

Health Net of California 2023 Audit Report Corrective Action Plan

Category 5 Quality Management

Finding 5.1 Quality Improvement Systems

5.1.1 Qualifications of Staff in Quality Improvement System Manual

Finding:

The Plan's QIS Manual shall include qualifications of staff responsible for QI studies and activities, including education, experience, and training.

Verification Study Documents:

During a review of the Plan's QIS Manual, it was discovered that the manual did not list education, experience, and training for at least six staff responsible for QI studies and activities during the audit period.

A review of three Plan's Policies and Procedures (P&Ps) showed that there was no written procedure for listing QI staff qualifications in the Plan's QIS Manual.

A&I Recommendation:

Establish a process to ensure the inclusion of qualifications of staff responsible for QI studies and activities in the QIS Manual.

Contractor Response:

Health Net has taken the following steps to correct this deficiency:

- 1. Health Net developed a QIS manual policy and procedure (P&P) to ensure updates/revisions are completed annually regarding qualifications of staff in the QIS manual.**
- 2. Health Net updated the QIS manual to include staff qualifications responsible for QI studies and activities, including education, experience, and training.**
- 3. Health Net resubmitted the updated 2024 QIS manual to DHCS on 03/29/2024. Health Net is pending a response from DHCS.**

Supporting document(s):

- 1. Updated QIS manual**
- 2. Health Net QIS policy and procedure**



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| <u>DHCS Response:</u> |
| <u>Contractor's 60 Day Response (If CAP Is Not Cleared):</u> |
| <u>DHCS Response:</u> |
| <u>Contractor's Six-Month Response (If CAP Is Not Cleared):</u> |
| <u>DHCS Response:</u> |
| <u>Contractor's One-Year Response (If CAP Is Not Cleared):</u> |
| <u>DHCS Response:</u> |
| <u>Contractor's Two-Year Response (If CAP Is Not Cleared):</u> |
| <u>DHCS Response:</u> |

March 6, 2024

Category 5 Quality Management

Finding 5.1 Quality Improvement Systems

5.1.2 Oversight of Delegated Entity

Finding:

During the audit period, the Plan did not have a system to ensure the oversight and accountability of its delegated entity in charge of addressing PQI and improving provider quality of care.

Verification Study Documents:

During the audit period, the Plan did not perform oversight and evaluation of its delegate's PQI process. For example, the Plan received quarterly PQI reports from its delegate, however the reports did not include the details of the PQI cases, including the corrective actions taken by the providers.

In addition, the Plan's annual audit of delegate did not include an evaluation of the effectiveness of the delegate's PQI process.

There was also no P&P during the audit period that included a process to oversee and evaluate a delegated entity's PQI process.

A&I Recommendation:

Develop and implement a policy to maintain a system that ensures the oversight and accountability for delegated QI activities.

Contractor Response:

Health Net has taken the following steps to correct this deficiency:

1. **Health Net developed a monthly PQI reporting log**
2. **Health Net developed a PQI oversight audit tool and audit summary tool**
3. **Health Net conducted an annual PQI audit of delegate**
4. **Health Net reviewed and approved delegate PQI policy and procedure and Health Net developed an oversight PQI policy and procedure**

Supporting document(s):

1. **Monthly PQI Reporting Logs**
2. **PQI Audit Tools**
3. **Oversight annual audit findings of delegate**
4. **PQI Policies and Procedures**

DHCS Response:

Contractor's 60 Day Response (If CAP Is Not Cleared):

March 6, 2024

DHCS Response:

Contractor's Six-Month Response (If CAP Is Not Cleared):

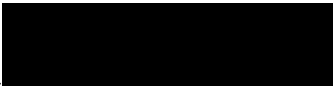
DHCS Response:

Contractor's One-Year Response (If CAP Is Not Cleared):

DHCS Response:

Contractor's Two-Year Response (If CAP Is Not Cleared):

DHCS Response:

X  .

Christy K. Bosse

Senior Vice President & CA Compliance Officer

4/12/2024

Date