



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



February 14, 2023

*THIS LETTER SENT VIA EMAIL*

Ms. Abbie Totten, CEO  
Molina Healthcare of California Partner Plan, Inc.  
200 Oceangate, Suite 100.  
Long Beach, CA 90802

FINAL NOTICE OF MONETARY SANCTIONS AND EFFECTIVE DATE FOR FAILURE  
TO MEET MINIMUM PERFORMANCE LEVELS FOR MEDI-CAL MANAGED CARE  
ACCOUNTABILITY SET PERFORMANCE MEASURES AFTER THE MEET-AND-  
CONFER CONFERENCE

Dear Ms. Totten,

On December 13, 2022, the Department of Health Care Services (DHCS) issued a Notice of Imposition of Monetary Sanctions to Molina Healthcare of California Partner Plan, Inc. (Molina) (Notice). Molina timely requested to meet and confer with DHCS. On January 25, 2023, DHCS met and conferred with Molina via video conference. At this conference, Molina presented its concerns, raised questions, and had the opportunity to present information and evidence with respect to the issues raised in that Notice.

Pursuant to Section 14197.7(h) of the Welfare and Institutions Code, DHCS has considered Molina's concerns and any information and evidence it presented, and now issues this Final Notice of Monetary Sanctions and Effective Date for Molina's failure to meet required minimum performance levels (MPLs) for measurement Year (MY) 2021 Medi-Cal Managed Care Accountability Set (MCAS) performance measures (Final Sanction). DHCS appreciated the opportunity to discuss this sanction with Molina, but after considering the information and arguments presented by Molina, DHCS has made no change to the sanction amount. **This Final Sanction supersedes the Notice issued December 13, 2022, and is made for the reasons set forth below.**

Under its contract with DHCS, Molina is required to meet or exceed DHCS' established MPLs for each Health Effectiveness Data and Information Set (HEDIS) measure, and all other required MCAS performance measures. (Exhibit A, Attachment 4, Quality Improvement System, section 9A and 9B).

Successful administration of the Medi-Cal program requires a collaborative partnership between DHCS and Medi-Cal Managed Care Plans (MCPs). This collaboration includes the expectation that MCPs will meet their contractual and programmatic requirements on an ongoing basis. Molina and DHCS regularly collaborated on strategies for improving the Plan's MCAS performance measures required to meet MPLs.

On July 20, 2022, DHCS received validated MCAS measure rates from the External Quality Review Organization and confirmed that Molina has 34 plan wide measures below the MPL for reporting year 2022. Under Welfare and Institutions Code (WIC) section 14197.7 and the contract, DHCS has authority to impose monetary sanctions for Molina's failure to meet or exceed its MPLs for all applicable MCAS performance measures. (Exhibit E, Attachment 2, Program Terms and Conditions, section 16 Sanctions, B; WIC § 14197.7(e)(4).) As noted above, Molina's contract requires it to meet or exceed the DHCS established MPLs for each MCAS performance measure. (Exhibit A, Attachment 4, Quality Improvement System, section 9A and 9B). Molina's confirmed failure to meet the MPL as outlined in the contract constitutes good cause for DHCS to impose monetary sanctions. (Exhibit E, Attachment 2, Program Terms and Conditions, section 16 Sanctions, C. 2; WIC § 14197.7(e)(4)).

Under WIC section 14197.7(f), DHCS is authorized to impose a \$25,000 sanction per violation of Molina's contractual obligation to meet or exceed MPLs for each MCAS performance measure. For violations that impact beneficiaries, each beneficiary impacted constitutes a separate violation. Molina has the following 34 measures below the MPL for reporting year 2022, which has impacted 88,976 beneficiaries, resulting in a total final sanction amount of **\$117,000**:

Reporting Unit	Measures*	MPL	MCP Rates	TRENDING Difference from HEDIS MY 2020	Population Impacted (population not served)
Imperial County	BCS	53.93%	52.98%	-0.26%	355
	CCS	59.12%	54.01%	-1.22%	1,603
	PPC-Pre	85.89%	73.73%	-10.61%	57
	PPC-Pst	76.40%	71.89%	-1.34%	61
	CIS-10	38.20%	37.67%	-3.18%	135
	IMA-2	36.74%	33.46%	-4.27%	175
	W30 -6	54.92%	17.72%	-13.41%	65
	W30-2	70.67%	59.60%	-3.58%	101
	WCC-BMI	76.64%	70.32%	-10.70%	762
	WCV	45.31%	40.03%	7.39%	2,859
	BCS	53.93%	48.79%	-2.39%	2,535
	CCS	59.12%	39.66%	-5.35%	15,688

