

MEDICAL REVIEW – NORTH I SECTION
AUDITS AND INVESTIGATIONS
DEPARTMENT OF HEALTH CARE SERVICES

REPORT ON THE MEDICAL AUDIT OF

KP Cal, LLC
Kaiser Permanente GMC

Contract Number: 07-65849 Sacramento
09-89159 San Diego

Audit Period: September 1, 2016
Through
August 31, 2017

Report Issued: March 26, 2018

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	EXECUTIVE SUMMARY	2
III.	SCOPE/AUDIT PROCEDURES	4
IV.	COMPLIANCE AUDIT FINDINGS	
	Category 2 – Case Management and Coordination of Care	6
	Category 3 – Access and Availability of Care	15
	Category 4 – Member Rights	18
	Category 5 – Quality Management	21

I. INTRODUCTION

Kaiser Foundation Health Plan, Inc. (KFHP) obtained its Knox-Keene license in November 1977 and contracted with the Department of Health Care Services (DHS at the time) in 1994 as a Geographic Managed Care (GMC) plan to provide health care services to Medi-Cal beneficiaries in the GMC counties of Sacramento and San Diego.

In 2005 KP Cal, LLC was created and licensed as a Knox-Keene plan to hold Kaiser's GMC Contracts and DHCS transferred the GMC Contracts to KP Cal, LLC. At that time KP Cal, LLC and KFHP entered into a management and administrative services agreement to delegate administrative and operational functions such as quality improvement, grievances, and appeals to KFHP. These two entities also entered into a health services agreement to provide health care services to KP Cal, LLC members through KFHP's network of providers and medical centers. KFHP offers a comprehensive health care delivery system including physicians, medical centers, hospitals, laboratories, and pharmacies.

KFHP divides its operations into Northern California (NCAL) and Southern California (SCAL) Regions, with corresponding responsibilities for the Sacramento and San Diego GMC Contracts. The Sacramento GMC service area includes Amador, El Dorado, Placer and Sacramento counties and members who were either previously enrolled or family-linked with Kaiser in the last twelve months. The San Diego GMC service area includes San Diego County and members who were either previously enrolled or family-linked with Kaiser in the last twelve months.

As of August 2017, KFHP's total direct GMC Contract membership was approximately 144,511. Medi-Cal membership composition was 92,164 for GMC Sacramento and 52,347 for GMC San Diego.

The scope of this review is the directly contracted GMC Medi-Cal population, excluding the Seniors and Persons with Disabilities (SPD).

II. EXECUTIVE SUMMARY

This report presents the audit findings of the Department of Health Care Services (DHCS) medical audit for the period of September 1, 2016 through August 31, 2017. The onsite review was conducted from October 9 through October 13, 2017. The audit consisted of document review, verification studies, and interviews with Plan representatives.

An Exit Conference was held on February 7, 2018 with the Plan. The Plan was allowed 15 calendar days from the date of the Exit Conference to provide supplemental information addressing the draft audit report findings. The Plan submitted a response after the exit conference. The results of our evaluation of the Plan's response are reflected in this report.

The audit evaluated six categories of performance: Utilization Management (UM), Case Management and Coordination of Care, Access and Availability of Care, Member Rights, Quality Management (QI), and Administrative and Organizational Capacity.

The prior DHCS medical audit (for the period of September 1, 2015 through August 31, 2016 with onsite review conducted from September 26, 2016 through October 7, 2016) was issued on March 2, 2017. This audit examined documentation for compliance and to determine to what extent the Plan has implemented their CAP.

Findings denoted as repeat findings are uncorrected deficiencies substantially similar to those identified in the previous audit. Ongoing findings are those for which significant corrective action has been initiated but not fully implemented.

This is a combined report for both Sacramento GMC Contract and Diego GMC Contract. Common findings and recommendations are reported under **Sacramento** and **San Diego GMC**. Unique findings and recommendations are specified as either **Sacramento GMC** or **San Diego GMC**.

The summary of the findings by category follows:

Category 2 – Case Management and Coordination of Care

The Contract requires that Initial Health Assessments (IHAs) include the status of currently recommended preventive services for adult members. The Plan is required to ensure the delivery of all preventive services, provide training on a continuing basis and have written procedures requiring providers to include and document all components of the IHA. The Contract requires the Plan to adhere to the U.S. Preventive Services Task Force (USPSTF) recommendations for providing preventive screening, testing and counseling services and that the status of current recommended services be documented.

The Plan did not ensure adult IHAs included documentation showing the status of USPSTF “A” and “B” preventive recommendations and that its written procedures and provider training require compliance with this requirement in both the Sacramento and San Diego GMC lines of business.

