CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES
Michelle Baass | Director

August 3, 2026

Randy Haines, Regulatory Affairs Manager *Via E-mail*
Inland Empire Health Plan
10801 6th St., Ste. 120 P.O. BOX 1800
Rancho Cucamonga, CA 91729

RE: Department of Health Care Services Medical Audit

Dear Mr. Haines:

The Department of Health Care Services (DHCS), Audits and Investigations Division conducted a Focused Audit of Inland Empire Health Plan, a Managed Care Plan (MCP), from September 18, 2023 through September 29, 2023. The focused audit covered the period from August 1, 2022, through July 31, 2023.

DHCS is closing this Corrective Action Plan (CAP) based on the corrective actions submitted and accepted. As standard practice, DHCS will reassess these areas during subsequent audit cycles to ensure sustained compliance and evaluate implementation over time. DHCS acknowledges the Plan's continued efforts to implement the corrective actions from identified non-compliance in the audit. As DHCS issues updated policy guidance, the Plan must ensure all activities remain aligned with current requirements, including forthcoming updates to Transportation policy and the Behavioral Health Data Exchange expectations outlined in APL 26-004. 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]

Dennis Hsieh, Chief
Managed Care Quality and Monitoring Division (MCQMD)
Department of Health Care Services

Enclosures: Attachment A (CAP Response Form)
Attachment B
Final Audit Report

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

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

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

ATTACHMENT A

Corrective Action Plan Response Form

Plan: Inland Empire Health Plan

Review Period: 08/01/2022 – 07/31/2023

Audit: Focused Audit of Behavioral Health and Transportation Services

On-site Review: 09/18/2023 – 09/29/2023

MCPs are required to provide a Corrective Action Plan (CAP) and respond to all documented deficiencies included in the focused 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.

2. Case Management and Coordination of Care

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
2.1 Case Management and Care Coordination The Plan did not ensure the provision of care coordination to deliver mental health care services to members.	Shortly after the Focused Audit, the Plan developed and implemented its BH Screening follow-up process where the Plan confirms with the Member that they have received referred services with the county Mental Health Plans (MHPs). In December 2024, The Plan enhanced its process by implementing a monitoring report that shows if the Plan has confirmed a Member established care with a BH Provider. If the Plan identifies that a Member has not established care, the Plan outreaches to the Member to assist with establishing care, if needed.	2.1 Process Documentation – BH Screening Follow-Up 2.1 Report – QA/Monitoring – BH Screening Follow-Up	11/01/24 12/06/24	The following documentation supports the MCP's efforts to correct this finding: **POLICIES AND PROCEDURES** » Plan procedure "Adult Behavioral Health (BH) Screening Follow Up" includes the process taken to verify members are receiving mental health care services. The process includes outreach to members to verify care has been established with a County Behavioral Health provider. (2.1_Adult Behavioral Health (BH) Screening Follow Up) **MONITORING AND OVERSIGHT** » Plan procedure "Adult Behavioral Health (BH) Screening Follow Up" includes the process taken to verify members are receiving mental health care services & are following up to verify that the member received the referral. The process includes the member's information, that were recently referred to Behavioral Health Services, being sent to dispatch, then outreach to members to verify care has been established & to notate whether successful or not. The dispatch team utilizes the *QA Monitoring Report* to identify members needing outreach. This report is updated daily & monitored on a weekly basis by the Plan. (2.1 Adult BH Screening Follow Up, pages 1-7) » Monitoring report "Report QAMonitoring – BH Screening Follow-Up" demonstrates the Plan's revisions to its processes, enhancing its

