DRAFT

AGENDA
COMPLIANCE & QUALITY COMMITTEE MEETING
BOARD OF GOVERNORS

Thursday, March 17, 2022 at 2:00 P.M.
L.A. Care Health Plan, 10th Floor, CR 1025, 1055 W. 7th Street, Los Angeles, CA 90017

Please recheck these directions for updates prior to the start of the meeting.
This meeting will be conducted in accordance with the provisions of the Ralph M. Brown Act, allowing members of the Board, members of the public and staff to participate via teleconference, because State and Local officials are recommending measures to promote social distancing. Accordingly, members of the public should join this meeting via teleconference as follows:

To listen to the meeting via videoconference please register by using the link below:
https://lacare.webex.com/lacare/j.php?MTID=m02fccce62ea4b697cf5bda94cbf50f5a

To listen to the meeting via teleconference please dial:
+1-213-306-3065
Meeting number:
248 524 0329
Password: lacare

Members of the Compliance and Quality Committee or staff may 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.*

Attendees who log on to lacare.webex using the URL above will be able to use "chat" during the meeting for public comment. You must be logged into WebEx to use the "chat" feature. The log in information is at the top of the meeting Agenda. This is new function during the meeting so public comments can be made live and direct.

1. **The "chat" will be available during the public comment periods before each item.**
2. **To use the "chat" during public comment periods, look at the bottom right of your screen for the icon that has the word, "chat" on it.**
3. **Click on the chat icon. It will open two small windows.**
4. **Select "Everyone" in the "To:" window,**
5. **The chat message, text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates.**
6. **Type your public comment in the box that says "Enter chat message here".**
7. **When you hit the enter key, your message is sent and everyone can see it.**
8. **L.A. Care staff will read the chat messages for up to three minutes during public comment so people who are on the phone can hear the comment.**

Your comments can also be sent by voicemail, email or text. If we receive your comments by 2:00 pm on March 17, 2022, it will be provided to the members of the Compliance and Quality Committee at the beginning of the meeting. **The chat message, text, voicemail, or email must indicate if you wish to be identified or remain anonymous, and must also include the name of the item to which your comment relates.** Public comments submitted will be read for up to 3 minutes during the meeting.

Once the meeting has started, public comment must be received before the agenda item is called by the meeting Chair and staff will read those comments for up to three minutes. Chat messages submitted during the public comment period for before each item will be read for up to three minutes. If your public

comment is not related to any of the agenda item topics, your public comment will be read in the general public comment agenda item.
These are extraordinary circumstances, and the process for public comment is evolving and may change at future meetings. We thank you for your patience.

Please note that there may be delay in the digital transmittal of emails, texts and voicemail. The Chair will announce when public comment period is over for each item. If your public comments are not received on time for the specific agenda item you want to address, your public comments will be read at the public comment section prior to the board going to closed session.

The purpose of public comment is that it is an opportunity for members of the public to inform the governing body about their views. The Committee appreciates hearing the input as it considers the business on the Agenda.

All votes in a teleconferenced meeting shall 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 (ADA) 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, Chair*
1.	Approve today's meeting Agenda	*Chair*
2.	Public Comment *(please see instructions above)*	*Chair*
3.	Approve November 18, 2021 Meeting Minutes P.4	*Chair*
4.	Chairperson Report	*Chair*
5.	Chief Medical Officer Report P.14	Richard Seidman, MD, MPH *Chief Medical Officer*
6.	Approve Quality Improvement (QI) Documents P.17 **(COM 100.0422)** • 2021 QI Annual Evaluation • 2022 QI Program Description & Work Plan	Bettsy Santana, *Manager,* *Quality Improvement Initiatives,* *Quality Improvement*
7.	Provider Incentive Programs Update P.18	Henock Solomon, *Senior Manager,* *Incentives,* *Population Health Management*
8.	Chief Compliance Officer Report P.28 • Compliance Program Overview P.29	Thomas Mapp *Chief Compliance Officer* Elysse Tarabola *Senior Director, Regulatory Compliance* Serge Herrera *Senior Manager, Privacy* Chelsea Hertler *Manager, Regulatory Affairs*

ADJOURN TO CLOSED SESSION (Est. time 20 minutes)

9. PEER REVIEW
   Welfare & Institutions Code Section 14087.38(o)

10. 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

RECONVENE IN OPEN SESSION

ADJOURNMENT

The next meeting is scheduled on May 19, 2022 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.

BOARD OF GOVERNORS

Compliance & Quality Committee Meeting

Meeting Minutes – January 20, 2022

L.A. Care Health Plan CR 100, 1055 W. Seventh Street, Los Angeles, CA 90017

Members

Stephanie Booth, *MD, Chairperson*
Al Ballesteros, *MBA*
Hilda Perez
G. Michael Roybal, *MD*
Nina Vaccaro

** Absent*

Senior Management

Augustavia J. Haydel, *General Counsel*
Thomas Mapp, *Chief Compliance Officer*
Richard Seidman, *MD, MPH, Chief Medical Officer*
Katrina Miller Parrish, *MD, FAAFP, Chief Quality and Information Executive*
Elysse Tarabola, *Senior Director, Regulatory Compliance, Compliance*
Cagla Ozden, *Senior Director, Operational Assurance e*
Margaret Ngo-Lee, *Senior Director, Risk Management and Operations Support, Compliance*
Thomas Mendez, *Director, Quality Performance Informatics, Quality Performance Management*

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.

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
CALL TO ORDER	Chairperson Stephanie Booth called the meeting to order for the L.A. Care Compliance & Quality Committee and the L.A. Care Joint Powers Authority Compliance & Quality Committee at 2:03 p.m. 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.	
APPROVAL OF MEETING AGENDA	The Meeting Agenda was approved as submitted.	**Approved unanimously by roll call. 4 AYES (Ballesteros, Booth, Roybal and Vaccaro)**
PUBLIC COMMENT	There was no public comment.	

