



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



GAVIN NEWSOM
GOVERNOR

January 18, 2019

Christy Bosse
Director and Medi-Cal Compliance Officer
California Health & Wellness
21650 Oxnard Street
Woodland Hills, CA 91367

RE: Department of Health Care Services Medical Audit

Dear Ms. Bosse:

The Department of Health Care Services (DHCS), Audits and Investigations Division conducted an on-site Medical Audit of California Health & Wellness , a Managed Care Plan (MCP), from December 1, 2017 through December 15, 2017. The survey covered the period of December 1, 2016 through November 30, 2017.

On January 11, 2019, the MCP provided DHCS with additional information regarding its Corrective Action Plan (CAP) in response to the report originally issued on October 11, 2018.

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) 345-7831 or Christina Viernes at (916) 552-8765.

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Sincerely,

Hannah Robins, Chief
Compliance Unit

Enclosures: Attachment A CAP Response Form

cc: O.Z. Kamara, 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: California Health & Wellness

Audit Type: Medical Audit and State Supported Services

Review Period: 12/1/16 – 11/30/17

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 via email 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 long-term corrective action or a period of time longer than 30 days to remedy or operationalize, 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.

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>(*anticipated or completed)</small>	DHCS Comments
3. Access and Availability of Care				
3.5.1 Timely Payment of Out-of-Network Claims The contract requires that the Plan reimburse each complete claim as soon as possible, but no later than 45 working days after the receipt of the claim. For	1) Finalize California Health and Wellness (CHW) P&P "Emergency Services Compensation" to address timely payment of out-of-		Item 1: 11/30/2018	01/11/19 – The following documentation supports the MCP's efforts to correct this deficiency: -Updated P&P, titled, "Timely Payment of Claims" (01/08/19) which has been developed to ensure

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<p>claims paid after 45 working days, the Plan must pay interest on the claim. The Plan's claims processing system did not pay all claims timely and with interest when paid late.</p> <p>RECOMMENDATIONS: 3.5.1 Comply with contract time for reimbursements to ensure timely payment of out-of-network emergency claims. Implement procedures that identify late claims, calculates, and adds the required interest to the payment.</p>	<p>network ER claims and the appropriate payment of interest on late claims.</p> <p>2) Create a monthly report to determine whether all ER claims were processed timely and interest was calculated correctly for late payment of claims. Retro-adjustments with interest will be made within 45 days if errors are identified.</p> <p>3) Create a process to perform quarterly mock audits to review a random sample of all claims to ensure contractual and regulatory requirements are met.</p>		<p>Item 2: Report template to be completed by 11/30/2018. Report will be run on the 5th of every month for previous month's data. The first report will be run on 2/5/2019.</p> <p>Item 3: Mock audit process documentation to be completed by 11/30/2018. Mock audit process to begin 1/1/2019.</p>	<p>reimbursement of clean claims no later than 45 working days and include interest rates for late payment of claims. In order to ensure compliance with contractual requirements, MCP will generate a monthly claims report to verify all ER claims are processed timely or appropriate interest is calculated correctly. Additionally, MCP will conduct quarterly audits to ensure contractual/regulatory guidelines are met. Audits will focus on ER, late, family planning and provider dispute resolution claims.</p> <p>-ER reporting template to include data to be pulled for review on a monthly and quarterly basis. Data includes date of clean claims and date of actual payment, while also taking into consideration interest, if applicable.</p> <p>-Mock audit claims findings template that will be used to determine accuracy on a monthly/quarterly basis.</p>

