

July 24, 2024

Deanna Eaves, Director, Compliance
California Health & Wellness Plan
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 California Health & Wellness Plan, a Managed Care Plan (MCP), from July 17, 2023 through July 28, 2023. The audit covered the period from July 1, 2022, through June 30, 2023.

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)

Enclosures: Attachment A (CAP Response Form)

cc: Stacy Nguyen, Chief *Via E-mail*
Managed Care Monitoring Branch
DHCS - Managed Care Quality and Monitoring Division (MCQMD)

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

Maria Angel, 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)

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

ATTACHMENT A

Corrective Action Plan Response Form



Plan: California Health & Wellness (CHW)

Audit Type: Medical Audit

Review Period: 07/01/22 – 06/30/23

On-site Review: 07/17/23 – 07/28/23

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.

1. Utilization Management

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
<p>1.3.1 Members' Right to File a Grievance</p> <p>The Plan did not inform members of their right to file a grievance after denial of a request for an expedited resolution of an appeal.</p>	<ol style="list-style-type: none"> 1. The Plan will update P&P "CA.QI.11 Member Appeals and Grievance System" to allow members to file a grievance when the member disagrees with the Plan's decision to downgrade an expedited appeal requested by the member or member's advocate. 2. The Plan will implement a new acknowledgement letter that includes the member's right to file a grievance if they disagree with the downgrade of their request to expedite an appeal. 3. The Plan will provide training to the A&G staff on this requirement. 4. The Plan will update P&P "CA.AG.06 Appeals and Grievance: General Audit" 	<ol style="list-style-type: none"> 1. CA.QI.11 - Member Appeals and Grievance System 2. New Acknowledgement Letter 3. A&G Training Material 4. CA.AG.06 - Appeals & Grievances: General Audit & Audit Tool 5. A&G Audit Tool 6. A&G Audit Results 	<ol style="list-style-type: none"> 1. 1-31-24 2. 1-31-24 3. 1-31-24 4. 4-1-24 5. 4-1-24 6. 5-1-24 	<p>The following documentation supports the MCP's efforts to correct this finding:</p> <p>POLICIES AND PROCEDURES</p> <ul style="list-style-type: none"> Updated P&P, "CA.Q1.11: Member Appeal and Grievance System Description" (01/31/24) which has been updated to include the following: If the member or their representative request an expedited appeal and the Plan determines that expedited criteria is not met, the appeal will follow the standard appeal process. The member will be provided an acknowledgment letter within 2 calendar days of receipt date giving the member rights to file a grievance with the Plan. Revised P&P, "CA.A&G.06: Appeals & Grievances: General Audit" (03/17/24) revised to include additional corrective action steps. The following corrective action is as follows: <ul style="list-style-type: none"> Review Quality Audit reports and individual associate scores, identifying any trends. Conduct a review of associate audit results during monthly one-on-one sessions with the Supervisor. However, if immediate action is required on audit

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
	<p>5. The Plan will incorporate into the monthly audit tool a review of the acknowledgement letter information related to filing a grievance.</p> <p>6. Audit results are reviewed by the Management Team on a monthly basis.</p>			<p>errors, these issues will be addressed with the associate and corrected within 5 calendar days.</p> <ul style="list-style-type: none"> ○ If an associate's score falls below 97% for the month; the supervisor will initiate coaching with an action plan aimed at improving QA. <p>IMPLEMENTATION</p> <ul style="list-style-type: none"> • Updated Written Notice, "Appeal Acknowledgement Letter" (02/07/24) updated to include the following, "If you do not agree with the decision to downgrade your request for an expedited appeal, you have the right to file a grievance by calling Member Services at 1-877-658-0305, TTY:711, Monday through Friday, 8 a.m. to 5 p.m." • Member Handbook, Per Plan response, "There is no member handbook available since the CHW Plan sunsetted 01/01/24." • Workflow, "A&G Expedited Appeal Request Downgrade – Proposed Process Workflow" (02/09/24) which includes a step to inform members of their right to file a grievance if they disagree with the denial of a request for an expedited resolution of an appeal. <p>MONITORING</p>

