



May 5, 2023

Danita Carlson , Government Relations Director  
Central California Alliance for Health  
1600 Green Hills Road.  
Scotts Valley, CA 95821

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 February 15, 2022 through March 1, 2022. The audit covered the period of November 1, 2019 through October 31, 2021.

All items have been evaluated and DHCS accepts 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. 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]

Oksana Meyer, MPA  
Chief, CAP Compliance & FSR Oversight Section  
Managed Care Quality & Monitoring Division

Department of Health Care Services  
Enclosures: Attachment A (CAP Response Form)

cc: Lyubov Poonka, Chief  
CAP Compliance Unit  
Managed Care Quality and Monitoring Division  
Department of Health Care Services

Joshua Hunter, Lead Analyst  
CAP Compliance Unit  
Managed Care Quality and Monitoring Division  
Department of Health Care Services

Lucas Patton, Contract Manager  
Medi-Cal Managed Care Division  
Department of Health Care Services

**ATTACHMENT A**  
**Corrective Action Plan Response Form**



**Plan:** Central California Alliance for Health

**Review Period:** 11/1/19 – 10/31/21

**Audit Type:** Medical Audit and State Supported Services

**Onsite Review:** 2/15/22 – 3/1/22

MCPs are required to provide a 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. MCPs are required to submit the CAP in Word format that will reduce turnaround time for DHCS to complete its review. According to ADA requirement, 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, and the operational results of that action. The MCP shall directly address each deficiency component by completing the following columns provided for MCP response: 1. Deficiency Number and Finding, 2. Action Taken, 3. Implementation Documentation, and 4. Completion/Expected Completion Date. The MCP will be required to include 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 detail such as 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. For deficiencies that require short-term corrective action, implementation 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 completely remedy or operationalize, the MCP is to indicate that it has initiated remedial action and is on the way towards achieving an acceptable level of compliance. In those instances, the MCP will be required in addition to the above steps, to include the date when full compliance will be achieved. Policies and procedures submitted during the CAP process must still be sent to the MCP’s Contract Manager for review and approval, as applicable in accordance with existing requirements.

**Please note, 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 prior approval for an extended implementation effort is granted by DHCS.**

DHCS will maintain close communication with the MCP throughout the CAP process and provide technical assistance to ensure the MCP provides sufficient documentation to correct deficiencies. Depending on the volume and complexity of deficiencies identified, DHCS may require the MCP to provide weekly updates, as applicable.

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* (*Short-Term, Long-Term)	DHCS Comments
<b>3. Access and Availability of Care</b>				
<p><b>3.8.1 NEMT Provider Medi-Cal Enrollment Status</b></p> <p>The Plan did not ensure transportation providers were enrolled in the Medi-Cal program. The Plan did not implement its policies and procedures to complete the screening and enrollment process, which allowed unenrolled transportation providers to provide services to its members.</p>	<p>To address this deficiency, the Plan will utilize existing policy and procedure to ensure that NEMT providers are enrolled in the Medi-Cal program prior to their inclusion in the Plan's network.</p> <p>In addition, the Plan conducted outreach to each of the three non-enrolled NEMT providers identified by DHCS individually to outline the requirement that they achieve enrollment in the Medi-Cal program, and to offer support</p>	<p>Policy and Procedure 3.8.1.300-4025-Provider_Screening_and_Enrollment_Guidelines_20211231</p> <p>Application Status Comfort Care: 3.8.1.Comfort Care.PAVE</p> <p>Guardian Mobility: 3.8.1.Guardian Mobility</p> <p>Hearts &amp; Hands Transportation: 3.8.1.Hearts and Hands</p>	<p>Policy and Procedure: July 2, 2022</p> <p>Enrollment for Outstanding Providers: October 1, 2022</p>	<p>The following documentation supports this finding:</p> <p><b>POLICIES &amp; PROCEDURES</b></p> <p>The Plan updated P&amp;Ps to address the gap that contributed to the deficiency:</p> <ul style="list-style-type: none"> <li>• P&amp;P “404-1726 NEMT” was amended to include comprehensive provider enrollment monitoring activities occurring on a quarterly basis. The Plan’s monitoring &amp; oversight activities are completed internally &amp; are not delegated, including corrective actions, when non-compliance is identified through oversight activities. [Procedures, section 24., page 10]</li> <li>• P&amp;P “300-4025 Provider Screening &amp; Enrollment Process” demonstrates the Plan has a process in place for transportation providers to be able to participate in the Plan’s network for up to 120 days pending the outcome of the screening process. The Plan will track the 120-day timeframe for</li> </ul>

