



JENNIFER KENT
DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

July 15, 2019

Deborah Miller, President
Molina Healthcare of California Partner Plan, Inc
200 Oceangate, Suite 100
Long Beach, CA 90802

Dear Ms. Miller:

**NOTICE OF INTENT TO IMPOSE MONETARY SANCTIONS FOR FAILURE TO
SUBMIT THE MONTHLY PROVIDER FILE IN A TIMELY FASHION**

Effective January 2017, the Department of Health Care Services (DHCS) transitioned its provider network data reporting to the Post Adjudicated Claims and Encounter System (PACES) and national standard transactions. Managed Care Plans (MCPs) are required to comply with the new DHCS provider network reporting requirements by submitting complete, accurate, and timely data as specified in All Plan Letter (APL) 16-019. On March 1, 2019, all MCPs received notice that DHCS will impose immediate sanctions for each 274 file that is not received by the monthly submission deadline identified in APL 16-019.

As specified in APL 18-003, DHCS is authorized to impose administrative and financial sanctions on MCPs that violate applicable state and federal laws and regulations. DHCS may impose sanctions on MCPs that violate their DHCS contract terms, including the requirement to comply with the reporting requirements in APL 16-019.

On June 10, 2019, Molina Healthcare of California Partner Plan, Inc failed to submit an accepted, complete, accurate, and timely provider network data in the 274 file by the required due date.

Under the authority of Title 22, California Code of Regulations, Section 53872, DHCS is imposing monetary sanctions in the amount of \$5,000 on Molina Healthcare of California Partner Plan, Inc for failing to submit timely 274 provider network data files.

Molina Healthcare of California Partner Plan, Inc failed to timely submit the May 2019 274 network data that was required to be submitted no later than June 10, 2019. DHCS will sanction Molina Healthcare of California Partner Plan, Inc \$10,000 for each consecutive month that it continues to submit late 274 provider file submissions.

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DHCS will continue to evaluate the timeliness of Molina Healthcare of California Partner Plan, Inc provider data submissions on a monthly basis. The evaluation process includes the potential to impose monetary sanctions for any period of time that Molina Healthcare of California Partner Plan, Inc has not been previously sanctioned for the deficiencies.

Additionally, DHCS reserves its right to claim liquidated damages to the extent that Molina Healthcare of California Partner Plan, Inc 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 or (916) 440-7800.

Sincerely,

Original Signed by Jennifer Kent

Jennifer Kent

Director

Enclosure

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. NOTICE OF APPEAL RIGHTS

Molina Healthcare of California Partner Plan, Inc has the right to request a hearing in connection with any sanctions within 15 business days after receipt of the notice to impose sanctions. 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. Molina Healthcare of California Partner Plan, Inc may request a hearing by sending a letter so stating to the Office of Administrative Hearings and Appeals at the address below:

The Honorable Patricia Freeman
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 shall also be sent to:

Nathan Nau, Chief
Managed Care Quality and Monitoring Division
Department of Health Care Services
P.O. Box 997413, MS 4411
Sacramento CA 95899-7413

Jared Goldman
Deputy Director and Chief Counsel
Department of Health Care Services
Office of Legal Services
P.O. Box 997413, MS 0010
Sacramento CA 95899-7413