

MEDICAL REVIEW – NORTH II SECTION
AUDITS AND INVESTIGATIONS
DEPARTMENT OF HEALTH CARE SERVICES

REPORT ON THE MEDICAL AUDIT OF

CALIFORNIA HEALTH AND WELLNESS PLAN

2021

Contract Numbers: 13-90157 and 13-90161

Audit Period: December 1, 2019
Through
April 30, 2021

Report Issued: November 19, 2021

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I. INTRODUCTION

The California Legislature awarded California Health and Wellness Plan (Plan) a contract by the California Department of Health Care Services to provide Medi-Cal services in 19 counties as of November 1, 2013. The Plan is a wholly-owned subsidiary of Centene Corporation, a publicly-traded company that serves as a major intermediary for both government-sponsored and privately-insured health care programs.

This contract was implemented under the State's Medi-Cal Managed Care Rural Expansion program. The expansion program included members eligible for Temporary Assistance for Needy Families and Children's Health Insurance Program.

The Plan's provider network includes independent providers practicing as individuals, small and large group practices, and community clinics.

During the audit period, the Plan served 221,642 Medi-Cal members in the following counties: Alpine 70; Amador 1,415; Butte 44,699; Calaveras 5,502; Colusa 3,845; El Dorado 18,832; Glenn 8,640; Imperial 68,247; Inyo 1,999; Mariposa 940; Mono 955; Nevada 9,378; Placer 11,459; Plumas 2,751; Sierra 227; Sutter 12,632; Tehama 13,857; Tuolumne 5,485; Yuba 10,709.

II. EXECUTIVE SUMMARY

This report presents the audit findings of DHCS medical audit for the period of December 1, 2019 through April 30, 2021. The onsite review was conducted from July 19, 2021 through July 30, 2021. The audit consisted of document review, verification studies, and interviews with Plan personnel.

An Exit Conference with the Plan was held on October 14, 2021. The Plan was allowed 15-calendar days from the date of the Exit Conference to provide supplemental information addressing the draft audit report findings. The Plan did not submit a response after the Exit Conference.

The audit evaluated five categories of performance: Utilization Management, Case Management and Coordination of Care, Access and Availability of Care, Member's Rights, and Quality Management.

DHCS issued the prior medical audit (for the period of December 1, 2019 through November 30, 2019) on July 10, 2020. This audit examined the Plan's compliance with its DHCS Contract and assessed implementation of its prior year Corrective Action Plan (CAP). The CAP closed on November 20, 2020.

Findings denoted as repeat findings are uncorrected deficiencies substantially similar to those identified in the previous audit.

The summary of the findings by category follows:

Category 1 – Utilization Management

No deficiencies noted during this review period.

Category 2 – Case Management and Coordination of Care

No deficiencies noted during this review period.

Category 3 – Access and Availability of Care

The Plan is required to maintain a Physician Certification Statement (PCS) form for all Non-Emergency Medical Transportation (NEMT) services rendered, or ensure subcontractors responsible for NEMT services maintain PCS forms. A PCS form is required to determine the level of service for members. The Plan did not oversee or verify whether subcontract collected PCS forms for some members receiving NEMT services.

The Plan is also required to collect parental consent forms before providing transportation services to unaccompanied minors, however it did not have a process to ensure this form was collected.

In addition, the Plan is required to ensure providers of transportation services are

enrolled in the Medi-Cal program. The Plan did not ensure all transportation providers were enrolled in the Medi-Cal program during the review period.

Category 4 – Member’s Rights

No deficiencies noted during this review period.

Category 5 – Quality Management

No deficiencies noted during this review period.

Category 6 – Administrative and Organizational Capacity

No deficiencies noted during this review period.

III. SCOPE/AUDIT PROCEDURES

SCOPE

This audit was conducted by the DHCS Medical Review Branch to ascertain that the medical services provided to Plan members comply with federal and state laws, Medi-Cal regulations and guidelines, and the State Contract.

PROCEDURE

The review was conducted from July 19, 2021 through July 30, 2021. The audit included a review of the Plan's policies for providing services, the procedures used to implement the policies, and verification studies of the implementation and effectiveness of the policies. Documents were reviewed and interviews were conducted with Plan staff. The following verification studies were conducted:

Category 1 – Utilization Management

Prior authorization review requirements: 27 medical prior authorization requests were reviewed for timeliness, consistent application of criteria, and appropriate review.

