LHPC
Local Health Plans *of* California

# LOCAL PLANS LOCAL IMPACT:

## How California's Local Plans Deliver Quality, Access, and Accountability

May 2026

## INTRODUCTION

California's local health plan model was built on a clear policy premise: in a state as large and diverse as California, with significant geographic differences and a vast Medi-Cal population, **locally governed health plans would better serve enrollees** and strengthen the communities around them.

More than 50 years later, that premise has proven correct. Today, LHPC's 17 member plans serve 9.1 million Medi-Cal members across 51 counties as community-based, public health plans governed by the people and institutions that reflect the communities they serve.

Medi-Cal enrollees have affirmed that model with their own choices.

Collectively, **local plans cover 73%** of all Medi-Cal managed care members across the 51 counties in which they operate.

This paper describes what that model delivers: measurably strong quality outcomes, genuine and sustained access to care, whole-person care coordination, member-centered service, meaningful investment in community health and local health care infrastructure, and responsible stewardship of the public dollars entrusted to them.

**2** *out of* **3**

Medi-Cal enrollees choose the LOCAL PLAN when given a choice

# BUILT TO SERVE: THE LOCAL PLAN MODEL

California's local Medi-Cal plans were created specifically for the people and communities they cover. They are governed by local boards that reflect those communities, staffed by people who live and work among their members, and built around a deep understanding of the distinct needs, and circumstances of the populations they serve.

Governance is where the difference starts. **Local plan boards reflect the communities they serve** -- Medi-Cal providers, Medi-Cal members, county agencies, and community representatives. There are no shareholders or pressure to generate returns for investors. Local plan resources go back into member care, provider support, and community investment.

The people who work for local plans tend to live in the counties they serve. They understand the communities, the providers, the cultural context, and the specific barriers to care that shape health outcomes for their members based on firsthand knowledge.

That proximity informs every operational decision, from network design to member outreach to the partnerships that make coordinated care possible.

Those partnerships run deep. Over many decades, local plans have built relationships with the safety net institutions of their regions: federally qualified health centers, safety net hospitals, county public health departments, and community-based organizations.

More than **3 out of every 4 patients served by California's 12 public health care systems are local plan members,** an alignment that enables genuine collaboration and shared investment in outcomes that matter.

All plans are locally based operations with **employees who live in the community**

Created by their counties, local plans are **community-based & locally governed**

As not-for-profit organizations, local plans have historically **reinvested in their communities**

## QUALITY: A CONSISTENT RECORD OF PERFORMANCE

California's **local plans consistently rank among the highest-performing plans in the state** on independently verified quality measures. The National Committee for Quality Assurance evaluates health plans annually on clinical quality, patient experience, and accreditation, and LHPC member plans are disproportionately represented among California's top performers.

At the state level, the California Department of Health Care Services evaluates plans through the Managed Care Accountability Set, a rigorous framework of high-priority measures covering prevention, chronic disease management, maternal health, and behavioral health. DHCS recognizes exceptional performers through its annual Managed Care Quality Awards, and local plans have earned consistent recognition.

In fact, for the two 2025 award categories, Outstanding Performance for Measurement and Outstanding Performance in Children's Health, local plans alone were recognized.

This state **recognition of local plans is illustrative of the continuous year-over-year improvement** that local plans have made in each of the state's quality domains,

For Measurement Year 2024, local plans represented an overwhelming majority of those plans who met or exceeded the state's minimum performance level for 100 percent of the key measures within each of the four domains.

Quality accountability in Medi-Cal managed care is contractual, ongoing, and public. Plans must meet minimum performance levels or face corrective action and financial sanctions. They submit to independent external quality review and publicly report on performance improvement projects with a required focus on health disparities.

Local plans operate in this environment not just because the contract requires it, but because **their governance structure aligns institutional purpose with member outcomes**, producing accountability that is genuine, not performative.

The investment behind these results is real and sustained. Local plans use quality data to identify gaps in care, target outreach, improve chronic disease management, and measure whether their interventions are working. This is what plans do when the health of their members is genuinely the point.