The Plan is required to provide an approved Behavioral Health Treatment (BHT) plan that clearly identifies a crisis plan. The Plan’s BHT plans did not contain a crisis plan in the San Diego GMC line of business. Members were instructed to go to the nearest emergency room in the case of a medical or behavioral crisis.

Category 3 – Access and Availability of Care

Category 3 covers procedures for members to obtain routine, urgent and specialty appointments. The Contract states that a member must be offered a non-urgent primary care appointment within 10 business days of request. The Plan’s 2017 provider manual for the Sacramento GMC line of business was not in compliance with the timely access standards by stating that new patient visits must be offered within 30 business days.

The Plan is required to provide a printed provider directory upon request. The provider directory needs to include the complete provider information and whether the provider is accepting new patients. The Plan did not have a complete printed provider directory available to members in both the Sacramento and San Diego GMC lines of business.

Category 4 – Member Rights

Category 4 includes requirements for appropriate handling and reporting of protected health information. The Plan did not notify DHCS within 24 hours of the discovery of all suspected security incidents involving protected health information. The Plan did not submit to DHCS the Privacy Incident Report within 72 hours of discovery or the complete report within 10 working days. This applied to the San Diego GMC line of business.

Category 5 – Quality Management

The Plan did not implement a process to provide new provider training for non-physician providers within 10 working days after being placed on active status for both the Sacramento and San Diego GMC lines of business.

III. SCOPE/AUDIT PROCEDURES

SCOPE

This audit was conducted by the DHCS Medical Review Branch to ascertain that the medical services provided to Plan members comply with federal and state laws, Medi-Cal regulations and guidelines, and the State Contracts.

PROCEDURE

The on-site review was conducted from October 9, 2017 through October 13, 2017 at Kaiser Permanente's regional office in Oakland, California. The audit included a review of the Plan's policies for providing services, the procedures used to implement the policies, and verification studies of the implementation and effectiveness of the policies. Documents were reviewed and interviews were conducted with Plan administrators and staff.

Prior findings for areas not reviewed in the 2017 audit will be reviewed in a future audit.

The following verification studies were conducted:

Category 1 - Utilization Management

Prior Authorization Requests: 30 (15 Sacramento GMC and 15 San Diego GMC) medical prior authorization files were reviewed for timeliness, consistent application of criteria, and appropriate review. No medications require prior authorization under the Kaiser Utilization Management Program.

Appeal Procedures: 17 (7 Sacramento GMC and 10 San Diego GMC) appeals of denied grievances were reviewed for appropriate and timely adjudication.

Category 2 – Case Management and Coordination of Care

IHA: 26 medical records (11 Sacramento GMC and 15 San Diego GMC) were reviewed to confirm coordination of care and fulfillment of IHA requirements.

BHT: 31 medical records: (16 Sacramento GMC and 15 San Diego GMC) were reviewed to confirm coordination of care and fulfillment of Behavioral Health Treatment (BHT) requirements.

Non-Medical Transportation: 19 medical records: (10 Sacramento GMC and 9 San Diego GMC) were reviewed to confirm compliance with the Non-Medical Transportation requirements.

Non-Emergency Medical Transportation: 31 medical records (15 Sacramento GMC and 16 San Diego GMC) were reviewed to confirm compliance with the Non-Emergency Medical Transportation requirements.

Category 4 – Member Rights

Grievance procedures: 34 statewide grievances were reviewed for timely resolution, response to complainant, and submission to the appropriate level for review.

Confidentiality Rights: 9 Health Insurance Portability and Accountability Act (HIPAA)/Protected Health Information (PHI) breach and security incidents (4 Sacramento GMC and 5 San Diego GMC) were reviewed for processing and reporting requirements.

Category 5 – Quality Management

Provider Training: 20 new provider training records (10 Sacramento GMC and 10 San Diego GMC) were reviewed for the timeliness of Medi-Cal Managed Care program training.

Category 6 – Administrative and Organizational Capacity

Fraud and Abuse: 9 fraud and abuse cases (4 Sacramento GMC and 5 San Diego GMC) were reviewed for processing and reporting requirements.

A description of the findings for each category is contained in the following report.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

CATEGORY 2 – CASE MANAGEMENT AND COORDINATION OF CARE

2.4

INITIAL HEALTH ASSESSMENT

Initial Health Assessment:

Provision of IHA / IHEBA to Each New Member

Contractor shall cover and ensure the provision of an IHA (comprehensive history and physical examination) in conformance with 22 CCR 53851(b), 53902(m), and 53910.5(a)(1) to each new Member within timelines stipulated in Provision 5 and Provision 6. An IHA consists of a comprehensive history and physical examination and the Individual Health Education Behavioral Assessment (IHEBA) that enables a provider of primary care services to comprehensively assess the Member's current acute, chronic and preventive health needs and identify those Members whose health needs require coordination with appropriate community resources and other agencies for services not covered under this contract.

