CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES

Michelle Baass | Director

April 3, 2026

VIA EMAIL ONLY

Phoi Tran, Director of Operations
Chinatown Service Center PACE
726 E. Main Street,
Alhambra, CA 91801

Dear Phoi Tran:

The Department of Health Care Services (DHCS) monitors and reviews financial data to ensure fiscal soundness and verify the Contractor's ability to meet and maintain financial viability and standards of compliance with the Programs of All-Inclusive Care for the Elderly (PACE) regulations.[1]

DHCS' review included, but was not limited to, the following items:

- Monthly financial reports.
- Quarterly financial reports.
- Annual financial reports.

From this review, DHCS found Chinatown Service Center PACE deficient in several areas, which are entailed in the enclosed Corrective Action Plan (CAP). These deficiencies require prompt remediation by Chinatown Service Center PACE.

Pursuant to this, Chinatown Service Center PACE must create a plan of correction for each deficiency listed within the enclosed CAP. Chinatown Service Center PACE must submit a completed CAP response within 30 days of the date of this letter at the following email address: PACECompliance@dhcs.ca.gov. The CAP response 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 Chinatown Service Center PACE contract with DHCS.[3]

DHCS would like to thank you and your team for your cooperation and your continued efforts towards ensuring contract requirements and deadlines are being met.

[1] 42 CFR § 460.80
[2] 42 CFR § 460.194
[3] 42 CFR § 460.194(c)

If you have any questions, please contact Blia Lor, Compliance Analyst, at PACECompliance@dhcs.ca.gov.

Sincerely,

ELECTRONICALLY SIGNED BY

Elva Alatorre, Chief
PACE Branch
Office of Medicare Innovation & Integration
Department of Health Care Services

Enclosure: Corrective Action Plan (CAP)

cc: Next Page

cc: Kevin Phomthevy, Chief
PACE Monitoring and Oversight Unit
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CHINATOWN SERVICE CENTER

Corrective Action Plan (CAP)

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<tr><td>PACE Contract Exhibit A, Attachment 2, Provision 2(B)(3)

(Financial Audit Reports)

3) Contractor shall submit to DHCS <u>within 45 calendar days after the close of Contractor's fiscal quarter, quarterly financial reports</u> required by Title 22 CCR Section 53862(b)(1).

The PACE Organization "shall submit" quarterly and annual financial reports within the timelines specified in the agreement.

Financial reports must be "complete, accurate, and</td><td>1. PACE Organization (PO) failed to submit quarterly financial reports in a timely manner for the following:

<u>2025 Quarterly Deliverables:</u>

• Quarter Ending (QE)- 3/31/25 – Due date 5/15/25.
    ○ Received Monthly Financial Report, not the required Quarterly Financial Reports. Request for Consolidated and Medi-Cal Only Quarterly Financials for QE 3/31/25, along with the appropriate signed jurat/attestation. Due date 5/16/25.
    ○ On 5/19/25, Capitated Rates Development Division (CRDD) sent request meeting email. PO confirmed meeting for 5/20/25.
    ○ On 5/20/25, CRDD sent follow-up email with guidance and instructions. Due date 5/23/25.</td><td></td></tr>
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Program Assurance	Findings	Provider's Plan of Correction
submitted as required by DHCS."	- On 5/27/25, CRDD sent follow-up email. No submission was received. - Received Quarterly Financial Report on 5/28/25. - On 5/29/25, CRDD confirmed receipt and requested additional corrections along with an updated Jurat Attestation. Due date 5/30/25. CRDD reiterates the importance of timely submissions of financial reports, as failure to submit accurate and timely reports can lead to placing PO on a CAP or even Sanctions. Should Chinatown PACE need an extension, it would need to be requested at minimum a few days prior to the submission due date. - Updated Jurat Attestation received 5/29/25. - QE 6/30/25 – Due date 9/26/25. - On 9/19/25, CRDD requested to correct Medi-Cal Only and the Consolidated reports per the DMHC report instructions. Due date 9/26/25. No submission.	

