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DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

March 20, 2020

TC Roady, Director
Regulatory Affairs & Compliance
CalOptima
505 City Parkway West
Orange, CA 92868

RE: Department of Health Care Services Medical Audit

Dear Mr. Roady:

The Department of Health Care Services (DHCS), Audits and Investigations Division conducted an on-site Medical Audit of CalOptima, a Managed Care Plan (MCP), from February 4, 2019 through February 15, 2019. The survey covered the period of February 1, 2018 through January 31, 2019.

On February 21, 2020, the MCP provided DHCS with additional information regarding its Corrective Action Plan (CAP) in response to the report originally issued on June 25, 2019.

All items have been reviewed and DHCS accepts the MCP's submitted CAP. The CAP is hereby closed. Full implementation of the CAP will be monitored on the subsequent audit. The enclosed report will serve as DHCS' final response to the MCP's CAP.

Please be advised that in accordance with Health & Safety Code Section 1380(h) and the Public Records Act, the final report will become a public document and will be made available on the DHCS website and to the public upon request.

If you have any questions, feel free to contact me at (916) 345-7829 or Joshua Hunter at (916) 345-7830.

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Sincerely,

Original Signed by

Michael Pank, Chief
Compliance Unit

Enclosures: Attachment A CAP Response Form

cc: Adrienne McGreevy, Contract Manager
Department of Health Care Services
Medi-Cal Managed Care Division
P.O. Box 997413, MS 4408
Sacramento, CA 95899-7413

**ATTACHMENT A
Corrective Action Plan Response Form**



Plan: CalOptima

Review Period: 2/1/18-1/31/19

Audit Type: Medical Audit and State Supported Services

Onsite Review: 2/4/19-2/15/19

MCPs are required to provide a CAP and respond to all documented deficiencies within 30 calendar days, unless an alternative timeframe is indicated in the letter. MCPs are required to submit the CAP in word format that will reduce turnaround time for DHCS to complete its review.

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. For deficiencies that require short-term corrective action, implementation should be completed within 30 calendar days. For deficiencies that require long-term corrective action or a period longer than 30 calendar days for implementation, the MCP must demonstrate it has taken remedial action and is making progress toward achieving an acceptable level of compliance. The MCP will be required to include the date when full compliance is expected to be achieved. **Policies and procedures submitted during the CAP process must still be sent to the MCP’s Contract Manager for review and approval in accordance with existing requirements.**

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* <small>(*Short-Term, Long-Term)</small>	DHCS Comments
2. Case Management and Coordination of Care				
2.3.1 Update and implement policies and procedures to monitor and ensure Applied Behavioral Analysis providers are providing Behavioral Health Treatment services based upon an approved treatment plan that includes providing direct service hours as authorized.	The Plan respectfully notes that it has modified its efforts in this area in response to DHCS’s finding. Below is an overview of the Plan’s in-progress and planned efforts. The Plan intends on formally incorporating these changes into its policy GG.1548: Authorization for and Monitoring of Behavioral Health Treatment (BHT) Services, once DHCS has reviewed and approved the approach. The Plan intends to increase the accountability of providers’ provision of authorized services through the collection of provider self-reported data and Plan systems-driven monitoring.	2.3.1_Attachment 1_Progress Report Template 2.3.1_Attachment 2_ABA Transition Council Webinar_4.17.18 2.3.1_Attachment 3_CalOptima BHT FAQs	Q4 2019: The Plan will finalize policy GG.1548 and incorporate any DHCS feedback received via this CAP process. GG.1548 will be formally submitted to DHCS for review and approval. Q4 2019: The	07/29/19 – The following documentation supports the MCP’s efforts to correct this deficiency: - Treatment Plan Update/Progress Report Template serves as evidence the Plan is monitoring ABA providers utilized hours by requiring the providers to report