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
APPROVAL OF MEETING MINUTES	The November 18, 2021 meeting minutes were approved as submitted.	**Approved unanimously by roll call. 4 AYES (Ballesteros, Booth, Roybal and Vaccaro)**
CHAIRPERSON REPORT	Chairperson Booth stated that the state has taken dispensation of medication away from Medi-Cal plans. All that happens in the pharmacy for encouraging patients to adhere to medication instructions, educating patients about side effects, what they should do if they have side effects or cross effects is important. This happens at the pharmacy, and this is needed so patients stay on their medications and are doing well and get better by taking their medications. L.A. Care should still be concerned about what happens at the pharmacy. Patient satisfaction is also a factor. *(Member Hilda Perez joined the meeting)*	
CHIEF MEDICAL OFFICER REPORT	Richard Seidman*, MD, MPH, Chief Medical Officer,* presented the Chief Medical Officer report (*a copy of his written report can be obtained from Board Services*). <u>Medi-Cal Rx</u> The long anticipated launch of Medi-Cal Rx, in which the State has taken over the responsibility to administer the outpatient pharmacy benefit for all Medi-Cal Managed Care beneficiaries statewide, went live on January 1, 2022. The good news is that the transition is going relatively well with few issues impacting L.A. Care member access. Chief Pharmacy Officer, Yana Paulson, and her team have been on regular calls with California Department of Health Care Services (DHCS) and Magellan, California's contracted Pharmacy Benefit Manager (PBM), to communicate and resolve issues that have been identified. There have been some issues with verifying member eligibility and timely access to Magellan's clinical liaisons to trouble shoot member access issues. Access times have improved as well as training for L.A. Care staff to access Magellan's system to determine the status of medication orders. Dr. Seidman reported that Dr. Paulson has been offered one of the four positions on the California Medi-Cal Contract Drug Advisory Committee (MCDAC) reserved for Medi-Cal Managed Care representatives. With the implementation of Medi-Cal Rx, DHCS increased that committee membership to 10. The MCDAC is comprised of physicians, pharmacists, representatives from schools of Pharmacy and Medi-Cal beneficiaries. This committee makes recommendations to the DHCS and its contracted PBM regarding the addition and deletion of medications from the contract drug list.	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	Dr. Booth asked if members have to go to a different pharmacy if their pharmacy is not contracted with the state. Dr. Seidman responded that members should still be going to their preferred pharmacy. As long as it is listed as a Medi-Cal provider, they will continue to get their medications there. There may be more participating pharmacies in the state network. Members will use their Medi-Cal card to get their prescription. It has gone smoothly and is largely transparent for members. Dr. Booth asked about the effects for physicians. Dr. Seidman responded that a smaller issue is that L.A. Care used to process pharmacy appeals and grievances. He is unsure how appeals will be handled. Member Al Ballesteros stated that, as a direct provider, there are no pharmacies downtown near health care sites that serve the homeless. In the general vicinity there are no pharmacies, and this is a great concern in the area. <u>CalAIM Update</u> Health Homes and Whole Person Care (WPC) program members will transition to Enhanced Care Management (ECM) and Community Support (CS) Services programs. Within a few short, but consequential years, the Health Homes Program has grown to serve over 20,000 members through L.A. Care's network of 34 Community Based Care Management Entities (CB-CMEs). Many of these members will continue to receive services through the expanded network of ECM of contracted providers. Program evaluation data for 6-month and 12-month cohort outcomes were presented to the Quality Improvement (QI) committee and work continues on the qualitative program evaluation soliciting member feedback. In addition to launching the ECM benefit effective January 1, 2022, L.A. Care will also offer CS services including Recuperative Care, Medically Tailored Meals, and Homeless and Housing Support Services. Additional CS services will be rolled out over the next two years. L.A. Care Provider Continuing Education (PCE) Program In lieu of in-person, face-to-face Continuing Medical Education (CME) and Continuing Education (CE) activities, L.A. Care's Provider Continuing Education (PCE) Program pivoted to offering online courses and webinars due to COVID-19. These activities are offered free of charge to L.A. Care providers and staff, L.A. Care staff, and other healthcare professionals, and managed by our accredited CME and CE programs for physicians, nurses and licensed behavioral health professionals. Summary of CME and CE Activities for Fiscal Year 2020-2021 During fiscal year 2020-21, L.A. Care's Provider Continuing Education (PCE) Program offered fifteen online courses as directly provided CME/CE activities, and seven jointly provided CME/CE activities with other healthcare organizations. Topics included postpartum depression and maternal well-being, asthma, diabetes, telehealth, pain, LGBTQ health disparities and suicide prevention, implicit bias training,	

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	and substance use disorder, along with many other timely topics relevant to the needs of our members and providers. For FY 2020-21, the L.A. Care PCE Program and its CME/CE activities provided a total of 30 CME credits, and 35 CE credits were offered to NPs, RNs, LCSWs, LMFTs, LPCCs, LEPs and other healthcare professionals. Planned offerings for 2022 include Cognitive Behavioral Therapy for Chronic Pain, Hypertension and Stroke Prevention, Pulmonary Hypertension and a Children's Health Conference in collaboration with First 5 LA. COVID-19 Update After a gradual increase in cases since October 2021, there has been a recent sharp increase in COVID-19 cases worldwide driven by the emergence of the highly infections Omicron variant, setting new highs with nearly 9.5 million cases between December 27 and January 2. The increase in hospitalizations and deaths has so far been more modest, recognizing the reality that these outcomes typically lag case identification by 2-3 weeks. The World Health Organization reports that "as of January 2, a total of nearly 289 million cases and just over 5.4 million deaths have been reported globally". In the United States, the CDC is reporting that the Omicron variant may account for as much as 95% of all cases, and that the more than 700,000 new cases reported on January 5, 2022 are more than double the amount reported during the January peak in 2021. Community transmission levels are high across the country and the emphasis remains on increasing vaccination levels and booster dose uptake, use of better masks, and ongoing risk mitigation such as reducing exposure by limiting non-essential travel, and holding meetings and gatherings outdoors whenever possible. While it appears the Omicron variant is highly contagious, emerging data continues to suggest that it causes less severe illness in adults, possibly due to what at least one study has shown to be its predilection for the upper respiratory track as opposed to the lungs. Los Angeles County continues to set new daily records with cases topping 45,000 per day, and has now surpassed over 2 million cases since the beginning of the pandemic. Hospitalizations and deaths remain below the levels experienced one year ago. The Los Angeles County Department of Public Health (LAC DPH) is reporting that up to 55% of the 3,400 COVID-19 patients reported hospitalized on January 10 were considered incidental diagnosis, resulting from testing upon admission for other causes. Still, the healthcare delivery system is being stretched to its limits due primarily to the sheer volume of cases coupled with high infection rates among health care workers. The risk of serious illness, hospitalization and death for those that remain unvaccinated remains many times higher than for those that are vaccinated, and even more protection results for those that are fully vaccinated and boosted. In the LAC DPH press release on January 11, 2022, LAC DPH notes a 9-times higher risk of hospitalization for the unvaccinated, and a 38-times higher	

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	risk when compared to those that have been fully vaccinated and boosted, as well as a 22-fold greater risk of death for the unvaccinated. Getting vaccinated and boosted as soon as eligible continues to be a high priority, particularly among our members and throughout low income communities of color. COVID Vaccine and Incentive Update As of January 2, 2022, more than 1.2 million (65%) of L.A. Care members 12+ have received at least one dose of COVID-19 vaccine. This compares with an overall L.A. County rate of 89% and 87% for California. Since November 1, 2021 when the State launched its COVID vaccine incentive program, nearly 60,000 L.A. Care members have been vaccinated and more than half of these members have received the $50 gift card incentive. Efforts to increase immunization rates among our members continue, including planned vaccination events with the LAC DPH. Member Perez asked Dr. Seidman how members that were vaccinated will receive their incentive cards. She stated that it was not made clear to members at vaccine drives. Dr. Seidman responded that a vendor L.A. Care uses will mail the member a notice of vaccination and it can take up to 12 weeks to receive the gift card. Katrina Miller Parrish, *MD, FAAFP, Chief Quality and Information Executive,* stated that the vendor was already in place and was able to speed up the process of the incentive roll out. The Pay 4 Performance payments have gone out as well. Over $44 million went to over 50 providers, 900 physicians, and clinics. Measurement Year (MY) 2020 Incentive Payments Since 2011, L.A. Care has offered value based incentive payments to our Plan Partners, Provider Groups and network physicians and Clinics. L.A. Care has completed its assessment of MY 2020 performance measurement for our Medi-Cal and Covered California products. An additional $400,000 in incentive payments will go out to Cal MediConnect Provider Groups and $300,000 in incentive payments to Direct Network physicians this month. A more complete summary of MY 2020 performance and incentive payments will be presented later this year.	
PRACTICE TRANSFORMATION: HELP ME GROW L.A.	Cathy Mechsner, *Manager, Health Information Technology Program, Quality Improvement,* presented information about Practice Transformation: Help Me Grow L.A. Child Health Provider Outreach (*a copy of the presentation can be obtained from Board Services).* First 5 LA grant awarded to L.A. Care Health Plan: • Four-year agreement with L.A. Care to provide • Three-year education campaign and 10-practice pilot program First 5 LA provides $1.2 million in cost reimbursement funds; L.A. Care provides in-kind resources	

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	Patients:
	• Majority of L.A. County safety net patients 0-5 years old are L.A. Care members
	• Strong rapport with safety net pediatric practices who:
	  – Committed to improving child development programs in L.A. County
	• Have conducted recommended screening tools for patient assessments
	• Practice facilitation programs:
	  – Understand role of coach in QI programs (Meaningful Use, TCPI, CTAP, Transform L.A.)
	  – Worked with grant funded programs (CMS/CMMI, DHCS, CHCF)
	  – Reporting and workflow optimization
	• L.A. Care - Partner for Help Me Grow: LA
	
	Education:
	• Increase understanding of developmental milestones and screenings to assess a child's development progress
	• Providers and care teams
	• Families and caregivers
	• Provider pilot:
	  – Provide training for screenings and referrals; conduct workflow optimization. First 5 will collect improvement data and share lessons learned within the health care community
	  – 3-year pilot for 10 practices
	• Funding opportunities: $5,000 grant & Proposition 56 incentives
	
	Help Me Grow: LA Program Overview
	Education materials:
	• Printed materials at Community Resource Centers in English, Spanish, Chinese, Korean, Khmer and Bengali
	• Health education news articles in provider & member focused newsletters
	• Social media posts
	• Messaging on the provider & member education pages on www.lacare.org
	• Classes: (Virtual/In-person)
	• Providers: Annual continuing medical education (CME) events over 3 years on early childhood development topics
	• Community/Members: 60 classes over 3 years at the CRCs on early childhood development and support/resources in the community	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	• Education Program for Providers & Community/Members • 10 practices, launched December 2021 • Assigned practice coach and practice point of contact (POC) • Practice team: Program champion, Care Team, QI, IT Develop work plan to include: • Assessment of practice's workflows for screening & referrals • Plan Do Study Act (PDSA) cycles to conduct workflow redesign as needed • Collect and report data to L.A. Care/First 5 • Achieve goals for grant eligibility, Proposition 56 incentives	
CHIEF COMPLIANCE OFFICER REPORT	Thomas Mapp, *Chief Compliance Officer*, and the Compliance Department presented the Chief Compliance Officer Report (*a copy of the report can be obtained from Board Services*). Michael Devine, *Director, Special Investigations Unit, Payment Integrity,* presented information about L.A. Care's Special Investigations Unit (SIU) *(A copy of the written report can be obtained from Board Services.)* SIU Team • Two Managers • Seven Senior Investigators • One Investigator • Two Investigative Analysts Pharmacy Investigation Pharmacy in Glendale Falsification of Prior Authorization Forms (Pharmacies can't file prior authorization forms for providers) - Pennsaid is a topical crème used to treat arthritis of the knee - L.A. Care pays $2,500 per monthly tube and requires trails of step therapy formulary drugs - SIU investigation led to the recovery of $565,000. Yasmin's Pharmacy - SIU Data mining for weight loss drug Saxenda - SIU worked with California Department of Justice (DOJ) and established probable cause for a search warrant - DOJ conducts search warrant	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	- Attorney General's Office files charges for Grand Theft, Forgery, Healthcare Fraud and Medi-Cal Fraud - Prosecution Pending Provider Investigations • Billing for up to 35 Meningococcal vaccines • Also billed for Colonoscopies • SIU called to schedule a Colonoscopy …they said "but we're a family practice" • Dr. said he hired a "bad Biller" and placed himself on a CAP • Recovery $101,619.67 Lab Investigation • COVID-19 Case • Lab billing for COVID testing • SIU discovered they were billing for specimen collection as if the patients were homebound. • SIU recovered $38,000 Mr. Devine stated that SIU had many complaints come in last year, about 40 cases are assigned per investigator and they are trying to get the numbers down. He went to a CMS round table meeting this week and those were the main items. SIU is continuing to expand the types of cases they are working. They are working heavily with delegation oversight. Expanding program and continue to investigate. Elysse Tarabola, *Senior Director, Regulatory Compliance*, *Compliance*, and Chelsea Hertler, *Manager, Regulatory Affairs, Compliance*, reported on Regulatory Audits. DMHC Routine Survey Lines of Business: • Medi-Cal • L.A. Care Covered • PASC-SEIU Review Period: September 1, 2019 to August 31, 2021 Details: • Engagement letter received on September 2, 2021and pre-audit deliverables were submitted to DMHC on October 1, 2021. • DMHC has begun selecting file samples; a total of 1,483 file samples have been selected so far. DMHC Financial Audit	

AGENDA ITEM / PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	Lines of Business • Medi-Cal • L.A. Care Covered • Cal MediConnect • PASC-SEIU Review Period August 1, 2018 to Present Details • Engagement letter received on October 25, 2021 • Pre-audit deliverables completed and submitted to DMHC on December 15, 2021 Chairperson Booth asked Ms. Hertler how many cases does L.A. Care have an opportunity to address. Ms. Hertler responded that it will try to resolve nine cases. Todd Gower, *Consultant, Compliance Internal Audit, Compliance*, gave an update on L.A. Care's Internal Audit Plan *(A copy of the presentation can be obtained from Board Services.)*. The FY21 Internal Audit Plan consisted of three proposed projects, two contingent projects, in addition to annual activities such as testing five projects related to Corrective Action Plan follow-ups, Annual Risk Management Assessment, Annual Internal Audit Planning and support for the Health Industry Collaboration Effort, Inc. (HICE). The FY22 Internal Audit Plan has been developed based on the recent Risk Assessment and will have 16 projects with similar coverage and ongoing projects like HICE and annual Risk Assessment. Projects will be delivered with a mix of RGP and internal resources. Internal Audit Planning Process • LA Care's Internal Audit Plan is driven by the information gathered through Compliance and IT Security • Recognizing the importance of being fully operational and effective the projects which make up the Internal Audit Plan were identified and prioritized based on a number of key inputs Mr. Mapp presented Motion COM 100.0222 and COM 101.0222 for committee approval. • Compliance Work Plan CY 2022 **Motion COM 100.0222** **To approve the CY 2022 Compliance Work Plan, as submitted.**	**Approved simultaneously by roll call.** **4 AYES**