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				<ul style="list-style-type: none">Audit Tool, "AG Book of Business Audit Criteria" (03/08/024) demonstrates the Plan is monitoring if acknowledgement letters contain, "Was the "Right to file a grievance if the member disagrees with downgrading the denial of expedited resolution appeal request." <p>TRAINING</p> <ul style="list-style-type: none">Team Meeting, "Appeals & Grievances Team Meeting" (03/07/24) demonstrates the Plan met with the Appeals & Grievance Staff to discuss finding 1.3.1 from the DHCS Medical Audit and shared that new acknowledgement letters were created to include verbiage, "If you do not agree with the decision to downgrade your request for an expedited appeal, you have the right to file a grievance by calling Member Services at (xxx) xxx-xxxx." Attestations also included. <p>The corrective action plan for Finding 1.3.1 is accepted.</p>

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 Care Grievances The Plan did not ensure QOC grievances were immediately submitted to the Plan's Medical Director for action.	<ol style="list-style-type: none"> The Plan will update P&P "CA.QI.11 Member Appeals and Grievance System" to ensure language is clear that all potential QOC grievances are immediately sent to a medical director for action. The Plan will develop a desktop process that outlines the steps for sending a Potential Quality Issue immediately to a Medical Director for action. The Plan has submitted a system enhancement request to track the immediate forwarding of Potential Quality issues. Reporting will be available for oversight and monitoring to ensure compliance. 	<ol style="list-style-type: none"> CA.QI.11 - Member Appeals and Grievance System New Desktop - Immediate Referral to Medical Director for action during Triage. A&G Audit Results A&G Training Material A&G Audit Tool 	<ol style="list-style-type: none"> 1-31-24 1-31-24 4-1-24 4-1-24 4-1-24 4-1-24 	<p>The following documentation supports the MCP's efforts to correct this finding:</p> <p>POLICIES AND PROCEDURES</p> <ul style="list-style-type: none"> Updated P&P, "CA. Q1.11: Member Appeals and Grievances System Description" (01/31/24) was updated to include, If the member or their representative request an expedited appeal and the Plan determines that expedited criteria is not met, the appeal will follow the standard appeal process. The member will be provided an acknowledgment letter within 2 calendar days of receipt date giving the member rights to file a grievance. Desktop Procedure, "Quality of Care vs. Quality of Service Procedure" (01/31/24) which has been revised to include, during the triage process, for SHP grievances only, identified with having a possible quality of care component will be immediately referred to a Medical Director for assessment and action. Revised P&P, "CA.A&G.06: Appeals & Grievances: General Audit" (03/17/24) revised to include additional corrective action steps. The following corrective action is as follows:

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
	<p>4. The Plan will provide training to the A&G staff on the new process.</p> <p>5. The Plan will incorporate the element of immediate referral to a Medical Director into the monthly audit tool as an audit element moving forward.</p> <p>6. The Plan will track outcome of this audit element and will be reviewed by the Management Team on a monthly basis.</p>	<p>6. A&G Audit Results</p>		<ul style="list-style-type: none"> ○ Review Quality Audit reports and individual associate scores, identifying any trends. ○ Conduct a review of associate audit results during monthly one-on-one sessions with the Supervisor. However, if immediate action is required on audit errors, these issues will be addressed with the associate and corrected within 5 calendar days. ○ If an associate's score falls below 97% for the month; the supervisor will initiate coaching with an action plan aimed at improving QA. <p>IMPLEMENTATION</p> <ul style="list-style-type: none"> ● Workflow, "Expedited & QOC Identified SHP Process Workflow" (03/08/24) which includes a step to ensure QOC cases are routed to Medical Director for immediate review and assessment. ● Workflow, "QOC Identified by Screener/Triager - SHP Process Workflow" (03/08/24) which includes a step to ensure QOC grievance cases are routed to Medical Director for immediate review and assessment.

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				<p>MONITORING</p> <ul style="list-style-type: none"> Audit Tool, "AG Book of Business Audit Criteria" (03/08/24) demonstrates the Plan is monitoring if quality of care grievances are being immediately reviewed by the Medical Director. Audit Report, "CHW Case Summary Report" (07/12/24) demonstrates the Plan monitors and reviews daily reports to make certain QOC cases are manually sent to Medical Director for an immediate review via email. <p>TRAINING</p> <ul style="list-style-type: none"> Team Meeting, "Appeals & Grievances Team Meeting" (03/07/24) demonstrates the Plan met with the Appeals & Grievance Staff to discuss finding 4.1.1 from the DHCS Medical Audit and shared that process workflows are currently pending compliance review and approval from DHCS. Attestations also included. <p>The corrective action plan for Finding 4.1.1 is accepted.</p>

** 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 K. Bosse

Title: Sr. Vice President & CA Compliance Officer

Signed by: [Signature on File]

Date: December 15, 2023