Prior authorization appeal process: 26 medical prior authorization appeals were reviewed for appropriate and timely adjudication.

Category 2 – Case Management and Coordination of Care

Continuity of care: 10 files were reviewed for appropriate and timely execution.

Category 3 – Access and Availability of Care

Emergency service and family planning claims: 43 emergency service and 65 family planning claims were reviewed for appropriate and timely adjudication.

15 Non-Medical Transportation and 15 Non-Emergency Medical Transportation member records were reviewed for completeness and compliance to the Contract.

Category 4 – Member's Rights

Grievance procedures: 32 quality of care and 10 quality of service grievances were reviewed for timely resolution, response to complainant, and submission to the appropriate level for review.

Category 5 – Quality Management

Provider qualifications procedures: 20 provider training files were reviewed for appropriate and timely training.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: California Health and Wellness Plan

AUDIT PERIOD: December 1, 2019 through April 30, 2021

DATE OF AUDIT: July 19, 2021 through July 30, 2021

3.8	NON-EMERGENCY MEDICAL TRANSPORTATION NON-MEDICALTRANSPORTATION
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3.8.1 Physician Certification Statement

The Plan and transportation brokers must use a DHCS-approved PCS form and ensure that it is obtained prior to NEMT service. Once the member’s treating physician prescribes the form of transportation, the Plan cannot modify the authorization. All NEMT PCS forms must include, at a minimum, the following components: Function Limitations Justification, Date of Services Needed, Mode of Transportation Needed, and Certification Statement. Each Managed Care Plan (MCP) must have a mechanism to capture and submit data from the PCS form to DHCS. (*All Plan Letter 17-010*)

The Plan’s Policy and Procedure “CA. HNT.MBRS 58” stated that the Plan’s NEMT subcontractor must use a DHCS approved PCS form to determine the appropriate level of service for Medi-Cal members. Once the member’s treating physician prescribes the form of transportation, Subcontractor cannot modify the authorization.

Finding: The Plan did not provide oversight of NEMT subcontractor to ensure that a Physician Certification Statement (PCS) was obtained prior to NEMT service.

In a verification study, the Plan did not document the use of PCS forms for 14 of 15 NEMT trips that were sampled by DHCS.

The Plan created a new audit tool for tracking the collection of PCS forms. Data from the audit tool showed that PCS forms were not on file for 38% of sampled members.

Results from the Plan’s 2019 annual audit of its NEMT subcontractor showed that PCS forms were not on file and no reasonable attempt was made by Subcontractor to collect them. Although the Plan included audit steps to determine if Subcontractor collected PCS forms, it has not exercised its oversight to create a corrective action plan for, nor taken steps to ensure that Subcontractor collects PCS forms.

Misidentification of transportation needs can result if PCS forms are not completed prior to obtaining transportation services. Misidentification of transportation needs can lead to the provision of incorrect modes of transportation resulting in member harm or poor health outcomes.

This is a repeat finding of the prior year’s finding *2.4.1 Physician Certification Statement. *Previously numbered as 2.4, the NEMT/NMT sub-category is currently numbered as 3.8.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: California Health and Wellness Plan

AUDIT PERIOD: December 1, 2019 through April 30, 2021

DATE OF AUDIT: July 19, 2021 through July 30, 2021

Recommendation: Implement policies and procedures to ensure that PCS forms are obtained by the Plan or by the Plan's subcontractors prior to NEMT service.

3.8.2. Minor Consent Forms

The Plan shall ensure all necessary written consent forms are received prior to arranging transportation for an unaccompanied minor. (*All Plan Letter 17-010*)

Policy and Procedure CA. HNT.MBRS 58 stated that the Plan shall provide transportation for unaccompanied minors when applicable State or federal law does not require parental consent for the minor's service. The Plan shall ensure all necessary written consent forms are received prior to arranging transportation for an unaccompanied minor.

Finding: The Plan does not have a process to verify that parental consent forms for unaccompanied minors are collected prior to transportation service.