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	<p>in the enrollment process. The Plan learned that each of these providers were experiencing delays in obtaining actionable feedback or approval through PAVE. The status of the three non-enrolled providers is as follows:</p> <p>-Comfort Care: PAVE application submitted on 5/20/2022; currently pending DHCS approval. Please advise on status of application through PAVE.</p> <p>-Guardian Mobility: PAVE application is at 64% completion as of 7/21/2022.</p> <p>-Hearts &amp; Hands Transportation: PAVE application is at 60% completion</p>			<p>contracted NEMT providers with pending applications to ensure the contracts do not exceed 120 days. [Procedures, section 5., page 7 &amp; 8]</p> <p><b>IMPLEMENTATION/OVERSIGHT &amp; MONITORING</b></p> <p>The Plan demonstrated an internal auditing process to continuously self-monitor to detect and prevent future non-compliance:.</p> <ul style="list-style-type: none"> <li>• P&amp;P “404-1726 NEMT” demonstrates the Plan’s monitoring process for transportation providers. Monitoring activities occur on a quarterly basis &amp; are completed internally &amp; are not delegated. Corrective actions will be imposed when non-compliance is identified through oversight activities. [Procedures, section 24., page 10]</li> <li>• Transportation Roster “CCAH_Contracted NEMT_NMT Providers” demonstrates the Plan is tracking the status of its transportation providers. The Plan utilizes the roster to track &amp; verify by cross-checking with the CHHS Open Data Portal, to ensure providers are enrolled with Medi-Cal.</li> </ul>

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	<p>as of 7/21/2022. Outreach will continue until each provider is successfully enrolled.</p> <p>The Alliance continues to work with DHCS to address challenges with implementing NEMT requirements. Notably, delays in processing of provider applications, discrepancies between timelines for plans to screen providers and PAVE to process applications, and lack of plan visibility into the PAVE system has an impact on Plans' ability to maintain sufficient contracted</p>			<ul style="list-style-type: none"> <li>• "CCAH_POA Status" confirms that since submitting the plan of action for un-enrolled providers, all providers have since been terminated, enrolled, and/or are within their 120-day timeframe.</li> </ul> <p><b>The Corrective Action Plan for Finding 3.8.1 is accepted.</b></p>

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	<p>NEMT providers to provide access for members. These concerns are exacerbated by the recently published APL 22-008, which significantly expand Plan obligations to provide NEMT and non-medical transportation. The Alliance looks forward to mutually resolving these concerns with DHCS.</p>			
<b>4. Member Rights</b>				
<p><b>4.1.1 Grievance Classification</b></p> <p>The Plan did not classify all members' expression of dissatisfaction as grievances during inquiry calls.</p>	<p>In response to the finding, the Plan identified opportunities to address the deficiency via staff education, system updates to streamline the identification of grievances, and</p>	<p>Staff Training 4.1.1_2022.01.19_Grievance Training 4.1.1_Grievance PPT 5.2022</p> <p>System Update Guide 4.1.1._2022.7 MSR QuickGuide</p>	<p>Staff Training: May 31, 2022 (Ongoing)</p> <p>System Updates: Est. August 31, 2022</p> <p>Call Sample Reviews: Est. November</p>	<p>The following documentation supports the MCP's efforts to correct this deficiency:</p> <p><b>Training</b></p> <p>- Staff Training, "Grievance Overview Training – Member Services Call Center" (01/19/22) as evidence that training was provided to member services call center and grievance staff to ensure all members expressions of dissatisfaction are properly classified as</p>

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	<p>monitoring of calls to review for compliance.</p> <p>To improve the Plan's performance, ongoing staff training will be conducted to ensure that staff are adequately capturing members' expression of dissatisfaction as a grievance. Training will be conducted biannually, at a minimum, to assist both new and tenured staff regarding the intake and processing of grievances.</p> <p>In addition, the following actions are in process to remediate this</p>		30, 2022	<p>grievances.</p> <p>- Staff Training, "Grievance Process" (05/2022) as evidence the Plan is conducting a bi-annual training for staff regarding the intake and processing of grievances.</p> <p><b>Implementation:</b></p> <p>- Desktop Guide, "MSR Quick Guide" (07/22) which will assist the MSRs with the upcoming system updates and ensures that any statement or expressions of dissatisfaction will be filed as a grievance.</p> <p>- System Update, "Exempt and Standard Grievance Scripting and Attribute Samples" (08/01/22) which provides scripting samples for MSR's when receiving an inquiry call. In addition, this system can also track what type of inquiry calls are being received and how these calls are being classified by the MSR's.</p> <p><b>Policies and Procedures:</b></p> <p>- Implemented Procedures, "Procedural Reference Material/Grievances and Exempt Grievances" (10/31/22) this document was developed as part of Member Services'</p>

