CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES
Michelle Baass | Director

November 10, 2026

THIS LETTER SENT VIA EMAIL

Deanna Eaves
Interim Compliance Manager
Health Net Community Solutions, Inc.
21281 Burbank Blvd
Woodland Hills, CA 91367

CORRECTIVE ACTION PLAN (CAP) RESPONSE: UNTIMELY & INACCURATE DELIVERABLE REPORTING

Dear Ms. Eaves,

On October 12, 2026, Health Net (HN) submitted a Corrective Action Plan (CAP) response to DHCS with supporting documentation related to the findings regarding the September 9, 2026, Warning Letter regarding untimely and inaccurate deliverables, as outlined in the Medi-Cal Dental Managed Care ("Dental MC" or "DMC") Contract[1]. DHCS has reviewed and has determined that HN has not yet satisfactorily resolved all components of the CAP. Specifically, the Timely Access and Specialty Referral Report lacks the required details. This deliverable must be submitted appropriately within five (5) working days.

For any CAP that is not closed, DHCS is requesting that CDN provide an updated CAP with documentation within thirty (30) days of this letter, signed by your Compliance Officer. The documentation shall include how HN will ensure that submissions are accurate and timely in the future.

If the HN is unable to correct the noted deficiencies and/or complete their CAP within six (6) months of the original Warning Letter, DHCS may exercise its right to right to

[1] The Dental MC Contract can be found here: https://www.dhcs.ca.gov/wp-content/uploads/2025/10/DMC-Boilerplate-Contract-2025.pdf

retain withheld funds, enforce Liquidated Damages and/or Sanctions pursuant to the Dental MC Contract and APL 22-009.

If you have any questions regarding this notice, please contact DHCS at dmcdeliverables@dhcs.ca.gov.

Sincerely,

Original Signed by:

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

Enclosure: CAP Response Form

Corrective Action Plan Response Form

Dental Managed Care Plan: Health Net Community Solutions, Inc.

The Medi-Cal Dental Managed Care Plan (Dental MCP) is required to submit a corrective action plan (CAP) within 30 calendar days. The CAP response must include completion of the prescribed columns below to include a description of the corrective action, a list of all supporting documentation submitted, and the CAP implementation date. For systemic deficiencies that may be reasonably determined to require long-term corrective action for a period longer than 30 days to fully remediate or operationalize, the Dental MCP must demonstrate that sufficient progress has been made toward implementation of the CAP. The Dental Managed Care Unit of the Department of Health Care Services will maintain close communication with the Dental MCP throughout the CAP review process and provide technical assistance as needed.

Finding and Summary	Action Taken	Supporting Documentation	Implementation Date	DHCS Comments
Timely Access & Specialty Referral Report: HN did not comply with Exhibit A11, Sections 3, and APL 18-003E	1. Report reprogramming was completed on 8/7/2026 and revised reports submitted to DHCS. 2. Standard Operating Procedure (SOP) implemented 9/1/2026 to document Timely Access & Specialty Referral Report roles and responsibilities, established quality controls, procedures	1. Timely Access Report SOP. 2. Health Net notification to delegated Dental vendor of intent to issue Corrective Action Plan (CAP) and remediation plan.	1. Report reprogramming completed 8/7/2026. 2. Timely Access Report SOP implemented 9/1/2026. 3. Health Net notified delegated Dental vendor of intent to issue Corrective	11/10/26: The most recent deliverable submission is deficient. This CAP remains open.

Finding and Summary	Action Taken	Supporting Documentation	Implementation Date	DHCS Comments
	and report submission timelines. 3. Health Net notified delegated Dental vendor of intent to issue Corrective Action Plan (CAP) and remediation plan on 9/17/2026.		Action Plan (CAP) and remediation plan on 9/17/2026.	
Provider Monitoring Report: HN did not comply with Exhibit A4, Section 2; Exhibit A7, Section 4	1. Health Net's delegated Dental vendor will no longer utilize its subcontractor to perform office audits. Office audits will be completed by the delegated Dental vendor beginning 4/1/2026. 2. As of 6/30/2026, the random selection utilized for the Provider Monitoring Report will only include existing providers (not new providers) for audits to ensure files and	1. Net New Provider Intake Site Audits and Credentialing Handoff Procedure Policy. 2. Site Review Provider Monitoring SOP and rollout email. 3. Health Net notification to delegated Dental vendor of intent to issue Corrective Action Plan (CAP) and remediation plan.	1. Audits will be completed by Health Net's delegated Dental vendor beginning 4/1/2026. 2. Only existing providers will be included in Provider Monitoring Report effective 6/30/2026. 3. Site Review Provider Monitoring	11/10/26: Health Net New Provider Intake Site Audits and Credentialing handoff Procedure Policy is deficient, as it does not refer to Health Net, but rather their ASO. This CAP remains Open.

Finding and Summary	Action Taken	Supporting Documentation	Implementation Date	DHCS Comments
	utilization are listed within the reports. 3. Standard Operating Procedure (SOP) implemented 8/4/2026 to document Provider Monitoring roles and responsibilities, procedures for office visits, chart reviews and claims/encounter reviews and Provider Monitoring Report requirements. 4. Reports resubmitted to DHCS. 5. Health Net notified delegated Dental vendor of intent to issue Corrective Action Plan (CAP) and remediation plan on 9/17/2026.		SOP implemented 8/4/2026 and communicated 8/17/2026. 4. Health Net notified delegated Dental vendor of intent to issue Corrective Action Plan (CAP) and remediation plan on 9/17/2026.	
Initial Oral Health Assessment Report: HN did not	1. The Initial Oral Health Assessment Report was reprogrammed on 9/16/2026 to only	1. Oral Health Assessment Report SOP. 2. Health Net notification to delegated Dental	1. Updated programming completed on 9/16/2026.	11/10/26: DHCS accepts the submitted documentation.

Finding and Summary	Action Taken	Supporting Documentation	Implementation Date	DHCS Comments
comply with Exhibit A13, Section 4	count the net new members within that quarter. 2. Revised reports were submitted to DHCS. 3. Standard Operating Procedure (SOP) implemented 9/25/2026 to document roles and responsibilities and procedures for the Initial Oral Health Assessment Report. 4. Health Net notified delegated Dental vendor of intent to issue Corrective Action Plan (CAP) and remediation plan on 9/17/2026.	vendor of intent to issue Corrective Action Plan (CAP) and remediation plan.	2. Oral Health Assessment SOP implemented 9/25/2026. 3. Health Net notified delegated Dental vendor of intent to issue Corrective Action Plan (CAP) and remediation plan on 9/17/2026.	This CAP is closed as of 10/12/26.

Submitted by:
Title:

Signed by:
Date: