AGENDA
COMPLIANCE & QUALITY COMMITTEE MEETING
BOARD OF GOVERNORS
Thursday, November 19, 2020, 2:00 P.M.
L.A. Care Health Plan, 10th Floor, CR 1025, 1055 W. 7th Street, Los Angeles, CA 90017

California Governor issued Executive Order N-25-20 and N-29-20, which, among other provisions, amend the Ralph M. Brown Act. Accordingly, members of the public should now listen to this meeting via teleconference or videoconference as follows:

To listen to the meeting via videoconference please register by using the link below:
https://lacare.webex.com/lacare/onstage/g.php?MTID=e461ed6b1848be8f1db6a2bc5bce9b9c7
Meeting number: 146 483 7127

To listen to the meeting via teleconference please dial:
Dial: 1-213-306-3065
Meeting number: 146 483 7127

Members of the Board of Governors or staff may also participate in this meeting via teleconference. The public is encouraged to submit public comments or comments on Agenda items in writing by e-mail to BoardServices@lacare.org, or by sending a text or voicemail to (213) 628-6420.
The text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must also include the name of the agenda item to which your comment relates.

Comments received by voicemail, email or text by 2:00 pm on November 19, 2020 will be provided in writing to the members of the Committee at the meeting.
Once the meeting has started, emails and texts for public comment should be submitted before the item is called by the meeting Chair. If you wish to submit public comment on an item, you must submit it at any time prior to the time the Chair starts consideration of the item. The Chair will ask for public comment and will announce the item. The Chair will announce when public comment period is over for the item.
Public comments will be read for up to 3 minutes at the meeting.

All votes in a teleconferenced meeting will be conducted by roll call.
If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act please contact L.A. Care Board Services staff prior to the meeting for assistance by text to (213) 628-6420 or by email to BoardServices@lacare.org.

WELCOME
Stephanie Booth, MD,
Chairperson

1. Approve today’s meeting Agenda
2. Public Comment (please see instructions above)
3. Approve September 17, 2020 meeting minutes P.3
4. Chairperson Report
5. Chief Medical Officer Report P.14
7. Chief Compliance Officer Report P.34

Richard Seidman, MD, MPH,
Chief Medical Officer

Thomas Mendez, Director, Quality Performance Informatics,
Quality Performance Management

Thomas Mapp, Chief Compliance Officer
ADJOURNMENT

8. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
   Significant exposure to litigation pursuant to Section 54956.9(d) (2) of the Ralph M. Brown Act
   One Potential Case

RECONVENE IN OPEN SESSION

ADJOURNMENT

The next meeting is scheduled on January 21, 2021 at 2:00 p.m.

Public comments will be read for up to three minutes.

The order of items appearing on the agenda may change during the meeting.

If a teleconference location is listed at the top of this agenda, the public can participate in the meeting by calling the teleconference call in number provided. If teleconference arrangements are listed at the top of this Agenda, note that the arrangements may change prior to the meeting.

THE PUBLIC MAY SUBMIT COMMENTS TO THE BOARD OF GOVERNORS BEFORE DISCUSSION OF EACH ITEM LISTED ON THE AGENDA BY SUBMITTING THE COMMENT BY VOICE MESSAGE OR IN WRITING BY TEXT MESSAGE TO 213 628 6420, OR IN WRITING BY EMAIL TO BoardServices@lacare.org.

Please follow additional instructions on the first page of this Agenda.

ACTION MAY NOT BE TAKEN ON ANY MATTER RAISED DURING THE PUBLIC COMMENT PERIODS UNTIL THE MATTER IS SPECIFICALLY LISTED ON A FUTURE AGENDA, according to California Govt Code Section 54954.2 (a)(3) and Section 54954.3.

NOTE: THE COMPLIANCE AND QUALITY COMMITTEE CURRENTLY MEETS Bi-Monthly ON THE THIRD THURSDAY AT 2:00 P.M.

Any documents distributed to a majority of the Board Members regarding any agenda item for an open session after the agenda has been posted will be available for public inspection at http://www.lacare.org/about-us/public-meetings/committee-meetings and can be requested by email to BoardServices@lacare.org.

An audio recording of the meeting is made to assist in writing the minutes and is retained for 30 days. Meetings are accessible to people with disabilities. Individuals who may require any accommodations (alternative formats – i.e., large print, audio, translation of meeting materials, interpretation, etc.) to participate in this meeting and wish to request an alternative format for the agenda, meeting notice, and meeting packet may contact L.A. Care’s Board Services Department at (213) 628 6420. Notification at least one week before the meeting will enable us to make reasonable arrangements to ensure accessibility to the meetings and to the related materials.
California Governor Newsom issued Executive Orders No. N-25-20 and N-29-20, which among other provisions amend the Ralph M. Brown Act. Members of the public can hear and observe this meeting via teleconference and videoconference, and can share their comments via voicemail, email or text.

<table>
<thead>
<tr>
<th>AGENDA ITEM / PRESENTER</th>
<th>MOTIONS / MAJOR DISCUSSIONS</th>
<th>ACTION TAKEN</th>
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<td>CALL TO ORDER</td>
<td>Stephanie Booth, MD, Committee Chairperson, called the meeting to order for the L.A. Care Compliance and Quality Committee and the L.A. Care Joint Powers Authority Compliance and Quality Committee at 2:06 pm. She announced that members of the public may address the Committee on each matter listed on the agenda before the Committee’s consideration of the item by submitting their comments via text, voicemail, or email.</td>
<td>Approved unanimously. 5 AYES (Ballesteros, Booth, Perez, Shapiro, and Vaccaro)</td>
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<tr>
<td>APPROVAL OF MEETING AGENDA</td>
<td>The Agenda was approved as submitted.</td>
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<td>PUBLIC COMMENT</td>
<td>There was no public comment.</td>
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<td>APPROVAL OF MEETING MINUTES</td>
<td>The August 20, 2020 meeting minutes were approved as written.</td>
<td>Approved. 5 AYES (Ballesteros, Booth, Perez, Shapiro, and Vaccaro)</td>
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<td>CHAIRPERSON REPORT</td>
<td>Chairperson Booth stated that she appreciates the work by staff to make the Quality and Compliance reports clear and understandable. She noted that there is a lot of information in each report and she encouraged committee members to ask questions. Member Perez notified the committee that she will monitor this meeting and simultaneously participate in a health promoters meeting.</td>
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<td>CHIEF MEDICAL OFFICER REPORT</td>
<td>Richard Seidman, MD, MPH, Chief Medical Officer, gave the Chief Medical Officer report (a copy of the report can be obtained from Board Services). When the Chief Medical Officer report was submitted on September 8, there were nearly 27 million reported cases of COVID-19 in the world. In just a few days after September 8 that number increased to over 29 million. The World Health Organization has now gone from giving daily updates to weekly updates about the pandemic. The most recent update was September 14 and reflects data from September 7 to September 13, so the data is 4 to 10 days old. In the week prior there were 2 million new cases and over 40,000 deaths. The total of deaths worldwide is now 936,000. The Americas and Canada make up nearly 50 percent of new cases in the past week. The United States, Mexico, Columbia, and Argentina make up the bulk of those cases. The next highest region of the world is South East Asia, with India contributing a majority of cases. Europe represents the third highest number of cases. The African region is showing a decrease in cases and deaths. He noted that as the number of cases begins to climb the role of contact tracing becomes more important to suppress the pandemic. The United States has over 6.5 million cases with 34,000 new cases daily. The most recent Center for Disease Control data shows 195,000 deaths in the United States. The midwest region has the highest rate per capita, predominantly in Missouri, Oklahoma, and Tennessee. There has been some improvement in case rates in the deep south and southeast regions. In L.A. County, over 250,000 cases and over 6,000 deaths have been reported. There has been progress in the last several weeks with hospitalization down 25% and deaths down 32%. Currently 10,000 tests are being conducted in L.A. County daily. There were 15,000 to 20,000 tests per day during the summer. He noted that the rate of infection has gone down and the number of people being tested has decreased.</td>
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<td>Los Angeles is currently in Tier 1 of the new system for public health guidelines that the Governor introduced as part of the California Blueprint for a Safer Economy. Every county in California is assigned to a tier based on its test positivity and adjusted case rate. As of August 31, using data from the previous two weeks, Los Angeles County had a rate of 13.1 per 100,000 cases, with an adjusted case rate of 10.2 out of every 100,000 cases, and a testing positivity rate of 5%. Los Angeles County will need to maintain an adjusted case rate below 7 per 100,000 people and a testing positivity rate below 8% for two weeks before it could move up to Tier 2. There are some activities allowed to reopen regardless of their tier status: personal care (indoor haircuts allowed up to 25% capacity) and in-person education for children with special needs. The health department officials have expressed cautious optimism about progress since late June, and continue to stress the importance of compliance with the current preventive measures and restricted activities. Following record-breaking heat over the Labor Day weekend, we will see what the data will be after people crowded beaches and holiday gatherings. Preparations are underway for the upcoming flu season even as vaccine trials, clinical trials and research continue to try to develop more effective ways to prevent and treat COVID-19. Member Vaccaro asked about a major surge or uptick in cases due to the long weekend and people choosing not to remain home or indoors. Dr. Siedman responded that results of the rapid reopening of businesses during Memorial Day weekend and the George Floyd demonstrations, it appears that the impact of exposure may be measured after 2-4 weeks. By mid-June cases were increasing sharply, and officials decided to have a more moderate shut down. Cases have continued to decline since Labor Day. After Dr. Seidman presented a new L.A. Care video, “Fighting the ‘Flu,” (a copy of the video can be obtained from Board Services), he stated that two versions of the video will be available. One will be solely L.A. Care branded, and the second version can be co-branded with other organizations. Member Shapiro thanked Dr. Seidman for showing the video and asked if it will be available in other languages. Dr. Seidman stated it is available in at least English and Spanish, and he will confirm and report back to the committee. Member Ballesteros asked if providers are able to link this video to their websites to share it with patients. Dr. Seidman noted that L.A. Care worked with the Department of Public Health to align the messaging, and it is available to providers, members and media. <strong>Flu/Covid-19 Campaign</strong> A safe and effective COVID vaccine is not yet available, and many are concerned about the potential combination of a resurgent number of COVID cases along with the seasonal flu. While L.A. Care is hopeful that the Northern Hemisphere will see lower than average seasonal flu cases as has been evident in the Southern Hemisphere during its recent flu season, L.A. Care is preparing for the coming seasonal flu cases.</td>
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| flu season. L.A. Care has partnered with Los Angeles County Department of Public Health and other Medi-Cal managed care health plans in the county. A goal of the collaboration is to increase flu vaccine rates throughout Los Angeles County and prevent significant strain on the health care system. A communication strategy was developed to provide coordinated health education messaging to members and providers, directing members to appropriate provider sites to optimize the use of vaccine supplies for the uninsured, and urging providers to accurately report vaccines so health plans can document that members have been vaccinated. All have agreed to share best practices and available resources, such as health education materials, and to co-brand education information as much as possible. He noted that the Fight the Flu campaign runs from September through May, and includes postcard and email reminders, automated phone calls to the extent possible, member and provider newsletters and other publications, and social media marketing.  
Provider Incentives  
○ All Measurement Year (MY) 2020 Program Descriptions have been released.  
○ The teams are preparing to process data for all MY 2019/Reporting Year 2020 final Pay 4 Performance (P4P) reporting. L.A. Care advanced Physician P4P payments in April, 2020 to help providers during the pandemic. Those advance payments will be reconciled with the incentive earned based on the actual data. If a physician or clinic’s actual earnings are higher than the advanced payment, L.A. Care will send the additional amount. L.A. Care will not require repayment by providers if the actual earned incentive amount is lower than the advanced payment.  
○ The team has also designed an incentive program for Direct Network providers to distribute incentive earnings proportionate to individual performance and Direct Network enrollment.  
Member Shapiro suggested that L.A. Care work with Federally Qualified Health Centers and American Academy of Pediatrics, especially now that L.A. Care is co-branding as it is important to communicate the same message. Dr. Seidman responded that L.A. Care has reached out to the family medicine and internal medicine groups in the American Academy of Pediatrics, regarding preventive care. He suggested that he and Member Shapiro can coordinate the efforts.  
Access to Care Survey Results  
Maria Casias, RN, BSN, MPH, Director, Quality Improvement Accreditation, presented information about L.A. Care’s Access to Care Survey Results (a copy of the presentation can be obtained from Board Services):  
Overview  
- Appointment Availability & After-Hours (AH) Access: Regulatory Requirements  
- Appointment Availability & After-Hours Access: Who is Surveyed  
- Follow Up: MY 2018 Department of Managed Health Care (DMHC) Survey Findings |
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<td>Appointment Availability Compliance Trends: Primary Care Physician (PCP) &amp; Specialty Care Physician (SCP)</td>
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<td>After-Hours Access Compliance Trend: PCPs</td>
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<tr>
<td></td>
<td>Interventions</td>
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<td></td>
<td>Challenges/Next Steps</td>
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<td></td>
<td>Questions</td>
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<td><em>(Details presented are for the Medi-Cal Line of Business. L.A. Care Covered, Cal MediConnect and Personal Assistance Services Council results are presented as PDF handouts.)</em></td>
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Appointment Availability & After-Hours Access: Regulatory Requirements

- To monitor and measure provider compliance with Access & Availability and After-Hours standards as established by the following regulatory agencies:
  - DMHC
  - Department of Health Care Services (DHCS)
  - National Committee for Quality Assurance (NCQA)
  - Centers for Medicaid and Medicare Services (CMS)
- To provide a framework for developing interventions to improve timely access to care.

