



TOBY DOUGLAS
DIRECTOR

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



EDMUND G. BROWN JR.
GOVERNOR

Daria V. Baker
Senior Compliance Analyst
Health Net Community Solutions, Inc.
21650 Oxnard Street
Woodland Hills, CA 91367

RE: CAP Close out Letter for 1115 Waiver SPD Enrollment Survey

Dear Ms. Baker:

The Department of Managed Health Care (DMHC) conducted an onsite 1115 Medicaid Waiver Seniors and Persons with Disabilities (SPD) Enrollment Survey of Health Net Community Solutions, Inc., a Managed Care Plan (MCP), from May 14, 2013 through May 17, 2013. The audit covered the review period of March 1, 2012 through February 18, 2013.

On March 14, 2014, the MCP provided DHCS with a response to its Corrective Action Plan (CAP) originally issued on January 9, 2014.

A review of all remaining open items has been found to be in compliance and the CAP is hereby closed. The enclosed report will serve to provide as DHCS's 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, contact Mr. Edgar Monroy, Chief of Plan Monitoring Unit at (916) 449-5233 or edgar.monroy@dhcs.ca.gov.

Sincerely,

Original signed by Nathan Nau

Nathan Nau, Chief
Medical Monitoring and Program Integrity Section

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cc: Yvonne Harden, Contract Manager
Department of Health Care Services
Medi-Cal Managed Care Division
P.O. Box 997413, MS 4409
Sacramento, CA 95899-7413



CORRECTIVE ACTION PLAN

Plan Name: **Health Net Community Solutions, Inc.**

Review Type: **DMHC 1115 Waiver Survey (Medi-Cal SPD)**

Review Period: **March 1, 2012 - February 28, 2013**

Potential Deficiency Identified:

1. Utilization Management (UM)

The Plan does not track, trend or analyze utilization patterns for its SPD members. (Rule 1300.70(a)(3); Rule 1300.70(b)(2)(H); DHCS Two-Plan and GMC Boilerplate Contracts – Exhibit A, Attachment 5 – Utilization Management, Provision 4)

PLAN OF ACTION			
Description of how correction will be accomplished and compliance monitored and maintained	Date of Completion	Name & Title of Responsible Person(s)	DHCS Comments
Health Net has been tracking SPD utilization separately from the Medi-Cal (TANF) population in our Key Performance Indicator report (KPI) since 2012. This KPI report shows SPD utilization on a monthly, quarterly and YTD basis at both the state and county level. This report is reviewed by Health Net’s medical directors and UM management on a monthly basis and is also presented at Health Net’s quarterly UM/QI meetings.	2012 and ongoing	<ul style="list-style-type: none"> • Sharon Almany, VP Clinical Operations • Christopher Hill, VP Clinical Services 	<p>Recommendation 1: Health Net provided revised policies and procedures demonstrating the methodology used to track, trend, and analyze utilization patterns.</p> <p>This recommendation is deemed Closed.</p>
The Potential Over- and Under-Utilization-Policy #UMCM-221ML was updated to include tracking of the SPD population Attachment: P&P UMCM221ML	2/26/14	James Gerson, Sr. Medical Director	



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Potential Deficiency Identified:

2: Quality Management (QM)

The Plan is unable to demonstrate how it monitors quality of care problems identified, how effective action is taken where deficiencies are identified, and that follow up is planned for its SPD population. (Rule 1300.70(a)(1); Rule 1300.70(b)(1); DHCS Two-Plan and GMC Boilerplate Contracts, Exhibit A, Attachment 4 – Quality Improvement System, Provision 1)

PLAN OF ACTION			
Description of how correction will be accomplished and compliance monitored and maintained	Date of Completion	Name & Title of Responsible Person(s)	DHCS Comments
<p>Corrective actions for One Day Grievances include refresher training for all Plan Customer Service Associates. This training was conducted and completed October 28 through November 8, 2013. Upon completion of the refresher training, associates acknowledged their understanding of policies, processes and procedures. This training is also included in new hire training and will be provided to current associates annually.</p>	<p>11/8/2013 and ongoing</p>	<ul style="list-style-type: none"> • Laurie Jurado, Dir. Clinical Support Services • Danielle Henderson, Dir. Appeals & Grievances 	<p><u>Potential Deficiency 2:</u> <i>This recommendation is deemed closed.</i></p> <p>Please provide documentation demonstrating the MCP is monitoring quality of care, is taking effective action and follow up over deficiencies identified. Supporting documentation must include evidence that an</p>
<p>Health Plan Associates also received refresher training on</p>	<p>1/31/2014</p>		