Program Assurance	Findings	Provider's Plan of Correction
	- On 9/29/26, CRDD informed PO of the missed deadline. Also notified PO is out of compliance. - On 9/30/25, PO responded, referencing the original revised report submitted on 8/12/25, and asked to review that revision. The revision does not reflect the updates requested on 9/19/25. - CRDD responded asking for the revised submission and reminded Chinatown PACE remains out of compliance. - On 10/2/25, received the consolidated revisions with Jurat. No response to the Medi-Cal Only request. - On 10/6/25, CRDD asked for clarification. Provided new list of questions that reflect 10/2/25 submission. Due date 10/10/25. CRDD addressed PO's consistency of being out of compliance. - On 10/22/25, CRDD had a meeting with PO. CRDD sent a follow-up email with request for revised submissions for both the	

Program Assurance	Findings	Provider's Plan of Correction
	Medi-Cal Only and Consolidated financial reports for QE 3/31/25 & QE 6/30/25. Due date 10/29/25. ▪ Quarterly Financial Reports and Jurat for Q1 & Q2 received on 10/29/25. ▪ Medi-Cal Only quarterly reports received on 10/30/25. • QE 9/30/25 – Due date 11/14/25. o On 11/14/25, PO submitted Medi-Cal Only Quarterly Financial Report with Jurat. No Consolidated report provided. On 11/17/25, CRDD requested for Consolidated template. Reminded PO is now out of compliance. ▪ Received Consolidated Quarterly Report for Q3 2025. o On 11/18/25, CRDD required corrections for the Consolidated Template. Due date 11/20/25. ▪ Received Consolidated Template. CRDD	

Program Assurance	Findings	Provider's Plan of Correction
	notified PO the attached template was the same as the last submission. PO sent new one. • On 11/19/25, CRDD sent confirmation. ○ On 1/27/26, CRDD sent follow-up email of 1/23/26 meeting, requesting FY 24/25 Annual report, and all four quarters of 2025 be updated. Due date 2/6/26. ▪ On 2/6/26, PO emailed asking "whether a one week extension would be possible for the Quarterly and Annual Reports. We want to ensure the final submission is accurate and complete, and we anticipate submitting everything by February 23, 2026." • CRDD responded with extension	

Program Assurance	Findings	Provider's Plan of Correction
	until 2/13/26 & for future requests, extensions are to be submitted a minimum of two business days prior to due date. • PO acknowledged. ▪ On 2/17/26, CRDD sent follow-up email. No submission received. ▪ On 2/18/26, PO apologized for delay and provided all four Quarterly's and Annual Financials. ▪ On 2/19/26, CRDD found the file to be incomplete. Provided examples from our review that require immediate attention. PO did not provide a Jurat/Attestation with their submission either. Requested revision of Quarterly and Annual Financial Reports along with a signed jurat/attestation.	

Program Assurance	Findings	Provider's Plan of Correction
	Due on 2/24/26. • PO submitted revisions on 2/24/26. • QE 12/31/25 – Due date 2/13/26. ○ On 1/30/26, CRDD sent PO 2-week reminder on QE 12/31/25 Quarterly Financial and what should be included. ○ On 2/11/26, CRDD sent 2-day reminder. ○ On 2/19/26, CRDD sent PO follow-up email on past due QE 12/31/25 Quarterly Financial Report. CRDD has not received PO's submission and reminded PO that failure to submit this required report by the contractual deadline places your organization out of compliance. ○ On 2/25/26, PO submitted Q4 Consolidated, Medi-Cal Only and the attestation. ○ On 2/26/26, CRDD sent confirmation.	
PACE Contract Exhibit A, Attachment 2, Provision 3 **(Monthly Financial Statements)**	2. PO failed to submit **monthly** financial reports in a timely manner for the following: <u>2025 Monthly Deliverables:</u> • October – Due date 12/01/25; received financials on 12/02/25.	

