

November 24, 2025

THIS LETTER SENT VIA EMAIL

Matthew Woodruff, Chief Executive Officer
Alameda Alliance for Health
1240 South Loop Road
Alameda, CA 94502

**FINAL NOTICE OF MONETARY SANCTION FOR FAILURE TO MEET AND EXCEED
MINIMUM PERFORMANCE LEVELS FOR MEDI-CAL MANAGED CARE
ACCOUNTABILITY SET PERFORMANCE MEASURES**

Dear Matthew Woodruff,

The Department of Health Care Services (DHCS) sends this Final Notice of Monetary Sanction Letter to Alameda Alliance for Health (AAH) for failure to meet and exceed the required minimum performance levels (MPLs) for measurement year 2024 (MY24)¹ Medi-Cal Managed Care Accountability Set (MCAS) performance measures (Managed Care Plan (MCP) Contract, Exhibit A, Attachment 3, section 2.2 Quality Improvement System, subsection 2.2.9 External Quality Review Requirements).

Under California Welfare and Institutions Code (W&I) section 14197.7 and the MCP contract, DHCS has the authority to impose monetary sanctions for AAH's failure to meet and exceed required MPLs for MY24, which has directly impacted AAH's Members (MCP Contract, Exhibit A, Attachment 3, section 2.2 Quality Improvement System, subsection 2.2.9 External Quality Review Requirements). Pursuant to W&I section 14197.7(f) and the MCP contract, DHCS is authorized to impose a \$25,000 sanction per violation of AAH's contractual obligation to meet and exceed MPLs for each MCAS performance measure (MCP Contract, Exhibit E, Program Terms and Conditions, section 1.1.19 Sanctions; W&I section 14197.7(e)).

Successful administration of the Medi-Cal program requires a collaborative partnership between DHCS and AAH. This collaboration includes the expectation that AAH meet their contractual and programmatic requirements on an ongoing basis. DHCS provides AAH with regular opportunities for collaboration on strategies for improving AAH's MCAS

¹ Measurement Year 2024 (MY 24) covered activities conducted from January 1, 2024, to December 31, 2024



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performance measures required to meet and exceed MPLs, including engaging directly with AAH on required Quality Improvement (QI) work, providing QI coaching, and providing opportunities to participate in statewide and regional quality improvement collaboratives.

On April 25, 2025, DHCS published APL 25-007 Attachment C², which provided MCPs with an overview of the MCAS monetary sanction methodology.

On August 21, 2025, DHCS received AAH's reported MCAS rates through the External Quality Review Organization (EQRO).

On October 7, 2025, DHCS sent AAH the Quality Sanction Bulletin via the Quality Monitoring Inbox, which provided a detailed overview of MCAS monetary sanction methodology for MY24.

DHCS determined that AAH has 3 county-level measures below the MPL across two domain(s), triggering Tier 2 or Tier 3 quality sanctions in one county(ies). See Table 2 for enforcement tier designation triggers.

On October 16, 2025, DHCS notified AAH that DHCS was imposing monetary sanctions in the amount of \$79,000.00 for AAH's failure to comply with its obligations set forth in the contract. See Table 3 for AAH's Sanction Determination Details.

AAH requested a Meet and Confer Conference with DHCS. DHCS and AAH met on November 5, 2025. DHCS also considered the following information provided by AAH in conjunction with the Meet and Confer Conference:

- AAH asked DHCS to consider that the timing of the TFL coding guidance communication prevented AAH from implementing the guidance in their MCAS rate reporting. AAH provided documentation on its communications with DHCS and dental intermediary about data issues. AAH provided documentation on mitigation strategies.
 - DHCS recognizes that AAH provided documentation on its communications with DHCS and dental intermediary about data issues and documentation on mitigation strategies. Sanction amount for TFL was reduced by 50%.

As a result of the information provided by AAH in conjunction with the Meet and Confer Conference, the final sanction amount is **\$46,000.00**, which will be paid to DHCS via

² Department of Health Care Services. Attachment C – Managed Care Accountability Set (MCAS) Monetary Sanction Methodology. APL 25-007, 2025.



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ACH/Wire or check payment. Please follow the included payment instructions to effectuate payment in full to DHCS. Please indicate the name of the MCP, MY, and the reason for payment when submitting your payment to DHCS. The effective date of this sanction is November 24, 2025. Payment for the MCAS MY24 Quality Sanctions is due immediately.

If AAH does not pay within 30 business days, AAH will receive a past due notice. Please provide notice of receipt and payment via email to DHCS' Quality Monitoring inbox at QualityMonitoring@dhcs.ca.gov. Please include the account number and check number, or wire transfer number, once payment has been sent. Notice of Appeal Rights is included in the letter below.

If you have any questions, send an email to the Quality Monitoring inbox at QualityMonitoring@dhcs.ca.gov.

Sincerely,

Original signed by

Pamela Riley, MD, MPH
Assistant Deputy Director, Chief Health Equity Officer
Quality and Population Health Management
Department of Health Care Services



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ACH/Wire to:

Beneficiary Account Name: Department of Health Care Services

Bank Name: US Bank

Laurel Heights Branch

3471 California St

San Francisco, CA 94118

Routing Number: 122235821

Bank Account Number: 1-583-0005-7623

Reference: Sanction or any identifier

For Check Payment:

Payable to: Department of Health Care Services

Cash Receipts Unit

1501 Capitol Avenue MS 1101

PO Box 997415

Sacramento, CA 95899-7415

For check payment, please include the Final Notice of Monetary Sanction Letter and any backup documents that will identify the payment.

