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Department of Health Care Services



GAVIN NEWSOM
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DATE: August 10, 2021

ALL PLAN LETTER 21-009

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS

SUBJECT: COLLECTING SOCIAL DETERMINANTS OF HEALTH DATA

PURPOSE:

The purpose of this All Plan Letter (APL) is to provide guidance to Medi-Cal managed care health plans (MCPs) on using the Department of Health Care Services (DHCS) Priority Social Determinants of Health (SDOH) Codes to collect reliable SDOH data.

BACKGROUND:

DHCS released its California Advancing and Innovating Medi-Cal (CalAIM) proposal in 2019, which DHCS revised on January 8, 2021.¹ CalAIM is a multi-year program to improve health outcomes and quality of life for Medi-Cal beneficiaries through broad delivery system, program, and payment reform.

Population Health Management (PHM) is an initiative of CalAIM that identifies and manages member risk and need through whole person care approaches while focusing on and addressing SDOH.

DHCS recognizes that consistent and reliable collection of SDOH data is vital to the success of CalAIM's PHM initiative. To advance improvements, DHCS is providing guidance on collecting SDOH data to:

- Support MCPs and their Network Providers and Subcontractors in identifying member health, social and risk needs, to ensure that members receive the specific services and programs that they require. The data will also aid Network Providers and Subcontractors in care planning and coordination, and will contribute to the MCPs' population needs assessment. The intent is for MCPs to focus on health-related social factors that can be improved through Medi-Cal programs and services.
- Assist DHCS in evaluating population health statewide through the analysis of member characteristics, health, social, and risk needs, with an emphasis on driving improvements in health equity and identifying health disparities and their

¹ The CalAIM proposal is available at:
<https://www.dhcs.ca.gov/provgovpart/Pages/CalAIM.aspx>.

root causes. The intended use for this data, in addition to the statewide standardized member risk tiers that MCPs will report to DHCS, is to support future PHM policy and program development.

However, there are several well-documented challenges to collecting SDOH data including an absence of standardization in data collection and sharing, the lack of familiarity with properly coding and documenting SDOH among Network Providers and Subcontractors, Enhanced Care Management (ECM) and In Lieu of Services (ILOS) providers and medical billers/coders. Additionally, the multitude of, as well as gaps in, codes available for reporting SDOH makes standardization of reliable data challenging. These challenges are especially apparent amongst community-based provider organizations, such as ECM and ILOS providers, many of whom are not accustomed to submitting documentation and SDOH-related diagnosis codes.

POLICY:

To support PHM and overcome the challenges of collecting SDOH data, DHCS is issuing a list of 18 DHCS Priority SDOH Codes, based on the International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM), for MCPs and providers to utilize when coding for SDOH to ensure correct coding and capture of reliable data.² The DHCS Priority SDOH Codes were chosen based on an assessment of existing MCP code utilization, and by determining where MCPs and their Network Providers and Subcontractors may have the greatest impact on identifying and addressing SDOH.

While the DHCS encounter data system accepts and allows for MCPs to use all ICD-10-CM SDOH codes (see Attachment A below), DHCS seeks to prioritize the use of a set of pertinent SDOH codes to maximize the capture of actionable SDOH data.

DHCS expects MCPs to develop processes to regularly document SDOH. MCPs should work closely with their Network Providers, Subcontractors, ECM and ILOS providers to promote screening and reporting of DHCS Priority SDOH Codes, in accordance with the latest Centers for Medicare and Medicaid Services (CMS) guidance, specifically emphasizing that contracted Network Providers and Subcontractors, other than a member's primary care physician, can document and code SDOH.³ DHCS further expects MCPs to support training to contracted Network Providers and Subcontractors on the use of DHCS Priority SDOH Codes, and to incorporate these codes into all

² The Center for Disease Control's ICD-10-CM codes recognize categories Z55-Z65 as identifying SDOH. This subset of Z codes consists of 9 categories and 97 codes. See Attachment A, Table 1 for the full list of Z55-Z65 codes.

³ The CMS ICD-10-CM Official Guidelines for Coding and Reporting FY 2021, available to view at: <https://www.cms.gov/medicare/icd-10/2021-icd-10-cm>.

coding and billing guidance and templates developed for Network Providers, Subcontractors, ECM and ILOS providers.

