

September 4, 2025

Deanna Eaves
Senior Director of Compliance
Health Net Community Solutions, Inc.
21281 Burbank Blvd
Woodland Hills, CA 91367

Via E-mail

RE: Department of Health Care Services Medical Audit

Dear Ms. Eaves:

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 March 6, 2023 through March 22, 2023 and June 17, 2024 through June 28, 2024. The audit covered the period from April 1, 2022, through May 31, 2024.

The items were evaluated, and DHCS accepted the MCP's submitted Corrective Action Plan (CAP). The CAP is hereby closed. The enclosed documents will serve as DHCS' final response to the MCP's CAP. Closure of this CAP does not halt any other processes in place between DHCS and the MCP regarding the deficiencies in the audit report or elsewhere, nor does it preclude the DHCS from taking additional actions it deems necessary regarding these deficiencies.

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

If you have any questions, please reach out to CAP Compliance personnel.

Sincerely,

[Signature on file]
Lyubov Poonka, Chief
Audit Monitoring Unit
Process Compliance Section
DHCS - Managed Care Quality and Monitoring Division (MCQMD)

Ms. Eaves
Page 2
September 4, 2025

Enclosures: Attachment A (CAP Response Form)

cc: Bambi Cisneros, Interim Chief *Via E-mail*
DHCS - Managed Care Quality and Monitoring Division (MCQMD)

Grace McGeough, Section Chief *Via E-mail*
Process Compliance Section
Managed Care Monitoring Branch
DHCS - Managed Care Quality and Monitoring Division (MCQMD)

Viktoriya Manzyuk, Lead Analyst *Via E-mail*
Audit Monitoring Unit
Process Compliance Section
DHCS - Managed Care Quality and Monitoring Division (MCQMD)

Jessica Delgado, Unit Chief *Via E-mail*
Managed Care Contract Oversight Branch
DHCS – Managed Care Operations Division (MCOD)

Tia Elliott, Contract Manager *Via E-mail*
Managed Care Contract Oversight Branch
DHCS – Managed Care Operations Division (MCOD)

ATTACHMENT A

Corrective Action Plan Response Form

Plan: Health Net Community Solutions Inc.

Review Period: 04/01/22 – 05/31/24

Audit: Medical Audit

On-site Review: 03/06/23 – 03/22/23 & 06/17/24 – 06/28/24

MCPs are required to provide a Corrective Action Plan (CAP) and respond to all documented deficiencies included in the medical audit report within 30 calendar days unless an alternative timeframe is indicated in the CAP Request letter. MCPs are required to submit the CAP in Word format, which will reduce the turnaround time for DHCS to complete its review. According to ADA requirements, the document should be at least 12 pt.

The CAP submission must include a written statement identifying the deficiency and describing the plan of action taken to correct the deficiency, as well as the operational results of that action. The MCP shall directly address each deficiency component by completing the following columns provided for MCP response: 1. Finding Number and Summary, 2. Action Taken, 3. Supporting Documentation, and 4. Completion/Expected Completion Date. The MCP must include a project timeline with milestones in a separate document for each finding. Supporting documentation should accompany each Action Taken. If supporting documentation is missing, the MCP submission will not be accepted. For policies and other documentation that have been revised, please highlight the new relevant text and include additional details, such as the title of the document, page number, revision date, etc., in the column "Supporting Documentation" to assist DHCS in identifying any updates that were made by the plan. Implementing deficiencies requiring short-term corrective action should be completed within 30 calendar days. For deficiencies that may be reasonably determined to require long-term corrective action for a period longer than 30 days to remedy or operationalize completely, the MCP is to indicate that it has initiated remedial action and is on the way toward achieving an acceptable level of compliance. In those instances, the MCP must include the date when full compliance will be completed in addition to the above steps. Policies and procedures submitted during the CAP process must still be sent to the MCP's Contract Manager for review and approval, as applicable, according to existing requirements.

Please note that DHCS expects the plan to take swift action to implement improvement interventions as proposed in the CAP; therefore, DHCS encourages all remediation efforts to be in place no later than month 6 of the CAP unless DHCS grants prior approval for an extended implementation effort.

DHCS will communicate closely with the MCP throughout the CAP process and provide technical assistance to confirm that the MCP offers sufficient documentation to correct deficiencies. Depending on the number and complexity of deficiencies identified, DHCS may require the MCP to provide weekly updates.

