

December 6, 2024

THIS LETTER SENT VIA EMAIL

Les Ybarra, Medicaid Chief Executive Officer
Anthem Blue Cross Partnership Plan
21215 Burbank Boulevard
Woodland Hills, CA 91367

**NOTICE OF IMPOSITION OF MONETARY SANCTIONS FOR FAILURE TO MEET OR
EXCEED MINIMUM PERFORMANCE LEVELS FOR MEDI-CAL MANAGED CARE
ACCOUNTABILITY SET PERFORMANCE MEASURES**

Dear Les Ybarra,

The Department of Health Care Services (DHCS) sends this Notice of Imposition of Monetary Sanctions Letter on Anthem Blue Cross Partnership Plan for failure to meet or exceed required minimum performance levels (MPLs) for measurement year 2023 (MY23)² Medi-Cal Managed Care Accountability Set (MCAS) performance measures (Exhibit A, Attachment 3, Quality Improvement System, section 2.2 External Quality Review Requirements).

On September 5, 2024, DHCS received validated MCAS measure rates from the External Quality Review Organization and confirmed that Anthem Blue Cross Partnership Plan has 106 plan-wide measures below MPL across 3 domain(s) for MY23 (see Table 2 for enforcement tier designation triggers).

Anthem Blue Cross Partnership Plan did not request a meet and confer conference with DHCS within two business days after the effective date of the Notice of Intent to Impose Monetary Sanctions Letter that was sent on October 25, 2024. This Notice of Imposition of Monetary Sanctions Letter supersedes the Notice of Intent to Impose Monetary Sanctions Letter and is made in accordance with W&I section 14197.7(g) and with the Quality Sanction Bulletin issued October 17, 2024. DHCS is imposing monetary sanctions for Anthem Blue Cross Partnership Plan's failure to comply with its obligations set forth in the Medi-Cal managed care plan (MCP) contract. Under W&I section

² Measurement Year 2023 (MY 2023) covered activities conducted from January 1, 2023, to December 31, 2023.



14197.7(f) and the MCP contract, DHCS is authorized to impose a \$25,000 sanction per violation of Anthem Blue Cross Partnership Plan's contractual obligation to meet or exceed MPLs for each MCAS performance measure (Exhibit A, Attachment 3, Quality Improvement System, section 2.2 External Quality Review Requirements).

The total sanction amount for Anthem Blue Cross Partnership Plan is \$819,000 for the following 106 measures below the MPL for MY23:

Quality Reporting Unit	Measures*	Domains*	MCP Rates	MPL	TRENDING Difference from HEDIS MY 2022	Population Impacted
Alameda	LSC	CH	55.47%	62.79%	2.67	350
	TFL-CH	CH	7.32%	19.30%	-0.43	20,986
	W30-2	CH	61.65%	66.76%	-5.28	293
	W30-6	CH	56.21%	58.38%	-3.12	127
	WCV	CH	41.03%	48.07%	-3.04	13,160
	AMR	CD	64.10%	65.61%	-11.01	135
	CBP	CD	57.66%	61.31%	7.3	1,376
	BCS	RC	39.67%	52.60%	-2.7	1,994
	CCS	RC	44.53%	57.11%	-3.89	9,462
Contra Costa	LSC	CH	38.20%	62.79%	-0.97	257
	TFL-CH	CH	6.14%	19.30%	-1.84	13,262
	W30-2	CH	60.54%	66.76%	-3.14	174
	W30-6	CH	56.06%	58.38%	1.58	58
	WCV	CH	41.48%	48.07%	-3.17	8,227
	AMR	CD	63.01%	65.61%	-14.31	91
	CBP	CD	57.42%	61.31%	-0.73	439
	BCS	RC	39.64%	52.60%	-3.32	769
	CCS	RC	44.77%	57.11%	-7.05	3,755
Fresno	CIS-10	CH	23.66%	30.90%	-7.73	2,001
	DEV	CH	24.14%	34.70%	-7.43	4,740
	LSC	CH	48.90%	62.79%	-2.92	1,346
	TFL-CH	CH	16.90%	19.30%	5.06	43,792
	W30-2	CH	62.56%	66.76%	1.25	937
	W30-6	CH	42.59%	58.38%	-2.44	686
	WCV	CH	45.22%	48.07%	-0.42	27,777
	AMR	CD	60.89%	65.61%	-7.61	433