	<p>In response to the identified deficiency, the Plan respectfully submits the following actions and timeline.</p> <p>April 2018: The Plan developed and implemented a Progress Report template (Attachment 1) for Applied Behavior Analysis (ABA) services. The template requires ABA providers to report authorized hours compared to utilized hours, within the reporting period. Should a member not receive all requested hours, a reason will need to be included. Significant variances that are identified during Plan staff review of progress reports will result in provider outreach for education, and/or referral to the Plan's Quality Improvement (QI) Department as a Potential Quality Issue (PQI), as appropriate.</p> <p>April 17, 2018: The Plan electronically distributed the Progress Report Template to and provided an orientation for all ABA providers, which included a review of the new template at the ABA Transition Council webinar (Attachment 2). The Plan also updated the BHT FAQ (Attachment 3) and has posted the document on its website (Attachment 4).</p> <p>The Plan is in the process of developing two monitoring tools in its systems to independently track the rate of utilization of authorized hours for specific providers and for specific members. These tools will leverage Plan data on authorized hours as well as Plan claims data, and will be an independent check on the provider-reported data contained in the Progress Reports. Any provider that renders less than a benchmark level of 80% of authorized hours will automatically be flagged and referred to the Plan's QI Department as a PQI, and will undergo further quality review through that established process. PQI investigations that result in a determination that an inadequate level of service is provided may result in provider panel closure until an</p>	<p>2.3.1_Attachment 4_CalOptima Website - FAQ posting</p>	<p>monitoring tool to track member utilization of direct services hours will be developed and finalized in Q4 2019. The Plan will provide a copy of the finalized tool as a supplemental submission.</p>	<p>authorized hours compared to utilized hours, including identifying under-utilization cause.</p> <ul style="list-style-type: none"> - ABA Transition Council Webinar from 4/17/18 educates ABA providers that the Progress Report Template is a required component for future authorization requests. - ABA Providers FAQ educates ABA providers the use of the template is required. The FAQ is posted on the MCP's website. <p>12/16/19 – The following additional documentation supports the MCP's efforts to correct this deficiency:</p> <ul style="list-style-type: none"> - Three monitoring tools (Member Dashboard, Provider Dashboard with individual members and Provider Dashboard – Overall). The provider monitoring tool allows the MCP to track utilization vs. approved hours for all members the provider is serving. The member monitoring tool allows the MCP to track utilization vs.
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appropriate remediation has occurred. The Plan anticipates that both these tools will be ready and in effect in Q4 2019.

The Plan intends to formally incorporate these changes in a forthcoming revision to policy GG. 1548: Authorization for and Monitoring of Behavioral Health Treatment (BHT) Services once DHCS has reviewed and approved the approach in concept.

approved hours from a single member perspective.

01/23/20 – The following additional documentation supports the MCP’s efforts to correct this deficiency:

- Policy GG. 1548 was updated to monitor and ensure that BHT providers are providing BHT services based on approved treatment plan. The MCP is monitoring the utilization versus direct service hours to ensure the provider is in compliance with the approved treatment plan (page 3). The updated policy also ensures that the MCP investigates the reasons for under-utilization of recommended and approved services (page 6).

02/21/20 – The following additional documentation supports the MCP’s efforts to correct this deficiency:

-Written response (02/21/20) to DHCS inquiry requesting clarification on revised P&P confirming that MCP is monitoring the utilization vs. approved direct service hours to

				<p>ensure the provider is compliant with the approved treatment plan.</p> <p>This finding is closed.</p>
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3. Access and Availability of Care