MY2018 DMHC Summary of Findings

- MY2018 findings issued April 15, 2020 by the DMHC
- Response submitted to the Provider Data Management Team May 18, 2020

Findings:

- Inclusion of unauthorized specialty types in survey data
- Sampling error exceeded 5% in the Commercial Product
- Inconsistencies and reporting oversight

Findings have been addressed and remediated in MY2019 templates and reporting.

Member Booth asked Ms. Casias if L.A. Care’s scores would improve if results for gastroenterology, cardiology, and endocrinology were reported. Ms. Casias responded that DMHC requires gastroenterology, cardiology, and endocrinology, and L.A. Care surveys all specialists. Member Booth stated that results may have been better if all results could have been submitted.

Appointment Availability Goals Met by Participating Physician Group (PPG)

Medi-Cal PPGs Surveyed: 32

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<tr>
<th>SCP Measure by MCLA</th>
<th>Goal (%)</th>
<th>Met Goal(%)</th>
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<tr>
<td>Urgent Appointment</td>
<td>89% 8(25%)</td>
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<tr>
<td>Routine Appointment</td>
<td>92% 19(59%)</td>
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<tr>
<td>Initial Prenatal</td>
<td>100% 17(53%)</td>
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<tr>
<td>Appointment</td>
<td></td>
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<tr>
<td>In-Office Wait Time</td>
<td>94% 16(50%)</td>
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<tr>
<td>Call-Back Wait Time</td>
<td>73% 4(13%)</td>
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<tr>
<td>Process for Rescheduling Missed Appointments</td>
<td>100% 16(50%)</td>
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<tr>
<td>Time to Reschedule Missed Appointments</td>
<td>97% 6(19%)</td>
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Chairperson Booth asked Ms. Casias about the call back wait time. Ms. Casias responded that the provider is required to call the patient back within 30 minutes, and providers have indicated that they have challenges in returning phone calls within 30 minutes. L.A. Care notified providers that members can be encouraged to use the nurse advice line or to “page” the provider. Chairperson Booth asked how L.A. Care gets the data. Ms. Casias responded that L.A. Care calls providers to obtain the information.

<table>
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<tr>
<th>AH measure</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Variance±</th>
<th>Performance Goal</th>
<th>Goal Met</th>
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<tbody>
<tr>
<td>Access</td>
<td>73%</td>
<td>85%</td>
<td>83%</td>
<td>-2%</td>
<td>80%</td>
<td>Yes</td>
</tr>
<tr>
<td>Timeliness</td>
<td>55%</td>
<td>34%</td>
<td>64%</td>
<td>30%</td>
<td>62%</td>
<td>Yes</td>
</tr>
<tr>
<td>Combined Access &amp; Timeliness</td>
<td>49%</td>
<td>32%</td>
<td>62%</td>
<td>30%</td>
<td>55%</td>
<td>Yes</td>
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Ms. Casias reported that L.A. Care met the after hours’ compliance measures. A member that calls after hours must first be told that if it is an emergency they should dial 911 or go to the nearest emergency room. The second requirement is to inform the members how to “page” the provider or to refer the member to the nurse advice line for immediate assistance. She noted there was a great increase in the timeliness and combined access results.
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<td>Action(s) Taken</td>
<td>Effectiveness of Intervention or Outcome</td>
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| MY2018 L.A. Care issued Root Cause Analysis (RCA) on July 5, 2020 to PPG’s non-compliant with after-hours call-back timeliness. | ▪ Increase in After-Hours Timeliness from 34%(MY2018) to 64%(MY2019)  
▪ Increase in Combined Access & Timeliness from 32%(MY2018) to 62%(MY2019) |             |
| ▪ MY2019 L.A. Care issued (RCA) on July 17, 2020 to PPGs for SCP Urgent Appointment non-compliance.  
▪ PPGs provided causal barrier analysis and corrective action plans for their providers | PPG Causal Barrier Analysis:  
  o SCP’s unaware of access standards; No oversight & monitoring  
  o Office turnover  
  o Lack of escalation by Independent Physician Association leadership  
  o Regional challenges (Antelope Valley)  
Corrective Action Plan (CAP):  
  o Providers will be re-educated and re-surveyed until brought into compliance; provide L.A. Care educational materials, explain regulatory requirements and contractual obligations. Issue CAPs to providers with continued non-compliance in re-audit.  
  o Inclusion of materials in provider onboarding |             |
| Oversight & Monitoring Program for provider groups that participated in the surveys | ▪ Appointment Availability:  
  o PCP steady trend rates from 2017– 2019  
  o SCP decreasing trend rates from 2017 – 2019  
▪ After-Hours:  
  o Access decreased from 2018-2019  
  o Call-Back Timeliness and Combined Access & Timeliness increased from 2018-2019. |             |
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<td>Dr. Seidman</td>
<td>Dr. Seidman stated that the Spanish version of the flu campaign video is currently in production. A link to the video will be posted on L.A. Care’s flu/COVID-19 resources page, and will also be included on L.A. Care’s Instagram and Facebook pages.</td>
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<td>DIRECT NETWORK ADMINISTRATION</td>
<td>Noah Paley, Chief of Staff, and Acacia Reed, Interim Chief Operating Officer, presented information on L.A. Care’s Direct Network Administration (a copy of the presentation can be obtained from Board Services).</td>
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<td>Noah Paley, Acacia Reed</td>
<td>Mr. Paley stated that the presentation is in response to questions about Direct Network Administration at the Board retreat on September 3. He noted that L.A. Care has around 220 active primary care providers (PCPs) in the direct network and more than 23,000 Medi-Cal members assigned to these PCPs. As part of building and growing the direct network, L.A. Care is accountable for network development and maintenance. This includes recruiting, contracting, credentialing, training and provider relations, clinical services, which includes utilization management and case management, and health services payments. L.A. Care developed a structure for a Direct Network Administration. L.A. Care formed a Steering Committee and workgroup that includes subject matter experts across the organization to optimize performance. Mr. Paley noted that the Steering Committee is at the heart of the process. The committee is pinpointing constraints, breaking down issues and prioritizing items for remediation. The workgroup is taking the delineated and prioritized issues, identifying the root causes and proposing process and system configuration remediation. This will help enhance performance of all functions. The steering committee and workgroup function together to communicate to the CEO Cabinet about the issues and the planned remediations. The steering committee has compiled a list of more than 200 potential issues and constraints and those are being categorized and prioritized based on impact and urgency. Chairperson Booth asked Mr. Paley for a list of tasks that L.A. Care is accountable to perform for its Direct Network compared to the Delegated Network. Mr. Paley responded that he will provide the list after the meeting.</td>
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<td>CHIEF COMPLIANCE OFFICER REPORT</td>
<td>Thomas Mapp, Chief Compliance Officer, and Sylvona Boler, Senior Manager, Risk Management, Compliance, presented the Chief Compliance Officer report. Ms. Boler provided an update on Provider Terminations: On May 11, 2020, L.A. Care received a notice of non-compliance from the Department of Health Care Services (DHCS), regarding untimely notification to DHCS of provider terminations. The notice documented four alleged incidents between January 2020 and March 2020. L.A. Care is disputing two of the four alleged incidents. A corrective action plan was submitted to DHCS on June 11. DHCS responded to L.A. Care’s corrective action plan, requesting revisions based on a differing interpretation</td>
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<td>of the requirement. L.A. Care has responded to DHCS regarding our interpretation, and is awaiting next steps per the state. DHCS responded to L.A. Care, informing us that our interpretation of the guidance is incorrect. Process changes will be required moving forward. Compliance will work with Provider Network Management, to determine the best course of action, and DHCS will respond to L.A. Care on how they intend to manage the results of the requested process changes.</td>
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<td>Mr. Mapp stated that L.A. Care is conducting an impact analysis. L.A. Care would like to identify the number of potential L.A. Care terminations will have to report to the State. There is no limit on how many can be affected. DHCS stated that if one member is affected it has to be reported to the State.</td>
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<td>Ms. Boler provided an update on Remittance Advice (RA) Billing Issues: A system flaw was discovered that would cause a dollar amount to populate into the Member Responsibility field on RA statements for non-contracted providers, for instances when Medi-Cal members should not be billed for services. An action plan was developed and approved by regulators, and an impact analysis was conducted. A manual system fix was implemented so that erroneous RAs will no longer be produced. A sample of RAs are reviewed quarterly to ensure the issue is fixed. Additionally, through provider outreach and grievance reviews, L.A. Care continues to identify affected members and ensure reimbursements are made to any members who paid providers due to this error. The response rate from a second mail-out in July 2020 remains low. DMHC recommended that L.A. Care send another member letter to increase the response rate. Claims has drafted the member letter and it is currently undergoing internal reviews. The letter will be sent to DMHC and DHCS for approval prior to mailing. An Appeals &amp; Grievances crosswalk has not identified any grievances related to the RA billing issue. Claims staff will continue to have this crosswalk conducted on a monthly basis.</td>
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<td>Chairperson Booth asked Ms. Boler if the providers know that members will receive a letter. Ms. Boler responded that she will have to follow up with an answer at a later time. Member Booth asked about members who do not respond. Ms. Boler responded that she is unsure why members are not responding, but it may require more effort by the members to look through their mail. Chairperson Booth stated that this may be a problem in the future. Ms. Boler stated that COVID-19 may also be a factor.</td>
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<td>Ms. Boler stated that she would like to address a few concerns Chairperson Booth communicated about the risk report. She noted that there is a typo in the Table of Risks. On the first row for the Provider Data risk and under the description of mitigation/remediation, “Third Party Management (TPM)” should read “Total Provider Management”. It will be corrected for future reference.</td>
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Ms. Boler noted Care Management risks related to Individualized Care Plan (ICP) completion and unable to contact (UTC) rates. L.A. Care is currently on a Performance Improvement Plan (PIP) issued by Center of Medicare-Medicaid Services (CMS) to increase ICP completion rates and decrease the rate of members who L.A. Care was unable to contact. The progress is being monitored by the Regulatory Affairs team. The L.A. Care internal Care Management department has improved on this measure from January and March, therefore the risk rate was lowered from high to medium.

Lisa Marie Golden, Director, Customer Solution Center Appeals and Grievances, presented information about L.A. Care’s Appeals & Grievance Department (a copy of the full report can be obtained from Board Services).

Medi-Cal Line of Business
Grievances: Quantitative Analysis
- 4% increase in grievance volume from Quarter (Q) 1 to Q2
- 30% of Medi-Cal Access to Care issues
- 27% - Access to Providers
- 9% - Delay in Authorization
- 6% - Delay in Pick up time
Approximately 42% of all Access to Care issues are resolved at the time of the call

Grievances: Qualitative Analysis
The two primary reasons for Delay in Authorization were:
- Primary Care Physician
- L.A. Care Health Plan
Grievances related to Delay in Authorization decreased by 56% from Q1 to Q2.