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	• Internal Audit Plan CY 2022 **Motion COM 101.0222** **To approve the CY 2022 Internal Audit Plan, as submitted.**	**(Ballesteros, Booth, Roybal and Vaccaro)** *(Member Perez did not cast a vote due to technical difficulties.)*
ADJOURN TO CLOSED SESSION	PEER REVIEW Welfare & Institutions Code Section 14087.38(o)	
	CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d) (2) of the Ralph M. Brown Act Three Potential Cases	
RECONVENE IN OPEN SESSION	The committee reconvened in open session at 4:17 p.m. There was no report from closed session.	
ADJOURNMENT	The meeting was adjourned at 4:18 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: _____

Chief Medical Officer Report
March 2022

COVID-19 Update

Disease trends are improving in most parts of the world, although despite significant reductions from the peak of the omicron surge, case numbers and deaths remain high with 60,000 deaths reported during the last week of February and now more than six million deaths worldwide. The United States has seen significantly improving trends as well, resulting in the release of national and statewide plans to guide efforts as the pandemic wanes and we move cautiously ahead. The Center for Disease Control introduced a new framework for categorizing community levels based on community transmission and hospitalization rates, and the percent of total hospital capacity occupied by patients with COVID-19. Los Angeles met the criteria for the low community level by the first week in March, leading to the release of a revised Health Officer Order eliminating mask mandates in many settings, while still urging caution and strongly recommending masking for people with increased risk and in indoor public places. The plans include a focus on continuing to encourage vaccinations and boosters for all who are eligible, and increasing access to testing and the use of the highly effective oral anti-viral medications (test to treat). There were 1,426 reported cases, 203 hospitalizations and 42 deaths due to COVID-19 among L.A. Care members in the first week of March.

COVID Vaccine/Incentive Program Update

L.A. Care continues to encourage our members to get vaccinated and boosted as soon as they are eligible. Building on prior collaborations with the LA County Department of Public Health, our network pharmacies, Community Clinics and high volume solo and small group private practices in our network, L.A. Care has expanded provider incentive payments to the Los Angeles County Department of Health Services (LAC DHS) for every L.A. Care member assigned to LAC DHS that gets vaccinated.

QI Summary

QI continues its ongoing efforts to maintain regulatory, accreditation and population health goals. Our Potential Quality Review (PQR) and Cultural and Linguistics (C&L) teams continue to manage higher volumes of cases and translations respectively, with the help of temporary workers in order to maintain compliance. The Quality Performance Management team (QPM) continues to complete Measurement Year (MY) 2021/ Reporting Year (RY) 2022 HEDIS optimizations and recently underwent a very successful audit for this reporting year. The auditor was very complimentary during the exit conference, sharing that he did not find any measures at risk and felt that many of the processes in place are "best in class". For MY 2021, all Pay for Performance (P4P) reports and payments have been sent. All Provider Recognition Awardees have been identified and notified, and videos and billboards will be unveiled in March. Our Health Equity Department is continuing its work with the 3 councils and helping with new domains for our P4P programs. Our Population Health Program Cross Functional team is now tracking all of the efforts to achieve the goals we have set for 2022, and our Clinical Data Integration efforts continue to optimize the ingestion of clinical data. Our Health Information Exchanges (HIE) team continues to work L.A. Care's data systems to make data

available in a usable format in internal applications such as Population Health Management system, Syntranet. The team continues to seek new sources of data to support other business cases such as for Long Term and Acute care facilities, as well as access to some of the most commonly used Electronic Medical Records (EMRs) such as Epic and Cerner. HIE data has proven effective for multiple HEDIS measures and reports, such as our new Prenatal Care report.

One example of the work by our Initiatives team is a social media campaign to encourage members to seek preventive primary care, entitled #BackToCareLA. The messaging was displayed to social media users nearly 3 million times, with a cost per reach of $0.04. We expect to re-launch this campaign in Spring 2022.

Given the increased importance of our STARs performance for our future D-SNP product and for our Covered CA product, L.A. Care has launched a new, enterprise-wide Stars team. The team includes new and existing staff from across the organization and will guide strategic efforts across the organization to optimize our Stars performance. A significant proportion of our overall Stars score is based on member experience and pharmacy measures, including Rating of Drug Plan and Getting Needed Prescription Drugs. In an effort to assess our baseline performance and identify opportunities to improve, our Pharmacy Team surveyed members to get their feedback. Of the 70 members that responded to the survey, 54 (77%) of members reported that it is always easy to get the medicines their doctors prescribed. 60 (85%) of members reported that it is always easy to fill a prescription at their local pharmacy. From a rating of 0 to 10, where 0 is the worst prescription drug plan and 10 is the best, average member rating is 9.17. The pharmacy team will continue to monitor results and look for opportunities to improve.

CalAIM

The CalAIM program was successfully launched on January 1 with nearly 25,000 members transitioning from Health Homes and Whole Person Care programs into Enhanced Care Management (ECM) and Community Support (CS) services. The CalAIM team is also preparing for the launch of additional CS services in July 2022.

Behavioral Health

The Behavioral Health team is collaborating with the LA County Department of Mental Health (DMH) and the LA County Office of Education (LACOE) to implement the DHCS School Behavioral Health Incentive Program -- a three-year, $400 million statewide initiative to enhance screening, assessment and interventions for behavioral health conditions in the public school setting. Phase 1 of the project will develop a detailed assessment of behavioral health needs in school districts across the county. The U.S. Surgeon General recently issued a national advisory bulletin on the youth mental health crisis in the context of COVID-19.

Pharmacy Update

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

L.A. Care has added an additional 7 pharmacies in the second cohort of CRMC participating pharmacies, bringing the total to 14 participating pharmacies. The CRMC program will also be expanding the clinical criteria for the program to include behavioral health and cardiovascular disease in addition to diabetes. In addition, the pharmacies will add medication adherence and medication therapy management (MTM) for our Covered California and PASC members. Nearly 40% of the 298 members engaged in the program live

in the Antelope Valley and South Los Angeles. These efforts address the documented disparities in these parts of the County.

