

November 19, 2025

Danita Carlson, Government Relations Director
Central California Alliance for Health
1600 Green Hills Road
Scotts Valley, CA 95066

Via E-mail

RE: Department of Health Care Services Medical Audit

Dear Ms. Carlson:

The Department of Health Care Services (DHCS), Audits and Investigations Division, conducted an on-site Medical Audit of Central California Alliance for Health, a Managed Care Plan (MCP), from January 21, 2025 through January 31, 2025. The audit covered the period from November 1, 2023, through October 31, 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]

Lyubov Poonka, Chief

Audit Monitoring Unit

Process Compliance Section

DHCS - Managed Care Quality and Monitoring Division (MCQMD)

Ms. Carlson
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Enclosures: Attachment A (CAP Response Form)

cc: Kelli Mendenhall, Chief
Managed Care Monitoring Branch *Via E-mail*
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)

Viktoriya Manzyuk, 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)

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

ATTACHMENT A

Corrective Action Plan Response Form

Plan: Central California Alliance for Health

Review Period: 11/01/2023 – 10/31/2024

Audit: Medical Audit

On-site Review: 01/21/2025 – 01/31/2025

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 |
|---|--|---|--|---|
| <p>4.1.1 Quality of Service Grievance Resolution</p> <p>The Plan did not ensure QOS grievance resolution within 30 calendar days of grievance receipt.</p> | <p>In response to the finding, the plan identified opportunities to address the deficiency in a multi-tiered approach to fully resolve QOS grievances within 30 calendar days of receipt.</p> <p>Policy Update: Revised P&P 200-9002 Member Grievance System</p> <p>The Plan revised this policy to require staff to identify, document and resolve every issue raised in a complaint, especially when multiple concerns are submitted. This ensures staff thoroughly address each issue for an appropriate resolution.</p> <p>Revised Desktop: AG Closing Resolution Checklist</p> <p>The Plan updated the internal AG Resolution Checklist document to include reinforcing addressing all components of a member's</p> | <p>1. 200-9002 Member Grievance System</p> <p>2. Closing Resolution Checklist</p> <p>3. Provider Outreach Template, Fax Blast, Bulletin and revised Grievance Overview 101</p> <p>4. AG Team Training 7/16/25</p> <p>5. AG Quality Assurance (QA) Process and reportable indicators</p> | <p>1. 5/2025 Long-Term, staff were trained on the updates.</p> <p>2. 7/2025 Long-Term, staff were trained on the updates and to receive refresher training at least 2x per year.</p> <p>3. 8/2025 Long-Term; Provider materials available to support AG requirements</p> <p>4. 7/2025 Long-Term; ongoing AG Team training</p> <p>5. Long-Term; developed 6/2025;</p> | <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"> » P&P, 200-9002, "Member Grievance and Appeal System (04/29/25) which affirms the obligation that, when multiple issues are presented, staff are required to demonstrate that each issue is thoroughly addressed and appropriately resolved. » "Provider Escalation Pathway", (2025_Escalation Protocol 2025 v7.2025) describes the escalation protocol when Providers are non-responsive or submit incomplete responses for open grievance requests. » "Escalation Protocol 2025 v7.2025" (07/21/25) which describes the escalation protocol when providers are non-responsive or submit incomplete responses for open grievance requests. » "Quality Assurance Process", (08/25) the Appeals and Grievance Quality Assurance process makes certain that member grievances and appeals are resolved completely, accurately, and within required timeframes to maintain regulatory compliance. Through audits, feedback, and trend analysis. » "Appeals Pattern Specific Escalation Pathway", (07/21/25) demonstrates the Plan has implemented an escalation process for |

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| | <p>complaint. Staff use this resource prior to case closure to confirm completeness.</p> <p>Standardized Provider Outreach Template and Communications</p> <p>As needed, this external outreach template standardizes requests for information to request full responses and supports a complete resolution. The Plan supported this new process with provider fax blast, bulletin announcements and a grievance overview training to introduce the new materials and reinforce the AG requirements and response time expectations.</p> <p>Focused Staff Training</p> <p>Delivered refresher training to AG (Appeals and Grievance) Team. The training emphasized the obligation to address every component under the Plan’s responsibility.</p> <p>Monitoring</p> | <p>6. AG Resolution Workgroup and Tracking Log</p> | <p>implemented 7/2025</p> <p>6. 8/2025; Long-Term</p> | <p>provider delayed responses and provider non-responses to grievances.</p> <p>TRAINING</p> <ul style="list-style-type: none"> » “Provider Fax Blast”, (07/17/25) demonstrates the MCP has issued a provider fax blast to notify providers of a new process that requires the use of a standardized template when responding to member grievances. » “July AG Team Training CAP” (07/16/25) demonstrates the MCP has provided training to their A&G Team members regarding the DHCS 4.1.1 finding, including a Corrective Action Plan. Attestations included. » “Grievance Overview 101”, (08/25/25) demonstrates the MCP has provided training to its Providers on the timeframe process of grievances. <p>MONITORING AND OVERSIGHT</p> <ul style="list-style-type: none"> » “Provider Grievance Outreach Templates” (07/25) these two letters illustrate that MCP has developed distinct formats for communicating with Providers when supporting documentation is required to support submitted grievances. One letter is designed as a fillable electronic form, while the other is a standard PDF version intended for handwritten responses. » “Grievance Closing Checklist”, (09/25) was revised to include the following language, "the unresolved letter informs the member that |

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| | <p>The Plan finalized the AG Quality Assurance Process, including reportable indicators to track oversight and timeliness.</p> <p>Oversight</p> <p>The Plan established an interdisciplinary AG workgroup focused on complex cases to prevent incomplete resolutions. Developed a shared tracking log for issues needing follow up or escalations.</p> | | | <p>the complaint has not been fully resolved timely and includes a specified date of completion."</p> <ul style="list-style-type: none"> » "QA Results Narrative Response", (06/25, 07/25, 08/25, and 09/25) demonstrates the Plan regularly checks case quality in real time, making sure issues are resolved accurately and completely. Each sample is reviewed to confirm that all member concerns are addressed, properly categorized, and resolved within required timeframes. 95% of files reviewed for Quality Assurance passed the QA criteria. The 5% error rate was addressed during both direct one-on-one coaching, and trending themes were addressed during staff meetings to mitigate future errors. » "AG Feedback Case Review Log" (09/15/25) as evidence the MCP has a monitoring tool to identify and evaluate operational issues that may contribute to untimely or incomplete grievance resolutions. This log systematically documents key findings, assigns accountability for corrective actions, and assesses the effectiveness of those actions. This review log is reviewed during the Grievance Resolution and Oversight Workgroup to help drive immediate fixes and interdepartmental awareness to confirm sustained improvements. » "Grievance Resolution Oversight Workgroup Charter", (08/25) demonstrates the MCP has a Grievance Resolution Oversight Workgroup that meets on a bi-weekly basis and consists of a Chair, Grievance and Quality Manager, Staff Support, Member Services |

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| | | | | Administrative Assistant, and Workgroup Members. This Workgroup reviews complex grievances and makes timely and complete resolutions when cross collaborative inputs are necessary. The corrective action plan for finding 4.1.1 is accepted. |
| 4.1.2 Quality of Care Grievance Resolution Letters The Plan did not ensure to address all member complaints and issues in resolving grievances. | <p>In response to the findings, the plan identified opportunities to address the deficiency in a multi-tiered approach to fully resolve QOC grievances within 30 calendar days of receipt.</p> <p>Policy Update: Revised P&P 200-9002 Member Grievance System</p> <p>The Plan revised this policy to require staff to identify, document and resolve every issue raised in a complaint, especially when multiple concerns are submitted. This ensures staff thoroughly address each issue for an appropriate resolution.</p> <p>Revised Desktop: AG Closing Resolution Checklist</p> <p>The Plan updated the internal AG Resolution Checklist document to</p> | 1. 200-9002 Member Grievance System 2. Closing Resolution Checklist 3. Provider Outreach Template, Fax Blast, Bulletin and revised Grievance Overview 101 4. AG Team Training 7/16/25 5. AG Quality Assurance (QA) Process and reportable indicators | 1. 5/2025 Long-Term, staff were trained on the updates. 2. 7/2025 Long-Term, staff were trained on the updates and to receive refresher training at least 2x per year. 3. 8/2025 Long-Term; Provider materials available to support AG requirements 4. 7/2025 Long-Term; ongoing AG Team training | <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"> » P&P, 200-9002, "Member Grievance and Appeal System" (04/29/25) which affirms the obligation that, when multiple issues are presented, staff are required to demonstrate that each issue is thoroughly addressed and appropriately resolved. » "Escalation Protocol 2025 v7.2025" (07/21/25) which describes the escalation protocol when providers are non-responsive or submit incomplete responses for open grievance requests. » "Quality Assurance Process", (08/25) the Appeals and Grievance Quality Assurance process makes certain that member grievances and appeals are resolved completely, accurately, and within required timeframes to maintain regulatory compliance. Through audits, feedback, and trend analysis. » "Appeals Pattern Specific Escalation Pathway", (07/21/25) demonstrates the Plan has implemented an escalation process for provider delayed responses and provider non-responses to grievances. |