Local Plans Swept
2025 DHCS Medi-Cal Managed Care Quality Awards

## CARE COORDINATION: MEETING MEMBERS WHERE THEY ARE

**The deep alignment between local plans and public health care systems makes genuine clinical integration possible.** When a member leaves a county hospital, a local plan care manager is often already engaged, ensuring follow-up appointments happen and the return to community care is supported. That kind of handoff works because the relationships between local plans and safety net providers are built on years of working in the same communities.

Medi-Cal members often carry complex, intersecting needs. Multiple chronic conditions, behavioral health diagnoses, and social circumstances, including housing instability, food insecurity, limited transportation, and language barriers, shape their health in ways that a health plan focused solely on processing claims cannot begin to address.

Local plans invest in care management infrastructure precisely because preventing a hospitalization, keeping a member connected to primary care, managing a successful care transition after a hospital stay produces better outcomes and makes for more efficient use of public dollars than reactive, episodic care. This is central to the local plan model.

CalAIM, California's multi-year Medi-Cal transformation initiative, has expanded local plans' ability to connect members to non-medical supports such as housing navigation, meal assistance, and sobering services that address the social drivers of health costs and outcomes. **Local plans, with community relationships and county partnerships built over decades, are well positioned to make those connections meaningful.**

## WHOLE-PERSON CARE

Local plans coordinate not just physical health care, but behavioral health, social services, and community supports. A member's housing situation, access to food, and mental health are as consequential to their outcomes as what happens in the exam room. Local plans have made whole-person care a defining feature of the model.

# ACCESS: NETWORKS BUILT FOR COMMUNITIES

Access to care means the ability to get an appointment with a qualified provider, within a reasonable time, in a language the member speaks, without a transportation barrier that prevents patients from getting to the point of care. **Local plans treat access as an operational responsibility that is actively built and monitored.**

Their networks include both safety net and community providers, creating the range and geographic coverage that members need. Investment in language access and culturally appropriate services is standard. Telehealth has been expanded for members in rural areas and those with mobility or transportation constraints. Newly enrolled members are connected to a primary care provider before a health crisis forces them into higher-cost, less appropriate settings.

Workforce shortages are a persistent challenge across California's health care system. Local plans have responded with solutions tailored to their specific counties, like provider recruitment initiatives, graduate medical education partnerships, community health worker certification programs, and scholarships that prioritize students from the communities they will serve. These programs reflect the kind of long-term, locally grounded investment that strengthens the delivery of care for the safety net.

That kind of commitment takes years to build and requires being genuinely rooted in one place. **Local plans were created to serve these communities for the long term, and their approach to access reflects it.**

## QUALITY & ACCESS CONSISTENT PERFORMANCE

**Top NCQA performers.** LHPC member plans are disproportionately represented among California's highest-rated Medi-Cal plans.

**DHCS Quality Awards.** Consistent state recognition under the Managed Care Accountability Set.

**Value-based care.** Payment tied to outcomes -- preventive visits, chronic disease management, and timely post-discharge follow-up.

**Workforce investment.** Provider recruitment, GME partnerships, CHW programs, and scholarships for local students.

## INVESTING IN COMMUNITY HEALTH AND LOCAL INFRASTRUCTURE

Removed from pressure to return profits to investors, **local plans have a long track record of reinvesting in the community health infrastructure** their members rely on. The investments are sustained and multi-year, directed at local organizations, providers, and institutions whose work makes a difference in the daily lives of Medi-Cal members.

From 2019-2023, local plans collectively dedicated more than $219 million to growing and diversifying the health care workforce through scholarships, provider recruitment programs, nursing pipeline initiatives, and graduate medical education partnerships that are developing the next generation of providers in the communities that need them most. Nearly $172 million supported health equity and quality programs. Another $79 million went to housing stability initiatives, a recognition that health outcomes cannot be separated from the conditions in which people live.

Local plans have also invested $106 million in community health and wellbeing programs, $18 million in food stability and nutrition, and more than $26 million in emergency relief and community rebuilding efforts.

Stronger communities produce healthier members, and that alignment is fundamental to the local plan model.

## SERVING MEMBERS: COMMITMENT TO THE SAFETY NET

The Medi-Cal population includes some of California's most vulnerable residents. Navigating the health care system is hard under the best of circumstances. For people managing significant complexity with limited support, the difference between a plan that is genuinely responsive and one that is not is consequential.

