CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES
Michelle Baass | Director

January 7, 2026

Danielle Ogren *Via E-mail*
Sr. Director of Regulatory Affairs and Compliance
Partnership HealthPlan of California
4665 Business Center Dr.
Fairfield, CA 94534

RE: Department of Health Care Services Medical Audit

Dear Ms. Ogren:

The Department of Health Care Services (DHCS), Audits and Investigations Division, conducted an on-site Medical Audit of Partnership Health Plan of California, a Managed Care Plan (MCP), from December 9, 2024 through December 20, 2024. The audit covered the period from July 1, 2023, through June 30, 2024.

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. The 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 DHCS from taking additional actions it deems necessary to address 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 the final CAP remediation document (Attachment A) will be made available on the DHCS website and to the public upon request.

If you have any questions, please contact CAP Compliance personnel.

Sincerely,

[Signature on file]
Grace McGeough, Chief
Process Compliance Section
Managed Care Monitoring Branch
DHC Managed Care Quality and Monitoring Division (MCQMD)

Enclosures: Attachment A (CAP Response Form)

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

Lyubov Poonka, Unit Chief *Via E-mail*
Audit Monitoring Unit
Process Compliance Section
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)

Aldo Flores, Unit Chief *Via E-mail*
Managed Care Contract Oversight Branch
DHCS Managed Care Operations Division (MCOD)

Patricia Flores, Contract Manager *Via E-mail*
Managed Care Contract Oversight Branch
DHCS Managed Care Operations Division (MCOD)

ATTACHMENT A

Corrective Action Plan Response Form

Plan: Partnership Health Plan of California

Review Period: 07/01/23 – 06/30/24

Audit: Medical Audit

On-site Review: 12/09/24 – 12/20/24

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. This document, Attachment A, serves as the published summary of the MCP's final response to each audit finding and represents the MCP's remediation efforts and corrective actions taken to address the CAP.

4. Member's Rights

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
4.1.1 Timely Resolution of Grievances The Plan did not resolve QOC grievances within 30 calendar days of receipt.	Upon review, it was determined that many of these cases were being thoroughly reviewed by nurses and medical directors, but the issue identified was with how that information was communicated to members. In certain cases, staff were closing grievances, but the resolution letters simply noted that the case was referred to QI, without clearly explaining the investigation findings or how the concern was resolved. This primary gap in these cases stemmed from inconsistent application of training and a misunderstanding by some staff of what it means to bring a grievance to full resolution within the 30-day timeframe. While our expectations have remained consistent over the years, the messaging in some letters did not fully reflect the resolution work completed. Refresher trainings	» CGA024 Member Grievance System Meeting agendas and Training Power Points » Standard Grievance Process Desktop and Internal Auditing Desktop	» CGA024 will be implemented upon DHCS approval » Trainings were completed on 3/21/24, 12/19/24, and 3/19/25. Additional training to be completed by end of June 2025 » Desktops were updated 5/7/25	The following documentation supports the MCP's efforts to correct this finding: **POLICIES AND PROCEDURES** » Revised P&P, CGA024: Medi-Cal Member Grievance System" (10/08/25) which has been revised by the MCP to include, "QOC Grievances must be investigated and resolved within 30 calendar days, even if they involved PQI concerns. In addition, In the event that resolution of a standard grievance is not reached within 30-calendar days, the grievance will be placed in pending status to allow additional time to gather necessary documentation and conduct further investigation. The Plan will notify the member in writing of the status of the grievance and the estimated date of resolution. » Desktop Process, GA-INC C00001, "Standard Grievance Process Desktop" (05/05/25) demonstrates the MCP directs the Grievance and Appeal staff on how to process grievances which includes resolution of QOC grievances. » Desktop, GA-AUD-A00001 "Internal Auditing Desktop" (05/07/25) demonstrates the MCP has a process to perform a comprehensive audit that will be completed on 50% of all closed QOC grievance cases closed each month, with a minimum of 8 cases reviewed. **MONITORING/OVERSIGHT**