GMC Contract Exhibit A.10

MMCD Policy Letter *Initial Comprehensive Health Assessment* 08-003

MMCD Policy Letter *Requirements for SHA/IHEBA* 13-001

Provision of IHAs for Adults, Age 21 and older

Contractor shall cover and ensure that an IHA for adult Members is performed within 120 calendar days of enrollment. Contractor shall ensure that the performance of the initial comprehensive history and physical exam for adults includes, but is not limited to:

- 1) A comprehensive history including, but not limited to, mental and physical systems, and social and past medical history.
- 2) Status of currently recommended preventive services.
- 3) Comprehensive physical and cognitive exam sufficient to assess and diagnose acute and chronic conditions.
- 4) Diagnoses and plan of care including follow-up activities.

GMC Contract Exhibit A.10.6.A

MMCD Policy Letter *Initial Comprehensive Health Assessment* 08-003

Plans must adhere to the current edition of the Guide to Clinical Preventive Services of the US Preventive Services Task Force (USPSTF), specifically USPSTF "A" and "B" recommendations for providing preventive screening, testing and counseling services.

Status of current recommended services must be documented.

MMCD Policy Letter *Initial Comprehensive Health Assessment* 08-003

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

Preventive Services – Adults 21 and Older

Contractor shall cover and ensure the delivery of all preventive services and Medically Necessary diagnostic and treatment services for adult Members. 1) Contractor shall ensure that the latest edition of the Guide to Clinical Preventive Services published by the U.S. Preventive Services Task Force (USPSTF) is used to determine the provision of clinical preventive services to asymptomatic, healthy adult Members [age 21 or older]. All preventive services identified as USPSTF “A” and “B” recommendations must be provided...As a result of the IHA or other examination, discovery of the presence of risk factors or disease conditions will determine the need for further follow-up, diagnostic, and/or treatment services. In the absence of the need for immediate follow-up, the core preventive services identified in the requirements for the IHA for adults described above shall be offered in the frequency required by the USPSTF Guide to Clinical Preventive Services.

GMC Contract Exhibit A.10.6 B.

Follow-up Services

Contractor is responsible for assuring that arrangements are made for follow-up services and plan of care that reflect the findings and risk factors determined during the IHA.

GMC Contract Exhibit A.10.8.C

Policies and Procedures

Contractor is responsible for submitting policies and procedures for ensuring the provision of the initial health assessment (IHA) and the individual health education behavioral assessment (IHEBA).

GMC Contract Exhibit A.18

Required Written Procedures

All Plans must have written procedures for documentation of IHA, monitoring, scheduling appointments, promotion of IHA completion rate via mechanisms such as quality improvement strategies and training of providers, and informing members about the importance of IHAs, timelines and processes for scheduling and conducting IHAs.

MMCD Policy Letter *Initial Comprehensive Health Assessment* 08-003

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

SUMMARY OF FINDING(S):

Sacramento GMC

2.4.1 Adult preventive services for Initial Health Assessment

The Contract requires that an Initial Health Assessment (IHA) for adult Members is performed within 120 calendar days of enrollment. An IHA includes status of currently recommended preventive services. The Plan shall cover and ensure the delivery of all preventive services and medically necessary diagnostic and treatment services for adult members. (*Contract, Exhibit A, Attachment 10, 5(A) and (B)*)

The Plan must adhere to the current edition of the *Guide to Clinical Preventive Services* of the United States Preventive Services Task Force (USPSTF), specifically, USPSTF “A” and “B” recommendations for providing preventive screening, testing and counseling services. Status of current recommended services must be documented. All preventive services identified as USPSTF “A” and “B” recommendations must be provided. (*Contract A11, Exhibit A, Attachment 10(6) (B) (1) and Policy Letter 08-003*)

The Plan shall ensure all appropriate staff receive training on a continuing basis regarding evidence-based practice guidelines. The Plan must have written procedures and must provide training requiring providers to include and document all components of the IHA. (*Contract A05, Exhibit A, Attachment 7, 5(B) and Policy Letter 08-003*)

The Plan did not ensure IHAs included documentation showing the status of USPSTF A” and “B” preventive recommendations and that written procedures and provider training required compliance with this requirement.

