September 29, 2023

VIA ELECTRONIC MAIL
Access Dental Plan
Bary Bailey, Interim CFO
8890 Cal Center Drive
Sacramento, CA 95826

RE: RESPONSE TO ACCESS DENTAL PLAN'S REVISED CORRECTIVE ACTION PLAN FOR ENCOUNTER DATA SUBMISSIONS

Dear Mr. Bailey:

The Department of Health Care Services (DHCS) Medi-Cal Dental Services Division (MDSD) has reviewed the revised Corrective Action Plan (CAP) submitted by Access Dental Plan (ADP) and has determined additional information is necessary to comply with federal and state requirements, Dental Managed Care (DMC) Contract, and Dental All Plan Letters (APL). DMC plans are required to submit all necessary CAP documentation as outlined in APL 22-009.

On June 30, 2023, DHCS issued a Notice of Deficiency (NOD) to ADP in response to the multiple rejected, voided, and duplicate encounter data submissions without resolution. ADP provided DHCS with multiple self-reported explanations and future resolution dates regarding deliverables submitted on and after November 10, 2022. ADP submitted their CAP response to DHCS' NOD on July 27, 2023. Separately, ADP emailed DHCS ADP's Management Information System (MIS) migration information, including the project plan, test strategy, and encounter data management workflow. However, the documentation submitted did not demonstrate ADP's ability or reconciliation of encounter data issues.

DHCS and ADP met on August 18, 2023 to discuss the NOD and CAP deficiencies. DHCS again requested ADP reconcile all unaccounted encounters and provide proof of full remediation. DHCS issued a response letter that same day highlighting the CAP deficiencies. Additionally, DHCS sent ADP an Encounter Data Submission Reconciliation Form (EDSRF) representative of all encounter submissions for calendar year 2023. The EDSRF document included calculations of unaccounted encounters (i.e., denied encounters and void encounters less replaced encounters). Included in the response letter was the specific request for the following:

> 1. The technical documents for the EDSRF validation process. These technical documents should at minimum include the design and testing outcomes as well as documentation in the production environment to support the CAP.

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State of California
Gavin Newsom, Governor

California Health and Human Services Agency

2. The technical documents for the database process. These technical documents should at minimum include the design and testing outcomes as well as documentation in the production environment to support the CAP.
3. A complete reconciliation of the data submittals that was provided to ADP which contain all of the missing data sets to show that all past data issues are now resolved for historical submittals and prospectively.

Subsequently, ADP submitted a revised CAP to DHCS on September 1, 2023. Additionally, ADP submitted the Standard Operating Procedures (SOPs) for encounters detailing procedures for processing encounters and an updated EDSRF document to demonstrate the calculation of unaccounted encounter data. Notably, ADP's calculation differs from DHCS in that it did not include void encounters. Within the CAP, ADP stated, "With inclusion of the [encounter data] voids, it is duplicative [to include voids] as they are accounted for elsewhere. ADP has determined that the number of unaccounted for encounters that need to be tied out should be 9,565." DHCS understands the additional data EDSRFs however requests clarification on why 9,565 encounters should be approved as voided.

The Encounters SOP is helpful in understanding ADPs encounter submission process. The MIS migration project plan, test strategy, and encounter data management workflow were necessary to understand the future state for ADP encounter submissions to DHCS on the ADP encounter systems platform. The remaining item for this however is the system validation documentation as previously requested and discussed.

DHCS denies the revised encounter data submission CAP as submitted. The documentation submitted with the CAP does not satisfactorily respond to DHCS' request.

To date, DHCS has not received the following:

1. Technical documents for the EDSRF validation process. As a reminder, this should include at a minimum the design and testing outcomes as well as production documentation that supports the CAP (i.e., actual defect tracking, test case management include test and use cases, and test metrics).
2. The technical documents for the database process. As a reminder, this should include at a minimum the design and testing outcomes as well as production documentation that supports the CAP (i.e., actual defect tracking, test case management including test and use cases, and test metrics).
3. A complete reconciliation of the data submittals. In response to ADP's position regarding the inclusion of voids as part of the total count of unaccounted encounters, DHCS specifically requests an itemized breakdown of the voids categorized by reason (e.g., eligibility rejection, procedure code rejected, etc.).

Please note, in accordance with APL 22-009, DHCS can require or impose a CAP on a DMC plan and/or impose other enforcement actions for the violations set forth in WIC

section 14197.7(a), and others. For example, sanctions can be imposed on a DMC plan together with a CAP, in lieu of a CAP, or if the DMC plan fails to meet CAP requirements. The factor(s) set forth in WIC section 14197.7(g) will be considered by DHCS when determining whether a preceding, concurrent, or subsequent CAP is appropriate when taking enforcement actions, including imposing a sanction.

On September 28, 2023 DHCS held the pre-denial meeting and explained the basis for the denial. ADP is to submit to DHCS an updated CAP that addresses the requirements above no later than 15 days from today, October 10, 2023. Should you have any questions regarding this response to ADP's CAP, please email dmcdeliverables@dhcs.ca.gov.

Sincerely,

Original signed by:

Adrianna Alcala-Beshara, JD, MBA
Chief, Medi-Cal Dental Services Division
Department of Health Care Services