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				reporting & monitoring efforts, to verify that members receive referred services with the county MHPs. The report includes the member's information that were recently referred to Behavioral Health Services. Team members then begin outreach and notate whether successful or not. This report is updated daily & monitored on a weekly basis. (See 2.1_Report QAMonitoring – BH Screening Follow Up) **The corrective action plan for finding 2.1 is accepted.**
2.2 Referral Loop Closure The Plan did not ensure that the referral loop was closed, and that the new provider accepted the care of members receiving NSMHS to SMHS or vice versa.	In October 2024, the Plan refined its Transition of Care process for its County Liaisons team that includes protocol for completing the Transition of Care Tool, documenting when the tool has been sent to the County MHP and making at least 3 outreach attempts to Members to confirm that the new Provider has accepted and established care with the Member. In addition, the Plan also uses its monitoring report, developed in December 2024, to track referrals where Member has not yet established care with a BH Provider.	2.2 Process Documentation - County Liaison - Transitions of Care 2.2 Process Documentation – BH Screening Follow-Up	10/04/24 11/01/24	The following documentation supports the MCP's efforts to correct this finding: **POLICIES AND PROCEDURES** » Plan procedure "Adult Behavioral Health (BH) Screening Follow Up" includes the process to verify members; the process includes outreach to members to verify care has been established with a County Behavioral Health provider. » Sample report "Report QAMonitoring Substance Use Follow Up" demonstrates the outreach attempts made and the outcome to demonstrate a monitoring process; members are being identified, outreached to and connected with their Provider. (2.2_Report – QAMonitoring – Substance Use Follow-Up) **The corrective action plan for finding 2.2 is accepted.**

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
2.3 Substance Use Disorder Services- Good Faith Effort to Confirm Treatment The Plan did not make good faith efforts to confirm whether members received referred treatments for SUD and did not document when, where, and any next steps following treatment.	In October 2024, The Plan revised policies and procedures to reflect the Plan's good faith efforts to confirm whether Members received referred substance use disorder treatments and document when, where, and any next steps following treatment. In November 2024, The Plan enhanced its Substance Use Disorder (SUD) Follow-up process to include an assessment that asks the Member if they have established care with an SUD Provider, if they've encountered any barriers in establishing care, and to understand next steps following referred treatment—all of which is documented by the Plan. The process also includes a follow-up with the Member two weeks after initial contact to confirm whether the Member has been connected to SUD services. In December 2024, the Plan developed a monitoring report to show if the	2.3 Revised Policy MC_12K2 – Substance Use Disorder 2.3 Process Documentation – Substance Use Follow-Up 2.3 Report – QA/Monitoring – Substance Use Follow-Up	10/04/24 11/01/24 12/06/24	The following documentation supports the MCP's efforts to correct this finding: **POLICIES AND PROCEDURES** » Plan policy "MC_12K2 – Substance Use Treatment Services" was updated to include revisions to its BHT services process. The revisions include that "the Plan confirms that the referral process has been completed, the member has been connected with a provider, the new Provider accepts the care of the member & that medically necessary services have been made available to the Member." The Plan also added that it makes good faith efforts to confirm the members receive referred treatments & documents what the next steps are following treatment. If the member has not received referred treatments, the Plan follows up with the member to make adjustments to the referrals, if necessary. The Plan also may connect with the Provider to facilitate a warm hand-off to necessary treatment. (2.3 MC_12K2 – Substance Use Treatment Services, Referral Process, D. & E., pages 3 & 4) **MONITORING AND OVERSIGHT** » Plan procedure "Substance Use Disorder Follow Up Process" demonstrates the workflow of the SUD follow-up process. The process includes the review of the SUD follow up report, create the BH program referral, screen member, complete SUD follow up assessment, document outreach, follow up 2 weeks after initial