Program Assurance	Findings	Provider's Plan of Correction
Contractor shall submit to DHCS no later than 30 calendar days after the close of Contractor's fiscal month, monthly financial reports in accordance with Title 22 CCR Section 53862(c)(6).	o On 12/03/25, CRDD sent out warning of out of compliance. "Continued delays or incomplete submissions may result in DHCS implementing additional contract remedies, including a Corrective Action Plan (CAP) or other enforcement actions."	
PACE Contract Exhibit A, Attachment 2, Provision 4 **(Annual Financial Statements)** 4. Contractor shall submit to DHCS no later than 180 calendar days after the close of Contractor's fiscal year, annual financial reports.	3. PO failed to submit **annual financial reports** in a timely manner for the following: <u>2024/2025 FY Deliverable:</u> • Annual FY 24/25 – Due date 2/6/26. o On 1/27/26, CRDD sent follow-up email of 1/23/26 meeting, requesting FY 24/25 Annual report, and ensure the last four quarters of 2025 are revised accordingly. o On 2/6/26, PO emailed asking "whether a one week extension would be possible for the Quarterly and Annual Reports. We want to ensure the final submission is accurate and complete, and we anticipate	

Program Assurance	Findings	Provider's Plan of Correction
	submitting everything by February 23, 2026." ▪ CRDD responded with an extension until 2/13/26 & for future requests, extensions are to be submitted a minimum of two business days prior to due date. ▪ PO acknowledged. ○ On 2/17/26, CRDD sent follow-up email. No submission has been received. ▪ Quarterly and Annual Financials received on 2/18/26. ○ On 2/19/26, CRDD found PO's submission incomplete. Requested revision of Quarterly and Annual Financial Reports along with a signed jurat/attestation by end of day (EOD) 2/24/26. ○ PO Submitted revisions on 2/24/26.	

Program Assurance	Findings	Provider's Plan of Correction

PACE Contract Exhibit A, Attachment 2, Provision 5
 	
(Annual Forecasts)
 	
5. Contractor shall submit to DHCS at least <u>60 days prior to the beginning of the FY</u>, an annual forecast for the next FY.
 	
Financial reports must be "complete, accurate, and submitted as required by DHCS."
	<u>2025/26 SFY Deliverable:</u>
	
	• Financial Forecast SFY 25/26 – Due date 5/2/25.
	  o On 5/2/25, PO requested extension to 5/9/25. CRDD approved on 5/5/25.
	  o Received on 5/12/25. Submission was incomplete. CRDD responded with the required part of the forecast package. Due date 5/14/25. Received and incomplete.
	  o On 5/15/25, CRDD sent a follow up email, asked for response by 5/16/25. CRDD stated CSC is out of Compliance. PO sent revisions, however CRDD requested entry corrections.
	  o Due 5/16/25.
	  o On 5/16/25, PO sent revisions.
	  o On 5/19/25, CRDD sent PO instructions from April 18, 2025, asking for "detailed explanation of all underlying assumptions used to develop the forecast". Due May 20, 2025.
	  o Follow-up emails were sent on 5/21/25, & 5/22/25 because no response was received.
	  o On 5/22/25, PO responded.	

CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES

Michelle Baass | Director

June 26, 2026

VIA EMAIL ONLY

Phoi Tran, Director of Operations
Chinatown Service Center PACE
726 E. Main Street,
Alhambra, CA 91801

Dear Phoi Tran:

The Department of Health Care Services (DHCS) concluded its review of the Corrective Action Plan (CAP) submitted by Chinatown Service Center PACE on June 23, 2026. DHCS determined that the submitted document(s) addresses 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 Chinatown Service Center PACE to use as a reference document.

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 Blia Lor, Compliance Analyst, at PACECompliance@dhcs.ca.gov.

Sincerely,

ELECTRONICALLY SIGNED BY

Kevin Phomthevy, Chief
PACE Monitoring and Oversight Unit
Office of Medicare Innovation & Integration
Department of Health Care Services

Enclosure: CAP Grid

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