



State of California—Health and Human Services Agency  
Department of Health Care Services



GAVIN NEWSOM  
GOVERNOR

April 11, 2019

Amy Shin, Chief Executive Officer  
Health Plan San Joaquin  
7751 South Manthey Road  
French Camp, CA 95231

RE: Department of Health Care Services Medical Audit

Dear Ms. Shin:

The Department of Health Care Services (DHCS), Audits and Investigations Division conducted an on-site Medical Audit of Health Plan San Joaquin, a Managed Care Plan (MCP), from August 13, 2018 through August 23, 2018. The survey covered the period of July 1, 2017 through June 30, 2018.

On April 9, 2019, the MCP provided DHCS with additional information regarding its Corrective Action Plan (CAP) in response to the report originally issued on November 8, 2018.

All items have been reviewed and DHCS accepts the MCP's submitted CAP. The CAP is hereby closed. Full implementation of the CAP will be monitored on the subsequent audit. The enclosed report will serve as DHCS' final response to the MCP's CAP.

Please be advised that in accordance with Health & Safety Code Section 1380(h) and the Public Records Act, the final report will become a public document and will be made available on the DHCS website and to the public upon request.

If you have any questions, feel free to contact me at (916) 345-7831 or Michael Pank at (916) 345-7829.

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Sincerely,

Hannah Robins, Chief  
Compliance Unit

Enclosures: Attachment A CAP Response Form

cc: Pete Plesha, Contract Manager  
Department of Health Care Services  
Medi-Cal Managed Care Division  
P.O. Box 997413, MS 4408  
Sacramento, CA 95899-7413

**ATTACHMENT A  
Corrective Action Plan Response Form**



**Plan: Health Plan of San Joaquin**

**Audit Type:** Medical Audit and State Supported Services

**Review Period:** 8/13/18 through 8/23/18

MCPs are required to provide a CAP and respond to all documented deficiencies within 30 calendar days, unless an alternative timeframe is indicated in the letter. MCPs are required to submit the CAP via email in word format that will reduce turnaround time for DHCS to complete its review.

The CAP submission must include a written statement identifying the deficiency and describing the plan of action taken to correct the deficiency, and the operational results of that action. For deficiencies that require long-term corrective action or a period of time longer than 30 days to remedy or operationalize, the MCP must demonstrate it has taken remedial action and is making progress toward achieving an acceptable level of compliance. The MCP will be required to include the date when full compliance is expected to be achieved.

DHCS will maintain close communication with the MCP throughout the CAP process and provide technical assistance to ensure the MCP provides sufficient documentation to correct deficiencies. Depending on the volume and complexity of deficiencies identified, DHCS may require the MCP to provide weekly updates, as applicable.

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* <small>(*anticipated or completed)</small>	DHCS Comments
<b>4. Members' Rights</b>				
4.3.1 Timely Reporting of HIPAA Incidents	The Plan has implemented training for all Compliance staff to ensure timely responses and submission are done for all notifications for PIR and HIPAA incidents. Training includes communication to the privacy officer and DHCS within the	Copy of the new tracking documents header rows.	08/21/2018	<p><b>12/08/18</b> – The following documentation supports the MCP's efforts to correct this deficiency:</p> <p>Tracking document that needs fine-tuning. Recommend MCP update to include 24-hour notification requirement, 72-hour initial PIR</p>

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* (*anticipated or completed)	DHCS Comments
	<p>required timeframes. The Plan continues to recruit staff for open positions to support meeting timelines.</p> <p>Additionally the Plan tracking document has been updated to list requirements for 24 hour or 72 hours respectively.</p>			<p>notification requirement and complete report within 10 working days requirement. MCP to ensure all reporting parties are included at DHCS including contract manager, privacy officer and information security officer.</p> <p><b>02/12/19</b> – The following additional documentation submitted supports the MCP’s efforts to correct this deficiency:</p> <p>-MCP hired new Compliance Director (two months). Updated training for Compliance and all MCP staff related to HIPAA, privacy and security incidents and will be rolled out within two weeks. DHCS recommended edits to tracker being added. MCP to submit updated tracker once complete. Training is made available online. Reports can be provided in lieu of sign-in sheets.</p> <p>-PowerPoint training, “General Compliance Training 2019” and “HIPAA Compliance Training 2019”</p>

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* (*anticipated or completed)	DHCS Comments
				<p>as evidence that MCP staff has received HIPAA compliance training.</p> <p>-DHCS Technical Assistance: Recommended adding section on timely reporting requirements.</p> <p><b>04/09/19</b> – The following additional documentation submitted supports the MCP’s efforts to correct this deficiency:</p> <p>-An email (04/09/19) which advised that an all staff meeting (02/27/19) was held to emphasize timely reporting. Compliance training has been updated to include timely reporting requirements of 24 hours, updated PIR within 72 hours and complete report within 10 working days. Training also includes how to report and identifies all parties that should be included on reports to DHCS.</p> <p>-Updated tracking log, “HIPAA Privacy and Security Template 2019” that includes all reporting timeframes.</p>

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* (*anticipated or completed)	DHCS Comments
				<p>-DHCS Technical assistance: Recommended MCP Compliance Department address issue of cross-training staff to access the HIPAA intake mailbox and have the ability to write/submit HIPAA incident reports.</p> <p><b>This deficiency is closed.</b></p>
<b>6. Administrative and Organizational Capacity</b>				
<p>6.3.1 Timely Reporting of fraud, waste and abuse incidents</p>	<p>The Plan has implemented training for all Compliance staff to ensure timely responses and submissions are done for all notification for FWA incidents. The Plan continues to recruit staff for open positions to support meeting timelines.</p> <p>Additionally the Plan is working to enhance the FWA program for clearer workflows, detailed compliance requirements, and expansion of the scope of work. The new FWA will be implemented within 90 days.</p> <p>In the interim, the Plan tracking shows incidents are sent within</p>	<p>FWA tracker</p>	<p>Anticipated March 2019</p>	<p><b>12/08/18</b> - The following documentation supports the MCP's efforts to correct this finding:</p> <p>- HPSJ Fraud, Waste and Abuse Prevention Training 2019 was used to train all compliance staff on:</p> <ul style="list-style-type: none"> <li>• Providing information on the scope of FWA</li> <li>• Explaining the obligation of everyone to detect, prevent and correct FWA.</li> <li>• Providing information on how to report non-compliance and FWA</li> <li>• Provide information on laws pertaining to compliance and FWA.</li> </ul>

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* (*anticipated or completed)	DHCS Comments
	24-hihrs as required. An email Inbox is monitored by all Compliance Staff to ensure timely processing of any reported incidents.			<p><b>02/27/19</b> - The following documentation supports the MCP's efforts to correct this finding:</p> <ul style="list-style-type: none"> <li>- Email communication from MCP stated that progress has been made on filling open positions related to the meeting of Regulatory reporting requirements. The MCP has filled the position of Compliance and Privacy Officer as well as Analyst and Auditor positions.</li> </ul> <p><b>04/02/19</b> - The following additional documentation supports the MCP's efforts to correct this finding:</p> <ul style="list-style-type: none"> <li>- Anti-Fraud, Waste and Abuse Program 2019, updated to enhance responsibilities and scope of the FWA program.</li> <li>- Compliance Topical Meeting minutes 3/7/19, an overview of the FWA program was presented. An overview of the training, investigation and reporting were included in the discussion.</li> </ul>

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* <small>(*anticipated or completed)</small>	DHCS Comments
				This finding is closed.

Submitted by: Amy Shin  
 Title: Chief Executive Officer (CEO)

Date: