



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



December 13, 2022

THIS LETTER SENT VIA EMAIL

Mr. Kevin Kandalaft, CEO
UnitedHealthcare Community Plan
3215 Prospect Park Drive, Suite 1126
Rancho Cordova, CA 95670

NOTICE OF IMPOSITION OF MONETARY SANCTIONS FOR FAILURE TO MEET
MINIMUM PERFORMANCE LEVELS FOR MEDI-CAL MANAGED CARE
ACCOUNTABILITY SET PERFORMANCE MEASURES

Dear Mr. Kandalaft,

The Department of Health Care Services (DHCS) sends this notice of imposition of monetary sanctions for UnitedHealthcare Community Plan's failure to meet required minimum performance levels (MPLs) for measurement Year (MY) 2021 Medi-Cal Managed Care Accountability Set (MCAS) performance measures.

Under the contract with DHCS, UnitedHealthcare Community Plan 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 A, 3).

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. UnitedHealthcare Community Plan 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 UnitedHealthcare Community Plan has 6 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 UnitedHealthcare Community Plan'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, UnitedHealthcare Community Plan'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 A, 3). UnitedHealthcare Community Plan's confirmed failure to meet the MPL as outlined in the contract creates 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)).

DHCS is imposing monetary sanctions for UnitedHealthcare Community Plan's failure to comply with its obligations set forth in the contract. Under WIC section 14197.7(f), DHCS is authorized to impose a \$25,000 sanction per violation of UnitedHealthcare Community Plan's contractual obligation to meet or exceed MPLs for each MCAS performance measure. The total sanction amount is \$25,000, because UnitedHealthcare Community Plan has the following 6 measures below the MPL for reporting year 2022:

| Reporting Unit | Measures* | MPL | MCP Rates | TRENDING Difference from HEDIS MY 2020 |
|------------------|-----------|--------|-----------|--|
| San Diego County | BCS | 53.93% | 44.56% | -9.01% |
| | CCS | 59.12% | 46.23% | -6.32% |
| | IMA-2 | 36.74% | 25.57% | -3.28% |
| | W30 -6 | 54.92% | 24.20% | 6.81% |
| | W30-2 | 70.67% | 50.62% | 13.64% |
| | WCV | 45.31% | 39.42% | 16.48% |

*Please see Table 1 for acronym definition

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).

UnitedHealthcare Community Plan is also required to submit a revised comprehensive quality strategy on or before January 31, 2023, 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.

UnitedHealthcare Community Plan may request to meet with the department to discuss additional information they wish to share that may impact the final sanction amount

Quality & Population Health Management
1501 Capitol Avenue, MS 0000
P.O. Box 997413
Sacramento, CA 95899-7413
Phone (916) 449-7400 Fax (916) 440-7404

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within two business days of receiving this notice. In the event you would like to request a meet and confer conference, please send the request via email to QPHM@dhcs.ca.gov with the subject Quality Sanction: Request to Meet and Confer.

Sincerely,

Palav Babaria

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

Enclosure

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

Jennifer Nuovo, Chief Medical Officer
UnitedHealthcare Community Plan
3215 Prospect Park Drive, Suite 1126
Rancho Cordova, CA 95670

Keisha Lewis, Director C&S Compliance UnitedHealthcare Community Plan
3215 Prospect Park Drive, Suite 1126
Rancho Cordova, CA 95670

| TABLE 1: DOMAIN, MEASURE, & ACRONYM | | |
|--|---|----------------|
| Domain | Measure | Acronym |
| Children's Preventive Services | 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+ |
| Women's Health Domain | 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 |
| Chronic Disease Domain | Comprehensive Diabetes Care: HbA1c Poor Control (>9.0%) | CDC-H9 |
| | Controlling High Blood Pressure | CBP |

NOTICE OF APPEAL RIGHTS

UnitedHealthcare Community Plan has the right to request a hearing in connection with any sanctions within 15 business days after receipt of the notice to impose sanctions. 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. UnitedHealthcare Community Plan 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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