Plan policy 1035, *GMC Initial Health Assessment and Initial Health Education and Behavioral Assessment (IHA/IHEBA)*, Clinical Practice Guidelines, provider manual, and provider training did not require compliance with the requirements to provide preventive services according to the current edition of the USPSTF Guide to Clinical Preventive Services, specifically “A” and “B” level guidelines.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

As part of their Corrective Action Plan for the same finding last year, the Plan developed Clinical Practice Guidelines (CPGs) for adult preventive care services. CPGs were distributed through provider communications that were used to inform and advise Plan providers of adult preventive care services guidelines. However, the Plan did not require providers to follow the CPGs. The Plan asserted that USPSTF “A” and “B” recommendations were guidelines and were not mandatory. Providers were expected to use their clinical judgment and experience to assess members’ needs related to preventive services. The Plan explained that their electronic medical record system prompts practitioners when there were preventive care gaps but that not all of the required “A” and “B” preventive services appeared as prompts to providers in the electronic medical record system.

Eleven adult member medical records were reviewed in a verification study to determine if the Plan’s providers were consistently incorporating USPSTF “A” and “B” recommended services into adult IHAs and documenting the status of those services. Review of 11 member records revealed that documented evidence of age appropriate screenings were missing as follows: 8 colorectal cancer, 6 Hepatitis C, and 11 HIV. Records for four members who met the risk category for lung cancer did not contain documented evidence that the USPSTF “B” level lung cancer preventive service was performed. Records for members whose date of birth (1945-1965) places them in a category for one-time hepatitis C screening, did not contain evidence that screenings were completed.

When the Plan’s IHA policies, Clinical Practice Guidelines, provider manuals, and provider trainings are not in compliance with preventive services requirements, members may not receive important health screening that can help identify and prevent illnesses, improve member’s health, and reduce the need for medical treatment.

This is an ongoing finding.

San Diego GMC

2.4.1 Adult preventive services for Initial Health Assessment

The Contract requires that an Initial Health Assessment (IHA) for adult Members is performed within 120 calendar days of enrollment. An IHA includes status of currently recommended preventive services. The Plan shall cover and ensure the delivery of all preventive services and medically necessary diagnostic and treatment services for adult members. (*Contract, Exhibit A, Attachment 10, 5(A) and (B)*)

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

The Plan must adhere to the current edition of the *Guide to Clinical Preventive Services* of the United States Preventive Services Task Force (USPSTF), specifically, USPSTF “A” and “B” recommendations for providing preventive screening, testing and counseling services. Status of current recommended services must be documented. All preventive services identified as USPSTF “A” and “B” recommendations must be provided. (*Contract A06, Exhibit A, Attachment 10(6) (B) (1) and Policy Letter 08-003*)

The Plan shall ensure all appropriate staff receive training on a continuing basis regarding evidence-based practice guidelines. The Plan must have written procedures and must provide training requiring providers to include and document all components of the IHA. (*Contract A03, Exhibit A, Attachment 7, 5(B) and Policy Letter 08-003*)

The Plan did not ensure IHAs included documentation showing the status of USPSTF A” and “B” preventive recommendations and that written procedures and provider training required compliance with this requirement.

Plan policy *SC.HPHO.013, Initial Health Assessment and Initial Health Education and Behavioral Assessment*, Clinical Practice Guidelines, provider manual, and provider training did not require compliance with the requirements to provide preventive services according to the current edition of the USPSTF Guide to Clinical Preventive Services, specifically “A” and “B” level guidelines.

As part of their Corrective Action Plan for the same finding last year, the Plan developed Clinical Practice Guidelines (CPGs) for adult preventive care services. CPGs were distributed through provider communications that were used to inform and advise Plan providers of adult preventive care services guidelines. However, the Plan did not require providers to follow the CPGs and that USPSTF “A” and “B” recommendations were guidelines and were not mandatory. Providers were expected to use their clinical judgment and experience to assess members’ needs related to preventive services. The Plan explained that their electronic medical record system prompts practitioners when there were preventive care gaps but that not all of the required “A” and “B” preventive services appeared as prompts to providers in the electronic medical record system.

The review of 15 adult member medical records revealed 14 did not include Hepatitis C infection screening. USPSTF recommends offering one-time screening for Hepatitis C virus (HCV) to adults born between 1945 and 1965.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

When the Plan's IHA policies, *Clinical Practice Guidelines (CPGs)*, provider manuals and provider training are not in compliance with preventive services requirements, members may not receive important health screening that can help identify and prevent illnesses, improve member's health, and reduce the need for medical treatment.

This is an ongoing finding.

RECOMMENDATION(S):

Sacramento GMC

- 2.4.1** Develop and implement written procedures and training requiring providers to include and document all components of an IHA, including USPSTF "A" and "B" recommended preventive care services.

