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DIRECTOR

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



GAVIN NEWSOM
GOVERNOR

November 21, 2022

Christy K. Bosse, Vice President & CA Compliance Officer
California Health & Wellness Plan
21281 Burbank Boulevard
Mailstop: CA21281-03-164
Woodland Hills, CA 91367

RE: Department of Health Care Services Medical Audit

Dear Ms. Bosse:

The Department of Health Care Services (DHCS), Audits and Investigations Division conducted an on-site Medical Audit of California Health & Wellness, a Managed Care Plan (MCP), from July 19, 2021 through July 30, 2021. The audit covered the period of December 1, 2019 through April 30, 2021.

On October 17, 2022, the MCP provided DHCS with additional information regarding its Corrective Action Plan (CAP) in response to the report originally issued on December 1, 2021.

All items have been evaluated and DHCS accepts the MCP's submitted CAP. The CAP is hereby closed. Overall effectiveness of the CAP will continue to be assessed, as well as, to what extent the MCP has operationalized proposed corrective actions 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.

Page 2

If you have any questions, feel free to contact me at (916) 345-7942 or Maria Angel at (916) 345-7835.

Sincerely,

[Signature on file]

Oksana Meyer, MPA
Chief, CAP Compliance & FSR Oversight Section
Managed Care Quality & Monitoring Division
Department of Health Care Services

Enclosures: Attachment A (CAP Response Form)

cc: Lyubov Poonka, Chief
CAP Compliance Unit
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Department of Health Care Services

Maria Angel, Lead Analyst
CAP Compliance Unit
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Sonny Tran, Contract Manager
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ATTACHMENT A
Corrective Action Plan Response Form



Plan: California Health & Wellness Plan

Review Period: 12/01/19 – 04/30/21

Audit Type: Medical Audit and State Supported Services

Onsite Review: 07/19/21 – 07/30/21

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 CAP Request letter. MCPs are required to submit the CAP in word format that will reduce turnaround time for DHCS to complete its review. According to ADA requirement, the document should be at least 12 pt.

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. The MCP shall directly address each deficiency component by completing the following columns provided for MCP response: 2. Action Taken, 3. Implementation Documentation, and 4. Completion/Expected Completion Date. The MCP will be required to include project timeline with milestones in a separate document for each finding. Supporting documentation should accompany each Action Taken. For policies and other documentation that have been revised, please highlight the new relevant text. For deficiencies that require short-term corrective action, implementation should be completed within 30 calendar days. For deficiencies that may be reasonably determined to require long-term corrective action for a period longer than 30 days to completely remedy or operationalize, the MCP is to indicate that it has initiated remedial action and is on the way towards achieving an acceptable level of compliance. In those instances, the MCP will be required in addition to the above steps, to include the date when full compliance will be achieved. **Policies and procedures submitted during the CAP process must still be sent to the MCP's Contract Manager for review and approval, as applicable in accordance with existing requirements.**

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* (*Short-Term, Long-Term)	DHCS Comments
3. Access and Availability of Care				
<p>3.8.1 - Physician Certification Statement</p> <p>The Plan did not provide oversight of NEMT subcontractor to ensure that a Physician Certification Statement (PCS) was obtained prior to NEMT service.</p>	<p>Enhanced monitoring and oversight processes to ensure the receipt of the PCS form.</p> <p>Review of PCS Scorecard results during monthly Joint Oversight Committee (JOC) & Vendor Oversight Committee (VOC) meetings</p> <p>Documented discussion in meeting minutes related to missing PCS forms as applicable.</p>	<p>1. Completed quarterly PCS Scorecard monitoring summary</p> <p>2. Updated agendas to discuss PCS Monitoring (scorecard review)</p> <p>- 3.8.1.2 & 3.8.3.4 MODIVCARE VOC Agenda Template</p> <p>JOC/VOC meeting minutes</p>	<p>3/31/2022</p>	<p>The following documentation supports the MCP's efforts to correct this finding:</p> <p>POLICIES & PROCEDURES</p> <p>The Plan updated P&Ps to address the gap that contributed to the deficiency:</p> <ul style="list-style-type: none"> Updated P&P, "CA.LTSS.15 Non-Medical Transportation (NMT) and Non-Emergency Medical Transportation (NEMT) for Medi-Cal Members", which has been amended to require the PCS form prior to obtaining NEMT services. (CA.LTSS.15, NEMT PCS Forms, page 8) <p>IMPLEMENTATION/OVERSIGHT & MONITORING</p> <p>The Plan identified, developed and deployed an internal auditing process to continuously self-monitor to detect and prevent future non-compliance:</p> <ul style="list-style-type: none"> The Plan oversees the broker by detecting non-compliance through several monitoring and auditing activities such as: ongoing discussions with the broker, daily reports/escalation, review of monthly reporting & through quarterly scorecard reviews. (MCP Response, 10/17/2022) 2022 Q1, Q2 & Q3 Scorecard Reviews, "CA Vendor Management – PCS/LOS/Minor Consent Scorecard Summary" provides evidence of the Plan's monitoring of the