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	Plan has confirmed a Member has established care with an SUD Provider. If the Plan identifies that a Member did not establish care, the Plan outreaches to the Member to assist with establishing care if needed.			contact with member & then close program referral after care coordination resolved and/or member is unable to be contacted. The SUD report is updated weekly. (2.3_Substance Use Disorder Follow Up Process, pages 2-6) » Sample report "Report QAMonitoring Substance Use Follow Up" demonstrates the monitoring report the Plan retrieves weekly with SUD referrals needing to be contacted. The report includes date of referral, when the Plan contacted/did their outreach to the member, mode of contact & whether the contact was successful or not, with any necessary notes. (See 2.3_Report QAMonitoring Substance Use Follow Up) **The corrective action plan for finding 2.3 is accepted.**
2.4 Substance Use Disorder Services Follow Up to Understand Barriers The Plan did not have a process in place to follow up with members, understand barriers, and make subsequent adjustments to	In October 2024, The Plan revised its policies and procedures to ensure that if a Member does not receive referred treatment, the Plan must follow-up with the Member to understand barriers and make adjustments to referrals, if warranted. In November 2024, the Plan enhanced its Substance Use Disorder (SUD) Follow-up process to include an assessment with the Member to	2.4 Revised Policy MC_12K2 – Substance Use Disorder 2.4 Process Documentation – Substance Use Follow-Up 2.4 Report – QA/Monitoring –	10/04/24 11/01/24 12/06/24	The following documentation supports the MCP's efforts to correct this finding: **POLICIES AND PROCEDURES** » Plan policy "MC_12K2 – Substance Use Treatment Services" was updated to include revisions to its BHT services process. The revisions include that "the Plan confirms that the referral process has been completed, the member has been connected with a provider, the new Provider accepts the care of the member & that medically necessary services have been made available to the Member." The Plan also added that it makes good faith efforts to confirm the members receive referred treatments & documents what the next

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
referrals, if members did not receive referred treatments.	understand next steps following referred treatment, and a follow-up with Member two weeks after initial contact to confirm whether the Member has been connected to SUD services and received referred treatment. In December 2024, the Plan developed a monitoring report to show if a Member has established care with an SUD Provider. Through this report, if the Plan identifies that a Member has not establish care, the Plan outreaches to the Member to assist with establishing care if needed.	Substance Use Follow-Up		steps are following treatment. If the member has not received referred treatments, the Plan follows up with the member to make adjustments to the referrals, if necessary. The Plan also may connect with the Provider to facilitate a warm hand-off to necessary treatment. The Plan makes good faith efforts to confirm whether Members receive referred treatments and document when, where, and any next steps following treatment. If a Member does not receive referred treatments, the Plan will follow up with the Member to understand barriers and make adjustments to the referrals. IEHP may also attempt to connect with the Provider to whom the Member was referred to facilitate a warm hand-off to necessary treatment. (2.3 MC_12K2 – Substance Use Treatment Services, Referral Process, D, E and F, pages 3 & 4) **MONITORING AND OVERSIGHT** » Plan procedure "Substance Use Disorder Follow Up Process" demonstrates the workflow of the SUD follow-up process. The process includes the review of the SUD follow up report, create the BH program referral, screen member, complete SUD follow up assessment, document outreach, follow up 2 weeks after initial contact with member & then close program referral after care coordination resolved and/or member is unable to be contacted. The SUD report is updated weekly. (2.3_Substance Use Disorder Follow Up Process, pages 2-6)

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				» Sample report "Report QAMonitoring Substance Use Follow Up" demonstrates the monitoring report the Plan retrieves weekly with SUD referrals needing to be contacted. The report includes date of referral, when the Plan contacted/did their outreach to the member, mode of contact & whether the contact was successful or not, with any necessary notes. (See 2.3_Report QAMonitoring Substance Use Follow Up) **The corrective action plan for finding 2.4 is accepted.**

3. Access and Availability of Care

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
3.1 Direct Line to Transportation Liaison The Plan did not have a direct line to the Plan's transportation liaison for providers and members to call, request, and schedule urgent and non-urgent NEMT and receive status updates on their NEMT rides.	In October 2024, The Plan revised its policies and procedures to include the direct line information for the Plan's transportation liaison. In December 2024, The Plan developed a direct toll-free line for its Transpiration liaison and updated its policies and procedures to reflect this change.	3.1 MC_09C - Non-Emergency Medical and Non-Medical Transportation Services	10/01/24	The following documentation supports the MCP's efforts to correct this finding: **POLICIES AND PROCEDURES** » Updated Policy, "MC_09C: Access Standards Non-Emergency Medical and Non-Medical Transportation Services and Related Travel Expenses" (10/1/24), which has been amended to include a direct toll-free line to transportation liaison. (3.1_MC_09C - Non-Emergency Medical and Non-Medical Transportation Services, page 3) **TRAINING** » Screenshot, "IEHP Website Transportation" as evidence the Plan updated their website to include a direct toll-free line number to transportation liaison. (3.1_IEHP Website _Transportation) » Training document, "Liaison Que Standard Work" as evidence the Plan has trained its staff on responsibilities of direct-line transportation liaison. (3.1_Training_ Liaison Queue Standard Work) **The corrective action plan for finding 3.1 is accepted.**
3.2 Policies and Procedures for Non-Emergency Medical	In October 2024, The Plan revised its policies and procedures to clearly indicate the requirements for NEMT modalities (ambulance services, litter	3.2 MC_09C - Non-Emergency Medical and Non-Medical	10/01/24	The following documentation supports the MCP's efforts to correct this finding: **POLICIES AND PROCEDURES**

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
Transportation Modalities The Plan did not have policies and procedures for NEMT modalities regarding NEMT ambulance services, litter van services, wheelchair van services, and NEMT services by air.	van services, wheelchair van services, and NEMT services by air). The Plan also reviewed and updated its Evidence of Coverage (EOC), Provider Manual, and website to clarify NEMT modalities.	Transportation Services		» Updated Policy, "MC_09C: Access Standards Non-Emergency Medical and Non-Medical Transportation Services and Related Travel Expenses" (10/1/24), which has been amended to include the APL criteria about the Plan's requirement to detail NEMT modalities regarding NEMT ambulance services, litter van services, wheelchair van services, and NEMT services by air. (3.2 - CLEAN_MC_09C - Non-Emergency Medical and Non-Medical Transportation Services, pages 5-7) **TRAINING** » Updated "IEHP Evidence of Coverage (EOC)" as evidence the Plan updated their EOC to include a detailed list of NEMT modalities. (3.2 - 2024 IEHP Medi-Cal EOC_Transportation, page 74) » Screenshot, "IEHP Website Transportation" as evidence the Plan updated their website to include a detailed list of NEMT modalities. (3.2 - IEHP Website_Transportation) » "Provider Services Monthly Policy Updates" (10/3/23) as evidence the Plan updated Provider Manual and informed Providers of changes. (3.2 - 20231003 - Provider Manual Updates, page 2) **The corrective action plan for finding 3.2 is accepted.**
3.3 Prescriber's Signature and/or Information on	In October 2024, The Plan revised its process of reviewing PCS forms to ensure that Transportation Team	3.3 Job Aid - Physician Certification	10/01/24	The following documentation supports the MCP's efforts to correct this finding: **POLICIES AND PROCEDURES**

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
Physician Certification Statement Form The Plan did not ensure that all fields of the PCS form are filled out by the provider, specifically the prescriber's signature and/or information.	Members confirm all PCS forms received are complete and conduct necessary and consistent outreach to Providers whose PCS forms are missing information. In November 2024, The Plan also developed a monitoring report to identify all NEMT/NMT requests that are open due to missing PCS forms/information and include outreach attempts made by the Transportation Team. In February 2024, the Plan updated its PCS form process to ensure rides are not provided without a valid and complete PCS form (unless it is of urgent nature).	Statement (PCS) Form		» Plan policy "MC_09C – NEMT_NMT Services" includes a section for the Prior Authorization process that states the Plan will verify a completed PCS form is on file for all members receiving NEMT services, including that all fields/components are filled out by the provider. (Prior Authorization, B., 2. & 4., page 7) » Plan procedure "3.3 Job Aid – Physician Certification Statement (PCS) Form" was revised to include that Transportation Team Members are to verify that all PCS forms received are complete & to conduct necessary outreach to Providers whose PCS forms are missing/incomplete. The procedure includes to verify that all components required are filled out correctly on the PCS form. If there is no success in obtaining the PCS form after three attempts, the request will then be closed. (Job Aid – PCS Form, page 1-17) **MONITORING AND OVERSIGHT** » Plan policy "MC_09C – NEMT_NMT Services" includes the monitoring activities are performed no less than quarterly. Continued non-compliance will result in broker/provider education, issuance of a corrective action plan, freezing new authorizations & possible termination of contract. (Delegation and Monitoring, B., page 10) » Sample report "3.3_Transportation Request_PCS Follow-Up" demonstrates the tracker used when a PCS form is missing/incomplete & the follow-up that takes place. The report includes the three attempts made, whether they were successful & if

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
				not successful, deemed closed based on not receiving the PCS form. (See 3.3 Transportation Request PCS Follow-Up) **TRAINING/PROVIDER EDUCATION** » Provider notification "IEHP PCS Form Implementation Broker Notification" demonstrates the Plan made its broker/providers aware of the changes to the PCS form process. The notification outlines that the Plan will no longer be able to schedule any trips without the PCS form for NEMT requests. The notification includes that if no valid PCS form is on file or submitted, no trip will be able to be scheduled, unless the trip meets specific exception criteria. (See 3.3 IEHPPCS Form Implementation_Broker Notification) » Meeting materials "Transportation Services_Team Meeting Jan 2025" demonstrates the Plan reviewed newly revised PCS form procedures with staff. The meeting included the revised PCS Form Follow-Up procedure document, making staff aware of changes to its process. (See 3.3 Transportation Services_Team Meeting Jan 2025) **The corrective action plan for finding 3.3 is accepted.**
3.4 Ambulatory Door-to-Door The Plan did not ensure the delegate, Call-the-Car, provided	In October 2024, The Plan revised its policy to clearly state that ambulatory door-to-door services are considered NEMT, and that neither the Plan nor the delegate are allowed to downgrade the Member's level of	3.4 MC_09C - Non-Emergency Medical and Non-Medical	10/01/24	The following documentation supports the MCP's efforts to correct this finding: *The Plan identified the root cause of the deficiency as needing policy revision. The Plan's policies and procedures did not clearly indicate requirements for ambulatory door-to-door service, which ensures the*

Finding Number and Summary	Action Taken	Supporting Documentation	Implementation Date * (*Short-Term, Long-Term)	DHCS Comments
the appropriate level of service for members requiring ambulatory door-to-door service.	service from NEMT to NMT. The Plan also informed its vendor of this requirement and update to plan policy.	Transportation Services		*delegate is providing the appropriate level of service for Members requiring ambulatory door-to-door service.* **POLICIES AND PROCEDURES** » Plan policy "MC_09C - Non-Emergency Medical and Non-Medical Transportation Services" was revised to include that "Neither IEHP nor the Transportation Broker modify the PCS form after the PCP or treating Physician has prescribed the form of transportation, unless multiple modalities were selected, in which case IEHP authorizes the lowest cost modality." (IEHP Responsibilities, E., page 3) **MONITORING AND OVERSIGHT** » Plan policy "MC_09C - Non-Emergency Medical and Non-Medical Transportation Services" was revised to include that monitoring activities are performed no less than quarterly, including non-modification of the level of transportation service outlined in the PCS form. IEHP and its Transportation Brokers may not change the modality outlined in the PCS Form, or downgrade Members' level of transportation from NEMT to NMT, including ambulatory door-to-door services. (Delegation and Monitoring, B., 2., page 10) **The corrective action plan for finding 3.4 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: Erika Oduro
Title: Manager, Regulatory Affairs

Signed by: [Signature on File]
Date: 10/4/2024