San Diego GMC

- 2.4.1** Develop and implement written procedures and training requiring providers to include and document all components of an IHA, including USPSTF "A" and "B" recommended preventive care services.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

2.6

BEHAVIORAL HEALTH TREATMENT

Services for Members under Twenty-One (21) Years of Age

Contractor shall ensure the provision of Early and Periodic Screening, Diagnosis and Treatment (EPSDT) services and EPSDT Supplemental Services for Members under 21 years of age, including those who have special health care needs. Contractor shall inform Members that EPSDT services are available for Members under 21 years of age, provide comprehensive screening and prevention services, (including, but not limited to, a health and developmental history, a comprehensive physical examination, appropriate immunizations, lab tests, and lead toxicity screening), and provide treatment for all medically necessary services.

GMC Contract E.A.10.5

ALL PLAN LETTER 15-025 Responsibilities for Behavioral Health Treatment Coverage for Children Diagnosed with Autism Spectrum Disorder

The MCP is responsible for the provision of EPSDT supplemental services to include medically necessary Behavioral Health Treatment (BHT) services such as Applied Behavior Analysis (ABA) and other evidence-based behavioral interventions that develop or restore, to the maximum extent practicable, the functioning of a member with Autism Spectrum Disorder (ASD). The MCP must ensure all children, including children with ASD, receive EPSDT screenings designed to identify health and developmental issues, including ASD, as early as possible. When a screening exam indicates the need for further evaluation of a child's health, the child must be referred for medically necessary diagnosis and treatment without delay. The MCP is required to:

1. Inform members that EPSDT services are available for members under 21 years of age
2. Provide access to comprehensive screening and prevention services in accordance with the most current Bright Futures periodicity schedule
3. Provide access to comprehensive diagnostic evaluation based upon recommendation of a licensed physician and surgeon or a licensed psychologist for treatment of ASD including all medically necessary services, including but not limited to, BHT services
5. Ensure appropriate EPSDT services are initiated in accordance with timely access standards as set forth in the contract
6. Ensure coverage criteria for BHT are met.

For individuals diagnosed with ASD who are under the age of three with a rule out or provisional ASD diagnosis, or those diagnosed with an intellectual disability, the MCP must ensure appropriate referrals are made to the Regional Center and Special Education Local Plan Area (SELPA) for Regional Center services and supports and/or special education services, respectively.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

MCP Approved Treatment Plan

MCPs must ensure that BHT services are medically necessary and are provided and supervised under an MCP-approved behavioral treatment plan developed by a contracted (or other form of agreement between the MCP and provider) and MCP-credentialed “qualified autism service provider,” as defined by H&S Code Section 1374.73(c)(3) and the MCQMD ALL PLAN LETTER 15-025, Responsibilities for Behavioral Health Treatment Coverage for Children Diagnosed with Autism Spectrum Disorder.

BHT services must be provided under a behavioral treatment plan that has measurable goals over a specific timeline for the specific beneficiary being treated and developed by a qualified autism service provider. The behavioral treatment plan must be reviewed, revised and/or modified no less than once every six months by a qualified autism service provider.

Continuity of Care (APL 15-025)

MCPs must ensure continuity of care in accordance with existing contract requirements, ALL PLAN LETTER 15-025, and Health & Safety Code Section 1373.96 for the provision of BHT services.

Delegation Oversight (APL 15-025)

The MCP must ensure that delegates comply with all applicable state and federal laws and regulations, contract requirements, and DHCS guidance, including APLs for the provision of BHT services

SUMMARY OF FINDING(S):

San Diego GMC

2.6.1 Behavioral Health Treatment Crisis Plan

The Plan shall cover medically necessary Behavioral Health Treatment (BHT) services as defined in the federally approved State Plan, and in accordance with Health and Safety Code sections 1374.72 and 1374.73, 28 California Code of Regulations 1300.74.72, APL 15-019, and APL 15-025 to the extent that they are consistent with the State Plan. (*Contract A11, Exhibit A, Attachment 10 (5) (F)*)

BHT services must be provided, observed, and directed under a behavioral treatment plan that is developed by a professional autism clinician. The treatment plan must be approved by the managed care plan and, among other requirements, must clearly identify a crisis plan. (*All Plan Letter 15-025*)

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

The Plan's behavioral health treatment plan did not contain a crisis plan. A crisis plan identifies evidence-based behavioral interventions individualized to help manage the expression of crisis in a child who is diagnosed with Autism Spectrum Disorder. The review of 15 BHT plans revealed that nine did not contain a crisis plan. During interviews, the Plan confirmed treatment plans did not include a review of all the required elements. The Plan stated that crisis plans were not documented but that in the case of a crisis, the recommendation as with any medical or behavioral crisis would be to go to the emergency room.