	HBD	CD	46.47%	37.96%	7.78	4,376
	BCS	RC	47.66%	52.60%	0.53	3,135
	CCS	RC	53.04%	57.11%	-1.95	13,809
	PPC-PRE	RC	80.29%	84.23%	-7.54	355
	PPC-PST	RC	73.48%	78.10%	-3.41	477
Kings	CIS-10	CH	21.65%	30.90%	-2.68	354
	DEV	CH	3.40%	34.70%	0.17	1,108
	IMA-2	CH	28.47%	34.31%	-2.45	373
	LSC	CH	52.55%	62.79%	2.91	214
	TFL-CH	CH	7.57%	19.30%	1.63	9,245
	W30-2	CH	55.04%	66.76%	-0.93	205
	W30-6	CH	48.76%	58.38%	-5.63	103
	WCV	CH	40.27%	48.07%	0.92	5,744
Madera	W30-6	CH	42.00%	58.38%	-4	116
	HBD	CD	43.80%	37.96%	-5.11	735
	BCS	RC	48.63%	52.60%	-6.76	543
	PPC-PRE	RC	82.40%	84.23%	-5.77	66
Region 1	CIS-10	CH	21.08%	30.90%	-8.85	745
	DEV	CH	29.88%	34.70%	-5.79	1,678
	IMA-2	CH	28.71%	34.31%	-0.97	1,022
	LSC	CH	50.26%	62.79%	-2.78	472
	TFL-CH	CH	14.94%	19.30%	-0.98	21,919
	W30-6	CH	50.27%	58.38%	1.17	186
	WCV	CH	46.68%	48.07%	1.19	13,484
	BCS	RC	47.45%	52.60%	4.1	1,873
	CCS	RC	49.64%	57.11%	0.25	7,182
	CHL	RC	48.51%	56.04%	-1.15	1,141
	PPC-PRE	RC	83.16%	84.23%	-6.44	119
Region 2	CIS-10	CH	21.65%	30.90%	-1.95	1,343
	DEV	CH	26.78%	34.70%	-6.33	3,046
	IMA-2	CH	29.93%	34.31%	1.46	1,502
	LSC	CH	44.83%	62.79%	-0.18	949
	TFL-CH	CH	10.85%	19.30%	0.09	35,905
	W30-2	CH	59.27%	66.76%	-2.65	681
	W30-6	CH	48.47%	58.38%	-1.21	320
	WCV	CH	38.18%	48.07%	-1.61	24,203
	CBP	CD	59.12%	61.31%	-1.71	1,934



