

April 15, 2025

VIA EMAIL ONLY

Gabriele Harden,
Applications and Licensing Director
WelbeHealth Bay Area PACE
1799 Hamilton Ave.
San Jose, CA 95125

Dear Gabriele Harden:

From December 9, 2024 – December 20, 2024, the Department of Health Care Services (DHCS) performed an on-site and desk monitoring review of WelbeHealth Bay Area PACE.¹ In this review, DHCS assessed the quality of the care WelbeHealth Bay Area PACE provides participants, as well as clinical and administrative compliance with the PACE laws, regulations and contractual requirements.

DHCS' review included the following items, but was not limited to: PACE participant activities and care delivery in the PACE Center; the Interdisciplinary Team (IDT) performed timely in-person assessments and members of the IDT collaborated in development of orders; medical records are complete and available; progress notes are current; unusual/critical incidents identified have corrective action plans; participants have access to emergency care; care plans and diet are appropriate; medication is properly prescribed, ordered, stored and delivered; transportation meets statutory requirements; and subcontracts reviewed.

From this review, DHCS found WelbeHealth Bay Area PACE deficient in several areas, which are detailed in the enclosed Corrective Action Plan (CAP). These deficiencies require prompt remediation by WelbeHealth Bay Area PACE.

Pursuant to this, WelbeHealth Bay Area PACE must create a plan of correction for each deficiency on the enclosed CAP. WelbeHealth Bay Area PACE must submit a completed CAP within 30 days of the date of this letter at the following email address: PACECompliance@dhcs.ca.gov. The CAP must be approved by DHCS.² Failure to submit a CAP and obtain DHCS approval of the CAP may result in sanctions or remedial action by DHCS, up to and including termination of WelbeHealth Bay Area's PACE contract with DHCS.³

¹ 42 CFR § 460.192

² 42 CFR § 460.194

³ 42 CFR § 460.194(c)

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DHCS would like to thank you and your team for your assistance and cooperation during the visit. We acknowledge your continued efforts towards building the relationships with the PACE participants and ensuring appropriate care is provided.

If you have any questions, please contact Joan Morano, Nurse Evaluator, at PACECompliance@dhcs.ca.gov.

Sincerely,

ELECTRONICALLY SIGNED BY

Kevin Phomthevy, Chief
PACE Monitoring and Oversight Unit
Integrated Systems of Care Division
Department of Health Care Services

Enclosure: Corrective Action Plan (CAP)

cc: Elva Alatorre, Chief
PACE Branch
Integrated Systems of Care Division
Department of Health Care Services

Nageena Khan, Chief
PACE Section
Integrated Systems of Care Division
Department of Health Care Services

Erika Origel, Chief
PACE Contracts Management & Processing Unit
Integrated Systems of Care Division
Department of Health Care Services

Andrew Lausmann, Chief
PACE Policy Unit
Integrated Systems of Care Division
Department of Health Care Services

La Donna Christensen, Contract Manager
PACE Contracts Management and Processing Unit
Integrated Systems of Care Division
Department of Health Care Services

WELBEHEALTH BAY AREA PACE CORRECTIVE ACTION PLAN (CAP)

Program Assurance	Findings	Provider's Plan of Correction
PACE Provider Service Contract – Exhibit A, Attachment 6, Section 13.A.1 – Subcontract Requirements 1) Specification of the services to be provided by the subcontractor;	PACE Organization's (PO's) Memorandum of Agreement (MOA) did not contain the Specification of Service on the signature page attachment for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	

Program Assurance	Findings	Provider's Plan of Correction
PACE Provider Service Contract – Exhibit A, Attachment 6, Section 13.A.2 2) Specification that the Subcontract shall be governed by and construed in accordance with all laws and applicable regulations governing this Contract.	PO's MOA did not contain an agreement to be governed by and construed in accordance with all laws and applicable regulations governing contract for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	

Program Assurance	Findings	Provider's Plan of Correction
PACE Provider Service Contract – Exhibit A, Attachment 6, Section 13.A.4 – Subcontract Requirements 4) Specification of the term of the Subcontract, including the beginning and ending dates as well as methods of extension, renegotiation, and termination.	PO's MOA did not have beginning & ending dates, as well as methods of renewal, termination, and renegotiation for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	

Program Assurance	Findings	Provider's Plan of Correction
PACE Provider Service Contract – Exhibit A, Attachment 6, Section 13.A.6 6) Subcontractor's agreement to submit reports as required by Contractor.	PO's MOA did not contain an agreement to submit reports to DHCS for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	

Program Assurance	Findings	Provider's Plan of Correction
8) Subcontractor's agreement to make all of its premises, facilities, equipment, books, records, contracts, computer and other electronic systems pertaining to the goods and services furnished under the terms of the subcontract, available for the purpose of an audit, evaluation, inspection, examination, or copying, including but not limited to access requirements and state's right to monitor, as set forth in Exhibit E, Attachment 2, provision 21: a. By DHCS, CMS, Department of Health and Human Services (DHHS), and Department of Justice (DOJ), DMHC or their designees. b. At all reasonable times at the Subcontractor's place of business or at such other mutually agreeable location in California. c. In a form maintained in accordance with the general standards		

Program Assurance	Findings	Provider's Plan of Correction
applicable to such book or record keeping. d. For a term of at least ten years from the close of the current fiscal year in which the service occurred; in which the record or data was created or applied; and for which the financial record was created. e. Including all encounter data for a period of at least ten years. f. If DHCS, CMS, or the Department of Health and Human Services (DHHS) Inspector General determines there is a reasonable possibility of fraud or similar risk, DHCS, CMS, or the DHHS Inspector General may inspect, evaluate, and audit the Subcontractor at any time, and		

Program Assurance	Findings	Provider's Plan of Correction
g. Upon resolution of a full investigation of fraud, DHCS reserves the right to suspend or terminate the Subcontractor from participation in the Medi-Cal program; seek recovery of payments made to the Subcontractor.		