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	<p>deficiency:</p> <p>System updates are underway to improve the rate of capturing all expressions of dissatisfaction.</p> <p>The Plan will continuously monitor and train staff on regulatory requirements for intaking member expressions of dissatisfaction. Call Center leadership will review a sample of member services calls to identify missed grievance classifications. This information will be used for on-going training, coaching, feedback, and development.</p>			<p>enhanced quality program and outlines the expectation that calls will be reviewed/monitored.</p> <p><b>Monitoring Process:</b></p> <p>- Process, "Grievance/Exempt, Grievance Call Review Supervisor Work Instruction" (11/18/22) as evidence that the Plan has a process to review member service calls to identify missed grievance classification. The call reviews were implemented on 11/01/22.</p> <p><b>The Corrective Action Plan for finding 4.1.1 is accepted.</b></p>

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<p><b>4.2.1 Breach and Suspected Security Incident Reporting</b></p> <p>The Plan did not submit a complete DHCS PIR to the DHCS Program Contract Manager and DHCS Information Security Officer. The Plan's policies and procedures did not include specific language to ensure an investigation report is submitted to all DHCS entities.</p>	<p>The Plan was made aware of the deficiency during the onsite audit in February 2022. Accordingly, the Plan revised its internal Work Instructions to ensure that interim and final reports for suspected events were submitted to all required DHCS entities, including the DHCS Privacy Officer, the Plan's DHCS Contract Manager, and the DHCS Security Officer.</p> <p>Subsequently, the Plan was informed in May 2022 that the existing email addresses associated with the DHCS Privacy</p>	<p>Revision of Internal Work Instructions 4.2.1_4.2.1_2022-06-22_DHCS Reporting Work Instruction Revised Sections: Pg. 2, Procedure II.c.ii.1 Pg. 3, Procedure II.c.ii.3.b Pg. 5, Procedure IV.a.iii</p> <p>4.2.1_2022-06-22_DHCS PIR Form Work Instruction Revised Sections: Pg. 2, Procedure I.2. Pg. 5, Procedure V.1.</p> <p>Other Supporting Documents 4.2.1_2022-06-22_HIPAA Contacts 4.2.1_2022-06-22_Plan</p>	<p>June 22, 2022</p>	<p>The following documentation supports the MCP's efforts to correct this finding:</p> <p><b>Procedures</b></p> <ul style="list-style-type: none"> <li>- Revised Internal Work Instructions directs the submission of PIR to DHCS incident Reporting, DHCS Information Security Officer and the DHCS Program Contract Manager. (Page 2 and 5)</li> <li>- Revised Reporting Work Instruction directs the sending of incident reports to DHCS incident Reporting, the DHCS contract manager and DHCS Information Security Officer. (Page 3 and 5)</li> <li>- Email communications from 6/22/22 confirm that as of 6/22/22 initial notification, interim PIR reports and final PIR reports are being sent to the correct DHCS contacts.</li> </ul> <p><b>The Corrective Action Plan for finding 4.2.1 is accepted.</b></p>

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	<p>Officer (<a href="mailto:privacyofficer@dhcs.ca.gov">privacyofficer@dhcs.ca.gov</a> and <a href="mailto:privacyofficer2@dhcs.ca.gov">privacyofficer2@dhcs.ca.gov</a>) had changed to DHCS Incident Reporting (<a href="mailto:incidentreporting@dhcs.ca.gov">incidentreporting@dhcs.ca.gov</a>). In response, the Plan requested written confirmation from its DHCS Contract Manager to confirm the appropriate contacts for submission of correspondence. Due to a miscommunication, the Plan erroneously interpreted the instructions to indicate that all correspondence regarding suspected events should be submitted to the DHCS Privacy</p>	<p>Submission_ISO Notification</p>		

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	<p>Officer (DHCS Incident Reporting) and the Plan's DHCS Contract Manager only. As a result, the Plan's Internal Work Instructions were updated to remove the DHCS Security Officer from the required contacts for submission of initial notifications, interim, and final reports.</p> <p>Work Instruction revisions for February and May 2022 were included with the response to DHCS' Preliminary Findings Report.</p> <p>In June 2022, the Plan's DHCS Contract Manager clarified that all correspondence</p>			

