



JENNIFER KENT
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

May 10, 2018

Patricia Clarey, Chief, State Health & Regulatory Officer
Health Net Community Solutions, Inc.
21650 Oxnard Street
Woodland Hills, CA 91367

RE: Department of Health Care Services Medical Audit

Dear Ms. Clarey:

The Department of Health Care Services (DHCS), Audits and Investigations Division conducted an on-site Medical Audit of Health Net Community Solutions, Inc., a Managed Care Plan (MCP), from May 30, 2017 through June 9, 2017. The survey covered the period of May 1, 2016 through April 30, 2017.

On April 10, 2018, the MCP provided DHCS with additional information regarding its Corrective Action Plan (CAP) in response to the report originally issued on February 2, 2018.

All items have been reviewed and DHCS accepts the MCP's submitted CAP. The CAP is hereby closed. Full implementation of the CAP will be monitored on the subsequent audit. The enclosed report will serve as DHCS' final response to the MCP's CAP.

Please be advised that in accordance with Health & Safety Code Section 1380(h) and the Public Records Act, the final report will become a public document and will be made available on the DHCS website and to the public upon request.

If you have any questions, feel free to contact me at (916) 552-8946 or Christina Viernes (916) 552-8765.

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Sincerely,

[Signature on file]

Hannah Robins, Chief
Compliance Unit

Enclosures: Attachment A CAP Response Form

cc: Christy K Bosse,
Vice President & Medi-Cal Compliance Officer
Health Net Community Solutions, Inc.
21650 Oxnard Street
Woodland Hills, CA 91367

Mary Cobb, Contract Manager
Department of Health Care Services
Medi-Cal Managed Care Division
P.O. Box 997413, MS 4408
Sacramento, CA 95899-7413

**ATTACHMENT A
Corrective Action Plan Response Form**



Plan: Health Net Community Solutions, Inc.

Audit Type: Medical Audit and State Supported Services

Review Period: 05-01-16 – 04-30-17

MCPs are required to provide a CAP and respond to all documented deficiencies within 30 calendar days, unless an alternative timeframe is indicated in the letter. MCPs are required to submit the CAP via email in word format which will reduce turnaround time for DHCS to complete its review.

The CAP submission must include a written statement identifying the deficiency and describing the plan of action taken to correct the deficiency, and the operational results of that action. For deficiencies that require long term corrective action or a period of time longer than 30 days to remedy or operationalize, the MCP must demonstrate it has taken remedial action and is making progress toward achieving an acceptable level of compliance. The MCP will be required to include the date when full compliance is expected to be achieved.

DHCS will maintain close communication with the MCP throughout the CAP process and provide technical assistance to ensure the MCP provides sufficient documentation to correct deficiencies. Depending on the volume and complexity of deficiencies identified, DHCS may require the MCP to provide weekly updates, as applicable.

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* <small>(*anticipated or completed)</small>	DHCS Comments
1. Utilization Management				
1.5.1 Molina Pharmacy Prior Authorizations The UM information and data is not reported to DOC and UM/QI Committee through the Plan's QI process and thus	Executed a Pharmacy Delegation Agreement between Health Net and Molina Healthcare of California. Health Net will conduct oversight over Molina Healthcare of California pharmacy prior authorizations		Completion Date 02/07/2018 Anticipated Date 03-14-2018 (pending approval)	12/18/17 – The following documentation supports the MCP's efforts to correct this finding: -Pharmacy Delegation Agreement and attached Participating Physician Group/Provider Delineation of Delegated Pharmacy Responsibilities (12/18/17) which delineates both

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<p>is not being aggregated, trended, or subjected to the QI process for possible process improvement. The Plan's Pharmacy, Envolve Pharmacy Solutions, does control oversight, aggregate, trend, and analyze Molina Pharmacy prior authorization data, but does not forward this to the formal QI process or report to the UM/QI Committee. The Plan's lack of oversight and full QI integration of Molina Healthcare Pharmacy prior authorization process may result in missed opportunities for process improvement.</p>	<p>and report findings to the Health Net Delegation Oversight Committee.</p>		<p>of oversight documents at next Delegation Oversight Committee meeting)</p>	<p>delegate and MCP responsibilities including the requirement for the delegate to submit monthly PA data reports to the MCP. The delegation agreement further requires MCP to conduct a monthly audit of PA denials and annually report compliance to the Delegation Oversight Workgroup.</p> <p>-Corresponding review tool as evidence MCP has developed a spreadsheet to capture audit results regarding delegate's compliance with NOA requirements.</p> <p>-P&P, "Health Net Medi-Cal – Delegation of Pharmacy to Molina Healthcare" (03/08/18) which is consistent with the delegation agreement and indicates that delegate will send MCP PA data on a monthly basis for review and audit. On an annual basis, MCP reports findings up to the Delegation Oversight Committee.</p> <p>-Draft Report Template, "Report Summary to Committee" (03/08/18) which indicates a summary of key</p>

