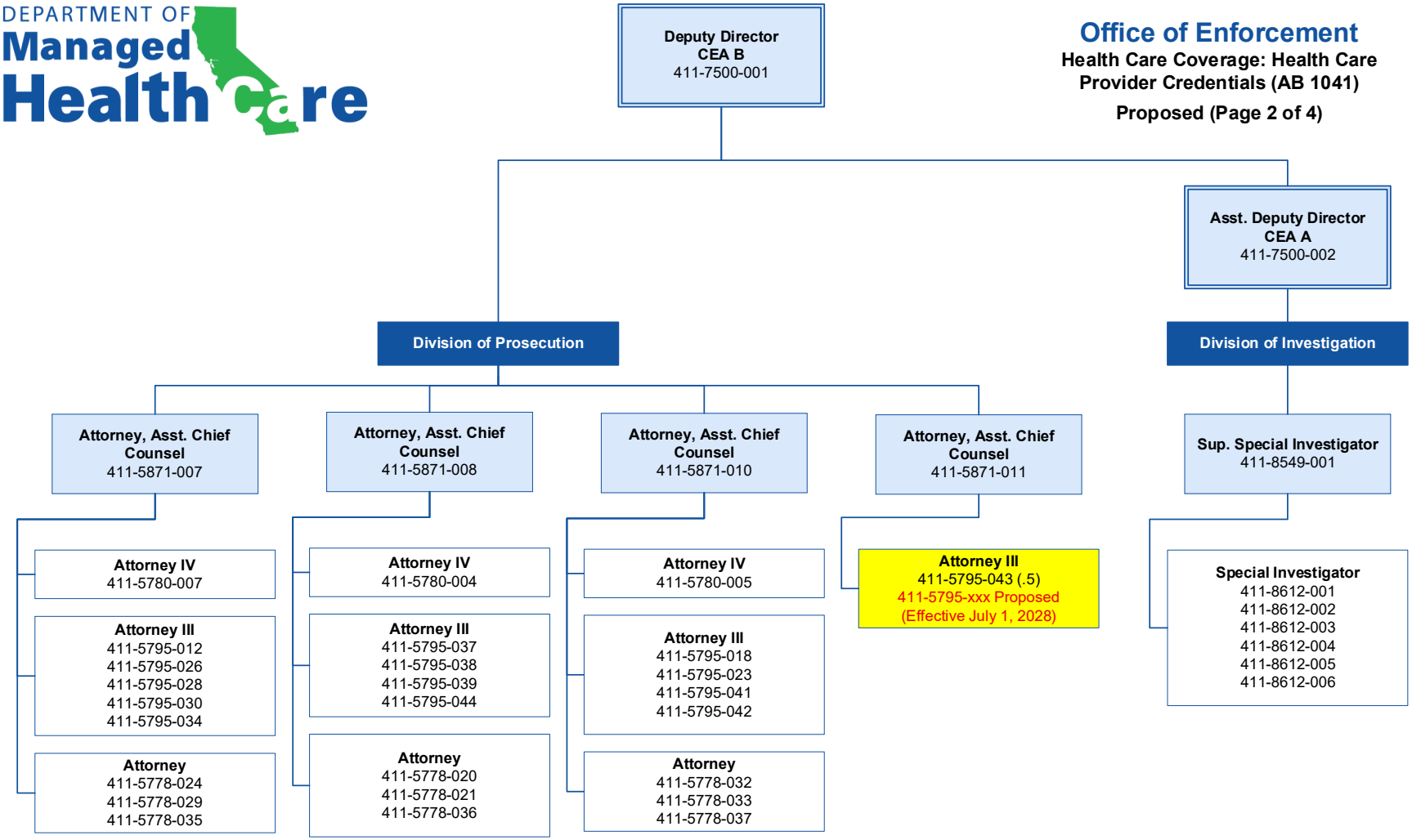
Attachment D

DEPARTMENT OF Managed Health Care

Office of Enforcement

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 2 of 4)