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<p>identifying Quality of Care (“QOC”) complaints and the procedure to open a QOC case. All other provider related issues tracked as One Day Grievances will be reported monthly to the Quality Improvement team. This training was completed January 31, 2014.</p> <p>Exempt Grievances trend reports will be generated and distributed to the Quality Improvement Department monthly for trending, and as appropriate, for follow-up with respective providers.</p> <p>Additionally, in March 2013, a One Day Grievances process was implemented to be reviewed and audited daily by a designated associate to ensure accurate, complete and timely resolution. This process is ongoing.</p> <p>Corrective actions for Standard Grievances include re-training all Appeals & Grievances coordinators by January 31, 2014 on effective written communication and focus on strategies for addressing all members concerns in the final response letters. The Plan will initiate a monthly committee by February 28, 2014 to review completed case samples to identify trends, training, and potential quality issues. Additionally, the Plan will initiate a quarterly letter review workshop to identify trends and training opportunities in the letter creation process by the end of Q1 2014.</p> <p>The Plan’s Appeals & Grievances Department will continue</p>	<p>3/2013 and ongoing</p> <p>3/31/2014</p> <p>Ongoing</p>	<p>improved process has been implemented that includes the use of standardized criteria for PQI identification and reporting. Documentation must also include a sample report including all additional data according to developed criteria for presentation to the Western Region Credentialing/Peer Review Committee.</p> <p>Update 7/8/14: Health Net provided policies and procedures demonstrating the methodology used to monitor quality of care and take effective action for deficiencies identified. Policies and procedures provided included Health Net provided Policy#FS312-9658/Peer Review Committee Policy.</p> <p>This recommendation is closed.</p>
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<p>to provide monthly reports of all closed grievances involving Provider's/Provider Staff/ Facilities to Health Net Credentialing Team's Adverse Action Unit. These reports are trended and reviewed as part of Health Net's Overall Quality Strategy.</p> <p>The Adverse Action Unit, under the leadership of the Plan's Credentialing Department, is responsible for submitting to the Peer Review Committee any identified quality of care issues where providers have been identified through member complaints and/or Potential Quality Issue ("PQI") process identified through various avenues.</p> <p>Cases reviewed and identified by a Plan Medical Director as a potential quality of care issue are forwarded to the Adverse Action Unit. The Adverse Action Unit opens a case, conducts an investigation through gathering further data as needed and prepares the case for the Peer Review Committee. After reviewing and discussing the case, the Peer Review Committee may take one or more of the following actions: close the case and track and trend the provider, send a letter of education, request a corrective action plan, conduct a focused site visit by a Plan RN, or initiate the termination process for the provider. Termination may result in a formal appeal and reporting to the medical boards and NPDB. <u>Any provider identified with a Medi-Cal SPD member, will be put on an SPD log.</u></p>	Ongoing	
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<p>The Adverse Action Unit generates a monthly report of all member complaints and potential quality issues identified. Any provider with three or more issues in the six month period is reviewed by the Peer Review Committee regardless of the severity of the cases. <u>Each case will be reviewed to identify Medi-Cal SPD members and added to the SPD tracking and trending log.</u> The Peer Review Committee follows the same review process as above for making decisions and taking action.</p> <p><u>Corrective actions to the Plan's current PQI process described above include the following:</u></p> <ol style="list-style-type: none"> 1. Develop an improved process and standardize criteria for PQI identification and reporting by February 28, 2014. 2. Conduct Plan associate training to ensure cases are being identified and closed appropriately by February 28, 2014 and conduct annually thereafter. 3. Identify reporting capabilities to include One Day Grievances and develop any required reporting modifications/improvements by March 15, 2014 to be included in the data received by the Adverse Action Unit for review. 4. Generate sample report including all additional data according to developed criteria for presentation to the Western Region 	<p>5/31/2014</p>		
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<p>Credentialing/Peer Review Committee by April 15, 2014.</p> <p>5. Standardize and implement final process by May 31, 2014.</p>			
<p><u>6/18/14 HN Response to DHCS comment – Potential Deficiency 2 :</u></p> <p>HN would like to clarify the corrective action response stated above as it pertains to the A&G Department, should not have been provided for this QM potential deficiency identified for SPD quality tracking. The A&G corrective actions pertain to the DHCS audit report grievance system section 4.1.1, and has already been addressed within the DHCS audit report CAP response.</p> <p>Pertaining to the potential deficiency cited for SPD member quality of care, HN's Adverse Actions Unit has implemented the following corrective actions to demonstrate quality of care tracking and trending of SPD members.</p> <p>HN's Peer Review P&P on pages 6-7 has been revised to add:</p>			



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<ul style="list-style-type: none">• New language showing Customer Service One-Day/Expedited grievances have been added to monthly Performance Report• New language stating all practitioners/providers with 3 or more issues identified in a 6 month period will be added to SPD Tracking Log• New language stating all QOC issues pertaining to SPD members will be added to SPD Tracking Log.• New language stating any practitioner/provider identified on the SPD Tracking Log more than 3 times in one year will be presented to Peer Review Committee for investigation. <p>Also attached is the sample copy of the SPD tracking log that is presented to the Western Region Credentialing/Peer Review Committee.</p> <p>ATTACHMENTS: HN's Peer Review Committee P&P, Sample SPD tracking log.</p>			
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