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				<p>metric data that will be reported to the Delegation Oversight Committee on an annual basis by the Pharmacy Director.</p> <p>This finding is closed.</p>
2. Case Management and Coordination of Care				
<p>2.3.1 Behavioral Treatment Plan Requirements The Plan's behavioral health treatment guidelines omitted the transition and crisis plan. These guidelines were not consistent with the current DHCS All-Plan Letter 15-025 requirements. The verification study disclosed that 13 treatment plans were missing a transition plan. (30 medical records reviewed in total).</p>	<p>Behavioral Health treatment plan guidelines have been updated to include the transition plan as a required element. In addition, MHN Autism Center clinicians will not authorize any services without that information included on the treatment plan.</p>		<p>Completion Date November 2017</p>	<p>03/08/18 - The following documentation supports the MCP's efforts to correct this finding:</p> <p>-Desk Reference Autism Center Treatment Plan Review was updated by the MCP to require incorporation of all of the elements of a BHT treatment plan outlined in APL 15-025, including a transition plan.</p> <p>04/10/18 - The following additional documentation supports the MCP's efforts to correct this finding:</p> <p>-Email communication with MCP dated 4/10/18. MCP stated that each treatment plan is reviewed by a licensed behavioral health clinician to ensure that all required elements are included. If any of the required elements are missing, services are</p>

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				<p>not authorized until the treatment plan is complete including the transition and crisis plan.</p> <p>-Audits of Clinical & Operational Consistency within Care Management Policy and ABA Treatment Plan Case Audit Review Tool serve as evidence of monitoring of treatment plans for completion by management staff. The ABA Treatment Plan Case Audit Review Tool will be used beginning on the week of 4/9/18.</p> <p>This finding is closed.</p>
4. Members' Rights				
<p>4.2.1 24-hr Oral Interpreter Services at all Key Points of Contact The Plan's Customer Call Center tree system was not able to detect members' threshold language.</p>	<p>1) Coordinated with the Telephony team to ensure Member Service agents hear the language whisper the member selected and that the agents' desktop screen displays the same language selection. Testing was conducted to ensure all whispers announced correctly so the agent heard the whisper and had the language in the</p>		<p>Completion Date 1) 06/07/2017</p>	<p>03/08/18 – The following documentation supports the MCP's efforts to correct this deficiency:</p> <p>-Language Line Test Instructions (01/01/18) as evidence MCP developed a process to test its internal Customer Service line to ensure access to free interpreter services.</p> <p>-Sample audit report (January 2018)</p>

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	<p>screen pop of the phone system.</p> <p>2) Ensured the appropriate greeting and assistance is provided based on the member's preferred language. A communication, KB Article 109081 "CA SHP – Identifying a Caller by Using the Whisper Announcement and Agent Screen Pop," and 1:1 training with each individual was delivered on 6/20/2017, 10/02/2017 and 01/19/2018. The KB article is reviewed annually and sent to associates quarterly to ensure all staff is knowledgeable and remains current with this requirement.</p> <p>3) Routine secret shopper testing will be conducted to ensure the language whisper and screen pop indicator displays the correct language selected by the member. If it is determined that the language whisper and/or screen-pop indicator is not functioning</p>		<p>Completion Date 2) 06/20/2017</p> <p>Completion Date 3) 12/20/2017</p>	<p>Language Line EOM Report as evidence the MCP is conducting (secret shopper testing) and the results indicate a 99.19% pass rating. Secret shopper calls were made on 19 different days during month of January. Identified issues are tracked and customer service agents are provided immediate coaching.</p> <p>-On 03/15/18, DHCS verified MCP's whisper/call center system was operational.</p> <p>This finding is closed.</p>

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	appropriately, the incident will be tracked on a log and sent to the Command Center for management to review and work with the Telephony team. If there is an associate performance issue identified while conducting the testing, it is tracked on a log for management to review/trend and the agent will receive immediate coaching.			
5. Quality Management				
5.2.1 New Provider Training The Plans policies and procedures were not consistent with contract requirement. According to the Plan's policies and procedures, the Provider Relations department is required to follow-up with newly contracted Medi-Cal providers within 10 days of being placed on active status to ensure	Provider Relations has updated Policy & Procedure GR106-135753, "New Provider Training -- Medi-Cal," to ensure all newly active primary care providers complete required training within 10 days of being on active status. Newly active providers will be contacted by phone or in-person to confirm completion of training. If the provider confirms they have not completed the on-line new provider training, then "in-person" training will be completed within 10 days of	- Provider Online Training Attestation -P&P "New Provider Training-Medi-Cal" (GR 106-135753)	Anticipated Date 3/15/2018	03/27/18 - The following documentation supports the MCP's efforts to correct this finding: -Revised Policy "New Provider Training-Medi-Cal" (GR 106-135753) that commits the MCP to train all newly contracted Medi-Cal providers within 10 working days of being placed on active status. It outlines procedures for distributing material, initial training and continuing education. -Provider Online Training Attestation Template and written communication (03/27/18) that shows the MCP's

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<p>receipt of a welcome-orientations packet and offer in-person training unless waived by the provider. The contract requires the Plan to ensure that all providers receive training regarding the Medi-Cal Managed Care program within 10 days after the Plan places a newly contracted provider on active status. The verification study review disclosed that nine providers declined the new provider training.</p>	<p>being on active status.</p> <p>Providers who have completed on-line training will provide/submit an attestation indicating the date of completion.</p> <p>All documentation will be entered into a database shared drive for tracking. The database will be monitored to ensure all newly active providers have submitted the on-line training attestation or received in-person training within 10 days.</p>			<p>commitment to train all newly contracted providers.</p> <p>This finding is closed.</p>

Submitted by: Christy Bosse
Title: Director, SHP & Compliance Officer

Date: 3/8/18