Appeals: Quantitative Analysis

<table>
<thead>
<tr>
<th>MCLA Appeals</th>
<th>FY 18-19</th>
<th>FY 19-20 Q3</th>
<th>FY 18-19 Q3 Avg</th>
<th>Apr</th>
<th>May</th>
<th>June</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership Average</td>
<td>1,034,834</td>
<td>1,032,028</td>
<td>1,040,073</td>
<td>1,054,489</td>
<td>1,071,348</td>
<td>1,055,303</td>
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</tr>
<tr>
<td>Total Appeals received</td>
<td>157</td>
<td>144</td>
<td>291</td>
<td>256</td>
<td>259</td>
<td>269</td>
<td></td>
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<tr>
<td>Rate per 1000 members</td>
<td>0.15</td>
<td>0.14</td>
<td>0.28</td>
<td>0.24</td>
<td>0.24</td>
<td>0.25</td>
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</tr>
<tr>
<td>% denials overturned on appeal</td>
<td>53.00%</td>
<td>43.80%</td>
<td>56.4%</td>
<td>49.22%</td>
<td>49.81%</td>
<td>51.67%</td>
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<tr>
<td>AGENDA ITEM/PRESENTER</td>
<td>MOTIONS / MAJOR DISCUSSIONS</td>
<td>ACTION TAKEN</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>-----------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
|                       | • 78.57% increase in appeal rate per 1000 compared to Q3 of Fiscal Year 2018-2019  
• 51.67% average overturn rate (7.87% increase compared to same period last year)  
• 86% - Pharmacy  
• 3% - AltaMed  
• 1.5% - Regal Medical Group  
• 1.5% - Health Care LA, IPA  
Appeals: Qualitative Analysis  
Pharmacy related appeals continue to be a top reason for appeal submissions. The primary reason for overturns is that the prescriber responds to a request for additional supporting documentation after the initial decision has been issued. An audit finding related to reconsideration of denials at the Pharmacy Benefit Manager (PBM) level resulted in an operational change, which contributed to the increase in volume of appeals compared to prior periods. |              |
| ADJOURN TO CLOSED SESSION | Ms. Haydel announced the following items to be discussed in closed session. The Committee adjourned to closed session at 3:20 pm.                                                                                                                                                                |              |
| CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION | Significant exposure to litigation pursuant to Section 54956.9(d) (2) of the Ralph M. Brown Act  
Two Potential Cases                                                                                                                                                                                                 |              |
| PEER REVIEW | Welfare & Institutions Code Section 14087.38(o)                                                                                                                                                                                                                                           |              |
| ADJOURNMENT | The meeting was adjourned at 3:49 p.m.                                                                                                                                                                                                                                                  |              |

Respectfully submitted by:  

Victor Rodriguez, Board Specialist II, Board Services  
Malou Balones, Board Specialist III, Board Services  
Linda Merkens, Senior Manager, Board Services

APPROVED BY:  
Stephanie Booth, MD, Chairperson  
Date Signed: ____________________
COVID-19 Update – At the time of this writing, we are approaching 50 million cases of COVID-19 reported worldwide with more than 1.2 million deaths. The numbers of new infections reported are at the highest levels worldwide and in the United States since the beginning of the pandemic and cases are increasing at rates as high as we saw during the peak of the summer surge. Los Angeles remains in Tier 1, the most restrictive tier of the State’s Blueprint for a Safer Economy. I will provide a verbal update highlighting the most current numbers and trends during the upcoming Board and Committee meetings.

Influenza (Flu) Update

Flu season in Los Angeles typically ramps up in October, peaks sometime in January, and tails off by the end of March most years. The Los Angeles County Department of Public Health (LAC DPH) recommends that everyone get their flu shot before the end of October. Due to the COVID-19 pandemic this year, it is widely recognized that our Fight the Flu efforts must be more effective than ever. Public Health has also noted the relatively light flu season in the Southern Hemisphere and the potential benefit of widespread masking and social distancing due to COVID-19.

L.A. Care has successfully partnered with the LAC DPH and all of the other Medi-Cal managed care health plans in Los Angeles County to collaborate on efforts to Fight the Flu and lay the groundwork for successful COVID-19 vaccination efforts once we have a licensed, safe and effective COVID-19 vaccine. Collaborative projects include a co-branded vaccine hesitancy provider education material created by HealthNet, a flu myths buster video developed by L.A. Care, and a clinician’s flu guidance letter by LAC DPH.

Flu Vaccine Clinics:

After months of planning and collaboration with multiple stakeholders, drive through flu clinics got underway beginning in October to provide free flu vaccines to our communities. Our primary goal is to maximize flu vaccine uptake this year to reduce the number of flu cases and avoid the risk of overwhelming the health care delivery system with both influenza and COVID-19 at the same time. Free flu shots were provided to all members of the community who showed up, regardless of insurance status, or health insurance plan. As of early November 2,186 vaccines have been administered during our first seven events of the season, with two additional events currently scheduled and more being planned.

Other interventions include:
1. Flu shot reminder postcards
2. Live-agent member calls
3. Instagram and Facebook campaigns
Utilization Management

In addition to other cost savings efforts across the organization, the Health Services team has prioritized the following:

1. Inpatient Admissions and Skilled Nursing Facilities (SNFs) account for the largest proportion of medical costs. We have conducted an analysis to identify the contracted groups with the most opportunity to achieve cost savings.
2. Inpatient Admissions – Restructured the inpatient UM workflow to include timely case reviews for Emergency Room cases requiring admission.
3. Tertiary/Quaternary (T/Q) Utilization – Many of L.A. Care’s contracted medical groups (IPAs/PPGs) are delegated to manage inpatient prior authorization requests. L.A. Care has now restricted those activities to non-T/Q facilities, giving us more consistent control over the use of these higher cost facilities that should be reserved for more complex cases. Efforts include redirection to lower cost facilities and review of outpatient referral requests.
4. Transitions of Care – Increased focus on transitions of care to reduce readmissions.
5. High Dollar Case Review – Opportunities include efforts to reduce admissions with more focused case management, redirection of admissions to lower cost facilities, optimization of payment integrity review, and contract negotiations.
6. Skilled Nursing Facilities – Refining our SNF network to strengthen our collaboration with fewer, more strategic facility partners. Focus on streamlined referral processes to expedite timely discharges and placements. Increase recuperative care and congregate living options.

Quality Update

DHCS Auto-Assignment

Recognizing the disruption to normal business practices due to COVID-19, DHCS decided to carry forward the results from last year’s auto-assignment outcomes, which determine the proportion of default member assignment in Two Plan counties such as Los Angeles. The good news is that L.A. Care will continue to benefit from a 67% to 33% advantage over Health Net effective 1/1/21. As a reminder, for the past year, L.A. Care had been receiving an additional 9% of default member assignment to correct for an error detected by the State.

Health Equity

- The second COVID-19 Disparities Leadership Summit took place on Thursday, September 10 from 10am-12pm. (Member Equity Council Activity 3-5). L.A. Care has played a leadership role in organizing the first and second of these efforts. Dr. James Kyle, our Quality Improvement Medical Director facilitated both summits.
- The Harvard Disparities Leadership Program kicked off in September. Our project will focus on implementing a high-risk pregnancy program at L.A. Care.
- L.A. Care has established a new partnership with the Los Angeles County Human Relations Commission. Opportunities include collaborative efforts to reduce hate crimes.
Housing Update

- **LAHSA Data Match for Project Roomkey (PRK) and HHP Coordination** – Successfully shared a list of 2,600 PRK participants who are L.A. Care or Plan Partner members to LAHSA on October 28, to connect members with Health Homes and other health plan benefits and services.

- **Higher Level of Care placements (HLOC) Project Roomkey (PRK) Collaboration** – Safety Net Initiatives (SNI) presented to the L.A. County Board of Supervisors Homeless Deputies on October 19, and participated in planning meetings with various county partners on how best to address the needs of members in PRK who need SNF, LTC, or various other in-home supports.

- **COVID High Risk List Webinar and Guide** - SNI collaborated with CCALAC and LAHSA to develop a COVID High Risk List guide and presented this material as a webinar for community clinics and HHP CB-CMEs on October 20, 2020.

- **Health Homes Capacity Building** - SNI on-boarded Deborah Maddis, our consultant who will provide support to help HHP CB-CMEs improve housing navigation and homeless services.

- **Presentation on Health Homes and Project Roomkey Collaboration** - SNI co-presented with LAHSA at the Aurrera HHP Learning Collaborative hosted by DHCS on October 29, 2020.

- **L.A. Care and LAHSA selected for Center for HealthCare Strategies Learning Community** – Alison Klurfeld, Jessica Jew, Delia Mojarro and Becky Lee from L.A. Care and Daniel Reti from LAHSA will begin participation in a 12-month learning community.

- **Housing for Healthy CA** – SNI, L.A. Care Legal Counsel, and LA County DHS Housing For Health legal counsel initiated the MOU and data sharing agreement process for this new partnership.

- **Housing for Health and Brilliant Corners grant program** – As of October 2020, a total of 287 households are actively enrolled in the grant and 263 of those have secured housing, and 207 of those housed (79%) are L.A. Care members.

- **Housing for Health Street Medicine Team** – SNI and Dr. Li met with the L.A. County Housing for Health team regarding their planned launch of 3-6 new street medicine teams in early 2021, building on current homeless outreach & COVID-19 testing team infrastructure.

Quality Improvement-Initiatives

- An analysis of Clinician Group-Consumer Assessment of Healthcare Provider and System (CG-CAHPS) scores found that 5 of the lowest performing PPGs for the last 2 years are contracted exclusively with the Plan Partners. We will focus efforts to collaborate with our Plan Partners and their contracted groups to improve performance.

- **Customer Service Training launching** - Beginning October 6, QI will offer 10 online training sessions for providers and 4 sessions for practice managers on topics like how to deal with difficult patients, communicate effectively through telehealth, motivate positive health behaviors, and manage office staff for customer service excellence. The training sessions will be promoted extensively and high attendance is expected.

- On September 2nd the State added two new quality improvement projects for the Medi-Cal line of business. One quality improvement project on three COVID-19 initiatives and the other a PDSA on a low performing measure. The team has chosen to focus on the Well-Child Visits in the First 15 Months of Life. Interventions are still being designed or vetted for these projects.

- **A COVID-19 insert on Clinic Safety Practices** has been created and presented to the COVID-19 approval committee. This insert will accompany all our member mailers, and is pending State approval.
• A COVID-19 provider memo on Clinic Safety Practices was created and is in the approval stage. Once approved, the memo will be sent to PPGs via the Provider Network Management Fax Blast to distribute to their contracted PCPs, specialists and imaging centers.

• Upcoming QI webinars include Oral Health for Children in Primary Care, Lead Poisoning in Children, and End of Year Strategies for HEDIS. Webinars continue to be well received and attendance is increasing.

Initial Health Assessments (IHA)

• All 2019 IHA corrective action plans have been closed. Work continues to revise the reports, enhance training and create a coordinated monitoring program with Facility Site Review (FSR), Delegation Oversight (DO), and internal audit team to improve the IHA monitoring process. The IHA requirement is on hold during the COVID emergency and the audit is postponed until summer 2021, however all IHA’s will need to be completed after, so work to get L.A. Care’s monitoring process in place continues. We are encouraging providers to complete IHA encounters throughout the remainder of the Public Health Emergency using virtual health methods as much as possible.
  o Managed Long Term Support Services (MLTSS) worked with Behavioral Health to transition the monitoring of IHA’s in facilities such as institutions for mental disorders (IMDs) as of July 1, 2020 and has noted challenges with IMDs completing the Staying Healthy Assessment (SHA) component. Compliance is following up with DHCS regarding the requirement which may not be appropriate for members living in an institutional setting.

Incentives
• Provider Incentives
  o The teams are running data for all MY 2019/RY 2020 final P4P reporting and payments. The aim is to complete all payments by end of November.
  o The team has identified a strategy and designed a new incentive program for Direct Network providers.

Pharmacy

Comprehensive Medication Management (CMM) via California Right Meds Collaborative (CRMC):

• L.A. Care Health Plan’s Pharmacy Department has partnered with the California Right Meds Collaborative (CRMC), an initiative of the University of Southern California (USC) School of Pharmacy, to develop a network of pharmacies that will deliver Comprehensive Medication Management (CMM) services to address the high burden of chronic disease states in underserved areas of Los Angeles County.

• A new patient outreach strategy was developed to identify high-risk patients who have been recently discharged from the hospital with uncontrolled diabetes. Along with this, patients are also being stratified based on health disparities.

• Safety Net Clinic Partnerships: In order to maximize the effectiveness and efficiency of the program, and ensure close communication and collaboration with federally qualified health centers, the
participating pharmacies have developed clinic partnerships including: Watts HealthCare, Center for Community Health (JWCH Institute), Central Neighborhood Health Foundation, Parktree Community Health Center and other physician offices.

- Media highlights: The innovative nature of the pharmacy program has been highlighted by media outlets including the American Pharmacists Association, Pharmacy Times, and Healthcare Innovations.
- Member satisfaction: As part of the learning session for the CRMC participating L.A. Care pilot pharmacies, one of the L.A. Care members submitted a video testimonial regarding the program, which has also been published in press releases:
  - One member told of her 20-year history of uncontrolled diabetes, which put her at high risk for hospitalization and possible amputations. She began meeting with her local pharmacist via video-chat, learning how to change her eating habits, exercise, monitor her blood sugar levels consistently and regulate her medications. Today she is meeting the health goals set by her physician. “I truly appreciate my pharmacist,” she says. “I just needed the push that said, ‘you can do it’.”
- Our CRMC pharmacists have not only served in the capacity of chronic disease management. The USC Medical Plaza Pharmacy, Western University Pharmacy, Manchester/Hawthorne Professional Pharmacy, and CliniCare Pharmacy have partnered with L.A. Care for this season’s drive-through Flu Clinics at our CRCs to provide free flu vaccinations to the community.

Clinical Pharmacy Pilot Program (Ambulatory Care):

The Clinical Pharmacy Program has continued to expand, adding its third site, Watts Healthcare Corporation, last month.

Transitions of Care Program (TCP):

- The first TCP meeting kicked off on October 15th, 2020.
- L.A. Care’s Pharmacy Department helped spearhead the program by sharing our Medication Reconciliation Upon Discharge intervention workflow, which was successfully launched in May 2020 (see below under “Comprehensive Medication Management (CMM) – Telephonic Consult”), to be adapted for TCP and provided input in developing the Community Health Worker (CHW) Assessment. A pharmacist and pharmacy technician were also involved in training community health workers on obtaining hospital discharge paperwork.
- The Pharmacy Department has been collaborating with Dr. Brodsky and Social Services to provide CHWs with medication histories, review each member’s discharge summary/medication list, and identify and resolve medication-related problems. A provider letter or clinical notice summarizing clinical recommendations from the pharmacist is sent to the CHW to share with the member’s healthcare team.

