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

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June 4, 2021


Ms. Domonique Hensler
Senior Director of Care Redesign Planning
Rady Children's Hospital – San Diego
5855 Copley Drive, Suite 100
San Diego, CA 92111


RE:  Department of Health Care Services Medical Audit


Dear Ms. Hensler:

The Department of Health Care Services (DHCS), Audits and Investigations Division conducted an on-site Medical Audit of Rady Children's Hospital, a Managed Care Plan (MCP), from September 8, 2020 through September 11, 2020.  The audit covered the period of September 1, 2019 through August 31, 2020.

On April 20, 2021, the MCP provided DHCS with additional information regarding its Corrective Action Plan (CAP) in response to the report originally issued on January 4, 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.

If you have any questions, feel free to contact me at (916) 345-7831 or Joshua Hunter at (916) 345-7830.

Sincerely,

  (Signature on file)


Michael Pank, Chief
Compliance Unit


Enclosures:  Attachment A, CAP Response Form


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

**Plan: Rady Children's Hospitals**   **Review Period: 9/1/19 – 8/31/20**

**Audit Type:** Medical Audit and State Supported Services   **Onsite Review: 9/8/20 – 9/11/20**

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 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 short-term corrective action, implementation should be completed within 30 calendar days. For deficiencies that require long-term corrective action or a period longer than 30 calendar days for implementation, 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. **Policies and procedures submitted during the CAP process must still be sent to the MCP's Contract Manager for review and approval 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 |
|---|---|---|---|---|
| **1. Utilization Management** | | | | |
| **1.3.1 Appeal Acknowledgement Letter**<br><br>The Plan did not | California Kids Care (CKC) Appeals Acknowledgement Letter has been updated to adhere to all DHCS APL requirements and now includes | • CKC Appeal Acknowledgement.doc | 09/10/2020 | **2/5/21 -** The following documentation supports the MCPs efforts to correct this finding:<br><br>-The California Kids Care CKC |

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| adhere to APL requirements and its policy as the Plan's written acknowledgement letter excluded the name and address of the representative who may be contacted about the appeal. | the previously missing data fields identified during the audit. Please see the updated letter provided with the additional documentation submitted. | | | Appeals Acknowledgement template letter has been updated to include the items which were missing that did not adhere to the APL requirements - The name and address fields of the representative who may be contacted about the appeal are now included in the letter template. <br><br> The letter was implemented on 9/10/2020. <br><br> **This finding is closed.** |
| **1.3.2  Notice of Appeal Resolution** <br><br> The Plan did not fully translate the Notice of Appeal Resolution (NAR) letter to the member's preferred language. | CKC has a standard practice of translating the templates used for outbound member letters in to the threshold languages for the plan.  In instances where the letter contains some member specific language, such as appeals, grievance, or UM letters, the member specific paragraph is written in English in order to provide a timely response, within regulatory requirements.  Written translation services through our | • CKC UM Appeal SOP 01.2021.pdf | 02/01/2021 | **2/5/21 -** The following documentation along with emails from the MCP supports the MCP's efforts to correct this finding: <br><br> CKC UM Appeal SOP 01.2021.pdf CKC has updated the Appeals Standard Operating Procedure to have the member specific paragraph in the Notification of Appeals Resolution letter translated prior to mailing to the member. The Plan has acknowledged translation vendor can take up to  7 days to provide |

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| | contracted language vendor can take up to 7 days, depending on the language required.  This would potentially lead to a delay in mailing letters, which would then fall outside of the required timeframes for mailing.  Written translation is provided as requested, and telephonic translation can be provided to read the letter to the family, should they require immediate assistance.  CKC has adjusted the Appeals Standard Operating Procedure to have the member specific paragraph in the Notification of Appeals Resolution letter translated prior to mailing to the member. | | | translation of member specific paragraph. However, their revised procedures (SOP) requires medical review must be completed within 15 days of receipt to allow for translation.

The entire letter is now translated to the member's preferred language prior to mailing.

The Plan has processes in place to help them meet mailing timeframes.

**4/20/21 -** The following additional documentation supports the MCPs efforts to correct this finding:

Per email received from MCP on 4/20/21, the Plan implemented their new process on 2/1/2021.

