

November 18, 2024

Bary Bailey, Interim CFO
Access Dental Plan
8890 Cal Center Drive
Sacramento, CA 95826

RESPONSE TO ACCESS DENTAL PLANS' CORRECTIVE ACTION PLAN FOR (1) MANAGEMENT INFORMATION SYSTEM (MIS) FUNCTIONALITY, (2) MEMBER PHONE CALL REPORTING -FEBRUARY 2024, (3) TREATMENT AUTHORIZATION REQUEST REPORTING – MARCH 2024, (4) TREATMENT AUTHORIZATION REQUEST REPORTING – APRIL 2024, (5) QUALITY IMPROVEMENT PROJECT (QIP) Reports – Q1 2024, AND (6) TIMELY ACCESS AND SPECIALTY REPORTING – Q4 2023

Dear Mr. Bailey:

The Department of Health Care Services (DHCS) is writing in response to the Corrective Action Plan (CAP) submitted by Access Dental Plan (Access) on August 14, 2024, in accordance with contracts 12-89341 (GMC) and 13-90115 (PHP) and Dental All Plan Letters (APLs) 13-004 and 22-009.

On December 21, 2023, DHCS approved Access' MIS upgrade to the proprietary Cadence platform. Since that approval, Access has repeatedly reported contractual non-compliance with deliverables due to the MIS migration, such as the Member Phone Call Report, Treatment Authorization Request (TAR) Report, Grievances and Appeals, Quality Improvement Project Report, and Timely Access and Specialty Referral Report. On July 16, 2024, DHCS issued a Notice of Deficiency (NOD) to Access in response to the multiple non-compliant deliverable submissions due to Access' MIS migration.

I. Background

On December 21, 2023, DHCS approved Access' MIS upgrade to the proprietary Cadence platform. Since that approval, Access has repeatedly reported contractual non-compliance with deliverables, due to the MIS migration, such as the Member Phone Call Report, Treatment Authorization Request (TAR) Report, Grievances and Appeals, QIP Reports, and Timely Access and Specialty Referral Report.

On July 16, 2024, DHCS issued a Notice of Deficiency (NOD) to Access in response to the multiple non-compliant deliverable submissions. On August 14, 2024, Access



submitted a CAP in response to the NOD. On September 12, 2024, DHCS facilitated a Pre-Denial meeting with Access and explained the basis for the denial. DHCS subsequently issued a formal denial of the CAP. On October 11, 2024, Access submitted a revised CAP. DHCS has reviewed the revised CAP and is responding accordingly.

II. Management Information System (MIS) Functionality

Access responded to DHCS' NOD with the following, "At the September 12, 2024, meeting with DHCS, Access reported that they had resolved the reporting issues. DHCS has requested documentation including a crosswalk comparing prior reporting to new reporting in the new system, and attestation that all system testing has been done that is required for system functionality and contractual requirements. Access also agreed to provide an update project schedule which outlines the updated milestones and tasks related to the MIS migration project. Access is reminded to provide DHCS written update notification of any changes to the project schedules for previously approved implementation and roll out plans to attempt to clear the NOD."

Access submitted the following attachments in response to the NOD:

- Attachment (1) – California Reporting Master Grid reflecting the requested cross walk of reporting into the new system.
- Attachment (2) – Attestation
- Attachment (3) – California Medicaid MIS Project Plan

DHCS reviewed and approves the submitted document. This CAP item is closed effective October 11, 2024.

III. Member Phone Call Report February 2024

Access responded to DHCS' NOD with the following, "At the September 12, 2024, meeting with DHCS, Access assured DHCS that member phone call outreach operations resumed the following month and will provide DHCS updated policies and procedures demonstrating when and how escalations occur to attempt to clear the NOD. Access Dental Plan had previously met all required metrics as it relates to the member phone call report and can state that this limited one-time reporting period matter has been remediated."

Access submitted the following attachment in response to the NOD:

- Attachment (4) SOP – Annual Dental Visit Process
- Attachment (5) SOP – Government Reporting Escalations and Extensions.

DHCS has reviewed and approves the submitted documentation. This CAP item is closed effective October 11, 2024.

IV. Treatment Authorization Request (TAR) March 2024

Access responded to DHCS' NOD with the following, "On September 12, 2024, Access provided DHCS an explanation of an interim solution that individuals are looking at TAR processing. DHCS requested and Access agreed to provide the policies and procedures outlining the interim process and project schedule and planning for the new process to ensure effective monitoring of TARs to attempt to clear the NOD. ADP continues to operate the above interim strategies until full systematic remediation."

Access submitted the following attachment in response to the NOD:

- Attachment (6) Treatment Authorization Request - with the specific details of the interim process, as well as the project schedule pursuant to DHCS' request.

DHCS has reviewed the submitted document and acknowledges the satisfactory progress on your CAP. Access had projected that the TAR implementation systematic update will not be resolved until the end of November 2024. The CAP will remain open until the automated functions and impacts to TAR processing have been resolved.