Comprehensive Medication Management (CMM) – Telephonic Consult:

- As part of our new CMM Telephonic Consult service, an L.A. Care pharmacist will conduct CMM services internally for CMC members who are eligible for Medication Therapy Management (MTM) and meet criteria for the Medication Reconciliation Upon Discharge (MRP) HEDIS accreditation
measure. As part of this program, an L.A. Care pharmacist will complete both a comprehensive medication review (CMR) and medication reconciliation with the member within 30 days post-discharge. A summary of the CMR in the form of a medication action plan (MAP) will be mailed to the member, and any clinical recommendations along with member feedback will be faxed to the provider.

- Since inception of the program in mid-May 2020, 74 medication reconciliation reviews were completed and faxed to the primary care provider for review, and 50 CMRs were completed telephonically with members. We have met our goal of completing 50 CMRs for calendar year 2020.
- Since the beginning of 2020, L.A. Care’s MTM vendor, SinfoníaRx, identifies and refers members who may benefit from additional help and resources from L.A. Care. Members may be referred due to uncontrolled conditions, behavioral health, and lifestyle education. The pharmacy team has submitted referrals to Health Education and Care Management according to member’s primary concern. Members are also surveyed based on a Social Determinants of Health (SDoH) survey that was created in collaboration with SinfoniaRx. The SDoH survey went into effect starting Q3 2020, from which a referral to Social Services can be made if appropriate.
L.A. Care Medicaid CAHPS 2020
Results: Member Experience With Quality Of Health Care Services (QoS)

Presentation to Compliance and Quality Committee

November 24, 2020
Outline

II. Domains of Service Measured on CAHPS.
IV. Accountability: Mapping CAHPS to L.A. Care Departments.
V. Quality Performance Management (QPM) CAHPS Infrastructure.
VI. Proven Drivers Impacting L.A. Care Medi-Cal CAHPS Scores.
VII. Quality Improvement (QI) Interventions in Progress.
VIII. QI Opportunities.
IX. Member Surveys: 2020 Survey Cycle
I. L.A. Care Member Experience Surveys -- Methodology

CAHPS surveys by product line:

• Medi-Cal: National Committee for Quality Assurance (NCQA) Medicaid CAHPS (Adult, Child+CCC*).
  * CCC contains the Children with Chronic Conditions battery of questions.

L.A. Care uses NCQA-approved survey firms and protocols for CAHPS.

• Surveys are in English or Spanish.
• 3 mail waves: Launched February 2020, completed in May 2020.
• Maintained response rates despite COVID-19.

<table>
<thead>
<tr>
<th>Medi-Cal CAHPS response rates</th>
<th>Adult</th>
<th>Child</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>19.5%</td>
<td>18.4%</td>
</tr>
<tr>
<td>2019</td>
<td>17.9%</td>
<td>18.8%</td>
</tr>
<tr>
<td>2018</td>
<td>21.1%</td>
<td>20.6%</td>
</tr>
<tr>
<td>2017</td>
<td>17.6%</td>
<td>20.1%</td>
</tr>
</tbody>
</table>
II. Domains of Service Measured on CAHPS

• **Ratings** are single-question measures rating services on a scale from 0 (worst) to 10 (best) services possible:
  – Rating of Health Plan
  – Rating of Health Care Received
  – Rating of Personal Doctor
  – Rating of Specialist Seen Most Often.

• **Composites** are measures calculated from multiple questions on CAHPS:
  – Getting Care Quickly
  – Getting Needed Care
  – Coordination of Care
  – Provider Communication
  – Shared Decision-making
  – Health Plan’s Customer Service
  – Health Promotion and Education

*Italics:* NCQA measures eligible for Accreditation points for Medicaid and Medicare in the 2020 cycle.
III. L.A. Care Medi-Cal CAHPS Scores 2015-2020

- Child scores have risen slightly in recent years.
  - L.A. Care thus uses Child CAHPS for NCQA Accreditation scoring.
  - The rise is generally too small to show significant year-over-year change.
  - Long term, Child scores are rising to where scores were in early 2000s.
- The long-term trend for L.A. Care Child and Adult CAHPS is comparatively flat.

2020: NCQA does not consider 2020 CAHPS data to be trendable.
Other Child ratings and composites were missed (some rose, some fell).
Adult scores did not rise during the same period.
2020 CAHPS Surveys by LOB -- COVID-19 Impacts

• Medi-Cal CAHPS:
  - Completed as mail-only -- submitted to NCQA, but NCQA is reporting 2020 scores as “Not Determined”.

• Medicare CAHPS 2020:
  - Centers for Medicare & Medicaid Services (CMS) stopped all surveys at the telephone wave, and will not be issuing scores for 2020. Cal-MediConnect (CMC) will be rated on 2019 scores.
  - For CMC in 2018 and 2019: Rating of Pharmacy Plan was a strength, while Ease of Getting Rx Meds was a weakness.

• Medicare Health Outcomes Survey (HOS) 2020:
  - HOS was postponed from April to August 2020 and leaves the field in early November. Per the normal calendar, scoring for this 2-year panel survey is not expected until 2021 and 2023.

• Marketplace Qualified Health Plan (QHP) Enrollee Experience Survey (EES) 2020:
  - Covered Calif. is reporting L.A. Care Covered (LACC) as having 2 Stars for Member Experience for 2020, based on scores in 2019.
  - Most Covered Calif. Plans were similarly rated based on 2019.
  - For LACC in 2018 and 2019: No scores improved, while Rating of PCP and Getting Needed Care (authorizations) declined, along with Provider Communication and Access to Information.
IV. Accountability: Mapping CAHPS Measures To Depts.

- 70% of CAHPS measures services that happen in clinic.
- Building member-centric processes in line departments.

<table>
<thead>
<tr>
<th>DOMAIN OF SERVICE</th>
<th>DEPARTMENTS</th>
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</thead>
<tbody>
<tr>
<td>Rating of Health Plan</td>
<td>(All)</td>
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<tr>
<td>Rating of Health Care</td>
<td>MedicalMgmt, PNM, OA, Depts.</td>
</tr>
<tr>
<td>Ratings of PCP, Specialist</td>
<td>PNM, OA, QI+Depts., FSR, Credentialing</td>
</tr>
<tr>
<td>Getting Care Quickly</td>
<td>PNM, OA, QI+Depts.</td>
</tr>
<tr>
<td>Getting Needed Care</td>
<td>PNM, OA, UM (authorizations), QI+Depts.</td>
</tr>
<tr>
<td>Provider Communication</td>
<td>PNM, OA, Culture &amp; Linguistics (CLS)</td>
</tr>
<tr>
<td></td>
<td>Health Promotion (HPS), QI+Depts.</td>
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<tr>
<td>Customer Service</td>
<td>Customer Solution Center, QI</td>
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<tr>
<td>Claims processing</td>
<td>Claims (LACC, PASC-SEIU)</td>
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<tr>
<td>(Supporting services:</td>
<td>Finance, I.T., H.R., Legal, etc.)</td>
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</tbody>
</table>

FSR: Facility Site Review
OA: Operational Assurance
PNM: Provider Network Management
QI: Quality Improvement
UM: Utilization Management
V. QPM CAHPS Infrastructure and Quality Activities

• Tailoring 8+ surveys to guide continuous quality improv. (CQI).
  - Medi-Cal CAHPS (Adult, Child).
    ▪ Samples for special populations (MCE, SPD, MLTSS).
  - Medicare CAHPS (CMC).
  - Medicare Health Outcomes Survey (HOS) for CMC.
    ▪ Offseason Survey (CMC).
  - Marketplace QHP EES (CAHPS for LACC).
    ▪ Off-marketplace QHP EES (CAHPS for LACC-D).
  - Personal Assistance Services Council-Service Employees International Union (PASC-SEIU) QHP EES.

• QPM Survey Work Group.
  - Engaging depts. owning touch-points with providers or members.

• Using CAHPS to evaluate programs and interventions.
• Analyses to find CAHPS drivers.
VI. Proven CAHPS Drivers With Impacts on L.A. Care CAHPS

L.A. Care CAHPS statistical analyses from 2009-2020 -- generally presented in national conferences -- have identified several evidence-based effects:

1. **Ratings respond to ‘tough love’**: Members recalling PCPs’ advice on diet/weight/nutrition/exercise give higher scores on key NCQA Ratings.

2. **Members who had PCP visits gave more favorable scores (C. Coleman).**

3. **Members’ wait time expectations are attainable and reasonable**: Negative member scores on wait time are mostly in Antelope Valley where the Direct Network can help.

4. **Wait day thresholds at which member access scores on CAHPS turn negative, are attainable and concentrated.**

5. **Meaningful use of EHR/EMRs helps doctor-patient communication.**

6. **CAHPS helps diagnose service problems for displaced populations**: Medicaid Expansion lowered Adult CAHPS 2015/2017 scores due to access.

7. **Small effects accumulate over time, and coordinated interventions have synergies**: E.g. HEDIS outreach calls now include CAHPS messaging; and Provider Surveys now have questions parallel to CAHPS measures on access and exploration of care management barriers.
VII. QI Interventions in Progress

- Patient experience web training series for provider network.
- Distribution of educational resources: posters, tips emails, service protocol lanyard cards.
- QI meets with low performing PPGs to discuss performance.
- QPM shares and discusses CG-CAHPS performance with provider offices.
- Member experience is a heavily weighted domain in all VIIP incentive programs.
- Action plans are required for low-performing PPGs.
- Call Center and Product teams asked to complete action plans.
- VOICE program to solicit member feedback after calls.
- Elevating the Safety Net program
- Added Teledoc and MinuteClinic to network to expand access.
- Member education on benefits.
VIII. QI Opportunities

Significantly improving scores likely requires focused investment and systems redesign.

• Increased focus on member engagement and promoting appropriate utilization of primary care:
  – Add quality improvement messaging to L.A. Care marketing campaigns.
  – Stratify member populations and tailor messaging.

• Expand member education on navigating the health care system.

• Improved communication to and collaboration with PPGs, providers, and Plan Partners:
  – Offer provider coaching and additional resources for improvement.
  – Hold consistently low-performing PPGs/providers accountable.
  – Improve grievances reporting to better target practices with the most complaints.

• Internal and systems improvements:
  – Improve process for paying premiums (LACC), handling billing issues.
  – Expand access through direct contracting, open access, etc.
  – Design direct network to be the example for best member experience.
IX. Member Surveys – 2021 Survey Cycle

2020 survey submissions to NCQA and CMS are complete.
• NCQA and CMS consider those 2020 results suspect due to COVID-19 impacts on the survey process and on getting care.

Fall 2020:
• Offseason survey adapted from Medicare CAHPS and Health Outcomes Survey (HOS): November launch to sample of CMC members.

Spring 2021 Survey Cycle:
• Survey firms are adapted to COVID-19 procedures so can likely complete mail+phone protocols in 2021.
• COVID-19 limitations on member access in 2020 may still impact CAHPS 2021 ratings.
• QPM has considered adding COVID-19 and Telehealth questions where allowed.
Questions

Contact:

Thomas Mendez, Director, TMendez@LACare.org
Quality Performance Management (QPM)
To: Compliance & Quality Committee of the Board of Governors
From: Thomas Mapp, Chief Compliance Officer
Subject: Chief Compliance Officer Report
Date: November 19, 2020

COMPLIANCE OFFICER OVERVIEW

1. 2020 Compliance Year in Review
2. Draft Compliance Work Plans. We will discuss the work plan documents and solicit input. The work plan documents will be included in the January 21, 2021 C&Q agenda for approval.
   a. 2021 Compliance Department Work Plan
   b. 2021 Delegation Oversight Work Plan
   c. 2021 Risk Assessment
3. Grievance update. During the September 17, 2020 meeting, the Appeals and Grievance Department provided an update on the numbers of appeals and grievances and trends in the types of member concerns reflected in the grievances. LisaMarie Golden, Director of Appeals and Grievances, noted a trend in grievances associated with access to pharmacy services and indicated that CVS pharmacy appeared to be component such grievances. Ms. Golden will provide additional information on the allocation of grievances between CVS, Walgreens and Rite Aid and answer your questions.

