



Managed Care Oversight in California

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Managed Care Oversight

Audits and Investigations' Strategy - Program Partners



Annual Medical Audit

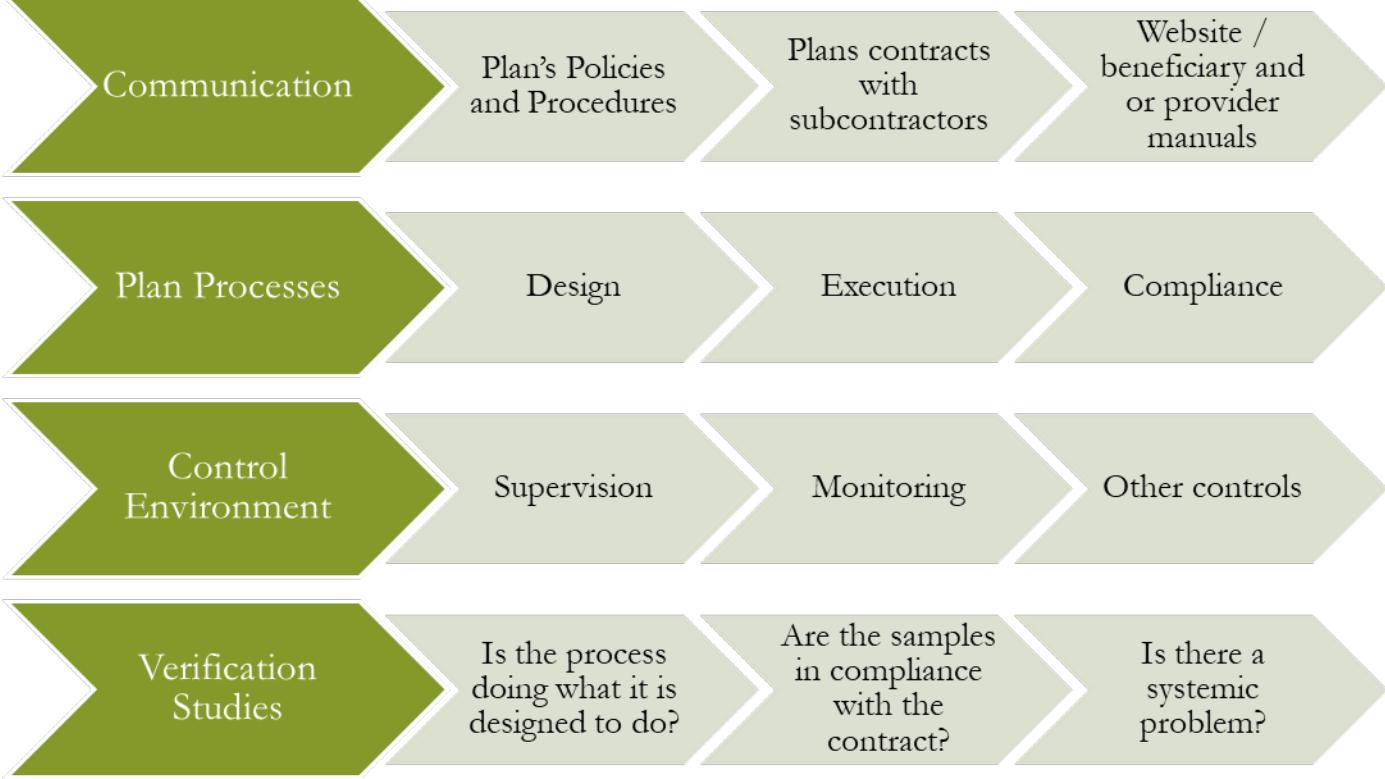
California Code, Welfare and Institutions Code – WIC § 14456

- The department shall conduct annual medical audits of each prepaid health plan unless the director determines there is good cause for additional reviews.

Medical Audit Teams

- Audit Manager
- Lead Auditor
- Medical Consultant or Pharmacy Consultant
- Registered Nurses
- Auditors

Medical Audits – Compliance with Contract



Medical Audit Categories

Utilization
Management

Coordination
of Care

Access and
Availability

Patient Rights

Quality
Management

Administrative
Capacity

State
Supported
Services*

Utilization Management (UM)

- UM Monitoring
- Referral Tracking
- Prior Authorization Process
- Prior Authorization Appeal Process
- Delegation of UM Activities
- Medical Director and Decisions

Coordination of Care

- Initial Health Assessment
- Behavioral Health
- Basic and Complex Case Management
- Continuity of Care
- Non-Emergency / Non-Medical Transportation
- California Children's Services

Access and Availability

- Appointment Procedures and Monitoring
- Specialist and Specialty Services
- Urgent and Emergency Care
- Telephone and After Hours Calls
- Emergency Room and Family Planning Claims
- Access to Pharmaceutical Services

Member Rights

Cultural and Linguistic

- Cultural and Linguistic
 - General Needs Assessments
 - Linguistic Services
- Confidentiality Rights

Grievance System

- Time Frames
- Decision Making Procedures
- Quality of Care Grievances
- Delegated Services Oversight

Quality Management

QI System and Activities

- Delegation of QI Activities
 - How is the plan monitoring delegated and subcontracted activities?
 - Subcontractor agreements and contracts
- Quality Improvement System

Provider Qualifications

- Credentialing
- Provider training
- Disciplinary Actions
- Medi-Cal and Medicare Provider Status

Administrative Capacity

General

- Health Education Program
- Conflict of Interest

Fraud and Abuse

- Delegated Responsibility-Oversight of Subcontractors
- Reporting of Overpayments
- Prohibited Affiliations

Audit Reports

Post-audit, MCPs are issued an audit report outlining the results of the audit.

- MCPs are required to provide a Corrective Action Plan (CAP) upon the completion of a DHCS Medical Audit or any other monitoring activity where areas of non-compliance or findings are identified.
- MCQMD reviews CAP submissions and provides technical assistance to ensure compliance.

Corrective Action Plan Process

Corrective Action Plans

- MCPs are required to provide a Corrective Action Plan (CAP) upon the completion of a DHCS Medical Audit if findings are identified.
 - MCPs review the CAP and provide responses and supporting documentation monthly while the CAP is imposed.
 - The CAP is deemed closed once all finding have been rectified.
- Audit reports and CAPs are posted online at <https://www.dhcs.ca.gov/services/Pages/MedRevAuditsCAP.aspx>.



Questions?