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	and updates to internal guidance have since reinforced the importance of clearly resolving and communicating outcomes in all quality-of-care grievances. Refresher trainings were held on March 21, 2024. December 19, 2024, and March 19, 2025, to reinforce the expectation that resolution letters must clearly communicate the outcome of all clinical and quality reviews. An additional training will be completed by the end of 2Q25 to emphasize what it means to resolve a grievance and steps to take if a grievance must be pended for additional information if it cannot be resolved within 30 days. To further strengthen this process and ensure ongoing compliance, company policy and internal desktops have been updated to define what it means to resolve a grievance. Additionally, G&A has revised our monthly audit			» Org Chart, "Grievance and Appeals Department" (04/29/25) which demonstrates the positions that are responsible for oversight. » Report, "Aging Report of Grievances" (January 2025 – May 2025) demonstrates the MCP is monitoring grievances that remain unresolved beyond 30 calendar days. The plan recognizes that certain external barriers can impact our ability to fully investigate quality of care grievances within 30 calendar days. To address these challenges, the plan has taken the following steps: » Translation Requests: We have modified our internal time frames for when translation requests must be submitted to our outside vendor. » Medical Records Request: We request medical records as early in the process as possible, with the best practice to request them within 4 calendar days of receipt of the grievance. We also include due dates on our provider outreach and follow up routinely to minimize delays. » Provider Response Delays: When provider responses are delayed, we escalate internally through our provider relations team to support timely follow-up. » Pending Status: In cases where delays are unavoidable, the case is placed in pending status, and the member is notified in writing with an explanation and an updated estimated time frame for resolution.

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	process to add a focus specifically on quality-of-care grievances. This audit will help monitor staff adherence to investigation and resolution of quality-of-care grievances to confirm that clinical findings are accurately captured and communicated to the member and cases are not closed unresolved.			» Audit Tool, "Comprehensive Audit Scorecard" (06/25) which is used by MCP to evaluate and track to make certain the QOC grievance cases were closed within the required 30 calendar day requirement. » Audit, "Comprehensive Scorecards" (0505/01/25, 05/05/25, 05/08/25, 05/09/25, and 05/16/25) demonstrates the MCP is monitoring QOC grievance cases to confirm the case was closed within the required 30 calendar day timeframe and all member concerns are addressed. **TRAINING** » Training, "Back to Basics Letter Writing Grievance Resolution Letter" (3/19/25) demonstrates the MCP provided refresher training to reinforce expectations around properly resolving and documenting member concerns. Additionally, the PQI paragraph language used in the findings section of the resolution letter addresses the provider's care. » Training, "New Hire Training" (2022-2025) demonstrates that the MCP provides annual training to new hires on the requirement to resolve QOC grievances within 30 days of receipt. Attestations tracker included. » Training, "Case Closure Compliance Training" (09/17/25) demonstrates the MCP provided training to all Grievance Case Analysts that specifically addressed the requirement to resolve cases within 30 calendar days. Training included the Plan's best practices for closing grievance cases within 28 calendar days. In addition, for

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				cases that cannot be closed within 30 calendar days, it will be considered out of compliance. The Plan outlined its process in the training materials for handling cases that cannot be resolved within 30 calendar days. Attestations provided. » Training, "Back to Basics Letter Writing Grievance Resolution Letter" (3/19/25) demonstrates the MCP provided refresher training to reinforce expectations around properly resolving and documenting member concerns. In addition to, the PQI paragraph language that is used under the findings section of the resolution letter does address the provider's care in the grievance resolution letter. » Meeting, "The Internal Quality Improvement (IQI) Committee Agenda" (09/09/25) demonstrates that the MCP met with the IQI Committee to discuss the revised policy and procedure CGA024, which pertains to the Medi-Cal Member Grievance System. » Meeting, "The Quality Utilization Advisory Committee (Q/UAC)", (09/17/25) demonstrates the MCP met with the IQI Committee to discuss the revised policy and procedure CGA024, which pertains to the Medi-Cal Member Grievance System. » Meeting, "The Physician Advisory Committee (PAC) Meeting", (10/08/25) demonstrates that the MCP met with the IQI Committee to discuss the revised policy and procedure CGA024, which pertains to the Medi-Cal Member Grievance System. **The corrective action plan for finding 4.1.1 is accepted.**