Riverside/San Bernardino Counties	PPC-Pre	85.89%	80.78%	0.49%	229
	PPC-Pst	76.40%	70.32%	-1.21%	353
	CBP	55.35%	47.93%	1.46%	2,275
	CDC-H9**	43.19%	45.50%	1.22%	2,196
	CIS-10	38.20%	20.92%	-3.41%	1,524
	IMA-2	36.74%	25.79%	-7.54%	2,375
	W30 -6	54.92%	12.53%	-1.92%	377
	W30-2	70.67%	43.01%	-11.33%	1,023
	WCV	45.31%	39.20%	7.50%	32,536
Sacramento County	BCS	53.93%	40.88%	-3.42%	1,488
	CCS	59.12%	47.93%	-3.16%	5,138
	PPC-Pre	85.89%	80.78%	-2.51%	85
	PPC-Pst	76.40%	73.48%	-3.61%	117
	CBP	55.35%	51.58%	1.70%	1,220
	CDC-H9**	43.19%	48.66%	-3.65%	1,114
	CIS-10	38.20%	27.01%	-8.51%	479
	IMA-2	36.74%	33.58%	-8.27%	598
	W30 -6	54.92%	33.61%	6.16%	162
	W30-2	70.67%	63.03%	-3.52%	234
	WCV	45.31%	45.29%	0.96%	8,611
San Diego County	W30 -6	54.92%	31.01%	9.69%	1,139
	W30-2	70.67%	65.40%	-5.32%	1,307

\*Please see Table 1 for acronym definition

\*\*Higher rate is indicative of lower performance

Pursuant to WIC section 14197.7(g) and in accordance with the November 14, 2022 Quality Sanction Bulletin, DHCS has considered the following factors in determining the sanction amount.

- Number of eligible members impacted by the quality of care violation and scope of the harm;
- Degree to which MCP is below each MPL;
- Whether MCP's performance on the MPL(s) at issue has improved or worsened over the previous measurement year; and
- Any other applicable factor under WIC section 14197.7(g).

If Molina has not previously done so, Molina must submit a revised comprehensive quality strategy within two weeks of this letter's issuance that includes new interventions designed to meet or exceed the required 2023 milestones, and details how it intends to devote adequate resources and staff to quality improvement.

As DHCS is issuing this Final Sanction after the meet and confer conference pursuant to Welfare and Institutions Code section 14197.7(h), DHCS' meet and confer obligations with respect to these sanctions are exhausted. This sanction is effective as

of the date of this letter, and DHCS will provide further instruction regarding payment of the sanction amount in a separate communication. We have also enclosed a Notice of Appeal Rights.

Sincerely,

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

**Enclosure: Notice of Appeal Rights**

Michelle Baass  
Director  
Department of Health Care Services

Jacey Cooper  
Chief Deputy Director, Health Care Programs  
Department of Health Care Services

John Puente  
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  
Health Care Delivery Systems  
Department of Health Care Services

Dana Durham

Chief of Managed Care Quality and Monitoring Division  
Health Care Delivery Systems  
Department of Health Care Services

Khan Sayeed, Chief Medical Officer  
Molina Healthcare of California Partner Plan, Inc.  
200 Oceangate, Suite 100.  
Long Beach, CA 90802

Matthew Levin, Vice President, Government Contracts  
Molina Healthcare of California Partner Plan, Inc.  
200 Oceangate, Suite 100.  
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<b>TABLE 1: DOMAIN, MEASURE, &amp; ACRONYM</b>		
<b>Domain</b>	<b>Measure</b>	<b>Acronym</b>
<b>Children's Preventive Services</b>	Child and Adolescent Well-Care Visits (WCV)	WCV
	Childhood Immunization Status: Combination 10 (CIS-10)	CIS-10
	Immunizations for Adolescents: Combination 2 (IMA-2)	IMA-2
	Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents: BMI Assessment for Children/Adolescents (WCC-BMI),	WCC-BMI
	Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents: Nutrition (WCC-N)	WCC-N
	Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents: Physical Activity (WCC-PA)	WCC-PA
	Well-Child Visits in the First 30 Months of Life - Well-Child Visits in the First 15 Months (W30)	W30 6+
	Well-Child Visits in the First 30 Month of Life - Well-Child Visits for Age 15 Months - 30 Months (W30)	W30 2+
<b>Women's Health Domain</b>	Breast Cancer Screening	BCS
	Cervical Cancer Screening	CCS
	Chlamydia Screening in Women	CHL
	Prenatal and Postpartum Care: Postpartum Care	PPC-Pst
	Prenatal and Postpartum Care: Timeliness of Prenatal Care	PPC-Pre
<b>Chronic Disease Domain</b>	Comprehensive Diabetes Care: HbA1c Poor Control (>9.0%)	CDC-H9
	Controlling High Blood Pressure	CBP

## **NOTICE OF APPEAL RIGHTS**

Molina has the right to request a hearing in connection with any sanctions within 15 business days after receipt of the final notice of sanction. 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. Molina 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 shall also be sent to:

Priya Motz  
Acting Quality & Health Equity Transformation Branch Chief  
Quality and Population Health Management  
Department of Health Care Services  
MS 441  
P.O. Box 997413  
Sacramento CA 95899-7413

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