V. Treatment Authorization Request April 2024

Access responded to DHCS' NOD with the following, "On September 12, 2024, Access confirmed they would provide the updated policies and procedures to support clearing the NOD issued for this area. Please see attachment (7) containing SOP – File Monitoring Guide_ Inventory Control with highlighted new steps implemented to prevent this issue in the future."

Access submitted the following attachment in response to the NOD:

- Attachment (7) File Monitoring Guide_Inventory Control v9-19-2024

DHCS has reviewed the submitted document and acknowledges the satisfactory progress on your CAP. The CAP will remain open until the automated functions and impacts to TAR processing have been resolved.

VI. Quality Improvement Project (QIP) – Quarter 1 2024

Access responded to DHCS' NOD with the following, "On September 12, 2024, DHCS requested policies and procedures and Access' attestation to attempt to clear the NOD. Access agreed to provide said documentation."

Access submitted the following attachment in response to the NOD:

- Attachment (8) – ADP QIP SOP and related to escalations, Attachment (5)

DHCS has reviewed and approves the submitted document. This CAP item is closed effective October 11, 2024.

VII. Timely Access and Specialty Referral Report – Quarter 4 2023

Access responded to DHCS' NOD with the following, "On September 12, 2024, Access met with DHCS, wherein DHCS requested policies and procedures for the three corrective measures aforementioned (e.g. Potential corrective action for providers failing to respond, etc.)."

Access submitted the following attachment in response to the NOD:

- Attachment (9) – Sample provider communications related to survey request
- Attachment (10) – SOP – Corrective Actions to be implemented

DHCS reviewed and approves the submitted document. This CAP item is closed effective October 11, 2024.

VIII. Applicable Contractual Authority

DHCS APL 22-009 states as follows:

"When a DMC plan fails to comply with applicable federal and state laws and regulations, or meet contractual obligations, there is good cause to require a CAP from the DMC plan. DHCS has the authority to require DMC plans to develop and submit a CAP to DHCS for review and approval, in order to correct cited deficiencies. DMC plans are required to complete CAPs within six (6) months of receiving notice of violation from DHCS. DMC plans are required to provide a monthly status update to DHCS utilizing the CAP Response Form (enclosed) and provide supporting CAP documentation until the CAP is completed. Monthly CAP updates must identify and contain the following:

- The specific deficiency,
- Description of the corrective action,
- Supporting documentation (such as: documentation of problems in completing the corrective action, evidence of the corrections made, and proof of training),
- Responsible person(s), and

- Implementation date(s).”

DHCS APL 13-004 states as follows:

“DMC Plans may be required to develop a Corrective Action Plan (CAP) for any deficiencies revealed by DHCS’ analysis and evaluation of DMC Plans’ overall compliance with contract requirements. DHCS will send written notification of the deficiencies to the DMC Plan that is required to submit a CAP. From the date of the notice, the CAP must be submitted within 30 (thirty) calendar days to DHCS. DHCS will then review and provide feedback to the DMC Plan. The length of time that the DMC Plan will have to complete the CAP will depend on the deficiencies and the steps involved in the CAP. DHCS will closely oversee the DMC Plan’s actions to correct the deficiency and will assist where necessary in order to ensure the CAP is completed. DHCS reserves the right to exercise Provision 3, Termination, Provision 18, Sanctions or Provision 19, Liquid Damages Provisions in Exhibit E, Additional Provisions, of the GMC contract if a DMC Plan is unable to correct a deficiency and/or complete their CAP.”

The Contract between Access and DHCS, Exhibit A, Attachment 5, Provision N, Evaluation of Contractor Compliance/Corrective Action Plan (CAP) states as follows:

“DHCS will evaluate Contractor’s overall compliance with contract requirements monthly. Contractor shall ensure that a corrective action plan is developed to correct cited deficiencies and that corrections are completed and verified within the established guidelines as specified in the dental managed care All Plan Letter to be executed at contract effective date. If Contractor fails to correct cited deficiencies as specified in the All Plan Letter, then the DHCS reserves the right to halt all new enrollment to the plan until such time as the deficiencies have been corrected and approved by the Department.”

DHCS acknowledges that updating an MIS system can take time, and accordingly we have accepted and closed out all CAP items except in those areas related to TAR processing. The CAP will remain open until Access is able to demonstrate full automation regarding TAR processing.

DHCS will continue to monitor Access’ compliance with the DMC contract, federal and state laws and regulations, and APLs. DHCS reserves the right to implement sanctions or other enforcement actions should Access continue to be non-compliant with the terms of the contract. Prior history can and will be factored into the determination of whether to implement any such actions in the future.

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DHCS requires Access to complete the remaining CAP within six (6) months of receiving this notice and also provide a monthly status update to DHCS, pursuant to APL 22-009.

Should you have any questions regarding this response to Access' CAP, please email DMCdeliverables@dhcs.ca.gov.

Sincerely,

Original signed by:

Dana Durham
Chief, Medi-Cal Dental Services Division
Department of Health Care Services