Transitions of Care Program (TCP):

- As of 2/15/21, there are 69 completed cases in which the pharmacist has completed the medication reconciliation and provider clinical notice. If eligible, members will also be referred to the CRMC program for continued case management. Thus far, four TCP members have been identified as eligible for CRMC, and two TCP members have been enrolled into the CRMC program.

Diabetes Performance Improvement Project (PIP)

- L.A. Care's Pharmacy Department is collaborating with QI and Health Education to conduct a PIP to improve diabetes control, specifically targeting the Comprehensive Diabetes Care (CDC) HEDIS measure of A1c >9% with a focus on Black and African American members. Pharmacy is testing a refrigerator magnet with our members, designed to help better control their diabetes. Members will be sent a mailer including the magnet and dry erase markers to help them keep track of daily reminders important for diabetes control. The mailer will also include other diabetes health education handouts and a postcard with information about the mail order pharmacy service.

L.A. Care
HEALTH PLAN

Board of Governors
MOTION SUMMARY

Date: March 17, 2022 **Motion No. COM 100.0422**

Committee: **Chairperson: Stephanie Booth, MD**

Issue: Approval of Quality Improvement Documents

Background: The Quality Improvement documents (2021 Annual Evaluation and 2022 Program Description and Work Plan) must be reviewed and approved annually by the plan's governing board in accordance with regulatory, contractual and accreditation standards.

The evaluation document covers 2021 accomplishments in our Medi-Cal, PASC-SEIU, L.A. Care Covered, and Cal MediConnect lines of business. The program description describes 2022 activities for our Medi-Cal, PASC-SEIU, L.A. Care Covered, and Cal MediConnect lines of business.

Member Impact: None.

Budget Impact: None.

Motion: To approve the following documents:

- **2021 Quality Improvement Annual Report and Evaluation – All lines of business**
- **2022 Quality Improvement Program and Work Plan – All Lines of Business**

QI Incentives: Pay-for-Performance (P4P) Program Updates

Compliance & Quality Committee
March, 2022

ELEVATING HEALTHCARE IN LOS ANGELES COUNTY SINCE 1997

Background

- **Incentives serve as a motivator and amplifier for Quality Improvement (QI) interventions.**
  - L.A. Care incentives programs are currently all no-risk or “up-side”.

- **The programs promote provider accountability and offer a business case for quality improvement.**
  - Performance measurement and reporting
  - Peer-group benchmarking
  - Value-based revenue

- **Designed to align the quality improvement goals of Plan Partners, IPAs, clinics and physicians.**
  - Aim to foster systematic process improvements and better care coordination
  - Reduce variation and promote consistency

Accomplishments & Updates

- **P4P Programs Adapted for COVID-19**
  - Utilized MY 2020 thresholds & benchmarks (performance targets) rather than prior year for measures most adversely impacted by COVID.

- **MY 2020 final Medi-Cal P4P reports and payments**
  - About 1,000 Physicians & Clinics participated, payout was $20.6 million.
  - Over 50 IPAs participated, payout was $14.7 million.

- **MY 2020 LACC and CMC VIIP reports and payments**
  - LACC VIIP collaboration with IHA, payout was $1.8 million.
  - CMC VIIP first ever payouts accomplished with MY 2020, payout was $400k.

- **Launch and payout for the new Direct Network P4P Program!**
  - About 60 providers were measured for performance, payout $300k.

- **MY 2021 P4P Programs**
  - Final IPA Action Plans received.
  - Reports and payments will be completed Q4 2022

Performance Score Trends

- **Medi-Cal (VIIP+P4P) Program**

IPAs		MY 2018	MY 2019	MY 2020
Performance Scores	Mean	29.54%	33.11%	32.41%
	Median	26.85%	30.48%	30.27%
	Max	77.97%	68.73%	81.61%

Measure Specific Trends: Medi-Cal VIIP

Threshold: 50th percentile among IPA network

HEDIS Domain

Measures	Threshold MY 2018	Threshold MY 2019	Threshold MY 2020	Rate Change (MY 18 - MY 20)
Asthma Medication Ratio - Ages 5-64	57.25%	55.56%	58.17%	0.92%
Breast Cancer Screening	59.72%	58.31%	55.38%	-4.34%
Cervical Cancer Screening	54.37%	56.74%	54.63%	0.26%
Childhood Immunization Status - Combo 10	15.26%	18.58%	20.07%	4.81%
Chlamydia Screening in Women	61.81%	63.64%	63.09%	1.28%
Comprehensive Diabetes Care: Control (<8.0%)	41.18%	42.40%	40.58%	-0.60%
Comprehensive Diabetes Care: Eye Exams	48.82%	51.00%	43.58%	-5.24%
Immunizations for Adolescents - Combo 2	34.29%	35.89%	36.00%	1.71%
Prenatal & Postpartum Care: Postpartum Care	44.63%	58.42%	58.50%	13.87%
Prenatal & Postpartum Care: Timeliness of Prenatal Care	62.15%	74.44%	77.25%	15.10%
Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life	66.30%	66.45%	52.80%	-13.50%

Encounters Domain

Measures	Threshold MY 2018	Threshold MY 2019	Threshold MY 2020	Rate Change (MY 18 - MY 20)
Encounters Timeliness for MCLA	77.66%	80.43%	79.16%	1.50%
Encounters Timeliness for Plan Partners	60.96%	46.55%	62.55%	1.59%
Encounter Volume (PMPY)	7.16	7.30	4.85	-2.31

Measure Specific Trends: Medi-Cal VIIP

Threshold: 50th percentile among IPA network

Member Experience Domain

Measures	Threshold MY 2018	Threshold MY 2019	Threshold MY 2020	Rate Change (MY 18 - MY 20)
Adult Getting Needed Care	54.70%	55.24%	53.52%	-1.18%
Adult Rating of All Health Care Combined	60.24%	62.09%	62.86%	2.62%
Adult Rating of PCP	61.51%	61.02%	64.87%	3.36%
Adult Timely Care and Service for PCPs	53.55%	55.58%	50.44%	-3.11%
Child Getting Needed Care	44.86%	56.66%	59.18%	14.32%
Child Rating of All Health Care Combined	71.44%	74.80%	76.24%	4.80%
Child Rating of PCP	67.90%	69.94%	72.41%	4.51%
Child Timely Care and Service for PCPs	61.56%	60.70%	62.04%	0.48%

Utilization Domain

Measures	Threshold MY 2018	Threshold MY 2019	Threshold MY 2020	Rate Change (MY 18 - MY 20)
Plan All-Cause Readmissions	17.18%	13.28%	5.87%	11.31%
Emergency Department Utilization	1261.80	1158.59	755.29	506.51
Acute Hospitalization Utilization	57.12	44.20	48.09	9.03

Future Planning

- **Action Plan Analysis**
  - Compare action plans vs VIIP scores.
  - Potential modifications to 2022 action plan methodology.

- **Development of MY 2022 P4P Programs**
  - Testing new measures and domains.
    - MCAS and NCQA updates
  - Exploring the utilization of external benchmarks.
  - Aiming to announce new programs towards end of Q1 2022.