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| | <p>include reinforcing addressing all components of a member’s complaint. Staff use this resource prior to case closure to confirm completeness.</p> <p>Standardized Provider Outreach Template and Communications</p> <p>As needed, this external outreach template standardizes requests for information to request full responses and supports a complete resolution. The Plan supported this new process with a fax blast, bulletin announcements and a grievance overview training to introduce the new materials and reinforce the AG requirements and response time expectations.</p> <p>Focused Staff Training</p> <p>Delivered refresher training to AG (Appeals and Grievance) Team Training emphasizing the obligation to address every component under the Plan’s responsibility.</p> | <p>6. AG Resolution Workgroup and Tracking Log</p> | <p>5. Long-Term; developed 6/2025; implemented 7/2025</p> <p>6. 8/2025; Long-Term</p> | <p>TRAINING</p> <ul style="list-style-type: none"> » “Provider Fax Blast”, (07/17/25) demonstrates the MCP has issued a provider fax blast to notify providers of a new process that requires the use of a standardized template when responding to member grievances. » “July AG Team Training CAP” (07/16/25) demonstrates the MCP has provided training to their A&G Team members regarding the DHCS 4.1.2 finding, including a Corrective Action Plan. Attestations included. » “PowerPoint Grievance Overview 101 and Narrative Response”, (10/25) this PowerPoint shows the MCP’s step-by-step approach to improving how grievances are handled, including working directly with network providers. It's part of ongoing efforts to help providers understand and meet grievance related expectations and responsibilities. <p>MONITORING AND OVERSIGHT</p> <ul style="list-style-type: none"> » “Provider Grievance Outreach Templates” (07/25) these two letters illustrate that MCP has developed distinct formats for communicating with Providers when supporting documentation is required to support submitted grievances. One letter is designed as a fillable electronic form, while the other is a standard PDF version intended for handwritten responses. |

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| | <p>Monitoring</p> <p>The Plan finalized the AG Quality Assurance Process, including reportable indicators to track oversight and timeliness.</p> <p>Oversight</p> <p>The Plan established an interdisciplinary AG workgroup focused on complex cases to prevent incomplete resolutions. Developed a shared tracking log for issues needing follow up or escalations.</p> | | | <ul style="list-style-type: none"> » "Grievance Closing Checklist", (09/25) was revised to include the following language, "the unresolved letter informs the member that the complaint has not been fully resolved timely and includes a specified date of completion." » "QA Results Narrative Response", (06/25, 07/25, 08/25, and 09/25) demonstrates the Plan regularly checks case quality in real time, making sure issues are resolved accurately and completely. Each sample is reviewed to confirm that all member concerns are addressed, properly categorized, and resolved within required timeframes. 95% of files reviewed for Quality Assurance passed the QA criteria. The 5% error rate was addressed during both direct one-on-one coaching, and trending themes were addressed during staff meetings to mitigate future errors. » "AG Feedback Case Review Log" (09/15/25) as evidence the MCP has a monitoring tool to identify and evaluate operational issues that may contribute to untimely or incomplete grievance resolutions. This log systematically documents key findings, assigns accountability for corrective actions, and assesses the effectiveness of those actions. This review log is reviewed during the Grievance Resolution and Oversight Workgroup to help drive immediate fixes and interdepartmental awareness to confirm sustained improvements. » "Grievance Resolution Oversight Workgroup Charter", (08/25) demonstrates the MCP has a Grievance Resolution Oversight |

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| | | | | Workgroup that meets on a bi-weekly basis and consists of a Chair, Grievance and Quality Manager, Staff Support, Member Services Administrative Assistant, and Workgroup Members. This Workgroup reviews complex grievances and makes timely and complete resolutions when cross collaborative inputs are necessary. The corrective action plan for finding 4.1.2 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: [Signature on file]
Title: Jenifer Mandella, Chief Compliance Officer

Submitted by: [Signature on file]
Title: Van Wong, Chief Operating Officer