	BCS	RC	45.91%	52.60%	0.87	2,852
	CCS	RC	48.42%	57.11%	-7.05	12,309
	CHL	RC	50.66%	56.04%	3.35	1,574
	PPC-PRE	RC	83.33%	84.23%	-1.1	199
Sacramento	CIS-10	CH	23.11%	30.90%	-2.68	2,605
	DEV	CH	33.41%	34.70%	-6.39	5,779
	LSC	CH	47.29%	62.79%	1.42	1,791
	TFL-CH	CH	13.12%	19.30%	1.75	66,234
	W30-2	CH	60.30%	66.76%	-2.49	1,280
	W30-6	CH	44.76%	58.38%	-5.57	997
	WCV	CH	43.90%	48.07%	-6.96	41,294
	AMR	CD	62.05%	65.61%	-6.25	564
	CBP	CD	54.26%	61.31%	2.68	5,018
	BCS	RC	43.84%	52.60%	-0.42	6,458
	CCS	RC	50.36%	57.11%	-6.75	24,060
	PPC-PST	RC	74.31%	78.10%	-4.52	793
San Benito	CIS-10	CH	28.04%	30.90%	0.02	195
	DEV	CH	4.55%	34.70%	-14.93	587
	LSC	CH	57.20%	62.79%	-11.77	116
	TFL-CH	CH	5.31%	19.30%	-0.28	4,479
	W30-2	CH	64.44%	66.76%	-4.95	80
	W30-6	CH	40.00%	58.38%	-16.56	57
	WCV	CH	44.85%	48.07%	-3.5	2,443
San Francisco	DEV	CH	32.25%	34.70%	11.33	271
	LSC	CH	60.38%	62.79%	-9.91	63
	TFL-CH	CH	14.23%	19.30%	6.19	3,725
	W30-2	CH	64.63%	66.76%	5.73	52
	W30-6	CH	53.41%	58.38%	4.09	41
	WCV	CH	43.42%	48.07%	1.75	2,417
	AMR	CD	56.86%	65.61%	5.95	44
	CCS	RC	46.23%	57.11%	-0.24	2,952
Santa Clara	LSC	CH	60.58%	62.79%	-1.22	386
	TFL-CH	CH	14.31%	19.30%	4.79	21,112
	W30-2	CH	63.62%	66.76%	-3.85	326
	W30-6	CH	39.40%	58.38%	-6.28	346
	WCV	CH	41.93%	48.07%	-0.94	13,943
	AMR	CD	63.76%	65.61%	-0.2	108

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1501 Capitol Avenue, MS 0020
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	CBP	CD	58.88%	61.31%	8.27	1,547
	BCS	RC	43.23%	52.60%	-3.74	2,340
	CCS	RC	48.42%	57.11%	-1.94	8,147
Tulare	DEV	CH	7.74%	34.70%	0.71	5,480
	TFL-CH	CH	13.93%	19.30%	5.7	45,729
	W30-2	CH	65.87%	66.76%	-0.1	784

*Please see Table 1 for acronym definitions

Successful administration of the Medi-Cal program requires a collaborative partnership between DHCS and MCPs. This collaboration includes the expectation that MCPs will meet or exceed their contractual and programmatic requirements on an ongoing basis. Anthem Blue Cross Partnership Plan and DHCS regularly collaborated on strategies for improving the Plan's MCAS performance measures required to meet or exceed MPLs (Exhibit A, Attachment 3, Quality Improvement System, section 2.2 External Quality Review Requirements).

As noted above, DHCS is authorized to impose sanctions for failure to meet or exceed MPLs for each MCAS performance measure. Anthem Blue Cross Partnership Plan confirming failure to meet or exceed the MPLs as outlined in the contract creates good cause for DHCS to impose monetary sanctions (Exhibit A, Attachment 3, Quality Improvement System, section 2.2 External Quality Review Requirements; Exhibit E, Program Terms and Conditions, section 1.1.19 Sanctions; W&I § 14197.7(e)).

Pursuant to W&I section 14197.7 and in accordance with APL 23-012, DHCS has considered the factors set forth in W&I section 14197.7(f) and (g) in determining the sanction amount, including the following:

- Scope of the violations, which are determined by the number of eligible members impacted by the quality-of-care violation (e.g., the number of eligible members who did not receive the recommended preventive service).
- In determining the nature, scope, and gravity of the violation under W&I section 14197.7(g)(1), DHCS will consider the degree to which the MCP is below the MPL for the measure at issue and will increase sanction amounts per violation based upon the severity of the violation (see Table 3 for violation factors).
- DHCS will consider whether the MCP's performance on the MPL at issue has improved or worsened over the previous MY under W&I section 14197.7(g)(6). If performance has worsened over the previous MY, the

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sanction amount will increase; and if performance has improved, the sanction amount will decrease (see Table 4 for trending factors).

- DHCS has reduced the total sanction amount for MCPs in counties with Healthy Places Index (HPI) scores under the 50th percentile, as determined by DHCS (see Table 5 for HPI percentile and impact factors).

This amount has already been accounted for in the sanction total above.