NON-COMPLIANCE ISSUES AND RISKS

1. Enrollee Overpayment of Out-of-Pocket Maximums
2. L.A. County DHS Access to Specialty Care & L.A. Times Articles
3. CMS Medicare Advantage Encounter Data – Data Exchange Report
4. Magellan RX Portal Access Issue

CORRECTIVE ACTION PLAN (CAP) UPDATES

1. Remittance Advice Billing Issue
2. Untimely Notification of Provider Terminations
COMPLIANCE UNIT UPDATES ATTACHED

- Regulatory Affairs & Governance
- Risk Management & Business Continuity
- Privacy
- Special Investigations Unit – Fraud, Waste & Abuse
- Delegation Oversight
The Compliance Department, Delegation Oversight Department and the Special Investigations Unit/Payment Integrity (Fraud Waste and Abuse-FWA) Department have been responsible for several significant achievements and milestones in 2020. In collaboration with our business unit partners, we developed and implemented strategies for improving compliance operations within the department and monitoring activities within various business unit partners. The continued growth and development of our Delegation Oversight program is represents a major achievement in 2020. In addition, we continue to identify non-compliance and performance challenges with the assistance of our business units and implement meaningful and measurable corrective action strategies.

**REGULATORY AFFAIRS & GOVERNANCE**

**Regulatory inquiry management and trend analysis.** The Regulatory Affairs unit implemented a quarterly report that provides a breakdown of types and volume of inquiries and non-compliance notices that L.A. Care receives from DHCS and CMS. The quarterly report notes top categories (i.e. member issues, data requests, claims issues, general requests) and further breaks down the top categories into top subcategories (i.e. appeals & grievances, authorization issues, coordination of care, access to care). Business owners are expected to investigate or remediate processes that may be contributing to particular trends in order to reduce avoidable member issues.

**Enterprise-wide compliance monitoring program.** During 2020, the Regulatory Affairs unit further developed the enterprise-wide monitoring program. The framework and process uses best practices from regulatory audits and allows L.A. Care to see compliance performance across all lines of business, delegates, and functional areas. This year, we started with utilization management (UM). This involved the expansion of 2 measures for the Cal MediConnect line of business only to about 60 measures across all lines of business. We will continue to expand the monitoring program through 2021. In addition to performance
monitoring, we also developed and implemented a Corrective Action Plan (CAP) Monitoring SharePoint and monthly process to ensure CAPs are implemented timely and effectively.

**Audit management and preparedness.** Regulatory Affairs managed and provided support for 6 regulatory audits, including 2 follow-up Department of Managed Health Care (DMHC) audits. This year, due to COVID-19, the Department of Healthcare Services (DHCS) annual audit was suspended and will continue next year. In lieu of the audit, the Regulatory Affairs team conducted CAP monitoring and internal audits/reviews to ensure the CAPs for the deficiencies identified in the 2019 audit were implemented and effective. Further, the Regulatory Affairs team also led a DHCS Audit Readiness Collaborative amongst all local health plan compliance leadership. This required the Analysis of all 2019 findings to facilitate an open discussion on best practices, remediation plans, and 2020 audit focus. The local health plan compliance leadership team is using the same methodology to facilitate a DMHC Audit Readiness session. We continue to prepare for our CMS Revalidation Audit (scheduled to begin January 2021) by conducting ongoing monitoring of service authorization request and grievance timeliness, correct classification and initiation of grievances, and care management.

**Clinical oversight.** The Regulatory Affairs unit successfully transitioned team members from the previous Clinical Assurance department into the Regulatory Affairs unit to lead clinical oversight of regulatory inquiries, audit deliverables/readiness reviews in the care management and utilization management areas.

**Regulatory reports.** The Regulatory Affairs unit successfully absorbed the Regulatory Reporting unit this year. The Regulatory Reporting unit will focus on building an effective quality assurance program to ensure data and reports are complete and accurate. Regulatory Affairs has also developed a plan to ensure regulatory reports are integrated into the enterprise-wide monitoring program.
RISK MANAGEMENT AND BUSINESS CONTINUITY

**Annual Disaster Recovery Test.** In October 2020, Compliance and Information Technology Departments successfully planned and executed our annual disaster recovery exercise with significant support from our leadership team who participated in our remote work test activity. The test was conducted virtually due to the current work from home status and it focused on L.A. Care’s ability to continue critical functions if a disaster occurred during a pandemic or other emergency that prevents employee access to our traditional disaster recovery site in Cypress, California. The overall test was successful and was completed in under 5 hours. There will be a subsequent test for the Customer Solution Center to be done in early 2021. The disaster recovery team is completing an after-action analysis and strategies to improve our readiness.

**Business Continuity.** In the past year, the business continuity team circulated an enterprise wide Business Continuity Management Program training and education video for all staff to provide information on L.A. Care’s emergency and disaster response protocol, which is now an annual required training. Compliance assisted 12 business units in enhancing business resumption plans to address continuity processes and a business impact analysis (BIA) to assess system and application criticality. The BIA will allow us to identify, prioritize and restore mission critical systems and applications and resume normal business operations timely and effectively.

In April 2020, the Business Continuity team developed a daily Covid-19 meeting with the leadership team and critical function units to provide updates on the pandemic and how each essential function is being impacted. Meetings are still being conducted and will continue until the Pandemic has ended.

**Regulatory Change Management.** The Regulatory Analysis and Communications team developed and launched the new Implementation Impact Assessment Form to improve the
monitoring and oversight of regulatory changes across all lines of business. The intent of this form is to ensure that all aspects of implementation are being considered for any regulatory changes and be able to better monitor and identify challenges/risks. The Form review and approval process was developed in collaboration with the Product teams and Leg/Reg IntraTeam. An instructional template was also created to assist business units in populating the form. As part of the improved oversight process, the unit also completed transcription of all three regulatory contracts and assisted in the development of a comprehensive inventory of regulatory requirements to support the enterprise-wide compliance monitoring program.

Policy Management. Continuing on the success of improved oversight and monitoring efforts of last year, Phase 2 of the enterprise-wide policy management program for the organization was initiated. Focusing on accountability and the Compliance 360 (C360) clean-up efforts, the Regulatory Analysis and Communications team implemented the new annual review and attestation process to ensure the annual review and updating of all active policies and procedures (P&Ps). The goal is to ensure that C360 can be used as the source of truth and enhance the quality and consistency of all current L.A. Care P&Ps. The unit also streamlined Policy Management communications for Operations and IT Areas through Operational Assurance to ensure alignment with additional Operations-driven policy management efforts.

Material Review. During 2020, the team compiled an inventory of all member-facing letter templates. In collaboration with the Business Units (MLTSS, Pharmacy, Enrollment Unit, A&G, QI (PQI)), existing letter templates were revised as needed for compliance with regulations, contract requirements, etc. This review process included retiring letters that were outdated and/or no longer required due to changes in regulations or internal processes.

Podio Workspace (Appeals & Grievance Department): A workspace for the A&G department was successfully created in Podio. All letter templates underwent the review
process and submitted to regulatory agencies as needed. Outdated or noncompliant letters were retired to avoid distribution to members.

**SyntraNet / Care Catalyst:** The team assisted the Enterprise Configuration Team (ECT) with review and validation of member letter templates. Specifically, templates for UM, QI (PQI), and A&G were reviewed prior to the ECT configuring in the new platform. The team will continue to collaborate with ECT in 2021 and validate member letters for Pharmacy and other departments.

**Therefore Material Repository:** During 2020, the team worked with Therefore project manager to develop and test the member material repository. The final testing has concluded and the platform will go live in mid-November. The provider and Plan Partner material repositories will be developed during the remainder of the year. At the conclusion of this project, all member facing letter templates (for LAC and Plan Partners) and required provider materials will be centralized in this repository. This repository will only house approved materials and serve as a source of truth for internal and external stakeholders.

**DELEGATION OVERSIGHT**

**Delegation Oversight Audit Program:** In September Delegation Oversight launched the audit program for the remainder of the 2020 program year. The delegates have been notified that for audit areas such as Utilization Management, where parts of the audit used to be conducted as an onsite audit, L.A. Care’s Delegation Oversight Audit Services will conduct those audit areas virtually. The 2020 audit season will run from September 2020 through May 2021 to capture all Participating Provider Groups, Plan Partners, and Specialty Health Plans. The new audit work plan is attached hereto and has been
amended based on the audit moratorium which was in place from April 2020 through August 2020 due to COVID related concerns.

**Delegation Oversight Monitoring Program:** The enterprise-wide monitoring program that launched in collaboration with Compliance has just concluded the third quarter of the program. In Q1 and Q2, the program included Utilization Management measures for member notification for the Cal-MediConnect Line of Business, which included 23 delegates. In Q3, the program was expanded to include Utilization Management measures for decision time, member notice, and provider notice across all lines of business, and now includes to 37 delegates. The program uses automated scoring and score cards to track compliance and escalate repeated deficiencies.

**SPECIAL INVESTIGATIONS UNIT**

**Fraud, Waste and Abuse.** In 2019/2020 the Special Investigations Unit (SIU) continues to thrive as it has become a leader in health care fraud investigations. During the year, the SIU has provided training to the FBI and the CA Department of Justice (DOJ) as well as provided expert witness testimony for the District Attorney’s Office on matters of health care fraud. We continue with our vigorous FWA plan with a focus on investigations and recovery activities. During the 2019/2020 fiscal year, the SIU conducted 625 healthcare fraud investigations that involved fraudulent prescribing of opioids, duplicate billings, pharmacy fraud, false billings and provider fraud. Many of these cases have been conducted in collaboration with State and Federal Law Enforcement and have resulted in 21 arrests and 11 convictions. In addition, during the 2019/2020 fiscal year, the SIU’s efforts have resulted in $14.2 million in savings and recoveries.
PRIVACY

Privacy/Security management. Through concerted efforts of the Privacy Officer (Compliance Department) and Security Officer (Information Technology Department), we continued to reduce privacy/security risks to acceptable levels to prevent HIPAA violations, as evidenced by the annual HIPAA Privacy and Security Risk Analysis.

In response to the COVID pandemic, we pooled our efforts to successfully inform and guide staff on privacy/security expectations while working remotely.

We continue to work on our strategic flexibility to respond to industry threats and opportunities. Evaluations of emerging technologies, regulatory changes related to data privacy/security are ongoing and discussed during our quarterly Security and Privacy Oversight Committee.
<table>
<thead>
<tr>
<th>Planned Activity</th>
<th>Start Date</th>
<th>Completion Date</th>
<th>Description</th>
<th>Purpose/Value Add</th>
<th>Responsible Compliance Unit(s)</th>
<th>Delegates Involved</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Compliance Integration and Streamlined Workflow Implementation</td>
<td>January (2021)</td>
<td>December (2021)</td>
<td>Implement a more robust intra-departmental strategic workflow wherein the prevention, detection, and correction of non-compliance issues is streamlined among appropriate units.</td>
<td>Increased efficiency within the Compliance department. Centralizes non-compliance issues. Eliminates duplicate work and streamlines processes. Proactive identification and remediation of non-compliance matters.</td>
<td>All</td>
<td>n/a</td>
</tr>
<tr>
<td>2 Regulatory Report Quality Assurance &amp; Monitoring</td>
<td>December (2020)</td>
<td>December (2021)</td>
<td>Develop a Regulatory Reporting Quality Assurance process in partnership with IT. The process would include: - Compliance and Business Unit input during the report development process, to ensure the output will align with regulator requirements - Compliance review of the output. - Partner with the Monitoring Team to draw insights/utilize the reported data. This will shift Compliance's reporting team functions toward reporting quality oversight and monitoring.</td>
<td>Ensure submissions are timely, complete, and accurate upon submission to regulators. Integrate regulatory reports into the Monitoring Program; ensure reports are used to measure compliance and aid in performance improvement. Ensure reports are usable and accurate.</td>
<td>Regulatory Affairs</td>
<td>Plan Partners PPGs</td>
</tr>
<tr>
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<td>3 Expand the Compliance Performance Monitoring Program to include additional plan functions and LOBs based on risk/priority.</td>
<td>October (2019)</td>
<td>December (2021)</td>
<td>Monitoring activities, modeled after the regulator audit processes, are in place to detect, correct, and prevent noncompliance for select high priority plan functions. Expansion of the monitoring program is determined by risk, prioritizing regulatory audit findings, notices of noncompliance, and self-disclosures. At minimum, the monitoring program will encompass all lines of business for the Utilization Management, Care Management, Appeals &amp; Grievances and Claims functional areas.</td>
<td>Allows for clear, ongoing non-compliance detection, correction, and prevention opportunities. Visibility of risks and potential to reduce risk of audit findings. Improved member experience.</td>
<td>Regulatory Affairs</td>
<td>N/A</td>
</tr>
</tbody>
</table>
| 4 Implement the Enterprise Risk governance advisory workgroup comprised of cross functional leaders that provide guidance and inclusivity to the assessment, management and communication of risks. | October (2020) | September (2021) | * Identify and get buy-in from key stakeholders to be part of the Governance body.  
* Implement the risk governance committee-June 2021  
* Evaluate risk, governance committee structure and identify any gaps and structures for improvements-September 2021 | Allow leaders throughout the organization to play a part in the assessment of risk impacts to the organization. | Risk Management/ Business Continuity | N/A                 |
| 5 Enhance Business Resumption Plans/Contingency Plans for Disasters and Pandemics situations across major functions based on criticality, including FRCs and vendor performance. | October (2020) | October (2021) | *Develop and implement more specific resumption planning by type and criticality of disaster (e.g. man made vs natural vs technological)  
* Review all current business resumption plans, and assess gaps.  
* Work with business units to better define vendor performance as it applies to their resumption plans.  
* Ensure all FRCs have developed a business resumption plan | Ensure that all business units and vendors are prepared for disasters of any level, through and enhanced business resumption/ contingency plan including but not only limited to major disasters. | Risk Management/ Business Continuity | N/A                 |
<table>
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<td>6 Begin development of enterprise-wide inventory of regulatory requirements and identify technological application(s) to house requirements by 9/30/2021.</td>
<td>October (2020)</td>
<td>September (2021)</td>
<td>In order to ensure that L.A. Care has an integrated and centralized Compliance Monitoring Program, it is essential to have a comprehensive inventory inclusive of all regulations and contractual requirements. This will also be essential to monitoring contractual performance requirements. To support development of this inventory, the following activities will be completed: • Implement technological solution for inventory of regulations and potential capabilities to connect with monitoring dashboard by 9/30/2021. • Continue compilation of a crosswalk of regulations to responsible parties/stakeholders, P&amp;Ps, and key reporting metrics for subsections to support Monitoring Program and identify any potential gaps by 9/30/2021.</td>
<td>This inventory of regulations will support effective regulatory change and policy management. It can be used to identify applicable policies and procedures (P&amp;Ps) throughout the organization and help identify potential gaps. The inventory will also help in the development of Compliance metrics by creating a crosswalk of regulatory reports and eventually a monitoring dashboard to maintain line of sight of key benchmarks and performance standards.</td>
<td>Regulatory Analysis and Communication</td>
<td>N/A</td>
</tr>
<tr>
<td>7 Enhance enterprise-wide regulatory change management program by 9/30/2021.</td>
<td>October (2020)</td>
<td>September (2021)</td>
<td>In order to ensure that L.A. Care has a comprehensive and holistic regulatory change management program, it is essential to enhance the the enterprise-wide regulatory change management program, including but not limited to: • Evaluate and improve the APL implementation monitoring process by 9/30/2021. • Develop regulatory deliverable guidelines to improve regulatory submissions by 9/30/2021.</td>
<td>Ensuring the proper implementation of new or updated regulatory requirements, ensures improved performance during regulatory audits and preventing the need for correction.</td>
<td>Regulatory Analysis and Communication</td>
<td>N/A</td>
</tr>
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</table>