2. Case Management and Coordination of Care

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
2.3.1 Behavioral Health Treatment The Plan did not ensure members’ behavioral health treatment plans were reviewed every six months by the qualified autism service provider of the BHT services.	1. Revised policies and procedures to include monitoring and tracking of expiring authorizations and notification to providers of impending expirations. 2. Implemented policies and procedures for monitoring and tracking of expiring authorizations. 3. Implemented policies and procedures for notifying providers of impending expirations. 4. Provided Autism Center and National Support Unit (NSU) Staff Training 5. Reporting review, ensuring expired authorizations received a letter one month ahead of the expiring authorization.	1. CBH.UM.136 Responsibilities BHT EPSDT (Redline & Clean) 2. HNCS - ABA Exp Auth Notification CAP - Internal Staff Audits NSU Staff Mtg Agenda 3. Audit Tools + Exp Auth Audit 4. Autism Center Team Mtg Agenda - DECEMBER 2024” AC Team Meeting - Attendance report 12-12-24 5. HNCS - ABA Exp Auth Notification CAP - Internal Staff Audits	1. 1/1/2025 2. 1/1/2025 3. 2/1/2025 (assessments) 5/1/2025 (treatment) 3/1/2025 (assessments) 6/1/2025 (treatment) 4. 12/12/24 (AC Team) 12/18/24 (NSU) 5. 2/28/25	The following documentation supports the MCP’s efforts to correct this finding: POLICIES AND PROCEDURES » Policy CBH.UM.136 was updated to address the issue of lacking established policies and procedures for monitoring and tracking expiring authorizations, as well as for notifying treating providers of impending expirations. The MCP’s policy update includes the requirement to track timely review of six-month behavioral treatment plans by a qualified autism service provider to prevent any delay in members’ medically necessary treatment through monitoring and tracking expiring authorizations and providing written notification to providers at least 30 days prior to expiration of authorization to submit updated treatment plans. (2.3.1_CBH.UM.136 Responsibilities BHT EPSDT_REDLINE) » Provider Notice Template was created to inform providers of the impending expiration of authorization of treatment plans as outlined in policy CBH.UM.136. (2.3.1_24-XXX Treatment Plan Auth Expiration Ltr-HN MCL_Template) TRAINING » Autism Center Team Meeting from 12/12/24 and Attendance report demonstrate the MCP has trained appropriate staff on the changes to the policy and operational process. (2.3.1_AC Team Meeting -

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
		Audit Tools + Exp Auth Audit 24-XXX Treatment Plan Auth Expiration Ltr-HN MCL.Template		Attendance report 12-12-24, 2.3.1_Autism Center Team Mtg Agenda - DECEMBER 2024) MONITORING » AS Audit Intake Tool and Clinical UM Audit for Expiring Authorization Notification Letters demonstrate the MCP is actively monitoring expiring Treatment Plan Authorization notices to providers, (2.3.1_Audit Tools + Exp Auth Audit, 2.3.1_HNCS - ABA Exp Auth Notification CAP - Internal Staff Audits) The corrective action for finding 2.3.1 is accepted.
2.3.2 Continuity of Care The Plan did not contain the member's right to choose a different network provider and/or the transition plan in the member notification letter of approval for COC requests to comply with APLs.	1. Updated Policy & Procedure for Continuity of Care to include notification requirements and transition plan to members. 2. Updated the member notification letter according to requirements in APL 23-022	1. CA.UM.20_COC_Final CA.UM.20_COC_Redline 2. Sample New COC Notification (Redacted) Sample of New End of COC Letter (Redacted) Updated COC Template_MCal 9.20.2024	12/4/2024 9/20/2024	The following documentation supports the MCP's efforts to correct this finding: POLICIES AND PROCEDURES » Policy CA.UM.20 Continuity of Care was updated to include the notification of the member's right to choose a different network provider and transition plan. (2.3.2_CA.UM.20_COC_Final, 2.3.2_CA.UM.20_COC_Redline) IMPLEMENTATION » Updated COC Template and Redacted Examples of COC Notification and End Letters demonstrates the MCP has implemented the use of the new letters that include the transition plan and notification to the member that they may choose a

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				different network provider. (2.3.2_Sample New COC Notification (Redacted), 2.3.2_Sample of New End of COC Letter (Redacted), 2.3.2_Updated COC Template_MCal 9.20.2024, 2.3.2_HN Approval Letter #3, 2.3.2_HN Approval Letter #2, 2.3.2_HN Approval Letter #1) The corrective action for finding 2.3.2 is accepted.