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				<p>MCP proposed corrective action set to begin first quarter of 2019. DHCS will monitor MCP implementation of proposed corrective action during subsequent medical audit.</p> <p>This finding is closed.</p>
5. Quality Management				
<p>5.2.1 Provider Training The contract requires that the Plan ensure that all providers receive training regarding the Medi-Cal Managed Care program within ten working days of being placed on an active status. Once a provider becomes a new provider, the Plan calls and informs the provider of new provider training. The provider is informed of the various options to take the training, and after the training is taken, the provider becomes active and is eligible to provide services to the Plan's members. The Plan lacked evidence that providers received training ten</p>	<p>The California Health and Wellness (CHW) Provider Relations department has updated the "Medi-Cal Network Provider Training" policy and procedure to include a Provider Training Attestation Form process. All newly active providers with CHW are required to sign a Provider Training Attestation form validating completion of training for the Medi-Cal line of business within ten</p>	<p>CHW PR Final Policy 10.11.18</p> <p>CHW Provider Training Attestation Form</p> <p>CHW Provider Training Record Log</p>	<p>Attestation form: 6/29/2018</p> <p>Policy updates: 11/1/2018</p>	<p>11/09/18 – The following documentation supports the MCP's efforts to correct this deficiency:</p> <p>-Updated P&P, "Provider Relations Policy: Medi-Cal Network Provider Training (10/11/18) which requires all new providers receive training within 10 business days of being placed on active status has been amended to include updated procedures for email notification to Provider Relations Department the same business day a providers is added to the system. A signed/dated attestation form that is required if training is completed online or self-administered. Provider Relations Department will follow up within five business days, if signed</p>

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<p>working days after being placed on the Plan's active provider status.</p> <p>RECOMMENDATIONS: 5.2.1 Maintain and implement policy and procedures to ensure that new providers receive training within the ten working day requirement. Document when and if new providers complete training. Adhere to the Contract, policies, and procedures and ensure that all Plan providers are eligible to participate in the Medi-Cal program.</p>	<p>working days. If the signed attestation form has not been received by the fifth business day, the Provider Relations Representative (PRR) will contact the Provider to remind them to complete the required training within the next five business days. The PRR will update the provider training record log to reflect the date of the signed attestation and retain a copy of the signed attestation form.</p>			<p>attestation is not received. Provider Relations will update log to reflect date signed attestation is received and maintain a copy of attestation form. Log to be reviewed by Provider Relations on a weekly basis to ensure compliance.</p> <p>-Sample attestation form verifying training was received and completed, form required to be submitted within 48 hours of training being completed.</p> <p>-Sample log as evidence the MCP is monitoring for completion of required new provider training within contractual timeframes, including mode of completion and receipt of attestation form.</p> <p>This finding is closed.</p>

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7. State Supported Services				
<p>SSS.1 – Minor Consent A minor may consent to an abortion without parental consent and without court permission. (American Academy of Pediatrics v. Lungren 16 Cal.4th 307 (1997). The Minor Consent Services section of the Plan’s Evidence of Coverage (EOC) Member Handbook states that “Minors, age 12 years and older, can receive certain services without their parents’ consent.” The language contained in the EOC is not compliant with the American Academy of Pediatrics v. Lungren decision, which allows members of any age to receive abortion services without parental consent. However, there is no age restriction or parental consent requirement in the Plan’s policy number C.UM.01.01 Covered Benefits & Services or in the Plan’s provider manual. The restrictive language in the Member Handbook may cause</p>	<p>The 2018 California Health and Wellness Evidence of Coverage (EOC) Member Handbook was revised and approved by DHCS to comply with the American Academy of Pediatrics v. Lungren decision. All other distributed materials were reviewed and no changes were required.</p>	<p>CHW Member Handbook EOC 2018</p>	<p>8/1/2018</p>	<p>11/09/18 – The following documentation supports the MCP’s efforts to correct this deficiency:</p> <p>-Updated 2018 Member Handbook/EOC has been revised to comply with the American Academy of Pediatrics v. Lungren decision relating to members seeking pregnancy termination services without parental consent.</p> <p>This finding is closed.</p>

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<p>members to misunderstand the extent to which parental consent for abortion services is needed.</p> <p>RECOMMENDATION: SSS.1 Revise the EOC Member Handbook and all distributed material to be in compliance with the American Academy of Pediatrics v. Lungren 16 Cal.4th 307 (1997).</p>				

Submitted by: Christy Bosse
Title: Vice President & Medi-Cal Compliance Officer

Date: 11/9/2018