				<p>transportation broker documenting the collection, request, follow up, and completion of PCS forms.</p> <p>The Plan demonstrated that they have a process in place to impose corrective action on their transportation broker when non-compliance was identified through oversight & monitoring activities:</p> <ul style="list-style-type: none"> • Transportation Broker CAP, “Physician Certification Statement (PCS) – Corrective Action Plan” demonstrates its process by identifying the issue, root cause analysis, remediation plan, requirements for closure, actions to be taken to address the deficiency, and the expected due date. • Vendor Oversight Committee meeting agenda, “MODIVCARE VOC Agenda Template” contains PCS status update as a standing item. <p>The Corrective Action Plan for the finding 3.8.1 is accepted.</p>
<p>3.8.2 - Minor Consent Forms</p> <p>The Plan does not have a process to verify that parental consent forms for unaccompanied minors are collected prior to transportation service.</p>	<p>Update vendor reporting to indicate the number of completed transports requiring a minor consent form. Updated vendor reporting to be reviewed monthly.</p> <p>Require vendor to create a Minor Consent Policy</p> <p>Modify quarterly performance scorecards to include elements</p>	<p>1. Updated monthly reports</p> <p>2. Vendor’s Minor Consent Policy</p> <p>3. Monitoring tools</p>	<p>3/15/2022</p> <p>2/15/2022</p> <p>3/31/2021</p>	<p>The following documentation supports the Plan’s efforts to correct this finding:</p> <p>POLICIES & PROCEDURES</p> <p>The Plan updated P&Ps to address the gap that contributed to the deficiency:</p> <ul style="list-style-type: none"> • Policy CA.HNT.MBRS.58 (1/18/22) CHW Non-Emergency and Non-Medical Transportation Services requires the following: <ul style="list-style-type: none"> ○ Plan must provide transportation for a parent or guardian when the member is a minor. ○ Requires written consent of parent or guardian for unaccompanied minors.

	<p>related to minor consent form collection.</p>	<p>Completion of quarterly monitoring/scorecard review</p> <ul style="list-style-type: none"> - 3.8.2.3 PCS_LOS_Minor Consent Scorecard Review Tool_v5_11.8.21 		<ul style="list-style-type: none"> ○ Plan is responsible to ensure all necessary written consent forms are received prior to arranging transportation for unaccompanied minors for both NMT and NEMT services. ● Policy “CA.COMP.109 CA Market Vendor and Specialty Company Auditing and Monitoring (7/21/21)” outlines the Plan’s processes for monitoring and addressing non-compliance. The policy outlines the Plan’s annual auditing workplan. That it is continuously updated based upon changes in risk/performance. ● The Joint Oversight Committee meets to review vendor performance, member experience, grievances and corrective action. ● Transportation broker (Modivcare) Standard Operating Procedure (SOP) – CA Unaccompanied Minor Consent Process (12/16/21) required the following: <ul style="list-style-type: none"> ○ Members 0-11 must always travel with an adult. ○ Members 12-17 must confirm if traveling with an adult. If not, a minor consent form may be required. ○ Determine if member is seeking sensitive services. ○ If not, a minor consent is required. ○ Check if minor consent is on file. The member must travel with an adult until proper consent is completed. ○ Send member consent forms via fax or by mail. <p>IMPLEMENTATION/OVERSIGHT & MONITORING</p> <p>The Plan identified its internal auditing process to continuously self-monitor to detect and prevent future non-compliance.</p>
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			<p>Plan monitoring and oversight will include two parts. Review of monthly reports for compliance. Discrepancies or non-compliance will be addressed with the transportation vendor.</p> <p>Plan will also perform a validation of the process via quarterly scorecard reviews.</p> <ul style="list-style-type: none"> • Q1 PCS/LOS/Minor Consent Scorecard as evidence the Plan has established internal monitoring and delegate oversight processes to ensure written minor consent is obtained prior to arranging transportation services to unaccompanied minors. Results of the quarterly reviews are shared internally and with the Plan's subcontractor/vendor. <ul style="list-style-type: none"> ○ First quarter results demonstrated full compliance with the written consent process. The Plan did recommend its broker establish processes to ensure reporting is completed to accurately reflect the written consent process meets contractual requirements. • CHW Minor Consent Report – March 2022 as evidence Plan has processes in place to monitor compliance with written consent requirements. Report measures the following: <ul style="list-style-type: none"> ○ Trips completed ○ Adult escort ○ Minor consent – was it on file if unaccompanied. • Plan revised quarterly performance scorecard – PCS LOS Minor Consent Scorecard Review Tool which includes the following: <ul style="list-style-type: none"> ○ Member name ○ Member ID ○ Member age ○ Minor consent required ○ Minor consent on file
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				<ul style="list-style-type: none"> ○ Minor consent call script followed <p>The Corrective Action Plan for the finding 3.8.2 is accepted.</p>
<p>3.8.3 - Non-Enrolled Transportation Providers</p> <p>The Plan did not ensure that transportation providers are enrolled in the Medi-Cal program.</p>	<p>Vendor to develop remediation plan and process to identify and address non-enrolled providers and potential network adequacy issues.</p> <p>Modivcare transportation providers are securing assistance from DHCS to secure their applications by the end of December.</p> <p>For newly applied providers, (on or after January 1, 2022), if after 120 days, the provider does not have approved enrollment, the provider will be removed from the network.</p> <p>Update vendor reporting to include aging of provider enrollments, follow-up dates and actions taken for pending applications, terminations for</p>	<p>1. Health plan approved vendor remediation plan</p> <p>a_ 3.8.3.1a APPROVED ModivCare CAP_Provider Enrollment_11.5.2 1</p> <p>b_ 3.8.3.1b Email Notification_APPR OVED - Corrective Action Plan Formal Notice - Provider Enrollment</p> <p>2. Reporting reflecting all transportation providers are enrolled with Medi-Cal.</p> <p>3. Updated vendor monthly reports</p>	<p>11/15/2021</p> <p>1/1/2022</p> <p>1/1/2022</p>	<p>The following documentation supports the MCP's efforts to correct this finding:</p> <p>POLICIES & PROCEDURES</p> <p>The Plan updated P&Ps to address the gap that contributed to the deficiency:</p> <p>Policy CA.HNT.MBRS.58 (1/18/22) CHW Non-Emergency and Non-Medical Transportation Services provides an overview of the transportation benefit. Additionally, the policy requires:</p> <ul style="list-style-type: none"> ○ All subcontracted transportation providers be enrolled in the Medi-Cal Program. ○ Transportation broker will only subcontract with Medi-Cal enrolled transportation providers for NMT/NEMT services. ● Transportation Broker - ModivCare Standard Operating Procedure (SOP) #2021 -001 (10/6/21) <ul style="list-style-type: none"> ○ Requirements: Adhere to state and federal laws covering transportation provider enrollment in the Medi-Cal Program ○ Identify steps required to verify transportation providers in CA are enrolled in Medi-Cal. ○ Monthly verification of active provider enrollment. ○ Cross reference against master transportation provider roster. ○ Check Medi-Cal website to verify enrollment.