DHCS Priority SDOH Codes

Code	Description
Z55.0	Illiteracy and low-level literacy
Z59.0	Homelessness
Z59.1	Inadequate housing (lack of heating/space, unsatisfactory surroundings)
Z59.3	Problems related to living in residential institution
Z59.4	Lack of adequate food and safe drinking water
Z59.7	Insufficient social insurance and welfare support
Z59.8	Other problems related to housing and economic circumstances (foreclosure, isolated dwelling, problems with creditors)
Z60.2	Problems related to living alone
Z60.4	Social exclusion and rejection (physical appearance, illness or behavior)
Z62.819	Personal history of unspecified abuse in childhood
Z63.0	Problems in relationship with spouse or partner
Z63.4	Disappearance & death of family member (assumed death, bereavement)
Z63.5	Disruption of family by separation and divorce (marital estrangement)
Z63.6	Dependent relative needing care at home
Z63.72	Alcoholism and drug addiction in family
Z65.1	Imprisonment and other incarceration
Z65.2	Problems related to release from prison
Z65.8	Other specified problems related to psychosocial circumstances (religious or spiritual problem)

Encounter Data Submission Process

MCPs are required to submit encounter data in accordance with the requirements in federal and state law, the MCP contract, APL 14-019, and any subsequent updates thereto.⁴ MCPs must submit complete, accurate, and timely encounter data using all applicable medical coding in a manner consistent with federal and state requirements and guidance. Encounter data must be submitted through the existing encounter data reporting mechanisms for all covered services for which MCPs have incurred any financial liability (whether directly or through subcontracts or other arrangements), using

⁴ See Title 42 Code of Federal Regulations (CFR) sections 438.604 and 438.606.

42 CFR part 438 is available at: <https://www.ecfr.gov/cgi-bin/text-idx?SID=c7268f814e01cfff1b3066333a8e6a&mc=true&node=pt42.4.438&rgn=div5>.

See Title 22 California Code of Regulations (CCR) section 53862.

The CCR is searchable at: <https://govt.westlaw.com/calregs/Search/Index>.

ASC X12 837 version 5010 x223 Institutional and Professional transactions or NCPDP 2.2 or 4.2 transactions, to the DHCS encounter data system PACES – Post Adjudicated Claims and Encounters System.

Since this APL does not add specific requirements, the APL will not require the creation of or a change in an MCP's policies and procedures (P&Ps). MCPs are encouraged to review their internal policies and procedures to align with this APL to encourage Network Providers and Subcontractors to regularly document SDOH.

MCPs are responsible for ensuring that their Subcontractors and Network Providers comply with all applicable state and federal laws and regulations, contract requirements, and other DHCS guidance, including APLs and Policy Letters.⁵ These requirements must be communicated by each MCP to all subcontractors and network providers.

If you have any questions regarding this APL, please contact your MCOD Contract Manager.

Sincerely,

Original Signed by Bambi Cisneros

Bambi Cisneros, Acting Division Chief
Managed Care Quality and Monitoring Division

⁵ For more information on Subcontractors and Network Providers, including the definition and requirements applicable, see APL 19-001, and any subsequent APLs on this topic. APLs are available at: <https://www.dhcs.ca.gov/formsandpubs/Pages/AllPlanLetters.aspx>.

Attachment A

Table 1: ICD-10-CM Codes Z55-Z65 – Persons with Potential Health Hazards Related to Socioeconomic and Psychosocial Circumstances