In 2020, the Plan conducted an annual audit of its NEMT subcontractor. There was no evidence that the audit addressed whether parental consent forms were collected before transportation services were rendered to unaccompanied minors.

During the interview, the Plan stated that it requires its NEMT subcontractor to obtain necessary parental consent forms. The Plan explained that an annual audit of its NEMT subcontractor is conducted, however the audit does not address whether parental/guardian consent forms are obtained prior to arranging transportation for an accompanied minor.

Although, there were no verification study samples that required minor consent forms, the Plan stated during an interview it has no process to verify that Subcontractor is collecting the parental consent form for unaccompanied minors.

Without the required parental consent forms, access to medically necessary services can be delayed resulting in member harm, and without written consent, parents may be uninformed of their child's location.

Recommendation: Develop and implement policies and procedures to ensure parental consent forms are completed and received prior to arranging transportation for an unaccompanied minor.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: California Health and Wellness Plan

AUDIT PERIOD: December 1, 2019 through April 30, 2021

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3.8.3 Non-Enrolled Transportation Providers

MCP network providers that have a state-level enrollment pathway must enroll in the Medi-Cal program. State-level enrollment pathways are available either through the Department of Health Care Services Provider Enrollment Division or another state department with a recognized enrollment pathway. (*All Plan Letter 19-004*)

The Plan is required to screen and enroll, and periodically revalidate, all network providers of managed care organizations. (42 C.F.R. § 438.602(b))

The Plan is required to comply with all policy letters, and all plan letters issued by DHCS. All Policy Letters and All Plan Letters issued by DHCS subsequent to the effective date and during the term of the Contract shall provide clarification of the Plan's obligations pursuant to the Contract, and may include instructions regarding implementation of mandated obligations pursuant to changes in state or federal statutes, regulations, or pursuant to judicial interpretation. (*Contract, Exhibit E, Attachment 2(1)(D)*)

Finding: The Plan did not ensure that transportation providers are enrolled in the Medi-Cal program.

In a verification study, 19 of 30 providers were not enrolled in the Medi-Cal program.

In an interview, the Plan stated its current process is to verify enrollment of a sample of providers, however, this process does not ensure that every transportation provider is enrolled in Medi-Cal prior to rendering services.

The Plan did not provide policies and procedures on how the Plan verifies the Medi-Cal enrollment status of transportation providers.

A review of the Plan's committee meeting minutes showed no evidence that the Plan developed a procedure to verify all Medi-Cal enrollment status of transportation providers.

Enrollment in the Medi-Cal program ensures that transportation providers have been screened and program requirements have been met.

Recommendation: Develop and implement policies and procedures to ensure that transportation providers are enrolled in the Medi-Cal program.

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AUDITS AND INVESTIGATIONS
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REPORT ON THE MEDICAL AUDIT OF

CALIFORNIA HEALTH AND WELLNESS PLAN

2021

Contract Numbers: 13-90158 and 13-90162
State Supported Services

Audit Period: December 1, 2019
Through April 30, 2021

Report Issued: November 19, 2021

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I. INTRODUCTION

This report presents the audit findings of California Health and Wellness Plan (CHW) State Supported Services Contract Numbers 13-90158 and 13-90162. The State Supported Services contracts covers contracted abortion services with CHW.

The audit was conducted from July 19, 2021 through July 30, 2021. The audit period is December 1, 2019 Through April 30, 2021 and consisted of document review of materials supplied by the Plan and interviews conducted.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: California Health and Wellness Plan

AUDIT PERIOD: December 1, 2019 Through April 30, 2021

DATE OF AUDIT: July 19, 2021 Through July 30, 2021

STATE SUPPORTED SERVICES

SUMMARY OF FINDING(S):

The Plan is required to provide, or arrange to provide, to eligible members the following State Supported Services: Current Procedural Coding System Codes: 59840 through 59857 and Health Care Finance Administration (HCFA) Common Procedure Coding System Codes: X1516, X1518, X7724, X7726, and Z0336. (*Contract, Exhibit A, (1)*)

The Plan has complied with the State Supported Services Contract. No prior year findings.

RECOMMENDATION(S):

None.