Program Assurance	Findings	Provider's Plan of Correction
PACE Provider Service Contract – Exhibit A, Attachment 6, Section 13.A.10 10) Subcontractor's agreement to maintain and to make available to DHCS, upon request, copies of all Sub-Subcontracts and to ensure that all Sub-Subcontracts are in writing and require that the Subcontractor: a. Make all premises, facilities, equipment, applicable books and records, contracts, computer, or other electronic systems related to this Contract, available at all reasonable times for audit, inspection, examination or copying by DHCS, DHHS, CMS, DOJ, or their designees. b. Retain all records and documents for a minimum of ten years from the final date of the Contract period or from the date of completion of any audit, whichever is later.	PO's MOA did not contain an agreement to maintain and make available to DHCS, copies of all sub-subcontracts for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	

Program Assurance	Findings	Provider's Plan of Correction
PACE Provider Service Contract – Exhibit A, Attachment 6, Section 13.A.11 – Subcontract Requirements 11) Subcontractor's agreement to assist Contractor in the transfer of care pursuant to Exhibit E, Attachment 2, provision 16 in the event of Contract termination.	PO's MOA did not contain an agreement to assist Contractor in the transfer of care pursuant to phase-out requirements for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	
PACE Provider Service Contract – Exhibit A, Attachment 6, Section 13.A.13 – Subcontract Requirements 13) Subcontractor's agreement that assignment or delegation of the subcontract shall be void unless prior written approval is obtained from DHCS.	PO's MOA did not contain the requirement regarding prior approval from DHCS assignment or delegation of the Subcontract for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	

Program Assurance	Findings	Provider's Plan of Correction
PACE Provider Service Contract – Exhibit A, Attachment 6, Section 13.A.15 15) Subcontractor's agreement to timely gather, preserve and provide to DHCS, any records in the Subcontractor's possession, in accordance with Exhibit E, Attachment 2, provision 27.	PO's MOA did not contain an agreement to gather records for DHCS in a timely manner for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	
PACE Provider Service Contract - Exhibit A, Attachment 6, Section 13.A.16 16) Subcontractor's agreement to provide interpreter services for Members at all provider sites.	PO's MOA did not contain an agreement to provide interpreter services for members of all service sites and service locations for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	

Program Assurance	Findings	Provider's Plan of Correction
PACE Provider Service Contract - Exhibit A, Attachment 6, Section 13.A.17 17) Subcontractor's right to submit a grievance and Contractor's formal process to resolve provider grievances.	PO's MOA did not contain the Subcontractor's right to submit an appeal and Contractor's formal process to resolve Provider Appeals for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	
PACE Provider Service Contract -Exhibit A, Attachment 6, Section 13.A.18 – Subcontract Requirements 18) Subcontractor's agreement to participate and cooperate in Contractor's QIS.	PO's MOA did not contain an agreement to cooperate in Quality Improvement Activities for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	

Program Assurance	Findings	Provider's Plan of Correction
PACE Provider Service Contract - Exhibit A, Attachment 6, Section 13.A.19 – Subcontract Requirements 19) If Contractor delegates QI activities, subcontract shall include those provisions stipulated in Exhibit A, Attachment 4, provision 6.	PO's MOA did not contain language regarding the delegation of Quality Improvement Activities, and that the Subcontractor shall be made subject to all quality assurance measures for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	
PACE Provider Service Contract – Exhibit A, Attachment 6, Section 13.A.20 20) Subcontractor's agreement to comply with all applicable requirements of DHCS, Medi-Cal Managed Care Program, and the Integrated Systems of Care Division (ISCD).	PO's MOA did not contain an agreement to comply with applicable requirements of DHCS, Medi-Cal Managed Care Program and the Office of Long-Term Care, and CMS for: • Subcontractor #1 • Subcontractor #2 • Subcontractor #3 • Subcontractor #5 • Subcontractor #8 • Subcontractor #9 • Subcontractor #12 • Subcontractor #15	

September 30, 2025

VIA EMAIL ONLY

Jyotika Goel, Quality Operations Director
Quality Operations Director
WelbeHealth Bay Area PACE
1799 Hamilton Ave.
San Jose, CA 95125

Dear Jyotika Goel:

The Department of Health Care Services (DHCS) concluded its review of the Corrective Action Plan (CAP) submitted by WelbeHealth Bay Area PACE on September 12, 2025. DHCS determined that the submitted documents address the deficiencies identified in the CAP and satisfies the Program of All-Inclusive Care for the Elderly (PACE) requirements. The CAP is attached to this letter for ease and allows WelbeHealth Bay Area PACE to use it as a reference document.

As part of DHCS' continued ongoing monitoring process, DHCS will conduct a targeted review in 6 months to validate the implementation of WelbeHealth Bay Area PACE's corrective action plan for PACE Provider Service Contract - Subcontract requirements.

DHCS appreciates your assistance and commitment in providing quality care and oversight to our PACE participants.

If you have any questions or concerns regarding this letter, please contact Joan Morano, Nurse Evaluator, via PACECompliance@dhcs.ca.gov.

Sincerely,

ELECTRONICALLY SIGNED BY

Kevin Phomthevy, Chief
PACE Monitoring and Oversight Unit
Integrated Systems of Care Division
Department of Health Care Services

Enclosure: CAP Grid

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Jyotika Goel
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cc: Elva Alatorre, Chief
PACE Branch
Integrated Systems of Care Division
Department of Health Care Services

Nageena Khan, Chief
PACE Section
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Erika Origel, Chief
PACE Contracts Management & Processing Unit
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