Category	Code	Description
Problems related to education & literacy (7)	Z55.0	Illiteracy and low-level literacy
	Z55.1	Schooling unavailable and unattainable
	Z55.2	Failed school examinations
	Z55.3	Underachievement in school
	Z55.4	Educational maladjustment and discord with teachers and classmates
	Z55.8	Other problems related to education and literacy
	Z55.9	Problems related to education and literacy, unspecified
Problems related to employment and unemployment (12)	Z56.0	Unemployment, unspecified
	Z56.1	Change of job
	Z56.2	Threat of job loss
	Z56.3	Stressful work schedule
	Z56.4	Discord with boss and workmates
	Z56.5	Uncongenial work environment
	Z56.6	Other physical and mental strain related to work
	Z56.81	Sexual harassment on the job
	Z56.82	Military deployment status
	Z56.89	Other problems related to employment
	Z56.9	Unspecified problems related to employment
Occupational exposure to risk factors (12)	Z57.0	Occupational exposure to noise
	Z57.1	Occupational exposure to radiation
	Z57.2	Occupational exposure to dust
	Z57.31	Occupational exposure to environmental tobacco smoke
	Z57.39	Occupational exposure to other air contaminants
	Z57.4	Occupational exposure to toxic agents in agriculture
	Z57.5	Occupational exposure to toxic agents in other industries
	Z57.6	Occupational exposure to extreme temperature
	Z57.7	Occupational exposure to vibration
	Z57.8	Occupational exposure to other risk factors
	Z57.9	Occupational exposure to unspecified risk factor
Problems related to housing and economic	Z59.0	Homelessness
	Z59.1	Inadequate housing (lack of heating/space, unsatisfactory surroundings)
	Z59.2	Discord with neighbors, lodgers and landlord
	Z59.3	Problems related to living in residential institution

circumstances (10)	Z59.4	Lack of adequate food and safe drinking water
	Z59.5	Extreme poverty
	Z59.6	Low income
	Z59.7	Insufficient social insurance and welfare support
	Z59.8	Other problems related to housing and economic circumstances (foreclosure, isolated dwelling, problems with creditors)
	Z59.9	Problem related to housing and economic circumstances, unspecified
Problems related to social environment (7)	Z60.0	Problems of adjustment to life transitions (life phase, retirement)
	Z60.2	Problems related to living alone
	Z60.3	Acculturation difficulty (migration, social transplantation)
	Z60.4	Social exclusion and rejection (physical appearance, illness, behavior)
	Z60.5	Target of (perceived) adverse discrimination and persecution
	Z60.8	Other problems related to social environment
	Z60.9	Problem related to social environment, unspecified
Problems related to upbringing (24)	Z62.0	Inadequate parental supervision and control
	Z62.1	Parental overprotection
	Z62.21	Child in welfare custody (non-parental family member, foster care)
	Z62.22	Institutional upbringing (orphanage or group home)
	Z62.29	Other upbringing away from parents
	Z62.3	Hostility towards and scapegoating of child
	Z62.6	Inappropriate (excessive) parental pressure
	Z62.810	Personal history of physical and sexual abuse in childhood
	Z62.811	Personal history of psychological abuse in childhood
	Z62.812	Personal history of neglect in childhood
	Z62.813	Personal history of forced labor or sexual exploitation in childhood
	Z62.819	Personal history of unspecified abuse in childhood
	Z62.820	Parent-biological child conflict
	Z62.821	Parent-adopted child conflict
	Z62.822	Parent-foster child conflict
	Z62.890	Parent-child estrangement NEC
	Z62.891	Sibling rivalry
	Z62.898	Other specified problems related to upbringing

	Z62.9	Problem related to upbringing, unspecified
Other problems related to primary support group, including family circumstances (14)	Z63.0	Problems in relationship with spouse or partner
	Z63.1	Problems in relationship with in-laws
	Z63.31	Absence of family member due to military deployment
	Z63.32	Other absence of family member
	Z63.4	Disappearance/death of family member (assumed death, bereavement)
	Z63.5	Disruption of family by separation and divorce (marital estrangement)
	Z63.6	Dependent relative needing care at home
	Z63.71	Stress on family due to return of family from military deployment
	Z63.72	Alcoholism and drug addiction in family
	Z63.79	Other stressful events affecting family/household (ill/disturbed member)
	Z63.8	Other specified problems related to primary support group (discord or estrangement, inadequate support)
	Z63.9	Problem related to primary support group, unspecified
Problems related to psychosocial circumstances (3)	Z64.0	Problems related to unwanted pregnancy
	Z64.1	Problems related to multiparity
	Z64.4	Discord with counselors
Problems related to other psychosocial circumstances (8)	Z65.0	Conviction in civil and criminal proceedings without imprisonment
	Z65.1	Imprisonment and other incarceration
	Z65.2	Problems related to release from prison
	Z65.3	Problems related to other legal circumstances (arrest, custody, litigation)
	Z65.4	Victim of crime and terrorism
	Z65.5	Exposure to disaster, war and other hostilities
	Z65.8	Other specified problems related to psychosocial circumstances (religious or spiritual problem)
	Z65.9	Problem related to unspecified psychosocial circumstances