Future Planning Continued

- **Physician Pay-for-Performance (P4P) Program**
  - Pay on new domains (Utilization & Member Experience)

- **New D-SNP Value Based Incentive Program** *(launch for 2023)*
  - Upside and downside risk for IPAs
  - Testing and modeling new design
  - Stars focused

Provider Recognition Awards Event

- **The 4th annual event is planned for March 2022**
  - L.A. Care, Anthem Blue Cross and Blue Shield of California jointly recognize excellent performance in our networks
  - Expanded award winners with new categories!
  - Adapting to COVID
    - Week(s) celebration.
    - Celebrating winners on social media, providers page and L.A. Care intranet
    - Putting up billboards for winners

Questions?

To: Compliance & Quality Committee of the Board of Governors

From: Thomas Mapp, Chief Compliance Officer

Subject: Chief Compliance Officer Report – March 2022 (OPEN SESSION)

Date: March 10, 2022

COMPLIANCE OFFICER OVERVIEW

The Compliance Program (Attached) is a guide to L.A. Care's prevention, detection, and correction of compliance issues. In 2022, we reviewed and revised the Compliance Program document as part of our application to establish a dual-eligible special needs plan effective January 1, 2023. Also, earlier this year we completed our annual compliance program effectiveness audit, which will guide our efforts this year to improve the compliance program. Today, we are presenting updates to the Compliance Program document, results of the annual compliance program effectiveness audit and the role of the Compliance and Quality Committee of the Board for oversight of the compliance program.

L.A. Care has tailored its Compliance Program to fit the unique environment of the organization. Moreover, the Compliance Program is dynamic; L.A. Care regularly reviews and enhances the Compliance Program to meet evolving compliance needs (i.e., business or legal areas of risk) as well as changes in state and federal laws and regulations. The Compliance Program applies to Board members, L.A. Care employees, first tier, downstream and related entities, including contracted Knox-Keene licensed health plans and participating providers.

OTHER ITEMS TO REVIEW

DHCS Medical Audit Update – DHCS issued the final report on February 3, 2022. The report includes 27 total findings with 15 unique deficiencies. Compliance is working with the deficiency owners to develop corrective action plans (CAPs) to address these deficiencies. The CAPs will be submitted to DHCS on March 16, 2022.

COMPLIANCE UNIT REPORTS

The following reports are included as well. They are reported to the Internal Compliance Committee.

- Key Performance Indicators (KPIs)
- Risk Log (Open Session)
- Issues Log

Compliance Program

Table of Contents

I. Compliance Program Overview

Local Initiative Health Authority for Los Angeles County (hereafter, "L.A. Care Health Plan" or "L.A. Care") is committed to establishing and maintaining its business operations in compliance with ethical standards, contractual obligations, and all-applicable Federal and State standards, statutes, regulations and rules, including those pertaining to the State of California requirements and the Medicare Advantage and Prescription Drug programs. L.A. Care's compliance commitment extends to its own internal business operations, as well as its oversight and monitoring responsibilities relating to its business partners and first tier, downstream and related entities.

L.A. Care's Compliance Program incorporates the seven core elements of an effective compliance program to satisfy Medicare requirements and regulations.

1. Written Policies, Procedures and Standards of Conduct
2. Compliance Officer, Compliance Committee, Governing Body
3. Effective Training and Education
4. Effective Lines of Communication
5. Enforcement of Standards through Well-Publicized Disciplinary Guidelines
6. Effective Systems for Routine Monitoring and Auditing
7. Procedures and Systems for Promptly Responding to Compliance Issues

L.A. Care has tailored its Compliance Program to fit the unique environment of the organization. Moreover, the Compliance Program is dynamic; L.A. Care regularly reviews and enhances the Compliance Program to meet evolving compliance needs (i.e., business or legal areas of risk) as well as changes in state and federal laws and regulations. The Compliance Program applies to Board members, L.A. Care employees, first tier, downstream and related entities, including contracted Knox-Keene licensed health plans and participating providers.

As part of our commitment, L.A. Care has formalized its compliance activities by developing this Compliance Plan that guides prevention, detection and correction of compliance issues. Care as necessary to prevent and detect violations of ethical standards, contractual obligations and applicable law and the involvement of L.A. Care's governing body and executive staff. The Compliance Program incorporates existing compliance elements and functions and expands upon them to improve the quality of L.A. Care's compliance efforts. The Compliance Program applies to all lines of business of L.A. Care, including Medicare Parts C and D.

II. Goals and Objectives

L.A. Care's Compliance Program is designed to facilitate the provision of quality health care services to all its members. The goal of L.A. Care's Compliance Program is to ensure that all L.A. Care members receive appropriate and quality health care services through a provider network in compliance with all applicable state and federal rules and regulations as well as L.A. Care contractual requirements.

L. A. Care's Compliance Program incorporates the following objectives:

- Provides oversight of delegated responsibilities to the PPGs/IPAs, Plan Partner, and other sub-contracted entities.
- Implements and monitors corrective action plans with PPGs/IPAs and sub-contracted entities to address deficiencies in provision of health care services.
- Conducts auditing and internal monitoring activities of L.A. Care business units and first tier, downstream and related entities to assess compliance with L.A. Care's performance standards
- Identifies and investigates potential fraud, waste, and abuse activities. Takes appropriate action(s) to report or resolve suspicious activities.
- Provides education and other resources to assist internal business units and first tier, downstream and related entities for compliance with Privacy requirements.
- Educates staff and enforces adherence to L.A. Care's Code of Conduct standards and mission.
- Provides new legislative updates to PPGs/IPAs and sub-contracted entities that specifies required actions to ensure contractual compliance. Makes available additional information about compliance activities and requirements to PPGs/IPAs on an ongoing basis.
- Annual Compliance Program Effectiveness review to determine opportunities to improve the compliance program.

The Compliance program ensures compliance with all federal and state rules and regulations, L.A. Care's payer contracts and other standards as required by applicable regulatory agencies. The Compliance Program also extends to (as applicable) first tier, downstream and related entities, PPGs/IPAs, Plan Partners, and Contractors affiliated with L.A. Care. The Compliance Program addresses L.A. Care's performance with respect to the following requirements:

- Rules and Regulations promulgated by and for the Department of Managed Health Care.
- Rules and Regulations promulgated by and for the Centers for Medicare & Medicaid Services.
- All applicable federal rules and regulations that apply to the provision of health services.
- Terms and conditions as set forth in L.A Care's contracts with California and federal agencies, private foundations and other payer organizations for the provision of health care services.
- The State and Federal Governments' right to access premises to assure compliance with the Contract(s) and for any other reasonable purpose, with or without notice to L.A. Care.

