



JENNIFER KENT  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

July 19, 2017

Dale Villani, CEO  
Gold Coast Health Plan  
711 E. Daily Dr., Suite 106  
Camarillo, CA, 93010

Dear Mr. Villani:

**NOTICE OF INTENT TO IMPOSE MONETARY SANCTIONS FOR FAILURE TO  
COMPLY WITH CORRECTIVE ACTION PLAN**

The Department of Health Care Services (DHCS) informed Medi-Cal Managed Care Plans (MCPs) of the transition to report provider network data in the 274 provider network data file in August 2015. DHCS and MCPs began testing MCP reporting of provider network data submissions in the 274 provider network data file in March 2016. On January 13, 2017, DHCS informed Gold Coast Health Plan of the requirement to complete testing and submit January and February 2017 provider network data in the 274 provider network data file by March 10, 2017. The 274 provider network data file is required to be submitted through the Post Adjudicated Claims and Encounters System. DHCS also informed all MCPs that failure to meet the March 10, 2017, deadline would result in the imposition of a Corrective Action Plan (CAP).

On March 17, 2017, DHCS imposed a CAP on Gold Coast Health Plan for failure to meet its contractual obligations for reporting provider network data through the 274 provider network data file. The CAP further advised Gold Coast Health Plan that its failure to submit provider data in the 274 provider network data file for the months of January through April 2017 by May 10, 2017, could result in monetary sanctions.

Under the authority of Title 22, California Code of Regulations, Section 53872, DHCS is imposing monetary sanctions in the amount of \$25,000 for Gold Coast Health Plan failure to submit 274 provider network data files for the months of March through May 2017, by the May 10, 2017, deadline. The sanction amount represents a sanction of \$5,000 for the first month of non-compliance and \$10,000 for the second and third month of non-compliance. On June 8, 2017, Gold Coast Health Plan submitted all Provider Network 274 files for the months of January 2017 through May 2017. DHCS reviewed all submitted files and confirmed that Gold Coast Health Plan has corrected the deficiencies that necessitated the CAP.

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Additionally, DHCS reserves its right to claim liquidated damages to the extent that Gold Coast Health Plan's provider network data reporting deficiencies result in a requirement to repay federal financial participation to the Centers for Medicare & Medicaid Services.

If you have any questions, please contact Sarah Brooks at [Sarah.Brooks@dhcs.ca.gov](mailto:Sarah.Brooks@dhcs.ca.gov) or (916) 440-7800.

Sincerely,

*Original Signed by Jennifer Kent*

Jennifer Kent  
Director

Enclosure

## **Notice of Appeal Rights**

This decision will be final unless Gold Coast Health Plan files a written appeal within 15 days from the date of service of this notice addressed as follows:

The Honorable Sharon Stevenson  
Chief Administrative Law Judge  
Office of Administrative Hearings and Appeals  
Department of Health Care Services  
1029 J Street, Suite 200  
Sacramento, CA 95814

A copy of the appeal should also be sent to the Department of Health Care Services, Office of Legal Services, addressed as follows:

Jared Goldman  
Assistant Deputy Director and Chief Counsel  
Department of Health Care Services  
1501 Capitol Avenue, MS 1101  
P.O. Box 997413  
Sacramento, CA 95899-7413