

DHCS AUDITS AND INVESTIGATIONS
CONTRACT AND ENROLLMENT REVIEW DIVISION

**REPORT ON THE FOCUSED AUDIT OF BLUE
SHIELD OF CALIFORNIA PROMISE HEALTH PLAN
2023**

Contract Number: 09-86153

Audit Period: April 1, 2022 – March 31, 2023

Dates of Audit: April 17, 2023 – April 28, 2023

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I. INTRODUCTION

Background

In accordance with California Welfare and Institutions Code section 14456, the Department of Health Care Services (DHCS) may conduct additional reviews outside of the annual medical audit when DHCS determines there is good cause.

DHCS directed the Contract and Enrollment Review Division to conduct focused audits of all contracting Medi-Cal Managed Care Plans (Plans) to evaluate the current Plans' performance in the areas of Behavioral Health and Transportation services.

These focused audits differ from DHCS' regular annual medical audits in scope and depth. The annual medical audits evaluate the Plan's organizational structures, policies and procedures, and systems for compliance with contractual requirements. The focused audits examined the operational issues that may hinder appropriate and timely member access to medically necessary care. The focused audit engagement formally commenced in January 2023 through December 2023.

For the Behavioral Health section, the focused audit evaluated the Plan's monitoring activities of specific areas such as Specialty Mental Health Services (SMHS), Non-Specialty Mental Health Services (NSMHS), and Substance Use Disorder Services (SUDS). The focused audit also reviewed potential issues that may contribute to the lack of member access and oversight for SMHS, NSMHS, and SUDS.

The focused audit conducted a more in-depth look at current Plan operations/practices for executing the delivery of transportation services. The audit examined potential causes for the systemic issues surrounding the Non-Emergency Medical Transportation (NEMT) and Non-Medical Transportation (NMT) services, specifically when transportation is delegated to a transportation broker.

Blue Shield of California Promise Health Plan (Plan) is a Health Maintenance Organization, wholly owned and operated by Blue Shield of California. The Plan provides Medi-Cal Managed Care services in San Diego County. Blue Shield of California is an independent member of the Blue Shield Association.

Formerly known as Care 1st Health Plan, Inc., the Plan has maintained a California full-service health plan license under the Knox-Keene Act since 1995. In June 2005, DHCS granted the Geographic Managed Care contract to the Plan to provide health care services to Medi-Cal beneficiaries in San Diego County.

In 2015, Blue Shield of California acquired Care 1st Health Plan. Effective January 1, 2019, the Plan's name was changed to Blue Shield of California Promise Health Plan.

During the audit period, the Plan delegated behavioral health services to Carelon Behavioral Health (Carelon) (formerly known as Beacon Health Options). The Plan delegated transportation services to Call-the-Car, Inc. (CTC), a transportation broker.

As of March 2023, the Plan served 148,048 members through the Medi-Cal line of business.

II. EXECUTIVE SUMMARY

This report presents the findings of the DHCS focused audit for the period of April 1, 2022, through March 31, 2023. The audit was conducted on April 17, 2023, through April 28, 2023. The audit consisted of document review, surveys, verification studies, interviews, and file reviews with the Plan representatives.

An Exit Conference with the Plan was held on June 25, 2024. The Plan was allowed 15 calendar days from the date of the Exit Conference to provide supplemental information and documentation addressing the draft audit report findings. The Plan submitted a response after the Exit Conference. The results of the evaluation of the Plan's response are reflected in this report.

The focused audit evaluated the areas of performance for Behavioral Health and Transportation services.

The summary of findings by performance area follows:

Performance Area: Behavioral Health

Category 2 – Case Management and Coordination of Care:

- Specialty Mental Health Services
- Non-Specialty Mental Health Services
- Substance Use Disorder Services Category 3 – Access and Availability of Care

There were no findings noted for this category for the audit period.

Performance Area: Transportation

Category 3 – Access and Availability of Care

- Non-Emergency Medical Transportation
- Non-Medical Transportation

The Plan is required to provide NEMT services when the member's medical and physical condition is such that transport by ordinary means of public or private conveyance is medically contraindicated and transportation is required for the purpose of obtaining needed medical care. The Plan did not ensure the delegate, Call-the-Car, provided the appropriate level of service for members requiring ambulatory door-to-door service.

III. SCOPE/AUDIT PROCEDURES

SCOPE

This focused audit was conducted by the DHCS, Contract and Enrollment Review Division to ascertain the medical services provided to Plan members complied with federal and state laws, Medi-Cal regulations and guidelines, and the State Contract.

