



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



GAVIN NEWSOM  
GOVERNOR

July 10, 2019

Dale Villani, Chief Executive Officer  
Gold Coast Health Plan  
711 E. Daily Drive, Suite 106  
Camarillo, CA 93010

RE: Department of Health Care Services Medical Audit

Dear Mr. Villani:

The Department of Health Care Services (DHCS), Audits and Investigations Division conducted an on-site Medical Audit of Gold Coast Health Plan, a Managed Care Plan (MCP), from June 4, 2018 through June 14, 2018. The survey covered the period of April 1, 2017 through March 31, 2018.

On July 10, 2019, the MCP provided DHCS with additional information regarding its Corrective Action Plan (CAP) in response to the report originally issued on September 28, 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 Lyubov Poonka at (916) 916-345-7825.

Page 2

Sincerely,

[Signature on file]

Michael Pank, Chief  
Compliance Unit

Enclosures: Attachment A CAP Response Form

cc: Katryna Fific, 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: Gold Coast Health Plan**

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

**Review Period: April 1, 2017 through  
March 31, 2018**

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 which 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.

<b>Deficiency Number and Finding</b>	<b>Action Taken</b>	<b>Supporting Documentation</b>	<b>Implementation Date*</b> <small>(*anticipated or completed)</small>	<b>DHCS Comments</b>
<b>4. Members' Rights</b>				
4.3.1 Timely submission of privacy incident reports	The Plan has worked with our Administrative Services Organization (ASO) on reporting privacy incidents within the time lines of the business associate agreement between the Plan and our			<b>11/28/18</b> - DHCS requested MCP to elaborate on the process established between the MCP and Administrative Services Organization (ASO) and recent results of the monitoring reports.

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* (*anticipated or completed)	DHCS Comments
	<p>ASO. The process established a standard reporting template for the ASO to report privacy incidents that occurs within the ASO's delegated functions for claims, encounters, and call center functions. The process has helped establish that the ASO has maintained timely reporting and providing all the necessary incident mitigation information so that the Plan can fulfill its obligations to file a final "DHCS Privacy Incident Report" within 10 working days of reporting the privacy incident to DCHS.</p> <p>Further, the Plan will notify any business associate of when a privacy incident report is received from the business associate that is outside of the required timelines established by the business associate agreement between the Plan and business associate. The form of notification will depend upon the terms of the contract between the Plan and business</p>			<p><b>12/07/18</b> – The following documentation supports the MCP's efforts to correct this deficiency:</p> <ul style="list-style-type: none"> <li>- The reporting template that is in use with ASO (Conduent) to document incidents that occur within the claim and call center functions they perform for the MCP.</li> <li>- A written response (12/07/18) as evidence MCP began working with their ASO vendor on developing a reporting template to record all relevant information to conduct a privacy incident investigation and also completing the necessary incident mitigation and corrective actions.</li> <li>- "Timely Incident Report" (May 2018 through October 2018) that shows 100% compliance. MCP confirmed that over the last six months for privacy incidents, all of the reported incidents met the established timelines.</li> </ul> <p><b>04/05/19</b> – MCP submitted an update on monitoring of its business</p>

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* (*anticipated or completed)	DHCS Comments
	<p>associate, which would usually take the form of a “non-compliance notification letter” to the business associate. The business associate would then be compelled to respond with either a corrective action plan or other mitigation steps to ensure they comply with the notification time lines in the business associate contract.</p>			<p>associate Conduent. “Timely Incident Report” (November 2018 through March 2019) shows 100% compliance.</p> <p>DHCS provided technical assistance (04/04/19) to MCP regarding P&amp;P HI-020. Even though MCP internal reporting process under Policy HI-020 was not the specific finding from the CAP, as it related to the oversight of the timeliness of the privacy incident reporting by the business associate. The policy lacks (telephone call, etc. language). DHCS recommends MCP make necessary changes and submit to MCOB for approval.</p> <p><b>This finding is closed.</b></p>
<b>6. Administrative and Organizational Capacity</b>				
6.3.1 Notification of Suspended, Excluded, or Terminated Providers	<p>Gold Coast Health Plan (GCHP) has developed and implemented policies to ensure that any suspended, excluded or terminated provider is removed from the network and that these providers no longer receive Medicaid payments.</p>	<p><b>Policy and Procedures PR-XXX</b> Terminated, Suspended, Excluded Providers – <b>DHCS</b></p>		<p><b>11/05/18</b> – The following documentation supports the MCP’s efforts to correct this finding:</p> <ul style="list-style-type: none"> <li>- The MCP developed Policy and Procedure PR-XXX, “Terminated, Suspended, Excluded Providers- DHCS Notification” (Draft). The P&amp;P</li> </ul>