This inventory of regulations will support effective regulatory change and policy management. It can be used to identify applicable policies and procedures (P&Ps) throughout the organization and help identify potential gaps. The inventory will also help in the development of Compliance metrics by creating a crosswalk of regulatory reports and eventually a monitoring dashboard to maintain line of sight of key benchmarks and performance standards.
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</table>
| 8                |            |                 | **Go live with populated centralized repository with all approved member facing materials and implement training program for gatekeepers identified for Business Units. Implement Phase II of repository to house required provider materials/forms, and Plan Partner member communications.** | The repository houses all approved (by regulators) marketing and member materials in a central location. This resource will be made available to Business Units that utilize materials to ensure only approved versions are used.  
- Ongoing review the letter inventory to ensure outdated letters are revised accordingly  
- All revised materials to be submitted via Podio  
- The Unit established a 2 year life cycle and expiration dates are identified in repository  
- Initiate training sessions to socialize impacted Business Units to new centralized repository  
- Write desktop procedures for uploading and monitoring materials | Member facing materials are compliant with marketing guidelines, regulatory and/or contract requirements. This will help reduce audit findings in the future. | Material Review | NA |
| 9                |            |                 | **Implement an oversight and monitoring plan for the CMC member, provider, and 3rd party websites to validate content accuracy, relevancy and timeliness of available information.** | Implement a process to monitor the accuracy and timeliness of websites.  
- Continue gap analysis on existing content  
- Collaborate with Product Team to coordinate Workgroup meetings to include content owners and decision makers to identify gaps in processes and implement steps to mitigate risks  
- Develop workplan to include staff accountability, timelines, deliverables, etc. | Ensure member and provider websites contain relevant, up to date and compliant content to ensure intended audience has accurate information. | Material Review | NA |
I. Overview

This document is the Delegation Oversight Strategic Plan of L.A. Care Health Plan for Calendar Year 2021. The plan outlines the oversight projects to be conducted during the year by the Delegation Oversight Department, including the evolution of both the auditing and monitoring program. The Delegation Oversight Department is comprised of the annual Audit, the Administrative and Clinical monitoring, and the Account and Communications Management teams.

II. Delegation Oversight Audit Program

The Delegation Oversight Audit program spent much of 2020 developing a virtual audit program to meet the needs of a changing work environment caused by the pandemic. During the development of the virtual program, there was a company-wide moratorium on the audits conducted on delegated entities to ensure each delegate had time to develop workforce and operational updates to their programs. The resumption of the 2020 audit program in September of this year, results in an off-cycle audit program year that will run from September 2020 through May 2021. The audit schedule attached demonstrates the revised audit schedule. A 2021-2022 audit schedule will be presented to the Board mid-2021 for review and approval.

In the upcoming calendar year, Delegation Oversight Audit will focus its efforts on complementing the Delegation Oversight Monitoring Program to focus its audits on high risk delegates and high risk areas. By utilizing the data reviewed by the monitoring team on a monthly and quarterly basis, the audit team will penetrate the data of poor performing delegates during its annual audits to better understand the root cause behind each audit and help delegates close identified gaps. This enhanced audit methodology will efficiently utilize resources and data to better oversee delegate performance and ensure quality care of L.A. Care members.
Amended 2020 Audit Plan

Information considered in the development of the audit plan include previously identified or known risks, regulatory findings, deficiencies identified in prior audits, and referrals from business units. The audit plan may be updated as new risks materialize or additional areas for review are identified.

Although the audit plan contemplates a wide-ranging scope of review, it does not provide coverage for all components or systems. Delegation Oversight Audit will provide reasonable reviews of the business activities and areas that require the most attention.

Questions or comments relating to this audit plan may be directed to:

Sabrina M. Coleman
Senior Director, Delegation Oversight
(213) 694-1250, ext. 5954

A. Auditable Areas

The following areas are subject to annual review and will be conducted pursuant to applicable requirements, including those of CMS, DHCS, DMHC and NCQA. Delegate types fall are categorized as Plan Partners (PP), Participating Provider Groups (PPG), and Specialty Health Plans (SHP).

<table>
<thead>
<tr>
<th>Auditable Area</th>
<th>Lead Reviewer</th>
<th>Type</th>
<th>Scope</th>
<th>Delegate Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compliance Program Effectiveness (CPE)</td>
<td>Compliance</td>
<td>Audit</td>
<td>The review of each delegates compliance program effectiveness with the 7 core elements/requirements and Governance. This will include a tracer presentation of</td>
<td>PP/PPG/SHP</td>
</tr>
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</table>
### 2021 Delegation Oversight Strategic Plan

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<tr>
<th>Auditable Area</th>
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<th>Type</th>
<th>Scope</th>
<th>Delegate Type</th>
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</thead>
<tbody>
<tr>
<td>Credentialing (CR)</td>
<td>Provider Network Management - Credentialing</td>
<td>Audit</td>
<td>Review and oversight of delegates’ credentialing activities, and review of delegates’ credentialing and re-credentialing policy and procedures.</td>
<td>PP/PPG/SHP</td>
</tr>
<tr>
<td>Critical Incidents (CI)</td>
<td>Clinical Assurance</td>
<td>Audit</td>
<td>Quarterly reviews and sample selection of logs, policy and procedures and evidence of mechanisms in place for ensuring</td>
<td>PPG/SHP</td>
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## 2021 Delegation Oversight Strategic Plan

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<th>Scope</th>
<th>Delegate Type</th>
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<tbody>
<tr>
<td>Cultural &amp; Linguistic Services (C&amp;L)</td>
<td>Health Education and Cultural and Linguistic Services</td>
<td>Audit</td>
<td>Review of Cultural and Linguistic services to include language assistance services (interpreting, translation, auxiliary aids, and alternative format), member/staff/provider education and training, program evaluation, oversight of subcontractors, and referrals.</td>
<td>PP/PPG/SHP</td>
</tr>
<tr>
<td>Financial Solvency &amp; Claims Processing Compliance (FC)</td>
<td>Financial Compliance</td>
<td>Audit</td>
<td>Review of claims timeliness, processing, payment appropriateness financial risk and solvency per Titles 22, 28 and CMS regulations.</td>
<td>PP/PPG/SHP</td>
</tr>
<tr>
<td>Health Education (HE)</td>
<td>Health Education and Cultural and Linguistic Services</td>
<td>Audit</td>
<td>The scope of the health education audit includes health education materials and services, tobacco prevention and cessation, diabetes prevention program, Staying Healthy Assessment tool, health education staffing, provider education, non-monetary member incentives, Nurse Advice Line (beginning in 2020), and NCQA requirements for health appraisals and self-management tools.</td>
<td>PP</td>
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<tr>
<td>Information Security (IS)</td>
<td>IT Executive Administration</td>
<td>Audit</td>
<td>Review of policies and procedures related to Information Security technology and</td>
<td>PP/PPG</td>
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<tr>
<td>Auditable Area</td>
<td>Lead Reviewer</td>
<td>Type</td>
<td>Scope</td>
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<tr>
<td>Managed Care Services (MCS)</td>
<td>Compliance</td>
<td>Audit</td>
<td>This audit will include a review of a universe from the past twelve months and a sample file pull. The scope is limited to a review of compliance with the following:</td>
<td>PP</td>
</tr>
</tbody>
</table>
|                               |               |        | • Approval for Member Communications  
• Use of Corporate Log  
• Affiliation Statement and/or Trade Name  
• Marketing Staff training  
• Marketing Staff Monitoring  
• Marketing Events and Member Outreach Activities; and Marketing Plan                                                                 |               |
| Member Rights (MR)            | Compliance    | Audit  | This audit will include a review of a universe from the past twelve months and a sample file pull. The scope is limited to a review of compliance with the following:                                           | PP            |
|                               |               |        | • New Member Mailings  
• Annual Mailings  
• Member Grievances                                                                                                                                   |               |
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<th>Scope</th>
<th>Delegate Type</th>
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</thead>
<tbody>
<tr>
<td>Member Services (MS)</td>
<td>Customer Solutions</td>
<td>Audit</td>
<td>Request of semi-annual reporting for NCQA MEM 5</td>
<td>PP</td>
</tr>
<tr>
<td>Pharmacy (Rx)</td>
<td>Pharmacy</td>
<td>Audit</td>
<td>Review of all delegated activities for the management of the Pharmaceutical Benefit</td>
<td>PP</td>
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<td>in accordance with NCQA, DHCS and DMHC regulations</td>
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<tr>
<td>Privacy (PR)</td>
<td>Compliance</td>
<td>Audit</td>
<td>This audit will include a review of policies and procedures that protect the privacy and</td>
<td>PP/PPG</td>
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<tr>
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<td>PHI of members and walkthroughs to evidence adherence to HIPAA privacy standards.</td>
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<tr>
<td>Provider Network (PNO)</td>
<td>Compliance</td>
<td>Audit</td>
<td>This audit will include a review of policies and procedures, organizational charts, work</td>
<td>PPG/SHP/PP</td>
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<td></td>
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<td>plans, program materials, evidence of processes, contractual agreements, committee</td>
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<td>meeting minutes, case files, reports, access to care, provider training requirements,</td>
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<td>agendas and sign-in sheets. Further, there will be a sample selection of case files and</td>
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<td></td>
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<td>reports which will be demonstrated via live webinars.</td>
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</tbody>
</table>
| Quality Improvement (QI)             | Health Services| Audit| This audit includes a review of Annual Timely Access to Care for provider Appointment Availability and After-Hours Accessibility based on the following:  
  - Health Service Contracting  
  - Member Experience  
  - Disease Management  
  - Clinical Practice Guidelines  
  - Continuity and Coordination of Medical Care  
  - Continuity and Coordination between Medical and Behavioral Healthcare  
  - NET1-3: Availability and Accessibility of service and Assessment of Network Adequacy  
  - MEM6-Member Support; Potential Quality of Care Review | SHP/ PP       |
| Utilization Management (UM)          | Clinical Audit | Audit| Responsible for auditing and monitoring delegated UM activities in alignment with regulatory contractual requirements and accreditation standards. File reviews including but not limited to denial/appeal files, specialty sterilization, IHA, MLTSS and HRA. A sample selection of files will be demonstrated via live webinars. | PP/PPG/SHP    |
III. Delegation Oversight Monitoring Program
The Delegation Oversight Performance Monitoring Program is developed in collaboration with Compliance, Regulatory Services. The intent of the program is to proactively oversee all ongoing monitoring activities, by receiving monthly and quarterly reports, ensuring a qualitative and quantitative evaluation of delegate performance data, scoring that performance, and escalating performance issues within L.A. Care for accountability measures as necessary. Delegation Oversight Performance Monitoring works in collaboration with the Compliance department to ensure that delegates perform tasks in compliance with all regulatory, contractual, and accreditation requirements. The Performance Monitoring team will create a monthly scorecard of delegate performance results for real-time feedback and remediation. Performance scores will be evaluated on a quarterly basis by the Delegation Oversight committee, who will closely review each delegate’s performance results, identify trends, outliers, and risks, and inform leadership if adverse member impact has been identified and/or whether network changes should be considered.