MCP by County	HPI Percentile	HPI Impact Factor
Anthem Blue Cross/Alameda	90.7%	0.0%
Anthem Blue Cross/Contra Costa	87.0%	0.0%
Anthem Blue Cross/Fresno	11.1%	40.0%
Anthem Blue Cross/Kings	14.8%	40.0%
Anthem Blue Cross/Madera	22.2%	30.0%
Anthem Blue Cross/Region 1	38.8%	20.0%
Anthem Blue Cross/Region 2	75..9%	0.0%
Anthem Blue Cross/Sacramento	51.8%	0.0%
Anthem Blue Cross/San Benito	74.0%	0.0%
Anthem Blue Cross/San Francisco	98.1%	0.0%
Anthem Blue Cross/Santa Clara	92.5%	0.0%
Anthem Blue Cross/Tulare	7.4%	50.0%

Please follow the included payment instructions to effectuate payment in full to DHCS. Please indicate the name of the MCP, MY, and the reason for payment when submitting your payment to DHCS. The effective date of this sanction is December 6, 2024. Payment for the MCAS MY23 Sanctions is due immediately.

If **Anthem Blue Cross Partnership Plan** does not pay within 30 business days, **Anthem Blue Cross Partnership Plan** will receive a past due notice. Please provide notice of receipt and payment via email to DHCS' Quality Monitoring inbox. Please include the account number and check number or wire transfer number once payment has been sent.

If you have any questions, send an email to the Quality Monitoring inbox at QualityMonitoring@dhcs.ca.gov.

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Sincerely,

Sarah Lahidji
Division Chief, Quality and Health Equity
Quality and Population Health Management
Department of Health Care Services

Quality & Population Health Management

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Signed by:

Sarah Lahidji

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Les Ybarra, CEO
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ACH/Wire to:

Beneficiary Account Name: Department of Health Care Services

Bank Name: US Bank
Laurel Heights Branch
3471 California St San Francisco, CA 94118

Routing Number: 122235821
Bank Account Number: 1-583-0005-7623
Reference: Sanction or any identifier

For Check Payment:

Payable to: Department of Health Care Services

Cash Receipts Unit
1501 Capitol Avenue MS 1101
PO Box 997415
Sacramento, CA 95899-7415

For check payment, please include the Notice of Imposition of Monetary Sanctions Letter and any backup documents that will identify the payment.



CC

Michelle Baass
Director
Department of Health Care Services

Tyler Sadwith
State Medicaid Director
Department of Health Care Services

Sarah Brooks
Chief Deputy Director, Health Care Programs
Department of Health Care Services

Lindy Harrington
Assistant State Medicaid Director
Department of Health Care Services

Palav Babaria
Deputy Director, Chief Quality Officer
Quality and Population Health Management
Department of Health Care Services

Judith Recchio
Deputy Director and Chief Counsel
Department of Health Care Services

Susan Philip
Deputy Director, Health Care Delivery Systems
Department of Health Care Services

Bambi Cisneros
Assistant Deputy Director, Managed Care
Health Care Delivery Systems
Department of Health Care Services

Michelle Retke
Contracting Officer, Chief of Managed Care Operating Division
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Dana Durham
Chief of Managed Care Quality and Monitoring Division
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Enclosure

TABLE 1: DOMAIN, MEASURE, & ACRONYM		
Domain	Measure	Acronym
Children's Health (CH)	Child and Adolescent Well-Care Visits	WCV
	Childhood Immunization Status: Combination 10	CIS-10
	Developmental Screening in the First Three Years of Life	DEV
	Immunizations for Adolescents: Combination 2	IMA-2
	Lead Screening in Children	LSC
	Topical Fluoride for Children	TFL-CH
	Well-Child Visits in the First 30 Months of Life – 0 to 15 Months – Six or More Well-Child Visits*	W30-6+
	Well-Child Visits in the First 30 Months of Life – 15 to 30 Months – Two or More Well-Child Visits*	W30-2+
Reproductive Health and Cancer Prevention (RC)	Chlamydia Screening in Women	CHL
	Prenatal and Postpartum Care: Postpartum Care	PPC-Post
	Prenatal and Postpartum Care: Timeliness of Prenatal Care	PPC-Pre
	Breast Cancer Screening	BCS-E
	Cervical Cancer Screening	CCS
Chronic Disease Management (CD)	Asthma Medication Ratio	AMR
	Controlling High Blood Pressure	CBP
	Comprehensive Diabetes Care: HbA1c Poor Control (>9.0%)*	HBD-H9*