**This Finding is closed.** |
| **2. Case Management and Coordination of Care** | | | | |
| **2.1.1  Monitoring of Completed IHA**

The Plan did not ensure the provision | CKC conducted additional provider training on 11/19/2020 to further educate all providers on IHA requirements and appropriate documentation | • Provider IHA Training.pptx • CKC-112 Individual Health | 02/01/2021 | **2/5/21** - The following documentation supports the MCP's efforts to correct this finding:

- Provider IHA training PowerPoint |

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| of a timely and complete IHA that is documented in the member's medical records. The Plan lacks policies and procedures for reviewing medical records to track and monitor if members received, within stipulated timelines, an age-appropriate comprehensive history and physical examination that includes an IHEBA. | required. (Please see the training presentation provided with the additional documentation.)<br><br>Furthermore our Plan has developed a process for conducting chart review audits, as well as the necessary audit review tool to ensure comprehensiveness and completeness.<br><br>Policy CKC-112 has been updated reflect new audit process and applicable oversight reporting. Please see the additional documentation provided.<br><br>The Q3 and Q4 IHA Audits have been completed and provide for review. | Education Behavioral Assess - 01.21.21.docx<br>• IHA Audit Tool TEMPLATE.xlsx<br>• IHA Audit Tool Q3 Q4 2020.xlsx | | presentation from 11/19/20 demonstrates the MCP trained providers on IHA requirements and documentation requirements.<br><br>- Policy CKC-112 was updated to include the MCP's oversight and reporting process for ensuring IHA completion. (page 5)<br><br>- IHA Audit Tool template and IHA Audit Tool Q3 and Q4 demonstrate the MCP is conducting chart review audits to ensure IHA completion.<br><br>**This finding is closed.** |
| **2.1.2  Provision of IHA**<br><br>The Plan did not contact members nor | CKC has updated policy CKC-112 to include the procedure for conducting Member outreach attempts within 120-calendar-days of enrollment to | • CKC Welcome Cover Letter (01 22 21).docx | 01/01/2021 | **2/5/21** - The following documentation supports the MCP's efforts to correct this finding:<br><br>- Policy CKC-112 was updated to |

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| document its repeated attempts to contact members to schedule an IHA within 120-calendar-days of enrollment. | assist with scheduling any needed IHA. The attempts will included:<br>1. Notice in New Member Packet when they are enrolled with our Plan. (See updated CKC Welcome Cover Letter)<br>2. Member reminder during the Members scheduled onboarding phone call with the CKC Care Navigation Team.<br>3. If the member has still not completed the IHA after these two attempts CKC will send a My Chart reminder message to the Member or follow-up via phone.<br>All outreach attempts will be tracked in the updated IHA tracking tool provided. The template has been updated to track Members outreach as well as previously tracked PCP outreach.  (See template | • CKC-112 Individual Health Education Behavioral Assess - 01.21.21.docx<br>• New Member IHA Outreach Tracking Template.xlsx<br>• Rady Children's IHA Outreach Update Report (Updated Template).docx | | include the conducting of member outreach no less than three times to educate on the need for the IHA and remind members to schedule an IHA.<br><br>- CKC Welcome letter sent to new members to stress the importance of scheduling an IHA.<br><br>- IHA Outreach Tracking Template is used to track outreach attempts for IHA, due dates and completion dates for new member's IHA.<br><br>IHA Outreach Update Report Template includes the reporting of three outreach attempts to the member.<br><br>**4/22/21** - The following additional documentation supports the MCP's efforts to correct this finding:<br><br>- IHA Outreach Tracker and IHA Outreach Report from that contains membership from the audit period through present serves as evidence IHA outreach and completion is being documented. |

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| | provided)<br><br>CKC has also updated its monthly Rady Children's IHA Outreach Update Report to include reporting of the three Member attempts. (See updated report template) Report received on the 15<sup>th</sup> of each month. | | | **This finding is closed.** |
| **3. Access and Availability of Care** | | | | |
| **3.2.1 Telephone Triage Procedures**<br><br>The Plan did not monitor telephone triage procedures of providers nor if after-hour telephone triage lines were answered by appropriate licensed professionals. | Per CKC P&P 0-067: After Hours Phone Coverage: The Specialty Providers declined coverage for the After-hours RN advice line which utilizes Schmitt-Thompson protocols due to the complexity of the diseases. The licensed Provider taking the after-hour advice/medical management calls are the on Call Specialty Provider. They are reached through the Rady Children's Operator. The P&P states that the Provider or Member's call must be returned within 30 minutes. CKC will monitor that a licensed provider returns the | • CKC-067 After Hours Phone Coverage - FINAL 01.21.21 w-blank audit tool.pdf | 01/14/2021 | **02/05/21** – The following documentation supports the MCP's efforts to correct this deficiency:<br><br>- On-Call Schedules, San Diego PBX on-call schedules for Pulmonary, Endocrinology and Hematology/Oncology (09/2019) as evidence that the MCP is providing after hours phone coverage by licensed professional staff, M.D's.<br><br>- Updated P&P, "CKC-067:After Hours Phone Coverage" (02/25/21) amended to include that a licensed Rady Children's Hospital – San Diego Telephone Triage RN will document the time, date, and |