3. Access and Availability of Care

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
3.1.1. Corrective Actions for Timely Access Deficiencies The Plan did not ensure that corrective actions were implemented for primary and specialty providers who did not comply with appointment wait time standards.	1. Ensure PPGs provide an attestation to indicate that the PPG will inform contracted providers of non-compliance. 2. Documented Improvement Plan from PPG or non-compliant provider including Plan follow-up regarding enforcement of corrective actions for providers who did not comply with appointment wait time standards.	MY2023 Combined LOB CAP Tracking Log CA.NM.05_PnPs	12/31/2024 for MY2023 12/31/2025 for MY 2024	The following documentation supports the MCP’s efforts to correct this finding: POLICIES AND PROCEDURES » Updated P&P, “Appointment Accessibility for all LOBs” (May 2024) which states that PPGs provide an attestation to indicate that the PPG will inform contracted providers of non-compliance. (May 2024) (CA NM 05 Appt Access for all LOBs 2024). » Excel Spreadsheet, “MY 2023 List of Non-Compliant Providers” to demonstrate that the MCP updated their PPG correspondence to specify which access time standards were not met. The List of Non-Compliant Providers includes two columns for the Non-Compliant categories which list the standards which were not met. (MY 2023 List of Non-Compliant Providers). TRAINING » “Provider Notification of Timely Access Results Notification” to demonstrate that the MCP implemented a process to follow up with the PPG to demonstrate that corrective actions were requested from non-compliant providers. PPGs are required to notify the providers as part of the corrective action plan and will require an improvement plan from the

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				provider or complete the improvement plan as a comprehensive response on behalf of their contracted providers. (MY 2023 PPG Notification Attestation). MONITORING AND OVERSIGHT » Excel Spreadsheet, "Combined LOB CAP Tracking Log" (12/31/2024) to demonstrate that the MCP has implemented a monitoring process to track the Documented Improvement Plan from PPG or non-compliance provider and MCP follow-up regarding enforcement of corrective actions for providers who did not comply with appointment wait time standards. The Combined LOB CAP Tracking Log tracks the following categories: PPG Name, Date CAP Sent, Date CAP Acknowledged – Follow Up # 1, Improvement Plan Received Date, Provider Notification Attestation Form Received Date, Validation of Notification Attestation to All Non-Compliant Providers Completed, Timely Access Webinar Certificate, IP & Supporting Documentation Validation Status, Date CAP Closed. (MY 2023 Combined LOB CAP Tracking Log). The corrective action plan for finding 3.1.1 is accepted.
3.1.2 Telephone Wait Times	1. On a quarterly basis, the Plan will analyze formal & exempt grievances data related to the grievance	Q1 MY2024 Telephone Access Monitoring Report HNCS – Copy	12/31/2024	The following documentation supports the MCP's efforts to correct this finding:

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
The Plan did not monitor the providers' return calls to members.	classification: Provider Call Answer Wait Time. Identify providers that are not responding to members within the access timeliness call-back standard of 1 business day for non-urgent issues. The Plan's assigned Provider Relations team will contact providers identified as not responding to members within the access timeliness standard. The Plan will ask the provider to address the formal & exempt grievances data and provide a resolution.	Q2 MY2024 Telephone Access Monitoring Report HNCS – Copy Q2 2024 Access Workgroup Meeting packet 5.31.24 – Copy Q3 2024 Access Workgroup Meeting packet 9.17.24 – Copy Q4_2024_Access_Workgroup_Meeting_packet_12.4.24 – Copy		POLICIES AND PROCEDURES » Updated P&P, "Appointment Accessibility for all LOBs" (May 2024) which states that as required by the DHCS, the MCP's participating providers shall demonstrate that provider offices are able to answer telephone calls during office hours within 1 minute and to call a member back within 1 business day for non-urgent issues. (CA NM 05 Appt Access for all LOBs 2024 Redline, Page 6). » Updated P&P, "CA.NM.05.03: Telephone Access Standards and Monitoring Activities for all LOBs" (March 2025) which outlines the telephone access standards. Calls are answered within 60 seconds for provider office telephone answer time (during office hours). Call backs within 1 business day for provider office call back to members for non-urgent issues (during office hours). (Attachment CA.NM.05.03 Telephone Access Standards 2024 Redline). MONITORING AND OVERSIGHT » Updated P&P, "Appointment Accessibility for all LOBs" (May 2024) which states that on a quarterly basis, the MCP will analyze formal & exempt grievances data related to the grievance classification: Provider Call Answer Wait Time and will report findings to the Quarterly Access Workgroup

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				Committee. (CA NM 05 Appt Access for all LOBs 2024 Redline, Page 11). » Excel Spreadsheet, "2024 HNCS Quarterly Telephone Access and In Office Waiting Monitoring AG Tracker" (06/01/2025) to demonstrate that the MCP has implemented a monitoring process to track providers return calls to members. The MCP implemented a review of the access to care formal and exempt grievances to determine if providers were not returning telephone calls in a timely manner. Providers that had complaints for telephone wait times are notified by the Plan on a quarterly basis. (2024 HNCS Quarterly Telephone Access and In Office Waiting Monitoring AG Tracker). » Report, "Quarterly Formal & Exempt Grievances Data Related to: Provider Call Answer Wait Time" (Quarter 1 and Quarter 2, 2024) to demonstrate that the MCP has a monitoring process to track timely access of provider call back. On a quarterly basis, the MCP will analyze formal and exempt grievances data related to the grievance classification: Provider Call Answer Wait Time and will report findings to the Quarterly Access Workgroup Committee. (Q1 MY2024 Telephone Access Monitoring Report HNCS, Q2 MY2024 Telephone Access Monitoring Report HNCS). » PowerPoint Presentation, "Access & Availability and Behavioral Health Workgroup Committee Meeting" (Quarter

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				2, Quarter 3, Quarter 4, 2024) to demonstrate that the MCP is reporting provider call answer wait time findings to the Quarterly Access Workgroup Committee. (Q2 2024 Access Workgroup Meeting packet, Q3 2024 Access Workgroup Meeting packet, Q4 2024 Access Workgroup Meeting packet). » "CAP Process for Telephone Access Survey and In-Office Wait Time Survey" which demonstrates that providers deemed non-compliant in the survey results will be informed by the MCP of their scores through email and will receive a Provider Education packet that includes the following materials: Report Card with Telephone Access and/or In-Office Wait Time Survey scores. HEDIS Toolkit Folder. Timely Access flyer. Provider Training Webinar flyer and certificate. (MY 2024 CAP Report Card, Improve Health Outcomes – HEDIS Toolkit, Improve Your Access and Availability Provider Training, Webinar Completion Certificate HN). The corrective action plan for finding 3.1.2 is accepted.
3.1.3 Office Wait Times	1. On a quarterly basis, the Plan will analyze formal & exempt grievances	MY 2024 Survey Questions for	6/30/2025 for MY 2024	The following documentation supports the MCP's efforts to correct this finding:

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
The Plan did not monitor providers' compliance with office wait times.	related to the grievance classification Provider: In-Office Wait Time. 2. An annual Provider In-Office Wait Time survey was conducted by the plan beginning MY 2023. Results for MY 2024 will be available for reporting in June 2025. The Plan will continue to conduct this survey in MY 2025. 3. Results from the MY 2024 Provider In-Office Wait Time survey will be analyzed to identify providers not meeting the in-office wait time standards. The Access team will send notification of non-compliance to provider offices that are non-compliant with the standard.	Sutherland Tools_Office wait Time and Telephone Access Q1 MY 2024 Office Wait Time Monitoring Report with MY 2023 PAAS results Q2 MY 2024 Office Wait Time Monitoring Report Q4_2024_Access_Work group_Mtng_packet_12.4.24 CA.NM.05_PnPs HN Sample CAP packet		POLICIES AND PROCEDURES » Updated P&P, "Appointment Accessibility for all LOBs" (May 2024), which states that as required by the DHCS, the MCP's participating providers shall make necessary and appropriate arrangements to demonstrate that members' in-office wait time does not exceed thirty (30) minutes from the appointment time in accordance with regulatory standards. (CA NM 05 Appt Access for all LOBs 2024 Redline, Page 6). MONITORING AND OVERSIGHT » Updated P&P, "Appointment Accessibility for all LOBs" (May 2024) which states that on a quarterly basis, the MCP will analyze formal & exempt grievances related to the grievance classification Provider: In-Office Wait Time and will report findings to the Quarterly Access Workgroup Committee. (CA NM 05 Appt Access for all LOBs 2024 Redline, Page 11). » Excel Spreadsheet, "2024 HNCS Quarterly Telephone Access and In Office Waiting Monitoring AG Tracker" (06/01/2025) to demonstrate that the MCP has implemented a monitoring process to track providers return calls to members. The MCP implemented a review of the access to care formal and exempt grievances to determine if providers were not returning telephone calls in a timely manner. Providers that had complaints for telephone wait times are notified by the