*A lower rate is better for this measure



TABLE 2: QUALITY ENFORCEMENT TIER DESIGNATION TRIGGERS			
Enforcement Tiers	Tier 1	Tier 2	Tier 3
Triggers	One (1) measure below the MPL in any one (1) domain	Two (2) or more measures below the MPL in any one (1) domain	Three (3) or more measures below the MPL in two (2) or more domains
Enforcement Action	Not subject to monetary sanction	Subject to monetary sanction	Subject to monetary sanction

TABLE 3: VIOLATION AND BENEFICIARY IMPACT (W&I section 14197.7(g)(1))		
Severity/Beneficiary Impact	Violation per Measure	Severity Violation Factor
Slight Violation	<1.00% below MPL	1.0
Minimal Violation	1.00% - 2.99% below MPL	1.1
Minor Violation	3.00% - 5.99% below MPL	1.2
Moderate Violation	6.00% - 10.99%	1.4
Moderately Severe Violation	11.00% - 15.99%	1.6
Severe Violation	16.00% - 20.99%	1.8
Extremely Severe Violation	≥21.00% below the MPL	2.0

TABLE 4: TRENDING FACTOR (W&I section 14197.7(g)(6))		
Degrees of Improvement	Trending Difference per Measure	Trending Factor
Significant Worsening	>(-)15.01%	2.0
Moderately Significant Worsening	(-)15.00% - (-)11.01%	1.8
Moderate Worsening	(-)11.00% - (-)7.01%	1.6
Minimal Worsening	(-)7.00% - (-) 4.01%	1.4
Slight Worsening	(-)4.00% - (-) 0.01%	1.2
No Improvement	0.00 – 1.00%	1.0
Slight Improvement	1.01% - 4.00%	0.8
Minimal Improvement	4.01% - 7.00%	0.6
Moderate Improvement	7.01% - 11.00%	0.4
Moderately Significant Improvement	11.01% - 15.00%	0.2
Significant Improvement	≥15.01%	0.0



TABLE 5: HPI IMPACT AND SANCTION REDUCTION		
Severity (Impact) of HPI (per county and MCP)	HPI Percentile	HPI Impact Factor (Sanction Reduction)
Very High	0-9%ile	50%
High	10-19%ile	40%
Moderate	20-29%ile	30%
Low Moderate	30-39%ile	20%
Low	40-49%ile	10%



NOTICE OF APPEAL RIGHTS

Anthem Blue Cross Partnership Plan has the right to request a hearing in connection with any sanctions within fifteen (15) working days after the “effective date” of the sanctions letter. DHCS will stay the imposition of sanctions upon receipt of the request for a hearing until the effective date of a final decision from the Office of Administrative Hearings and Appeals (OAHA). Anthem Blue Cross Partnership Plan may request a hearing by sending a letter so stating to the Office of Administrative Hearings and Appeals at the address below:

Chief Administrative Law Judge
Office of Administrative Hearings and Appeals
Department of Health Care Services
3831 N. Freeway Blvd., Suite 200
Sacramento, CA 95834

A copy of the hearing request must also be sent to:

Thomas Mahoney
Quality and Health Equity Measurement Monitoring Section Chief
Quality and Population Health Management
Department of Health Care Services
MS 0020
P.O. Box 997413
Sacramento CA 95899-7413

Judith Recchio
Deputy Director and Chief Counsel
Office of Legal Services
Department of Health Care Services
MS 0010
P.O. Box 997413
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