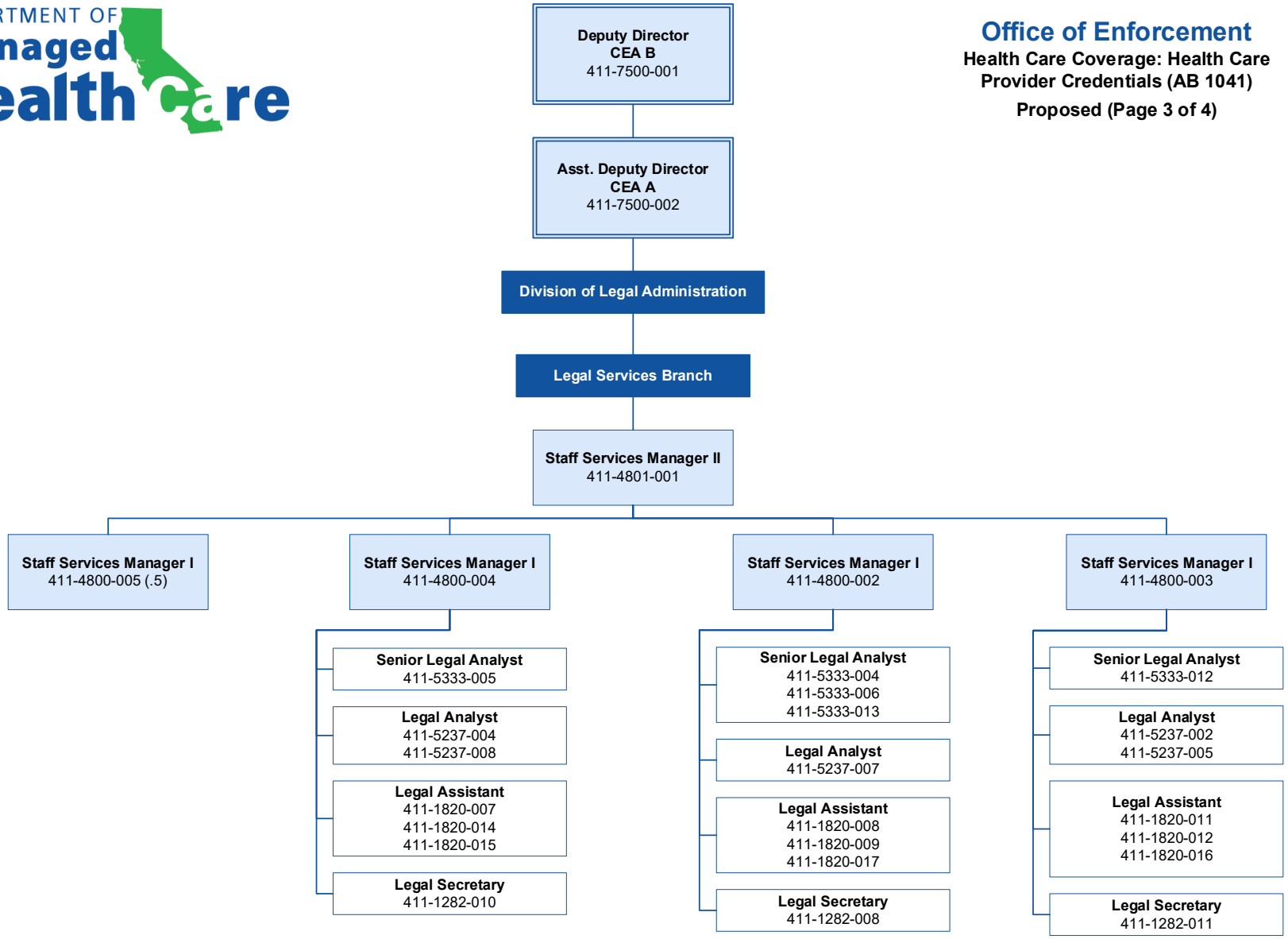
Attachment D

DEPARTMENT OF Managed Health Care

Office of Enforcement

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 3 of 4)



DEPARTMENT OF Managed Health Care

Attachment D

Office of Enforcement

Health Care Coverage: Health Care Provider Credentials (AB 1041)

Proposed (Page 4 of 4)