III. Written Policies, Procedures and Standards of Conduct

L.A. Care regularly and systematically updates its policies, procedures and standards of conduct (the "Code of Conduct") to stay current with contractual, legal, federal, state and regulatory requirements. Board members, employees, and first tier, downstream and related entities are responsible for ensuring that they comply with the policies, procedures and standards of conduct relevant to their appointment, job descriptions, and/or contractual obligations. The Code of Conduct communicates L.A. Care's commitment to timely, consistent and effective enforcement when noncompliance or unethical behavior is identified by L.A. Care management.

L.A. Care's policies, procedures and standards of conduct include the following:

- L.A. Care's commitment to comply with all applicable Federal and State standards;
- Describes compliance expectations as embodied in the Code of Conduct including the requirement for all parties to identify and report noncompliant or unethical behavior
- Describes the implementation and operation of the compliance program
- Provides guidance to employees and others on dealing with potential compliance issues
- Identifies how to communicate compliance issues to appropriate compliance personnel
- Describes how potential compliance issues will be investigated and resolved
- A policy of non-intimidation and non-retaliation for good faith participation in the compliance program, including, but not limited to, reporting potential issues, investigating issues, conducting self-evaluations, audits and remedial actions, and reporting to appropriate officials.

IV. Chief Compliance Officer, Compliance Committee, Governing Body and Compliance Department Structure

Chief Compliance Officer

The Chief Compliance Officer serves as the focal point for all compliance activities and is vested with the day-to-day operations of the compliance program. The Chief Compliance Officer is charged with the responsibility of developing, operating and monitoring the Compliance Program. The Chief Compliance Officer reports to the Chief Executive Officer ("CEO") but has the authority to report directly to the Board of Governors, as necessary.

The Chief Compliance Officer is an employee of L.A. Care and is not an employee of any first tier, downstream or related entity. The Chief Compliance officer reports directly and periodically to the Compliance & Quality Committee, which is a subcommittee of the Board of Governors, and the Board of Governors of L.A. Care on the activities and status

of the compliance program, including issues identified, investigated, and resolved by the compliance program.

The role of the Chief Compliance Officer shall include, but not be limited to the following activities:

- Ensure the seven elements of compliance are incorporated into the compliance program;
- Providing regulatory interpretation and guidance regarding Federal and state regulations and CMS manuals;
- Establishing the overall framework and overseeing the implementation of the Medicare Compliance Program to promote compliance with applicable Medicare Advantage and Part D regulatory and legal requirements;
- Ensuring that Medicare compliance reports are provided regularly to the L.A. Care's governing body, CEO, and compliance committee;
- Creating and coordinating training programs to ensure the L.A. Care Health Directors, employees, contractors, delegated entities, and other third parties are knowledgeable about the Code of Conduct, Compliance Program, policies and procedures and statutory requirements;
- Ensuring that the DHHS OIG and GSA exclusion lists have been checked for all members of the workforce, governing body members, and FDRs prior to hire/contract and monthly ongoing and coordinating any resulting personnel issues with L.A. Care's Human Resources, Security, Legal or other departments as appropriate;
- Identification and prevention of payment of Part C and D claims submitted by providers who have been excluded by the DHHS OIG or GSA.
- Ensuring that all L.A. Care employees are aware of how to detect and prevent any compliance violations, including potential or actual fraud, waste or abuse, as well as report non-compliance or FWA without fear of retaliation;
- Establish various mechanisms for L.A. Care employees, Board members, senior management, delegated entities and members to report known or suspected non-compliance or fraud, waste and abuse;
- Enforcing appropriate and consistent disciplinary action, including termination, in conjunction with the corporate human resources department, against employees who have engaged in acts or omissions constituting non-compliance or acts of fraud, waste and/or abuse;
- Responding to reports of potential FWA, including the coordination of internal investigations with the SIU or internal audit department and the development of appropriate corrective or disciplinary actions, if necessary;
- Maintaining documentation for each report of potential noncompliance or potential FWA received from any source, through any reporting method;
- Conducting annual assessment of risk areas based on information gathered from a variety of sources, including CMS guidance, internal assessments, enrollee complaints, CMS inquiries or other avenues; and recommending new or revised metrics, policies and procedures, enhanced training courses, or other activities that may be tracked and measured to demonstrate compliance;

- Conducting internal monitoring and auditing activities of operational areas identified at risk of non-compliance through the annual risk assessment process, as well as ad hoc internal audits for areas in which issues are identified outside the annual risk assessment process;
- Overseeing monitoring and auditing activities related to compliance and fraud, waste and abuse that are performed by L.A. Care staff and contractors/vendors;
- Reporting any potential fraud or misconduct related to the Medicare programs to CMS, its designee;
- Maintaining documentation for each report of non-compliance, potential fraud, waste or abuse received through any of the reporting methods (i.e., hotline, mail, in-person) which describe the initial report of non-compliance, the investigation, the results of the investigation, and all corrective and/or disciplinary action(s) taken as a result of the investigation, as well as the respective dates when each of these events and/or actions occurred and the names and contact information for the person(s) who took and documented these actions;
- Developing, implementing and evaluating corrective action plans resulting from non-compliance and/or fraud, waste and abuse; or
- Coordination of potential fraud investigations/referrals between L.A. Care and the NBI MEDIC, as well as any documentation or procedural requests that the NBI MEDIC makes of L.A. Care.

Board of Governors

L.A. Care's Compliance Program is subject to oversight by the Board of Governors. The Board of Governors has established a Compliance and Quality Committee to provide review and oversight regarding the Compliance Program. The Board of Governors and the Compliance and Quality Committee are knowledgeable of the content and operations of the Compliance program.

Compliance Committees

L.A. Care's Compliance Program operates with the oversight and/or support from the following committees as described below.

1. **Compliance and Quality Committee (C&Q).** The Compliance and Quality Committee (C&Q) is a subcommittee of the Board of Governors. The C&Q committee monitors L.A. Care's compliance efforts and reports its finding to the Board. The C&Q committee is charged with reviewing the overall performance of L.A. Care and providing direction for action based on findings.

2. **Internal Compliance Committee (ICC).** The Internal Compliance Committee (ICC) provides oversight, advice, and general guidance to L.A. Care Health Plan senior management on all matters relating to L.A. Care and its first tier, downstream and related entities compliance with mandated and non-mandated performance standards. The ICC, through the Chief Compliance Officer, periodically reports to the Compliance and Quality Committee of the Board of Governors on the activities and status of the Compliance program. The ICC ensures that L.A. Care adopts and monitors the implementation of policies and

procedures that require L.A. Care and its employees, the Plan Partners, and the providers to act in full compliance with all applicable laws, regulations, contractual requirements and policies. The duties and responsibilities of the ICC include but are not limited to the following:

- Reviewing and approving Compliance Department policies and procedures that describe the scope and authority for Compliance activities;
- Ensuring that the Compliance and Quality Committee receives at least quarterly reports on the status of the compliance program including issues identified and investigated;
- Ensuring that training and education are appropriately completed for employees and contractors/vendors, to maintain compliance;
- Ensuring L.A. Care has mechanisms for employees, Board members, senior management, delegated entities and members to ask compliance questions and report known or suspected non-compliance or fraud, waste and abuse;
- Reviewing reports and recommendations of the Chief Compliance Officer regarding compliance activities. Based on these reports, the Committee makes recommendations regarding future compliance priorities and resources;
- Providing input into the monitoring and auditing work plan, which addresses areas of focus for the year;
- Set goals and monitor the progress of compliance with those goals, review major compliance issues identified by committee members;
- Overseeing a system of controls to carry out the Compliance Program;
- Engage in oversight activities related to correction of compliance risks, and identification of areas for training and education of associates; and
- Oversee corrective action plans and ensuring that they are implemented and monitored and are effective in correcting the deficiency.