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* (*anticipated or completed)	DHCS Comments
	<p>GCHP has also developed a policy to ensure the safe transition of Medi-Cal members to a new provider. GCHP notifies DHCS of all excluded, suspended, and terminated providers. Policy and Procedures with an XXX are numbered and signed by the CEO once approved by DHCS.</p>	<p><b>Notification;</b></p> <p><b>CL-XXX</b> GCHP Suspended, Terminated Providers;</p> <p><b>HS-XXX</b> Continuity of Care</p> <p><b>MS-006</b> Member Notification of Change in the Availability of Location of Covered Services or Provider Termination</p>		<p>states MCP will notify DHCS Medi-Cal Managed Care Plan and Provider Information Units within 10 working days of suspending, excluding and terminating providers from the MCP's network. MCP will follow protocol and notification requirements for the termination of the network providers in accordance with regulatory requirements.</p> <p>This policy provides protocols outlining the requirements pertaining to the suspension, termination or exclusion of providers from participation in the Medi-Cal program when initiated by the state as well as network provider terminations initiated by the MCP, including ensuring that the above providers no longer receive Medi-Cal payments. MCP will also coordinate the transfer of care for members who are assigned to and/or receiving care from suspended, excluded or terminated providers.</p> <p>P&amp;P PR-XXX, "Terminated, Suspended, Excluded Providers-</p>

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* (*anticipated or completed)	DHCS Comments
				<p>DHCS Notification” approved by MCOB on 01/23/19.</p> <p>- MCP developed Policy and Procedure CL-XXX, “Terminated/Suspended Provider Policy” (Draft). The policy reflects the requirements of the Claims team when notified of a provider suspension or termination by the State. P&amp;P states, MCP will provide documentation to Conduent (Electronic Claims Acquisition Services) at the time of notification of a suspended or terminated provider, to cease payment of any pending claims not yet paid. MCP will direct Conduent to modify the provider’s contract in the system of record according to the procedure outlined in P&amp;P.</p> <p>P&amp;P CL-XXX  “Terminated/Suspended Provider Policy” approved by MCOB on 1/7/19.</p> <p>- MCP developed Policy and Procedure MS-006, “Member Notification of Change in the</p>

Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* (*anticipated or completed)	DHCS Comments
				<p>Availability of Location of Covered Services or Provider Termination” (Revised 06/13/18). The policy defines the process by which the MCP shall notify a member of any significant change in the availability or location of covered services or provider termination.</p> <p>P&amp;P MS-006, “Member Notification of Change in the Availability of Location of Covered Services or Provider Termination” approved by MCOB on 01/02/19.</p> <p><b>01/23/19</b> - MCP submitted Policy and Procedure HS-XXX, “Continuity of Care” (Draft_V3). The policy describes continuity of care for the MCP’s members and commits the MCP to provide for the completion of covered services by a terminated or nonparticipating health plan provider according Health and Safety Code§ 1373.96 and per APL 18-008. The MCP is currently working with DHCS Managed Care Operations Division on policy approval.</p> <p><b>07/10/19</b> - MCP submitted approved</p>



Deficiency Number and Finding	Action Taken	Supporting Documentation	Implementation Date* <small>(*anticipated or completed)</small>	DHCS Comments
				P&P HS-049 "Continuity of Care" (see above 01/23/19, HS-XXX) "Continuity of Care."  <b>This finding is closed.</b>

Submitted by: Dale Villani [Signature on file]  
 Title: CEO

Date: 11/5/2018