In 2021 the Performance Monitoring program will be scaled to include all delegated tasks. Currently the program only includes some Utilization Management measures as it piloted the program and refined its process. In the future the program will include all of Utilization Management, Care Management, Credentialing, Finance, Claims, Health Education, Cultural and Linguistic Services, and Special Investigations.

IV. Delegated Entities Manual
In 2020 Delegation Oversight published the first L.A. Care Delegated Entities Manual. This manual is intended to transparently communicate all performance standards, measures, and requirements to entities as it relates to delegated responsibilities. The manual complements the contractual terms of each delegate in that for each service delegated to entities, there is a corresponding performance standard they must meet during its annual audits, monthly monitoring, and ongoing reporting. This manual serves as a source of truth for all delegated performance standards and will be update bi-annually.
Introduction
L.A. Care Health Plan leadership recognizes the importance of a structured, consistent process to facilitate risk informed decision making throughout the organization. The Enterprise Risk Management (ERM) program in Compliance utilizes processes and tools to effectively align strategy, people, technology and knowledge to evaluate and manage risk across the organization so that goals and objectives can be achieved. The 2021 Risk Assessment Report aims to outline the current process and intends to capture and prioritize the strategic, operational, financial, and regulatory risks that L.A. Care will focus on addressing in calendar year 2021. The risk assessment process described herein is an ongoing effort involving leadership across all functional areas and lines of business, and will continue to evolve to identify, assess, prioritize and manage the internal and external risks impacting the organization.

Authority and Responsibility
The L.A. Care Board of Directors “the Board” is responsible for the overall performance of the organization, including the management and mitigation of risk. This responsibility is fulfilled through the Compliance and Quality Committee (C&Q), a subcommittee of the Board. The C&Q Committee reviews performance/effectiveness of the ERM program at least annually, and provides direction for action based on risk management findings and recommendations. The governing body’s responsibilities are supported through regular verbal and written risk management reports to the C&Q Committee.

Methodology
The approach to compile potential risks identified across the enterprise, specifically as it related to an organizational or strategic objective, included but was not limited to; interviews with business owners, coordination with various departments (e.g., Internal Audit, Delegation Oversight, Information Technology, etc.), and review of 2019 and 2020 external audit reports, findings, and corrective action plans. As a result, an initial comprehensive list of potential risks was created as a baseline and preliminarily assigned to business units for further review and evaluation. Based on the level of impact weighting, risks that impact member care, member enrollment, or provider/practitioner satisfaction are weighted most heavily. However, business leaders will consider competing internal/external factors within each element in the process of assigning risk scores. Risks are evaluated and scored based on 3 factors; “Impact”, “Likelihood,” and “Control,” to determine a “Risk Score”.


2021 Risk Assessment

Risk Score = Impact x Likelihood x Control

Definitions

• Impact: The assessment of how significant the effect of a particular risk would be if it occurred.
  1 - Very Low (No impact on stakeholder value or reputation; no actionable regulatory
criticism.)
  2 - Low (Negligible effect on stakeholder value and reputation; effects can be observed
without major budgetary impact.)
  3 - Medium (Moderate effect on stakeholder value and reputation; effect on reputation can
be mitigated in the near-term.)
  4 - High (Effect on reputation is substantial, causing long-term deterioration in stakeholder
value.)
  5 - Very High (Sustained, serious loss in stakeholder value.)

• Likelihood: The assessment of how likely it is that the risk could occur
  1 - Negligible: <10% (May occur only in exception circumstances.)
  2 - Unlikely: 10-25% (Might occur at some time.)
  3 - Probable: 25-50% (Most likely will occur at some time.)
  4 - Likely: 50-75% (Probably occurs in most circumstances.)
  5 - Very Likely: >75% (Expected to occur in most circumstances.)

• Control: Expresses whether controls are in place and how well they presently mitigate that risk
  o No Controls: 0%
  o Not Effectively Controlled: 1-29% (Appropriate controls are not present and resulting risk is
substantially outside of tolerance range.)
  o Rarely Effectively Controlled: 30 – 49% (Ineffective design causing failures that result in risk
tolerance range expectations.)
  o Somewhat Effectively Controlled: 50 – 69% (Partially effective but design flaws may be present
causing numerous expectations. Risk may not be mitigated within tolerance range.)
  o Mostly Effectively Controlled: 70 – 89% (Substantially effective, well designed and mitigates risk
within tolerance range.)
  o Almost always effectively controlled: 90 – 100% (Fully effective, well designed, documented
and tested.)
**Timeframe**
The 2021 risk assessment and risk scoring process was completed in November 2020. The initial list of prioritized risks (see Appendix A) was presented to the appropriate committees and by design will drive the 2021 Compliance Internal Audit activities. The 2021 risk assessment cycle will be evaluated in Q2 2021 for program effectiveness and is an ongoing effort which will continue to evolve to identify, assess, prioritize and manage the internal and external risks impacting the organization.

**Mitigation Steps**
The risks identified through this process will be tracked and monitored by the Compliance Risk Management team and will ultimately be mitigated through a combination of audit and monitoring activities, both within Compliance and through various strategic initiatives throughout the company. Internal and external audits and the resulting issuance of corrective action plans will serve as a primary means of mitigating and reporting risk information to key business leaders, delegates and vendors. Risks and corrective action plans will be periodically re-assessed for effectiveness.
## 2021 Table of Risks

<table>
<thead>
<tr>
<th>Risk Name</th>
<th>Risk Domain</th>
<th>Description</th>
<th>Status</th>
<th>Mitigation/Remediation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provider Data</td>
<td>Operations</td>
<td>Lack of accurate provider data impacts regulatory reports, network associations, network adequacy, provider directory, provider communications, timely access and enrollment and disenrollment processes.</td>
<td>Mitigation in Progress</td>
<td>Implementation of the Third Party Management (TPM) program, allowing L.A. Care’s provider data to be processed and housed in a centralized location. TPM will be phased in, eventually taking the place of existing systems, MPD, PNOR and CACTUS. TPM went live in January 2020, starting with PPG data, but all of the existing systems/processes will still be running concurrently, until TPM is proven to work. The implementation phases will span throughout 2021, testing processes and system connections (i.e., connection and data transfers to and from QNX). There has currently been a 6-months delay in the TPM Portfolio plans. Completion of the overall program plan is scheduled</td>
</tr>
</tbody>
</table>
### Care Management-ICP/UTC

| Health Services | Low Individualized Care Plan (ICP) completions and high unable to contact (UTC) numbers caused by possession of incorrect member contact information, difficulty reaching our member population, and members declining to complete the ICP. | Mitigation in Progress | Meetings are being held between Compliance, Medicare Product and Case Management to develop remediation plans for the identified root causes, including utilization of the CCA phone book to track and update changes to member contact information in a centralized location, and reaching out to other plans to inquire about their processes for ensuring completion of ICPs within the required 90 days’ timeframe. Compliance will be tracking progress of remediation, as a performance improvement plan (PIP) was requested by CMS. |

### Care Management-Disease Management

| Health Services | Components of Care Management (including the Disease Management and chronic health services) have been put on hold, causing for | Mitigation in Progress | In April 2020 Diabetes and Asthma Disease Management programs were transferred to the Health Education team to conduct mail outreach to members. Staffing efforts |
2021 Risk Assessment

<table>
<thead>
<tr>
<th>HIPAA- Live PHI Data Used for Testing</th>
<th>Operational</th>
<th>L.A. Care uses live ePHI data for testing purposes. Lack of security controls in the testing environment do not meet HIPAA requirements for minimal use or access tracking. System logs can be overwritten, so security and access are difficult or impossible to audit and monitor.</th>
<th>Mitigation in Progress</th>
<th>IT is currently evaluating their use of ePHI data for testing, to see if test (fake) data can be utilized, moving forward. The data masking initiative plan will also help to remediate this issue. Overall risk mitigation will be completed by Apr 2021, dependent on project and if budget constraints are met.</th>
</tr>
</thead>
<tbody>
<tr>
<td>HIPAA- Vendor &amp; PPG Offshoring of L.A. Care PHI/PII</td>
<td>Operational</td>
<td>L.A. Care lacks a process for formal oversight and monitoring of third party entities that offshore PHI/PII.</td>
<td>Mitigation in Progress</td>
<td>A Privacy &amp; Security Questionnaire was created, to help L.A. Care gather information from vendors and determine if they</td>
</tr>
<tr>
<td><strong>2021 Risk Assessment</strong></td>
<td></td>
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</tbody>
</table>

L.A. Care and its Plan Partners’ non-compliance with Department of Health Care Services (DHCS) All Plan Letter (APL) 19-004 (previously APL 17-019), In January 2018, L.A. Care was required to begin a process for terminating providers that were not enrolled in the Medi-Cal Program. To date, L.A. Care has not begun terminating such providers, exposing the organization to regulatory audit findings and, potentially, other disciplinary action by DHCS.

| **Mitigation in Progress** |

Non-compliance with APL 19-004 (17-019) was based on a business decision made in 2017, to protect L.A. Care members from the impact of implementing the APL. Quarterly internal meetings have been held through 2019 and 2020, with Compliance, L.A. Care’s Chief Medical Officer, Executive Director of Medi-Cal Product Administration, Provider Network Management, Pharmacy and Plan Partner Operations, to assess progress toward compliance. The meetings have been made more frequent, now being held monthly. A plan has been put in place to begin
| **Member Assignments** | Operational
Reputational
Regulatory | Members are inappropriately assigned to providers that do not cover their age range (i.e., providers that are listed as only serving adults are being assigned children. | Provider Network Management department is currently working with Enrollment Services on a process to notify members when they are not assigned appropriately to a PCP. Initial focus will be on members as they age out of their PCP age range. |
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<tbody>
<tr>
<td><strong>Prior Authorizations</strong></td>
<td>Health Services</td>
<td>Utilization Management prior authorization backlog.</td>
<td>Mitigation in Progress Compliance is discussions with the Utilization Management Department, to identify the root cause of the prior authorization backlog, and steps for remediation.</td>
</tr>
<tr>
<td><strong>Provider Terminations</strong></td>
<td>Operations</td>
<td>Provider terminations are not being communicated appropriately or timely by delegates, causing L.A. Care to be out of compliance with meeting regulatory requirements for timeliness of provider termination communications to regulators and members.</td>
<td>Mitigation in Progress Discussions have been had between Compliance and Provider Network Management. A corrective action plan was submitted to DHCS, related to 1 specific incident, but will be applied to the whole provider termination process. Remediation includes re-education of the delegates, through</td>
</tr>
</tbody>
</table>
## 2021 Risk Assessment

Joint Operations Meetings or trainings, and becoming more stringent with disciplinary action toward delegates that do not comply.

| System Access | Operations | Lack of consistent process for oversight and monitoring of access to internal and external systems (i.e., internal staff transfers to units where current access is not required; external entities being granted unrestricted access to internal systems, allowing them the ability to access information that is outside of their purview; internal staff access to external systems, allowing them the ability to access L.A. Care member information when they transfer to other departments or are no longer employees of L.A. Care). | Mitigation in Progress | Initiatives are being led by Information Technology and Information Security, to identify and implement solutions for these gaps. The Identity Access Management project went live in May 2020 to grant and remove AD access for use cases LOA, return from LOA, transfers, on-boarding, off boarding, and contingent workers. Phase 3 of the Identity Access Management project are currently in progress. |
| Vendor Oversight | Finance/Operations | Lack of consistent process to oversight and monitor performance of vendors | Mitigation in Progress | The Procurement Department, in collaboration with other |

**Table:**

<table>
<thead>
<tr>
<th>Category</th>
<th>Department/Role</th>
<th>Description</th>
<th>Status</th>
<th>Details</th>
</tr>
</thead>
<tbody>
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<td>System Access</td>
<td>Operations</td>
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<td>Mitigation in Progress</td>
<td>Initiatives are being led by Information Technology and Information Security, to identify and implement solutions for these gaps. The Identity Access Management project went live in May 2020 to grant and remove AD access for use cases LOA, return from LOA, transfers, on-boarding, off boarding, and contingent workers. Phase 3 of the Identity Access Management project are currently in progress.</td>
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<td>Finance/Operations</td>
<td>Lack of consistent process to oversight and monitor performance of vendors</td>
<td>Mitigation in Progress</td>
<td>The Procurement Department, in collaboration with other</td>
</tr>
<tr>
<td>Vendor Contracting</td>
<td>Finance/ Operations</td>
<td>Mitigation in Progress</td>
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<tr>
<td>contracted through the Procurement Department and the Provider Network Management Department, resulting in no assurance that vendors are adhering to the requirements of the contracts, and/or identifying and remediating issues in a timely manner.</td>
<td>Lack of consistent vendor contracting processes through the Procurement Department and the Provider Network Management Department, resulting in breaks in processes and missed review steps (i.e., ensuring use of appropriate Business Associate Agreements; pre-delegation assessments; privacy and security checks; alignment of business continuity and disaster recovery protocols; etc.)</td>
<td>Compliance is in discussion with the Procurement Department and the Provider Network Management Department, to ensure alignment in processes between both areas, and to ensure that the final, aligned process includes all necessary review and approval steps. Procurement is currently a little further along, as they already have processes in place through SciQuest. Provider Network Management was working through the ACCIO project, to better align with the stakeholders, identified top tier vendors (determined by criticality to the organization, with highest potential for impact to member services or operations) and will develop a framework for oversight and monitoring, to be followed by the impacted business units.</td>
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</tbody>
</table>
existing SciQuest process. However, ACCIO has been put on hold. Through 2020, Compliance will track updates to the SciQuest process and progress with the ACCIO project, to ensure alignment in processes.