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				Plan on a quarterly basis. (2024 HNCS Quarterly Telephone Access and In Office Waiting Monitoring AG Tracker). » “CAP Process for Telephone Access Survey and In-Office Wait Time Survey” which demonstrates that providers deemed non-compliant in the survey results will be informed by the MCP of their scores through email and will receive a Provider Education packet that includes the following materials: Report Card with Telephone Access and/or In-Office Wait Time Survey scores HEDIS Toolkit Folder Timely Access flyer Provider Training Webinar flyer and certificate (MY 2024 CAP Report Card, Improve Health Outcomes – HEDIS Toolkit, Improve Your Access and Availability Provider Training, Webinar Completion Certificate HN). » PowerPoint Presentation, “Access & Availability and Behavioral Health Workgroup Committee Meeting” (Quarter 4, 2024) to demonstrate that the MCP is reporting provider in-office wait time findings to the Quarterly Access Workgroup Committee. (Q4 2024 Access Workgroup Mtng packet).

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				» "RY 2025 (MY 2024) Medi-Cal Integrated Accessibility Report" to demonstrate that the MCP has conducted an annual audit of the MCP's providers to monitor in-office wait times. Members are to be seen by their provider within 30 minutes upon arrival at the office. Results for the 2024 In-Office Wait Time monitoring show a rate of 100%. (RY 2025 (MY 2024) Medi-Cal Integrated Accessibility Report, Page 16). The corrective action plan for finding 3.1.3 is accepted.

4. Member’s Rights

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
4.1.1 Quality of Service (QOS) Grievance Resolution Letters The Plan did not send resolution letters for QOS within the required 30 calendar days.	1. Development of an A&G training module about the timelines and routing requirements for A&G to share with upstream areas that impact compliance. 2. Implementing a more robust Supervisor Oversight and daily check out process to ensure cases are closing within TAT.	1. In Development 2. In Development	1. 7/1/2025 2. 6/1/2025	The following documentation supports the MCP’s efforts to correct this finding: PROCEDURES » Desktop Procedures, “Case Review Process” (05/21/25) demonstrates the MCP updated its process to confirm that QOS grievance resolution letters are sent to members within the required timeframes. MONITORING » Metrics, “PMR Metrics” (Q1 and 04/2025), demonstrate that all member grievance resolution letter turnaround times were compliant with the requirement that resolution letters be sent within the required 30 calendar days. TRAINING » Training, “Appeal and Grievance Training Module” (07/01/25 and 07/25/25) demonstrates that the MCP provided training to the Mailroom Researchers and Customer Service Department regarding the timeliness and routing requirements for staff to share upstream areas that impact compliance. Ongoing quarterly training is conducted. » Exams, “Proficiency Exam and Proficiency Exam Completion” (07/01/25 and 07/25/25) demonstrates the MCP administered a

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				proficiency exam to staff upon completion of the Appeal and Grievance training module to make certain QOS resolution letters are sent within the required 30 calendar day requirement. Attestations provided. The corrective action for finding 4.1.1 is accepted.

*Attachment A must be signed by the MCP’s compliance officer and the executive officer(s) responsible for the area(s) subject to the CAP.

Submitted by: Christy Bosse

Title: Senior Vice President & CA Compliance Officer

Signed by: [Signature on file]

Date: 3/21/2025