	<p>non-approved enrollments & expiration of enrollment timeframe</p> <p>Add Medi-Cal enrollment status as a standing Vendor Oversight Committee (VOC) agenda topic.</p> <p>Update Customer Care Transportation policy to add Medi-Cal enrollment requirements</p> <p>Work with vendor to create a Medi-Cal Provider Enrollment Policy</p> <p>Develop annual audit process to monitor provider enrollment with Medi-Cal</p> <p>Update transportation contract to include APL 19-004 Medi-Cal enrollment language</p>	<p>- 3.8.3.3 Provider Enrollment Status Report Template_11.8.21</p> <p>4. Updated VOC agenda</p> <p>-3.8.1.2&3.8.3.4 MODIVCARE VOC Agenda Template</p> <p>5. Updated Customer Care Transportation policy</p> <p>-3.8.3.5 CA.HNT.MBRS.58_CHW_NEMT_NMT_12.2021</p> <p>6. Vendor's Medi-Cal Provider Enrollment policy (<i>credentialing and oversight</i>)</p> <p>- 3.8.3.6_20211105 Provider Enrollment SOP 2021-001</p>	<p>1/1/2022</p> <p>12/31/2021</p> <p>12/31/2021</p> <p>3/31/2022</p>	<p>If unable to verify Medi-Cal enrollment, a transportation provider will fall into one of three categories:</p> <ul style="list-style-type: none"> • Emergency enrollment • In-Progress/active application • None <p>If a lack of proof of enrollment or current application is identified, the provider will be removed from the network to prevent trip assignments.</p> <p>IMPLEMENTATION/OVERSIGHT & MONITORING</p> <p>The Plan issued ModivCare a CAP. The Plan's expectation is that effective 1/1/22, ModivCare will not use non-enrolled providers for the Medi-Cal/Dual population. For new providers effective on or after 1/1/22, the provider must have submitted an application for enrollment with the Medi-Cal program. If after 120 days, the provider has not been approved by DHCS, ModivCare must remove the provider from their network. ModivCare provided weekly Provider Enrollment Updates. (1/13/22 and 4/19/22)</p> <ul style="list-style-type: none"> • As part of Modivcare's remediation plan, the Plan receives weekly reports of provider enrollment progress. The report shows overall network enrollment status, individual provider status of enrolled, pending and ModivCare's outreach activities by month. (<i>Provider Enrollment Update 1/13/22</i>) • Transportation provider transition plan. The MCP identified three providers critical to their network in order to meet timely access standards. Submitted transition was approved (07/20/22) and MCP was afforded six months to complete enrollment and bring vendors into compliance.
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Christy K Bosse

Submitted by: Christy K. Bosse
Title: Vice President & CA Compliance Officer

Date: December 29, 2021