<p>3.1.1 Implement policies and procedures to ensure that the Plan is analyzing the performance of the Plan's and Health Networks' access and availability against the standards set forth.</p>	<p>The Plan respectfully notes that it has modified its efforts in this area in response to DHCS's finding. Below is an overview of the Plan's in-progress and planned efforts. The Plan intends on formally incorporating these changes into its policy GG.1600: Access and Availability once DHCS has reviewed and approved the approach in concept. The Plan intends to move away from a Provider self-reported data collection methodology to a more robust mystery shopper data collection methodology. The change in process is in an effort to yield more accurate and actionable timely access data.</p>	<p>3.1.1_Attachment 1_(Appointment Wait Time) 2019 Timely Access Timeline w CSS</p>	<p>7/10/19: Mystery Shopper Survey fully in the Field:</p>	<p>07/29/19 – The following documentation supports the MCP's efforts to correct this deficiency:</p>
	<p>In response to the identified deficiency, the Plan respectfully submits the following actions and a timeline describing their implementation (Attachment 1).</p>	<p>3.1.1_Attachment 2_(Appointment Wait Time)Mystery_Behavioral Script</p>	<p>10/23/19: Mystery Shopper Data Files Available</p>	<p>- Six survey scripts submitted by the MCP which are to be used to collect provider appointment availability data during secret shopper calls.</p>
	<p><u>Appointment Wait Time:</u> To monitor appointment wait times for primary care providers (PCPs) and specialty providers, the Plan has contracted with a vendor, CSS Research, to collect provider appointment availability data. Plan staff, in collaboration with CSS Research, have developed six (6) survey scripts (Attachments 2-7) that will be used to</p>	<p>3.1.1_Attachment 3_(Appointment Wait Time)Mystery_OBGYN Script</p>	<p>11/27/19: Mystery Shopper Report Deliverables</p>	<p>- FSR PARs Supplemental Survey is used to collect information on telephone access.</p>
		<p>3.1.1_Attachment 4_(Appointment Wait Time)Mystery_Primary Script</p>	<p>8/1/19: FSR/PARS anticipated in the field. Note: Some data elements have already been collected</p>	<p>01/23/20 – The following additional documentation supports the MCP's efforts to correct this deficiency:</p>
		<p>3.1.1_Attachment 5_(Appointment Wait Time)Mystery_Specialist Script</p>	<p>Q4 2019: The Plan will finalize policy GG.1600 and incorporate any DHCS feedback</p>	<p>- Policy GG.1600 was updated to state the MCP</p>

	<p>collect appointment availability data from contracted providers during mystery shopper calls. In May 2019, focus testing for the mystery shopper survey began and data collection was initiated. Following this focus testing, CSS research began fielding the survey to all providers in applicable provider types in July 2019. The Plan expects to receive data files from CSS Research in October 2019 and full reports in November 2019.</p> <p><u>In-Office Wait Time:</u> To monitor in-office wait times, the Plan annually fields the Consumer Assessment of Healthcare Provider and Systems (CAHPS) survey, a member experience survey, which includes the following question related to in-office wait time: "Wait time includes time spent in the waiting room and the exam room. In the last 6 months, how long did it take for you to see the person you came to see?" The CAHPS survey is used to monitor in-office wait time because it allows the Plan to gather this information from a member's perspective, which will allow the Plan to monitor access as well as member satisfaction. For 2019, the Plan has received CAHPS results from the survey vendor, DataStat, in July 2019.</p> <p><u>Telephone Access:</u> To monitor telephone access during business hours, CSS Research will document a caller's ability to reach a provider office as part of the mystery shopper calls. The Plan expects to receive data files from CSS Research in October 2019 and full reports in November 2019. To monitor telephone access afterhours, the Plan currently collects data on telephone access data as part of the current Facility Site Review (FSR) and Physical Accessibility Review (PAR) outreach (Attachment 8). The FSR and PAR visit is conducted for contracted providers once every three years, ensuring that timely access data will be collected for all providers at least every three years, and allowing the Plan to capture at least a 33% response rate of the</p>	<p>3.1.1_Attachment 6_(Appointment Wait Time)Mystery_Ancillary Script</p> <p>3.1.1_Attachment 7_(Appointment Wait Time)Mystery_Scenarios Script</p> <p>3.1.1_Attachment 8_(Telephone Access) FSR PARs Supplemental Survey</p>	<p>received via this CAP process. GG.1600 will be formally submitted to DHCS for review and approval.</p>	<p>will be analyzing performance of the MCP's access and availability at both the plan level and the health network level. The MCP's Access and Availability Workgroup along with other business areas shall annually monitor timely access and appointment availability, members' and providers' access as it related to, access and availability of contracted BHT providers and telephone access and triage screening services (page 15).</p> <p>02/21/20 – The following additional documentation supports the MCP's efforts to correct this deficiency:</p> <p>- Mystery Shopper Plan Report was developed in conjunction with a contractor to evaluate whether contracted network providers were meeting timely access standards. The contractor conducted a survey of network providers to assess provider's compliance by using a mystery shopper methodology in which an interviewer posed as a</p>
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	<p>entire provider population each year. This methodology allows the Plan to monitor newly contracted providers immediately, since Plans conduct FSRs and PARs to all newly contracted providers as required by DHCS. Beginning in July, a supplemental survey tool (Attachment 8) will be used to validate access related processes/procedures in the provider office, including telephone access.</p>			<p>family member seeking the earliest appointment for a relative.</p> <p>This finding is closed.</p>
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5. Quality Management