PROCEDURE

On November 3, 2022, DHCS informed Plans that it would conduct focused audits to assess performance in certain identified high-risk areas. The focused audit was concurrently scheduled with the annual medical audit. The audit scope encompassed the following sections of review:

- Behavioral Health – SMHS, NSMHS, and SUDS
- Transportation – NEMT and NMT services

The audit was conducted from April 17, 2023, through April 28, 2023. The audit included a review of the Plan's policies for providing services, the procedures used to implement the policies, and verification studies of the implementation and effectiveness of the policies. Documents were reviewed and interviews were conducted with Plan administrators and staff.

The following verification studies were conducted:

Category 2 – Case Management and Coordination of Care

SMHS: Five samples were reviewed to evaluate care coordination with the County MHP, as well as compliance with All Plan Letter (APL) requirements.

NSMHS: Five samples were reviewed to evaluate compliance with APL requirements.

SUDS: Two samples were reviewed to evaluate compliance with APL requirements.

Category 3 – Access and Availability of Care

NEMT: Five samples were reviewed to evaluate compliance with APL requirements.

NMT: Five samples were reviewed to evaluate compliance with APL requirements.

A description of the findings for each category is contained in the following report.

COMPLIANCE AUDIT FINDINGS

Performance Area: Transportation – NEMT and NMT

Category 3 – Access and Availability of Care

3.1 NEMT—Ambulatory Door-to-Door

The Plan must provide NEMT services when the member's medical and physical condition is such that transport by ordinary means of public or private conveyance is medically contraindicated and transportation is required for the purpose of obtaining needed medical care.

The Plan or its transportation brokers must arrange or provide the modality of transportation prescribed in the Physician Certification Statement (PCS) form and cannot triage the member's need to assess for the most appropriate level of NEMT service. The Plan is required to provide NEMT for members who cannot reasonably ambulate or are unable to stand or walk without assistance, including those using a walker or crutches. Transportation brokers cannot downgrade the member's level of care from NEMT to NMT, including ambulatory door-to-door services. (*APL 22-008 Non-Emergency Medical and Non-Medical Transportation Services and Related Travel Expenses*)

Plan policy, *10.31.1 NEMT and NMT Services and Related Travel Expenses* (revised August 2022), states the Plan will authorize the appropriate modality prescribed by the provider on the PCS form. The Plan or its transportation broker shall not modify an NEMT authorization or change the modality outlined in the PCS form or downgrade the members' level of transportation from NEMT to NMT once the treating physician prescribes the form of transportation on the Request for NEMT. If multiple modalities are selected in the PCS form, the Plan will authorize the lowest cost type of NEMT that is adequate for the member's needs. Upon a member's request, the Plan or its transportation broker will allow ambulatory members to utilize NMT services for a particular ride(s) if NEMT services are not needed. NMT may be scheduled for members currently using a wheelchair if the member is able to ambulate without assistance from the driver. The Plan provides NEMT for members who cannot reasonably ambulate or are unable to stand or walk without assistance, including those using a walker or crutches.

Amendment 4 to Amended and Restated Exhibit A-2 Statement of Work (signed February 16, 2023), includes ambulatory, door-to-door as a transportation service type for NMT services. "Ambulatory door-to-door" means the driver will physically assist the member from the pickup location, which may include the front door of the member's residence, to the vehicle, and from the vehicle to the front door of their place of service.

Unless forbidden, by the facility, if requested by the member, the driver will accompany the member into the facility to the appointment location. On a return trip, the driver will physically assist the member from the place of service to the vehicle, and from the vehicle to the front door of their place of residence. If allowed by the facility and if requested by the member, driver will pick up the member inside the facility.

Finding: The Plan did not ensure its delegate, Call the-Car, provided the appropriate level of service for members requiring ambulatory door-to-door service.

A verification study of five NMT samples revealed there were five NMT trips scheduled as ambulatory door-to-door. Two trips were completed, two trips were cancelled, and one trip was missed.

The Plan's transportation universe included 109,747 NMT trips of which 14,465 trips were ambulatory door-to-door.

APL 22-008 prohibits Plan's from downgrading ambulatory door-to-door NEMT services to NMT; The Plan is required to provide NEMT to members needing ambulatory assistance. The Plan incorrectly allows for its delegate to schedule ambulatory door-to-door services as NMT.

When the delegate does not provide the required NEMT modality for door-to-door assistance, members may not receive the appropriate level of care, which may result in adverse impacts on member health.

Recommendation: Revise and implement policies and procedures to ensure its delegate provides the appropriate NEMT modality for members requiring ambulatory door-to-door assistance.