Quality and Population Health Management

1501 Capitol Avenue | MS 0000

P.O. Box 997413

Sacramento, CA 95899-7413

Phone (916) 449-7400 | www.dhcs.ca.gov

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CC

Michelle Baass
Director
Department of Health Care Services

Tyler Sadwith
State Medicaid Director
Chief Deputy Director, Health Care Programs
Department of Health Care Services

Lindy Harrington
Assistant State Medicaid Director
Department of Health Care Services

Palav Babaria, MD, MHS
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Quality and Population Health Management
Department of Health Care Services

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Department of Health Care Services

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Department of Health Care Services

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Interim Chief, Managed Care Quality and Monitoring Division
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Contracting Officer, Chief of Managed Care Operating Division
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Marie Braodnax, Manager Regulatory Affairs & Compliance
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NOTICE OF APPEAL RIGHTS

AAH has the right to request a hearing in connection with any sanctions within fifteen (15) working days after the notice of the effective date of sanctions has been given. 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 (OAHA). AAH 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 must also be sent to:

Angelico Razon
Quality and Health Equity Measurement Monitoring Section Chief
Quality and Population Health Management
Department of Health Care Services
MS 0020
P.O. Box 997413
Sacramento CA 95899-7413

Judith Recchio
Deputy Director and Chief Counsel
Office of Legal Services
Department of Health Care Services
MS 0010
P.O. Box 997413
Sacramento CA 95899-74



Enclosure**TABLE 1: DOMAIN, MEASURE, & ACRONYM**

| Domain | Measure | Acronym |
|---|---|----------------|
| Behavioral Health (BH) | Follow-Up After ED Visit for Mental Illness—30 days | FUM |
| | Follow-Up After ED Visit for Substance Use—30 days | FUA |
| Children's Health (CH) | Child and Adolescent Well-Care Visits | WCV |
| | Childhood Immunization Status: Combination 10 | CIS-10 |
| | Developmental Screening in the First Three Years of Life | DEV |
| | Immunizations for Adolescents: Combination 2 | IMA-2 |
| | Lead Screening in Children | LSC |
| | Topical Fluoride for Children | TFL-CH |
| | Well-Child Visits in the First 30 Months of Life – 0 to 15 Months – Six or More Visits | W30-6+ |
| | Well-Child Visits in the First 30 Months of Life – 15 to 30 Months – Two or More Visits | W30-2+ |
| Reproductive Health and Cancer Prevention (RC) | Chlamydia Screening in Women | CHL |
| | Prenatal and Postpartum Care: Postpartum Care | PPC-Pst |
| | Prenatal and Postpartum Care: Timeliness of Prenatal Care | PPC-Pre |
| | Breast Cancer Screening | BCS-E |
| | Cervical Cancer Screening | CCS |
| Chronic Disease Management (CD) | Asthma Medication Ratio | AMR |
| | Controlling High Blood Pressure | CBP |
| | Glycemic Status Assessment for Patients with Diabetes (>9%)* | GSD |

*A lower rate is better for this measure.



TABLE 2: QUALITY ENFORCEMENT TIER DESIGNATION TRIGGERS

| Enforcement Tiers | Tier 1 | Tier 2 | Tier 3 |
|---------------------------|---|--|---|
| Triggers | One (1) measure below the MPL in any one (1) domain | Two (2) or more measures below the MPL in any one (1) domain | Three (3) or more measures below the MPL in two (2) or more domains |
| Enforcement Action | Not subject to monetary sanction | Subject to monetary sanction | Subject to monetary sanction |



TABLE 3: AAH MY24 MCAS QUALITY SANCTION DETERMINATION DETAILS

| County | Measure | MCP Rate | MPL | Severity Factor | Trending Factor | Population Impacted | HPI Reduction Factor | Sanction per Measure Per County |
|---------|---------|----------|--------|-----------------|-----------------|---------------------|----------------------|---------------------------------|
| Alameda | AMR | 63.18% | 66.24% | 1.2 | 1.4 | 620 | 0% | \$1,041.60 |
| Alameda | CBP | 60.10% | 64.48% | 1.2 | 1.4 | 7493 | 0% | \$12,588.24 |
| Alameda | TFL-CH | 17.74% | 19.00% | 1.1 | 0.8 | 73844 | 0% | \$32,491.36 |

TABLE 4: QUALITY RATING REGIONS

| Quality Rating Region | Counties |
|-----------------------|--|
| Central California | Mariposa, Merced, Monterey, Santa Cruz |
| Central Coast | San Luis Obispo, Santa Barbara |
| Inland Empire | Riverside, San Bernardino |
| North Bay | Marin, Napa, Solano, Sonoma, Yolo |
| Rural Central | Alpine, El Dorado |
| Rural North | Del Norte, Humboldt, Lake, Lassen, Mendocino, Modoc, Shasta, Siskiyou, Trinity |
| Rural South | Amador, Calaveras, Inyo, Mono, Tuolumne |
| Rural Upper Central | Butte, Colusa, Glenn, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Yuba |
| San Joaquin Valley | San Joaquin, Stanislaus |
| Tri County | Fresno, Kings, Madera |
| Alameda | Alameda |
| Contra Costa | Contra Costa |
| Imperial | Imperial |
| Kern | Kern |
| Los Angeles | Los Angeles |

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| Quality Rating Region | Counties |
|-----------------------|---------------|
| Orange | Orange |
| Sacramento | Sacramento |
| San Benito | San Benito |
| San Diego | San Diego |
| San Francisco | San Francisco |
| San Mateo | San Mateo |
| Santa Clara | Santa Clara |
| Tulare | Tulare |
| Ventura | Ventura |

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