When individualized crisis plans specific to the child's behaviors are not developed, members may not receive appropriate crisis care specific for their autism spectrum disorder. This may lead to patient harm.

RECOMMENDATION(S):

San Diego GMC

- 2.6.1** Develop procedures to ensure that individualized crisis plans are included in the member's behavioral treatment plans.

❖ **COMPLIANCE AUDIT FINDINGS (CAF)** ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

CATEGORY 3 – ACCESS AND AVAILABILITY OF CARE

3.1

APPOINTMENT PROCEDURES AND MONITORING WAITING TIMES

Appointment Procedures:

Contractor shall implement and maintain procedures for Members to obtain appointments for routine care, urgent care, routine specialty referral appointments, prenatal care, children’s preventive periodic health assessments, and adult initial health assessments. Contractor shall also include procedures for follow-up on missed appointments.

GMC Contract A.9.3.A

Members must be offered appointments within the following timeframes:

3) Non-urgent primary care appointments – within ten (10) business days of request;

4) *Appointment with a specialist – within 15 business days of request;*

GMC Contract A.9.4.B.

Prenatal Care:

Contractor shall ensure that the first prenatal visit for a pregnant Member will be available within two (2) weeks upon request.

GMC Contract A.9.3.B

Monitoring of Waiting Times:

Contractor shall develop, implement, and maintain a procedure to monitor waiting times in the providers’ offices, telephone calls (to answer and return), and time to obtain various types of appointments...

GMC Contract A.9.3.C

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

SUMMARY OF FINDING(S):

Sacramento GMC

3.1.1 Primary care appointment standard

Members must be offered non-urgent primary care appointments within ten business days of request. (*Contract, Exhibit A, Attachment 9 (4) (B) (3)*) Plan policy *Oversight & Monitoring for Access and Availability* stated that non-urgent appointments for primary care must be offered within 10 business days. The Plan's 2017 provider manual incorrectly stated that new patient primary care visits must be offered within 30 business days instead of the required 10 business days. Review of the draft 2018 provider manual revealed that the plan has removed all language pertaining to "New patient visit" and appointment timeframe of 30 business days. However, the 2018 provider manual will not be distributed until January 1, 2018 since provider manuals are not updated until the last quarter of each year.

When providers are not informed of the correct appointment timeframes, members may experience delay in care.

This is an ongoing finding.

Sacramento GMC and San Diego GMC

3.1.2 Printed Provider Directory

The Plan is required to allow members, potential members, providers, and members of the public to request a printed copy of the provider directory or directories by contacting the plan through the plan's toll-free telephone number, electronically, or in writing. The provider directory should include the provider's name, practice location or locations, and contact information, type of practitioner, National Provider Identifier number, California license number and type of license, the area of specialty, including board certification, if any; the provider's office email address, if available, the name of each affiliated provider group currently under contract with the plan through which the provider sees enrollees. (*Health & Safety Code, Section 1367.27(d) (h) (1) (2)*)

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

The Plan did not have a complete printed provider directory available to members. The DHCS prior year audit found that the Plan's printed provider directory did not include Plan-employed physicians and complete information regarding contracted or affiliated providers. The Plan maintained a separate Guidebook for each service area. Information for contracted providers listed in the Guidebooks did not include the national provider identifier number, California license number, type of license and whether the contracted provider was accepting new patients. As a corrective action plan, the Plan started working on a draft provider directory that contained the required information. However, the Plan indicated that there are additional aspects of the printed provider directory, which need to be completed in order to be available for members. The Plan is working towards a completion date of end of last quarter of 2017.

If the Plan does not provide an accessible printed provider directory, members with no internet access would not be able to find the full network of providers that are available to them.

This is an ongoing finding.

RECOMMENDATION(S):

Sacramento GMC

- 3.1.1** Develop and implement a process to Inform providers of changes to primary care appointment standard timely.

Sacramento GMC and San Diego GMC

- 3.1.2** Develop and implement a complete provider directory in print to members upon request.