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| | calls within 30 minutes through an annual audit. Results will be reported to the delegation Oversight Committee (DOC). | | | pertinent information of each call and contact the Rady Children's PBX Operator to page the on-call specialist.<br><br>- Audit Report, "CKC After Hours Phone Coverage Survey" (01/15/21) as evidence the MCP is conducting annual audits to monitor the specialty providers/licensed professionals that are taking the after hour calls.<br><br>**This finding is closed.** |
| **3.4.1  Plan Network Hospitals**<br><br>The Plan did not have a procedure in which every network hospital is made aware of emergency medication dispensing requirement. | Our Plan will send all network hospitals the CKC 72hr Med Letter (See additional documentation provided) to inform them of emergency medication dispensing requirements.<br><br>CKC has created geo maps to show all 24hr pharmacies that are available within 30 miles of all network hospital emergency rooms. This list is posted to the CKC website for Members to | • CKC 72hr Med Letter for Plan Network Hospitals.docx<br>• CKC-154  72 Hour Emergency Prescriptions. docx<br>• Link to list of 24hr Pharmacies: | 01/01/2021 | **03/02/21** – The following documentation supports the MCP's efforts to correct this deficiency:<br><br>- Updated P&P, "CKC-154: 72 Hour Emergency Medication Prescription" (01/11/21) which has been amended to include that the MCP will notify every network hospital annually in writing to provide awareness of the 72-hour emergency medication requirement.<br><br>In order to ensure the patient |

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| | access. Additionally, this was provided to all Members in our Decembers 2020 Member newsletter.<br><br>Policy CKC -154 72 Hour Emergency Prescriptions has been updated to reflect the mailing of this notification on an annual basis. | https://www.cakidscare.org/for-patients-families/pharmacy/ | | received a 72-hour supply of medication from the Emergency Department at network hospitals, the Care Navigation team will monitor the EPIC dashboard for members that had been seen and discharged from the Emergency Department. The Navigation team will follow up with the member by phone to ensure that they have received their 72-hour supply of medication.<br><br>- Template, "CKC 72-hour Emergency Medication Supply Requirement, as evidence that the plan has created a template letter to all Plan Network Hospitals informing them of the 72-hour supply of a medically necessary covered outpatient drug in an emergency situation.<br><br>-Template, "Non-Compliance Notification: 72 Hour Emergency Medication Supply Requirement" that re-enforces the emergency medication dispensing requirement and that identifies date and member who did not receive the appropriate |

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| | | | | 72-hour supply.<br><br>**This finding is closed.** |
| **4. Member Rights** | | | | |
| **4.1.1  Tracking and Monitoring Grievances**<br><br>The Plan did not maintain an appropriate and adequate system that tracks and monitors grievances received by the Plan. The Plan did not have a grievance system that captures all expressions of dissatisfaction and a grievance system that appropriately classifies or categorizes grievances received. | Our Plan has created a new standard operating procedure (SOP) for our grievance system to track and monitor all grievances received. In addition, we have created an updated workflow to be utilized for internal training. The new training has been provided to all applicable team members to ensure proper tracking and reporting of all grievances. The SOP provides specific procedures for logging all data collected into the EzCap tracking system. This system will be utilized to gather grievance data for requested DHCS reporting requirements. Plan oversight is conducted semi-annually during the CKC Grievance meetings. All | • CKC PCC & Care Navigator Grievance SOP 01.2021.pdf<br>• CKC Grievance Workflow 12.2020.jpg<br>• CS Grievance Training Sign-In 01.2021.pdf | 01/01/2021 | **3/25/21** - The following documentation supports the MCP's efforts to correct this finding:<br><br>MCP has policies and procedures comply with contractual requirements distinguishing between inquires and grievances.<br><br>-No grievances were logged during the audit period.  However, the MCO acknowledged an exempt grievance was misclassified as an inquiry.  The exempt grievance was resolved within 24 hours.<br><br>- A revised workflow, "CKC Grievance Workflow 12.2020" (12/16/20) was submitted outlining exempt grievances are reviewed on a daily basis in order to identify potential requests that require |