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	<p>regarding suspected events, including initial notifications, interim and final reports are required to be submitted to the DHCS Contract Manager, DHCS Security Officer and the DHCS Privacy Officer (Incident Reporting). The Plan revised its internal Work Instructions accordingly to add the DHCS Security Officer as a required contact for all correspondence.</p> <p>In addition, any initial notifications and/or subsequent reporting that were not sent to the DHCS Security Officer in error were submitted with an</p>			

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	explanation for the delay.			
<b>5. Quality Management</b>				
<p><b>5.2.1 New Provider Training</b></p> <p>The Plan did not conduct new provider training for all newly contracted providers within ten working days. The Plan did not implement its policy and procedures to initiate and complete training for all newly contracted providers within ten business days after the provider's active status date.</p>	<p>To ensure timely completion of new provider training, the Plan revised its policy and procedure to integrate the new provider training process into the new provider credentialing process. A redline version of the policy was submitted with the response to DHCS' Preliminary Findings Report. As a result, the Plan's Credentialing packets have been revised to reference the new provider</p>	<p>Revised Policy and Procedure 5.2.1_300-6030-New_Provider_Training_20220616 Revised Sections: Pg. 2, Procedures for New Provider Training, Section 1. Pg. 3, Maintenance of Education Tracking</p> <p>Revised Credentialing Packets Physician Application: 5.2.1_PROV_Physician-Credentialing-Application_F_ENG Revised Section:</p>	<p>July 2, 2022</p>	<p>The following documentation supports the MCP's efforts to correct this finding:</p> <p><b>Policies and Procedures</b></p> <p>Revision of Policies and Procedures to integrate the new provider training process into the new provider credentialing process.</p> <p>Updated P&amp;P 300-6030 – New Provider Training (6/16/22)</p> <p><b>Policy:</b></p> <p>Provider Services staff initiate and complete training for all newly contracted providers no later than 10 business days after the provider's Active Status Date. Provider Services staff ensure that ongoing training is conducted when deemed necessary by the Alliance, the Department of Health Care Services (DHCS), the Department of Managed Health Care</p>

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	<p>training on the Plan's website, and providers will be required to attest to completion of the training before these credentialing packets are approved. Confirmation of training, and the date of training, will be maintained within the credentialing software used by the Plan.</p>	<p>Pg. 22</p> <p>NPMP Application: 5.2.1.PROV_Non-Physician-Medical-Practitioner_F_ENG Revised Section: Pg. 13</p> <p>Allied Application: 5.2.1.Allied_Credentialing_Application Revised Section: Pg. 14</p> <p>Organization Application: 5.2.1.PROV_Organizational-Provider-Credentialing-Application_F_ENG Revised Section: Pg. 10</p> <p>DME Application: 5.2.1.PROV_DME-Credentialing-Application_F_ENG Revised Section:</p>		<p>(DMHC) or when requested by the provider.</p> <p><b>Implementation and Training</b></p> <p>The new provider training materials will be included with the credentialing application for PCPs, Specialists, Allied or other providers, and providers will attest to completing the new provider training when completing the credentialing application. Providers are advised that training must be completed within 10 business days of their Active Status Date.</p> <p><b>Monitoring and Oversight</b></p> <p>Completed attestations are filed by the Credentialing Specialist in each provider's file. Attestations are maintained within the Plan's credentialing software for all new providers.</p> <p>New Provider Orientation (NPO) or new provider training was integrated into new provider credentialing effective July 2022. All new providers must attest to completion of training before their credentialing packet is marked complete and they can become active in the network. The tracking report tracks active status and date provider attests to completing training and receipt of signed attestation.</p>

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		<p>Pg. 9</p> <p>Lab Application: 5.2.1.PROV_Outpatient-Laboratory-Provider-Credentialing-Application_F_ENG Revised Section: Pg. 9</p> <p>Transportation Provider: 5.2.1.PROV_Transportation-Credentialing-Application_F_ENG Revised Section: Pg. 8</p>		<p>Since implementation of the tracking report, non-compliance has not been an issue as providers are not made active within the network until new provider orientation is complete.</p> <p><b>The Corrective Action Plan for finding 5.2.1 is accepted.</b></p>

**Submitted by: Stephanie Sonnenshine**  
**Title: Chief Executive Officer**

**Date: 8/8/2022**