❖ **COMPLIANCE AUDIT FINDINGS (CAF)** ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

CATEGORY 4 – MEMBER RIGHTS

4.3

CONFIDENTIALITY RIGHTS

Health Insurance Portability and Accountability Act (HIPAA) Responsibilities:

Business Associate agrees:

Safeguards. To implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the PHI, including electronic PHI, that it creates, receives, maintains, uses or transmits on behalf of DHCS, in compliance with 45 CFR sections 164.308, 164.310 and 164.312, and to prevent use or disclosure of PHI other than as provided for by this Agreement. Business Associate shall implement reasonable and appropriate policies and procedures to comply with the standards, implementation specifications and other requirements of 45 CFR section 164, subpart C, in compliance with 45 CFR section 164.316....
GMC Contract G.III.C.2

Breaches and Security Incidents. During the term of this Agreement, Business Associate agrees to implement reasonable systems for the discovery and prompt reporting of any breach or security incident, and to take the following steps:

1. **Notice to DHCS.** (1) To notify DHCS **immediately by telephone call plus email or fax** upon the discovery of a breach of unsecured PHI or PI in electronic media or in any other media if the PHI or PI was, or is reasonably believed to have been, accessed or acquired by an unauthorized person, or upon the discovery of a suspected security incident that involves data provided to DHCS by the Social Security Administration. (2) To notify DHCS **within 24 hours by email or fax** of the discovery of any suspected security incident, intrusion or unauthorized access, use or disclosure of PHI or PI in violation of this Agreement and this Addendum, or potential loss of confidential data affecting this Agreement. A breach shall be treated as discovered by Business Associate as of the first day on which the breach is known, or by exercising reasonable diligence would have been known, to any person (other than the person committing the breach) who is an employee, officer or other agent of Business Associate.
2. **Investigation and Investigation Report.** To immediately investigate such security incident, breach, or unauthorized access, use or disclosure of PHI or PI. Within 72 hours of the discovery, Business Associate shall submit an updated "DHCS Privacy Incident Report" containing the information ...to the extent known at that time, to the DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer:

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

- 3. Complete Report.** To provide a complete report of the investigation to the DHCS Program Contract Manager, the DHCS Privacy Officer, and the DHCS Information Security Officer within ten (10) working days of the discovery of the breach or unauthorized use or disclosure.

GMC Contract G.III.J

SUMMARY OF FINDING(S):

San Diego GMC

4.3.1 Breach Incident Reporting Time frames

The Plan is required to notify DHCS immediately by telephone call plus e-mail or fax upon the discovery of breach of security of Protected Health Information (PHI) in computerized form if the PHI was, or is reasonably believed to have been, acquired by an unauthorized person; or within 24 hours by e-mail or fax of any suspected security incident, intrusion or unauthorized use or disclosure of PHI in violation or potential loss of confidential data affecting this Contract. The Plan is required to immediately investigate such security incident, breach, or unauthorized use or disclosure of PHI or confidential data. The Plan is required to immediately investigate breach incidents and provide investigative reports to DHCS within 72 hours of the discovery. The Plan is required to notify the DHCS MMCD Contracting Officer, the DHCS Privacy Officer, and the DHCS Information Security Officer. (*Contract, Exhibit G (3) (H) (1) and (2)*)

The Plan is required to notify DHCS immediately upon discovery of breach or suspected breach by telephone and within 10 working days submit a written report that will address the elements stated in Provision 3(H)(2). (*All Plan Letter 09-014*)

Plan policy *SC.RCO.PS.025 Notifications Regarding Breaches of Protected Health Information* states the Plan will notify DHCS immediately by telephone call plus e-mail or fax upon the discovery of breach, submit an updated DHCS Privacy Incident Report (PIR) within 72 hours of the discovery, provide a complete report of the investigation within 10 working days to the DHCS Program Contract Manager, the DHCS Privacy Officer and the DHCS Information Security Officer.

The Plan did not meet the requirements for breach notification. The DHCS prior year audit found that the Plan did not immediately report breach incidents and did not submit investigation reports within 72 hours of the discovery. As a corrective action plan (CAP), the Plan developed a tool to summarize the HIPAA notification requirements.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

A review of five breach incident records revealed that three incidents occurred prior to the Corrective Action Plan implementation. Two of the breach incidents occurred after the CAP implementation. Neither of the two incidents met the DHCS reporting timeframe of 24 hours for notification of the discovery of a suspected security incidents involving protected health information, 72 hours for privacy incident report submission, and 10 working days for the complete report submission. For example, a suspected HIPAA incident was discovered on 6/9/2017 but not reported to DHCS until 6/26/17, 17 days later.

During an interview, Plan staff explained the delay in notifying DHCS was due to their process of verifying Medi-Cal membership prior to reporting incidents to DHCS. The Plan intends to change this process to report HIPAA incidents as soon as they are discovered.

If the Plan does not report potential breaches timely, member confidential information may be jeopardized.

This is a repeat finding.