| Call Center-Recorded Credit Card Payments for LACC/LACC-D | Reputational Regulatory Financial | Lack of process for ensuring the member credit card information is not accessed or inappropriately utilized after receipt of premium payments, for Covered California lines of business. Call Center representatives' calls are recorded, including member credit card information. | Mitigation in Progress | Information Security and Privacy are assessing the issue and are currently routing members directly to the WEX IVR system for the collection of credit card information. A CSC agent will only receive a payment call if the members' attempts to make a payment are not successful in the IVR. Vendors have been removed from any access to taking and/or processing payment calls, isolating these call types to internal staff. The NICE technology solution is being worked on for the PCI compliance component. |
| Information Security - Lack of a Test and Development Network | Operational | L.A. Care has implemented a network with multiple layers of security to include firewalls, IPS, SIEM, etc. Network VLANs are implemented to segment networks and systems; however, a separate test and development segment is not currently in place, causing for the potential of disruption to protected information. | Mitigation in Progress | IT and Information Security are in the process of implementing a network security zone dedicated to systems builds, application testing, etc., with estimated project completion in Q2 2021. |
Regulatory Agency Management Unit Update

- Regulatory Agency Management (RAM) is producing a Compliance scorecard/snapshot that will show compliance performance based on notices of non-compliance, audit findings, self-disclosures, and more.

- The Regulatory Reporting Unit will now report to Amanda Ghattas, Manager Regulatory Affairs, under the Regulatory Affairs umbrella.

- RAM will release its quarterly report showing regulator inquiry and member complaints volume and trends, as well as regulatory audit updates in December 2020.

- RAM is producing Regulatory Submission Quality guides to help prepare the business units to continuously produce high quality, compliant, and timely documentation when requested by our regulators.

- RAM and Legal drafted self-disclosure regarding vendor noncompliance with UM regulations. The disclosure will be distributed to all regulatory agencies.
Compliance - Clean Period Program – 10/1/20

• Preparations for validation that 7 findings have been corrected

• **Expedited Service Authorization Request (SAR) Member Notification**

<table>
<thead>
<tr>
<th>Internal UM</th>
<th>Delegates</th>
</tr>
</thead>
</table>
| • Daily monitoring of member notification timeliness with validation of letters for accuracy (LAC UM)  
• Monthly automated timeliness calculation for submitted universe  
• Data Validation to ensure the accuracy of data  
• Collaborate with UM team for cases approaching untimeliness | • Delegates to notify any untimely cases to L.A. Care within 24 hours  
• Monthly automated timeliness calculation for submitted universe  
• Data Validation to ensure the accuracy of data |

• **Expedited Appeals & Standard Grievance Timeliness** (SARAG 7.05 & 7.46)
  - Monthly automated timeliness calculation for submitted universe
  - Data Validation to ensure the accuracy of data

• **Classification and Initiation of Grievances** (SARAG 7.14)
  - Daily review of minimum 10 sample calls
    • Targeted sampling from word search
    • Random sampling of exempt grievances, grievances, inquiries
Compliance - Clean Period Program

• **CCQIPE New Members**
  Maintains the list of all new members enrolled on 10/1/2020 and continuously enrolled through 12/31/2020

  1. Collaborate with Delegation Oversight, Care Management teams to ensure that:
     a) ICP is developed within 90 days of enrollment.
     b) If member completes an HRA, all issues identified in the HRA are addressed in the ICP.
     c) ICT meetings are completed within 90 days of enrollment.

• **CCQIPE Member Transfers**
  Maintains the list of all members who transfer from PPG to PPG from 10/1/2020 – 12/31/2020

  1. Collaborate with Delegation Oversight team to ensure that:
     a) ICP is developed within the month of the transfer.
     b) If member completes an HRA, all issues identified in the HRA are addressed in the ICP.
     c) ICT meetings are completed within 60 days of the transfer.
Risk Management & Operations Support
Risk Management and Business Continuity

Enterprise Risk Management

• ERM Risks/Issues – Exhibit 2
• Ongoing: Risks/Issues updates meetings with business units.
• ERM Training Module-in development

Business Continuity

• 2020 Annual Disaster Recovery Test took place on October 24, 2020 in a work-from-home environment.
• Planning for 2021 Annual Disaster Recovery Test

Marketing and Fulfillment

• The Unit kicked off the annual “Promoting the Medi-Cal Program” training sessions. This training is an annual DHCS contract requirement and all staff who engage with Medi-Cal beneficiaries are required to attend. This year, the sessions are offered via WebEx due to the pandemic. Several dates are scheduled during the month of October with the final session in November.

• All the Appeals & Grievance (A&G) member letter templates, for all LOBs, have been uploaded to Podio (English versions and translations). Next steps include transitioning process to the A&G staff and granting access to appropriate stakeholders.

• The 2021 CMC annual member mailing was successfully completed and the regulatory deadline was met.
Regulatory Analysis and Communication

Policy Management Enhancements

Phase 2 – Accountability and Compliance 360 Clean-up
• As part of the Annual Attestation process, Directors received a status report of their P&Ps by 09/30/2020. All P&Ps must be reviewed annually in C360. As such, Compliance will be checking that all P&Ps have been updated by 12/31/2020 — Any areas that have P&Ps that have not been updated or have been nonresponsive may be issued a CAP. P&P designees will continue to receive monthly reports which include current P&P statuses.

Policies and Procedures Report – Exhibit 4

Regulatory Change Management

Regulatory Implementation Process Improvements
• The New Regulatory Change Implementation Impact Assessment Form was unveiled at RIO in August. Two Impact Assessment forms are in progress for APL 20-016 and 20-017 and are pending return to Compliance.

COVID-19 Communications
• All COVID-19 Guidance and Flexibilities are being tracked by Compliance. L.A. Care has received COVID-19 guidance from our regulatory agencies and trade associations: 427 (as of 10/1/2020)
  ▪ DMHC: 27 (23 actionable)
  ▪ DHCS: 136 (66 actionable)
  ▪ CMS: 118 (45 actionable)
  ▪ Other: 146 (39 actionable or requests for comment/feedback)
• COVID-19 Flexibilities are being monitored through the Regulatory Flexibilities Strike Team. To date, the Regulatory Flexibilities Strike Team has received 55 inquiries: 21 internal and 35 delegate inquiries

Additional Projects in 2020:
• Online Regulatory Research Intake Form in progress – Received 120 requests this fiscal year to date.
Privacy
Privacy – October 2020 Update

Presenters: Serge Herrera and Cindy Goodman, Privacy

- **Delegated Business Associate Agreement (BAA):** Privacy and Legal worked on updating the BAA to align with contractual agreements with the state, as well as, policies and provider manual. The business associate agreement is a HIPAA requirement that:
  - Specifies the types of PHI that will be provided to the business associate.
  - Describes the allowable uses and disclosures of PHI.
  - Measures that the business associate must implement to protect the PHI.
  - Actions that the business associate must take in the event of a security breach that exposes PHI.
Privacy – October 2020 Update

Presenters: Serge Herrera and Cindy Goodman, Privacy

• **Notice of Privacy Practices (NOPP):** Privacy and Legal revised the NOPP to align with how the organizations uses and discloses information. The NOPP includes:
  - Description on how L.A. Care uses and discloses PHI.
  - Explanation on when L.A. Care will seek out authorization before disclosing records.
  - L.A. Care’s duties to protect member information.
  - Member privacy rights, inclusive of the right to complain to HHS or the organization if privacy rights are violated.
  - Contact information for submitting complaints.
Special Investigations Unit Update
Fraud, Waste and Abuse
Special Investigations Unit - YTD Highlights

1. 2020 FY Recoveries/Savings Dashboard:
   - Recoveries: SEP $327K, FY $4.3M
   - Savings: SEP $552K, FY $10.1M
   - Total: SEP $879K, FY $14.4M

2. Law Enforcement:
   - 60 Active Criminal Investigations (FBI, CA DOJ, LASD HALT)
   - 4 Undercover Ops
   - 21 Arrests
   - 17 Arrests Pending
   - 18 Pending Prosecution
   - 11 Convictions

3. SIU FWA Delegation Oversight:
   - SEP Completed first preliminary audit of PPG SIU. General finding is that they have an SIU on paper but lack capability to conduct proper healthcare fraud investigations. The SIU claimed they had no fraud in the past year.
Delegate Oversight October 2020 Updates
## Delegation Oversight General Updates

### Notices of Noncompliance

<table>
<thead>
<tr>
<th>Title</th>
<th>Deficiency Description</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Optum</td>
<td><strong>Care Plans</strong>: Optum is missing essential data points in Care Plans and fails to set SMART goals.</td>
<td>In Progress - NONC letter issued</td>
</tr>
<tr>
<td>Optum</td>
<td><strong>Amended Letter Templates</strong>: Optum has changed letter templates that were approved by both LAC and its regulators. They have amended it to include copyright information and remove interactive features. Changes were made without consulting L.A. Care and its regulators and were never submitted for review or approval.</td>
<td>In Progress - NONC letter issued</td>
</tr>
<tr>
<td>Optum</td>
<td><strong>Pregnancy Letters</strong>: 700+ members received pregnancy letters erroneously. The wrong members, including men and the elderly received pregnancy letters.</td>
<td>In Progress - NONC letter issued</td>
</tr>
<tr>
<td>Optum</td>
<td><strong>Authorizations Missing NPIs</strong>: Authorizations have been received daily. However, Optum has been sending data without NPIs in approximately 30% of submissions causing L.A. Care to be unable to pay claims.</td>
<td>In Progress - NONC letter issued</td>
</tr>
<tr>
<td>Anthem – VPN Outage</td>
<td>L.A. Care received late notice of a provider termination on 8/14/20. Anthem cited a VPN outage as the root-cause which effected additional functions</td>
<td>Response received from delegate. After review, a NONC letter will be sent requesting a formal CAP and root-cause</td>
</tr>
</tbody>
</table>
## Delegation Oversight General Updates

### Notices of Noncompliance

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<tbody>
<tr>
<td>Optum</td>
<td>Optum had over 1900 requests backlogged. In addition, an issue was identified with the use of threshold languages in member letters that were sent out. Requested 3 CAPs: 1. SAR timeliness and backlog 2. Denial Letter content 3. Member cancelations without denial</td>
<td>All CAPs received. DO is working with Health Services to validate actions and remediate deficiencies</td>
</tr>
<tr>
<td>Failure to Submit Authorizations through ELDA file (multiple PPGs)</td>
<td>Per Sanctions Committee on 4/7, DO sent 2nd Notice to all 19 delegates requesting CAP and root-cause. CAPs were due 4/22. Sanctions will be issued for interest payments + costs starting 5/15.</td>
<td>All CAPs collected. No claims that accrued interest due to delay in authorization was identified for the month of May through August</td>
</tr>
<tr>
<td>Health Care LA IPA – c/o MedPoint Management</td>
<td>Medpoint on behalf of HCLA failed to provide adequate notice for the termination of Dr. Nancy Ekeke and Dr. Mark McDowell. This caused L.A. Care to be late in notifying DHCS in accordance with APL-16-001</td>
<td>Revised CAP has been received. A follow-up request was sent requesting a clarification in policy in monitoring open PCDW tasks</td>
</tr>
</tbody>
</table>

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## Delegation Oversight General Updates

### Notices of Noncompliance

<table>
<thead>
<tr>
<th>Title</th>
<th>Deficiency Description</th>
<th>Status</th>
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</thead>
<tbody>
<tr>
<td>El Proyecto Del Barrio</td>
<td>Delegate received multiple consecutive repeat deficiencies within the Annual Audit. This case was brought to Sanctions Committee</td>
<td>CAP Validation – PNO 1.3 and 3.24. All other issues have been addressed</td>
</tr>
<tr>
<td>Global Care IPA</td>
<td>Report of Delegates Performance Monitoring (PM) Sterilization Focus Audit Results</td>
<td>CAP Validation – Requested evidence of completion was received and under review.</td>
</tr>
</tbody>
</table>