**Local plan commitment to their members shows up across the full range of member interaction**, including grievances and appeals handled with responsiveness rather than bureaucratic distance, in member support that helps people understand and use the benefits they are entitled to, and in prior authorization structured around access rather than administrative convenience.

And it shows up in governance, with local plan boards including member and community voices, ensuring accountability flows toward the people the plan serves.

Member-facing staff bring cultural knowledge, language capacity, and community context that cannot be replicated at a national scale. When a member calls with a problem, they are likely speaking with someone who understands their county, their providers, and the specific circumstances that shape health care access in that part of California. That proximity matters.

## MEMBER RETENTION EFFORTS

As eligibility requirements have narrowed under new federal and state rules, local plans are stepping up to help members navigate a more complicated landscape.

**L.A. Care Health Plan** is launching a Keep LA Covered campaign, deploying a Coverage Champions program to educate communities about upcoming Medi-Cal eligibility changes, and supporting enrollment and renewal assistance, workforce training, and community support programs.

**Kern Family Health Care** is closely coordinating with the county on redetermination, aligning communications with DHCS guidance on H.R. 1, and conducting member and community education.

**CenCal Health** is rolling out a comprehensive Member Navigation Initiative to retain eligible members at risk of disenrollment due to administrative reasons. The program uses trusted messengers from community-based organizations, county agencies, and local service providers to conduct outreach, provide paperwork assistance and follow-up support.

## PROGRAM INTEGRITY: ACCOUNTABILITY IS BUILT IN

Local plans are stewards of public dollars, California taxpayer and federal funds entrusted to them to provide health coverage to people who depend on it. They take that responsibility seriously, and **the structure of locally governed health care is one of the most effective accountability mechanisms available.**

Local plans conduct prepayment review, credential and monitor network providers, maintain fraud detection systems, and refer cases to the appropriate state and federal authorities.

They operate under contractual performance requirements set by DHCS, independent external quality review, and federal audit requirements. Their finances and performance data are subject to public transparency obligations that reflect their identity as community institutions.

A plan that has served the same region for two or three decades and staffed by people who know the provider community personally, is better positioned to identify unusual patterns and potential fraud early than a distant administrator processing claims in bulk.

Local knowledge is a program integrity asset. Close community ties mean local plans know their networks, understand what appropriate utilization looks like, and are accountable to their neighbors for how public dollars are spent.

The local plan model reinforces this accountability structurally.

When a plan receives a capitated payment and is responsible for the total health of its members within that budget, the incentive runs toward getting care right, preventing avoidable hospitalizations, keeping members connected to primary care, managing chronic conditions before they become crises.

That alignment between how the plan is paid and what good care produces is both sound medicine and responsible stewardship of public resources.

### ACCOUNTABILITY AND PROGRAM INTEGRITY

**Prevent fraud, waste, and abuse through:**

- Utilization management
- Claims audits
- Eligibility verification

**Sustain a strong, reliable network** by supporting safety-net providers

**Fixed per-member payments** transfer financial risk from the state to plans, creating budget predictability.

**Verify that services are appropriate** and align with the member's covered benefits

## THE LOCAL DIFFERENCE

What California's locally governed Medi-Cal plans have built over decades is not easily replicated. The quality results, the care coordination infrastructure, the access programs, the community investment, the member-centered service are the product of sustained local commitment, deep community knowledge, and a governance structure that keeps the plan answerable to the people it serves.

**Medi-Cal enrollees have made their preference clear. When they have a choice, they choose a local plan,** consistently, year after year because they inherently understand that the local plans was built for them, governed by the communities around them, and answerable to them above all else.

The local plan model is accountable, locally rooted, clinically rigorous, and organized around the needs of the people it serves. That is the standard local plans hold themselves to and what they will continue to deliver.

Alameda Alliance for Health
CenCal Health. Local. Quality. Healthcare.
San Francisco Health Plan℠
Community Health Plan of Imperial Valley
Central California Alliance for Health®
Health Plan of San Joaquin
Mountain Valley Health Plan
Community Health Group
Gold Coast Health Plan℠ A Public Entity
Contra Costa Health
HealthPlan of San Mateo
L.A. Care Health Plan®
CalViva Health℠
Kern Family Health Care®
CalOptima Health
IEHP Inland Empire Health Plan
Partnership HealthPlan of California A Public Agency
Santa Clara Family Health Plan℠