RECOMMENDATION(S):

San Diego GMC

- 4.3.1** Develop and implement procedures to ensure breach incident notification, investigation, and reporting is completed within the required timeframes.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

CATEGORY 5 – QUALITY MANAGEMENT

5.2

PROVIDER TRAINING

Provider Training:

Contractor shall ensure that all providers receive training regarding the Medi-Cal Managed Care program in order to operate in full compliance with the Contract and all applicable Federal and State statutes and

regulations. Contractor shall ensure that provider training relates to Medi-Cal Managed Care services, policies, procedures and any modifications to existing services, policies or procedures. Training shall include methods

for sharing information between Contractor, provider, Member and/or other healthcare professionals. Contractor shall conduct training for all providers within 10 working days after the Contractor places a newly contracted provider on active status...Contractor shall ensure that ongoing training is conducted when deemed necessary by either the Contractor or DHCS.

GMC Contract A.7.5

Disciplinary Actions:

Contractor shall implement and maintain a system for the reporting of serious quality deficiencies that result in suspension or termination of a practitioner to the appropriate authorities. Contractor shall implement and maintain policies and procedures for disciplinary actions including reducing, suspending, or terminating a practitioner's privileges. Contractor shall implement and maintain a provider appeal process.

GMC Contract A.4.12.D

SUMMARY OF FINDING(S):

Sacramento and San Diego GMC

5.2.1 Training for newly contracted non-physician providers

The Plan is required to conduct training for all new providers (physician & non-physician) within 10 working days after the Plan places a newly contracted provider on active status. (*Contract, Exhibit A, Attachment 7 (5) (A)*)

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

The Contract defines a provider as a physician, nurse, technician, teacher, researcher, hospital, home health agency, nursing home, or any other individual or institution that contracts with the Plan to provide medical services to members. (*Contract, Exhibit E, Attachment 1, Definitions*)

The Plan did not implement a process to provide new provider training for non-physician providers within 10 working days. The prior DHCS audit found that the Plan did not provide training for physicians and non-physician providers. As a corrective action plan, the Plan created an online training system for physicians. However, the Plan stated that they were not yet able to provide training for new non-physician providers since the additional training process would need to be approved by the employees' union. The Plan expects to implement the changes by first quarter of 2018.

The Plan cannot ensure that new non-physician providers operate in full compliance with the Contract and applicable regulations without proper new provider training. If the Plan does not ensure new provider training is completed, it cannot ensure that providers will be compliant with contractual requirements.

This is a repeat finding.

RECOMMENDATION(S):

Sacramento and San Diego GMC

- 5.2.1** Implement procedures to ensure all new non-physician providers receive new provider training within 10 working day after the Plan places a newly contracted provider on active status.

MEDICAL REVIEW – NORTH I SECTION
AUDITS AND INVESTIGATIONS
DEPARTMENT OF HEALTH CARE SERVICES

REPORT ON THE MEDICAL AUDIT OF

KP Cal, LLC
Kaiser Permanente GMC

Contract Number: 07-65850 Sacramento
09-86160 San Diego

State Supported Services

Audit Period: September 1, 2016
Through
August 31, 2017

Report Issued: March 26, 2018

TABLE OF CONTENTS

I. INTRODUCTION1

II. COMPLIANCE AUDIT FINDINGS2

INTRODUCTION

This report was created for informational purposes. Department of Health Care Services (DHCS) did not conduct a review of KP Cal, LLC State Supported Services Contract No. 07-65850 for Sacramento GMC and Contract No. 09-86160 for San Diego GMC. The State Supported Services Contracts cover contracted abortion services with KFHP. Prior findings for State Supported Services not reviewed in the 2017 will be reviewed in a future audit.

❖ COMPLIANCE AUDIT FINDINGS (CAF) ❖

PLAN: KP Cal, LLC. – Kaiser Permanente Sacramento and San Diego GMC

AUDIT PERIOD: September 1, 2016 to August 31, 2017

DATE OF AUDIT: October 9, 2017 to October 13, 2017

STATE SUPPORTED SERVICES CONTRACT REQUIREMENTS

Abortion

Contractor agrees to provide, or arrange to provide, to eligible Members the following State Supported Services:

Current Procedural Coding System Codes: 59840 through 59857*

HCFA Common Procedure Coding System Codes: X1516, X1518, X7724, X7726, Z0336*

**These codes are subject to change upon the Department of Health Services' (DHS) implementation of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) electronic transaction and code sets provisions. Such changes shall not require an amendment to this Contract.*

State Supported Services Contract Exhibit A.1

SUMMARY OF FINDING(S):

DHCS did not conduct a review of KP Cal, LLC State Supported Services Contract No. 07-65850 for Sacramento GMC and Contract No. 09-86160 for San Diego GMC.

RECOMMENDATION(S):

N/A.