<p>5.1.1 Improve the quality of care by taking follow-up action upon discovery of poor quality of care by providers.</p>	<p>In response to the identified deficiency, the Plan respectfully submits the following actions and timeline.</p> <p>June 2019: The Quality Improvement (QI) Department updated a Desktop Procedure (DTP) (Attachment 1) to reflect the requirement to identify the quality needs of behavioral health and BHT cases.</p> <p>June 2019: The QI Department developed training material (Attachment 2) to educate staff about identifying the quality needs of the behavioral health or BHT cases as those issues that may have led to a potential mental health decline either directly or due to inadequate care provided to meet the approved treatment needs identified in the treatment plan. Training was completed on June 25, 2019 (Attachment 3).</p> <p>June 2019: The Grievance and Appeal Resolution Services (GARS) Department updated a DTP (Attachment 4) to ensure staff appropriately identify</p>	<p>5.1.1_Attachment 1_DTP PQI Review Process_6.07.19</p> <p>5.1.1_Attachment 2_Potential Quality Issues-Behavioral Health Treatment</p> <p>5.1.1_Attachment 3_Attestations for PQI staff training completed on 6.25.19</p> <p>5.1.1_Attachment 4_Member Grievance Process for Behavioral Health Services</p> <p>5.1.1_Attachment 5_Agenda_DHCS Audit</p>	<p>7/18/19: All action items have been or will be implemented by July 18, 2019.</p>	<p>07/29/19 – The following documentation supports the MCP’s efforts to correct this deficiency:</p> <ul style="list-style-type: none"> - Updated Quality Improvement Desktop Procedure (06/07/19) that reflects a standardized process for PQI nurses to complete case summaries for review and determination by Medical Director. - Training materials and attestation for PQI Behavioral Health Treatment from 6/26/19. - Member Grievance
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	<p>cases that need to be referred to PQI for quality concerns.</p> <p>June 2019: The GARS Department conducted staff training on June 13, 2019 (Attachment 5) by using the ABA cases identified in the DHCS findings. Staff was trained to refer complaints to the QI Department when members/parents indicate that member is not receiving Behavior Health services as recommended and approved in the treatment plan (Attachment 6).</p> <p>July 2019: The Customer Service (CS) and Behavioral Health Integration (BHI) Departments trained (Attachment 5) staff on the new QI and GARS DTPs to ensure staff properly refer members to GARS when quality concerns are identified (Attachment 7).</p>	<p>Results 6.13.19</p> <p>5.1.1_Attachment 6_Sign-In Sheet_Audit Results & Remediation Efforts 6.13.19</p> <p>5.1.1_Attachment 7_Attestations for CS and BHI staff training</p>		<p>Process for Behavioral Health (06/19) was updated to instruct that allegations of members not receiving therapy as recommended and approved must be referred to QI for further review. (Page 1)</p> <p>- Agenda and sign-in sheet from 6/13/19 training serves as evidence that staff received training to refer complaints regarding members not receiving Behavioral Health services recommended and approved in the treatment plan to QI.</p> <p>- Agenda, sign-in sheet and attestations from 7/18/19 training on the new QI and GARS desktop procedures.</p> <p>This finding is closed.</p>
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Submitted by: Original Signed by Michael Schrader
Title: Chief Executive Officer

Date: July 26, 2019