5. Quality Management

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
5.1.1 Qualifications of Quality Improvement Staff The Plan did not include the qualifications (education, experience, and training) of staff responsible for QI activities in the QI Program written description and QIHETP policies and procedures.	» Update policy MPQD1001 Quality and Performance Improvement Program Description to require clear designation of leadership roles	» MPQD1001 pending approval	» The 25/26 version of MPQP1001 is proposed for approval as part of the QI	The following documentation supports the MCP's efforts to correct this finding: **POLICIES AND PROCEDURES** » Updated P&P's, "MPQD1001 Quality and Performance Improvement Program Description" and "MCED6001 Quality Improvement and Health Equity Transformation Program (QIHETP) Program Description" (Board of Commissioners Approved 10/22/2025) to address requirement in Contract #08-85215, Exhibit A, Attachment 4(7)(C), which states that the Quality Improvement and Health Equity Transformation Program Policies and Procedures (QIHETP) address the qualifications (education, experience, and training) and identification of staff who are responsible for QI and Health Equity activities. The Plan revised the P&Ps to clearly define leadership roles that carry both authority and responsibility for ensuring full implementation and ongoing maintenance of both programs. For each designated role, the policies will also specify the qualifications of the staff currently serving in those roles, with detailed information provided in a designated Appendix. (5.1.1 MPQD1001 2025-2026 DRAFT V1.5 - FINAL REDLINED VERSION, Key Roles, page 7) » Additionally, the Plan's Health Equity Officer, in collaboration with the Plan's Chief Medical Officer, oversees the QIHETP program operations and assists in the development and coordination of

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				QIHETP policies and procedures. (5.1.1 MPQD1001 2025-2026 DRAFT V1.5 - FINAL REDLINED VERSION, Director of Health Equity, page 9) **MONITORING** » The Plan has updated and implemented its policies and procedures to confirm that the qualifications of staff responsible for Quality Improvement (QI) activities are fully documented within the written description and policies of the QIHETP. This written description is reviewed and formally approved on an annual basis by the Plan's QI Trilogy Team, which is composed of Plan project managers. (QI Trilogy Timeline 2023-2024 03-07-24 and QI Trilogy Timeline 2024-2025 02_27_25) » P&P "HR213 Job Description Policy," approved 03/31/2025, as evidence that the Plan's Job Library is comprised of all active and approved Job Descriptions and is monitored on an ongoing basis. (HR213 Job Descriptions) » Meetings, "Quality/Utilization Advisory Committee (Q/UAC) and Quality Improvement and Health Equity Committee (QIHEC)." The Plan conducts monthly meetings where staff report progress of activities cited in the QI and QIHETP Program Descriptions. The Plan provided sample agendas, meeting materials, and meeting minutes from the Quality/Utilization Advisory Committee (Q/UAC) and Quality Improvement and Health Equity Committee (QIHEC) as evidence of how these committees assure periodic reviews of

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				program activities. (Summary QUAC & QIHEC meeting materials submitted, QUAC_082124_Agenda and Meeting Materials_FINAL and QUAC_082124_Minutes_APPROVED) » Meeting, "QI Trilogy Leadership Meeting," conducted by the Plan's Senior Director of QI with the QI Trilogy Team on 3/27/25 and 4/21/25, was held to relay the importance of citing roles key to the program being fully implemented and maintained. For each identified role, the qualifications of staff presently fulfilling each role are now included in a new Appendix. Additionally, the Plan's Senior Director of QI met with the Director of Health Equity on 4/25/25 to ensure the QIHETP PD is also updated using the same approach. **TRAINING** » The Plan submitted evidence of educating staff on the importance of maintaining these role designations and corresponding evidence of staff qualifications in the written QI and QIHETP program descriptions. (QI Trilogy Leadership Meeting Minutes_03_27_25 and QI Trilogy Leadership Meeting Attendance 03_27_25) and (HE Inputs_Finalize CAP submission for QI QIHETP_Meeting Minutes_04_25_25 and Mtg Attendance with HE on 4.25.25_CAP on QI_QIHETP PDs) **The corrective action plan for finding 5.1.1 is accepted.**

***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: Kenzie Hansuiak

Title: Sr. Manager of Regulatory Affairs & Compliance

Signed by: [Signature on File]

Date: 5/9/2025