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| | meeting minutes will be reported to our Joint Quality Team and Delegation Oversight committee. | | | processing under standard grievance processes.<br><br>- "CKC PCC & Care Navigator Grievance SOP 01.2021" (01/26/21) which defines complaints, standard, expedited, exempt grievances and inquires.<br><br>- "CS Grievance Training Sign-In 01.2021" (01/26/21) as evidence refresher training was provided to appropriate staff.<br><br>**This finding is closed.** |
| **4.3.1 Breaches and Security Incidents**<br><br>The Plan did not notify DHCS regarding the discovery of any suspected security incident, intrusion or unauthorized access, use or disclosure of PHI or PI, or potential loss of confidential data within 24 hours, | While we were unable to meet the reporting deadline in this instance, we were able to identify a process improvement for these events. The RLS safety reporting system is used to notify us of privacy events. Members will be reviewed for their insurance status to determine if notification is required to meet reporting deadlines.   In addition, we modified the Privacy Breach | • Report of Privacy Event.msg<br>• CPM 11-100 Privacy Breach Reporting.pdf | 06/01/2020 | **02/25/21** - The following documentation supports the MCP's efforts to correct this finding:<br><br> - Updated P&P, "CPM 11-100: Privacy Breach Reporting" (February 2021), which has been amended to clarify contractual requirements. (Section 3.8.5)<br><br> - The MCP's written response (02/25/21) affirmed that the Plan utilizes an online Safety Reporting |

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| nor did the Plan submit the "DHCS Privacy Incident Report" within 72 hours of discovery. Lastly, the Plan provided the complete "DHCS Privacy Incident Report" to the DHCS Privacy Officer within ten-working-days of discovery, but not to the Program Contract Manager and Information Security Officer. | Reporting policy, CPM 11-100, to provide additional direction for our teams regarding health plan reporting (See section 3.8). The policy provides the necessary guidance to ensure our Plan will be compliant with timelines and appropriate contacts for any applicable notifications.<br><br>Although we did not meet the timeline in this event, it was determined this was not a reportable privacy breach to CKC. (Reference additional documentation for confirmation.) | | | System (SRS) to document suspected and/or confirmed incidents. The Compliance Department also utilizes a calendaring system to ensure that Rady Children's meets its reporting deadlines.<br><br>The Plan is not aware of any suspected or confirmed incidents to report for the period of 09/01/20 through 02/15/21.<br><br>**02/26/21** - The following additional documentation submitted supports the MCP's subsequent efforts to correct this find:<br><br>- The MCP's written response (02/26/21) assures the oversite of the reporting processes. The MCP will incorporate additional monitoring tools to oversee the existing SRS system.<br><br>- Sample report, "Tracking Tool Breaches and Security Incidents" as evidence of MCP's monitoring its notifications to DHCS of suspected |

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| | | | | security incidents and breaches.<br><br>**This finding is closed.** |
| **5. Quality Management** | | | | |
| **5.2.1  New Provider Training**<br><br>The Plan did not train new providers within the contractual timeframe. | Our plan has updated and enhanced our current process to ensure that all providers receive new provider training within ten-working-days after being placed on active status. This process has since been implemented and includes an updated collection workflow, tracker, and a new attestation monthly reporting template for Plan oversight. Please reference the additional documentation provided for further detail. | • CKC New Provider Training Attestation Collection Workflow.jpg<br>• New Provider Mcal Training Tracker.xlsx<br>• Rady Children's New Provider Training Attestation Outreach Report.docx | 01/01/2021 | **4/20/21:** The following documentation supports the MCP's efforts to correct this finding:<br><br>-The CKC New Provider Training Attestation Collection Workflow demonstrates the MCP's roles and responsibilities for new provider training, monitoring and reporting requirements.  It clearly outlines the workflow process of the MCP.<br><br>-The New Provider Medi-Cal Training Tracker as evidence the MCP is tracking the active date, training date and outreach attempts for the onboarding of new providers to ensure new providers receive required training within the 10 working day requirement.<br>-A New Provider Training Attestation Outreach Report that demonstrates |

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| | | | | the MCP is tracking and collecting all completed attestations.

-Revised Policy CKC-061: "The Provider Education & Compliance Monitoring" which outlines the MCP training protocols, including in-person training and distribution of the provider manual, plan policies, and member handbook. Additional training on use of MCP electronic portals and website navigation is also provided. The MCP has a course of action for non-compliant providers.

**This finding is closed.** |

**Submitted by: Jacob Veigel**
**Date: 2/5/2021**
**Title: Project Manager, ISD**