3. **Special Investigations Unit Committee (SIU).** The Special Investigations Unit (SIU) committee is responsible for the communication of L.A. Care's Fraud, Waste, and Abuse detection efforts and activities. Information about L.A. Care's SIU is communicated to its Members and providers via provider bulletins, provider mailings, provider trainings, member newsletters, Evidence of Coverage and L.A. Care's Regional Community Advisory Committee (RCAC) meetings.

4. **Security and Privacy Oversight Committee (SPOC).** The Security and Privacy Oversight Committee (SPOC) provides oversight and general guidance, and advises L.A. Care Health Plan leadership on matters relating to the information security, privacy and integrity of the organization's facility, network and information assets of members and employees.

5. **Sanctions Committee.** The Sanctions Committee reviews issues on delegated entity noncompliance, evaluates noncompliance, and imposes penalties on such

delegates for noncompliance. Issues of noncompliance are presented by the delegation oversight function and any other L.A. Care business units that have obtained delegate/vendor noncompliance information.

Risk Management and Operations Support

The Risk Management and Operations Support unit investigates and evaluates product line and enterprise wide risk, including the development of an annual assessment of enterprise risks, as well as disaster recovery and business continuity planning. The Risk Management and Operations Support unit is also responsible for material review and regulatory analysis and implementation.

The Material Review Unit reviews communications intended for members enrolled in any of the lines of business at L.A. Care and communications to other stakeholders such as (health care providers and vendors) to ensure materials comply with federal and state regulations, as well as, contract requirements.

Regulatory Analysis and Communications ensures the dissemination of new and revised regulatory guidance to internal stakeholders and Plan Partners, and assist with the organization-wide interpretation and implementation of the disseminated regulatory guidance.

Regulatory Affairs

The Regulatory Affairs unit's primary responsibility is to manage relationships with regulatory agencies, including audits, regulatory agency relationships, and reporting. The Regulatory Affairs unit works with responsible business units, delegates and vendors to review respective findings, conduct root-cause analysis, and develop corrective action plans and monitors these corrective action plans for implementation and effectiveness. The unit also manages key performance indicators and development of a monitoring program for L.A. Care.

Internal Audit

The mission of Internal Audit unit is to provide independent, objective assurance and support designed to add value and improve L.A. Care's operations and systems of internal controls. A risk-based annual internal audit plan outlines the audits to be conducted during the year. Areas reviewed by the Corporate audit team are those that are not usually in-scope by regulators but nevertheless present potential risks, such as those relating to financial and operational controls. The Regulatory (or Line of Business Performance) team will review areas of known or potential focus by regulators, examples including coverage determination, claims, and marketing compliance.

Privacy

The Privacy unit directs and supports L.A. Care's business units in its HIPAA compliance efforts, which includes monitoring Federal and State privacy and security rules, developing privacy and security policies, providing guidelines procedures,

conducting ongoing HIPAA training of workforce, and conducting ongoing auditing and monitoring initiatives.

Delegation Oversight

The Delegation Oversight function is managed by a department separate from the Compliance Department and performs auditing and monitoring of prospective and participating subcontractors, delegates and vendors. Therefore, the Compliance Department develops monitoring and oversight activities to ensure effective operation of the delegation oversight function in accordance with federal and state regulatory requirements and NCQA accreditation standards.

Special Investigations Unit

The Special Investigations Unit function is managed by a department separate from the Compliance Department and conducts all fraud, waste and abuse investigations. Therefore, the Compliance Department conducts monitoring and oversight activities to ensure effective operation of the fraud, waste and abuse function by the Special Investigations Unit.

V. Effective Training and Education

The continuing training and education of L.A. Care's employees on their legal and ethical obligations under applicable laws, regulations and policies (including, but not limited to, federal health program requirements) is a critical element of the Compliance Program. L.A. Care is committed to taking all necessary steps to communicating effectively its standards, policies and procedures to all affected personnel. Additionally, L.A. Care regularly reviews and updates its training programs, as well as identifies additional areas of training as needed based on new developments.

The Compliance Program reinforces the ongoing commitment of each business unit to the overall purposes of the organization's Code of Conduct standards. Through the Compliance Program, L.A. Care staff, vendors, key stakeholders, and others who do business with and on behalf of L.A. Care are identified as a component of the Code of Conduct standards that are held responsible to the objectives of Code of Conduct.

Education and trainings include, but are not limited to:

- New Employee Orientation;
- Annual Compliance Training;
- Code of Conduct; and
- Fraud, Waste and Abuse.

In addition, L.A. Care has developed a program to provide Fraud, Waste, and Abuse training and as well as general Compliance training to its first tier, downstream and related entities (FDRs) on an annual basis.

First tier, downstream, and related entities who have met the fraud, waste, and abuse certification requirements through enrollment into the Medicare program or accreditation as a Durable Medical Equipment, Prosthetics, Orthotics, and supplies (DMEPOS) are deemed to have met the training and educational requirements for fraud, waste, and abuse.

These training programs are conducted for new employees and Board members after hire or appointment and annually thereafter. These training programs are updated prior to annual training to incorporate any changes to Federal or state laws or regulations regarding compliance and/or fraud, waste and abuse requirements.

VI. Effective Lines of Communication and Pathways for Reporting Compliance Concerns

L.A. Care is committed to fostering dialogue between management and employees and among all stakeholders and L.A. Care management, including first tier, downstream and related entities. It is important for all individuals who perform services for L.A. Care members to know where to turn when they are seeking answers to questions or reporting potential instances of fraud, waste and abuse or other potential violations of law, regulations or company policies. Employees also should feel free to make these inquiries or reports without fear of retaliation or retribution. To facilitate these goals, L.A. care expects its managers to maintain an open door policy which facilitates effective communication with employees. We also establish various communication mechanisms with our first tier, downstream and related entities regarding compliance and performance issues and regulatory information, including routine meetings with compliance and management staff of first tier, downstream and related entities.

L.A. Care encourages and expects its staff, vendors, members, first tier, downstream and related entities to promptly and appropriately report actual or potential wrongdoing, errors, actual or potential violations of law, regulation, policy, procedure, contractual obligation, ethics or the Code of Conduct. As noted below, L.A. Care has established several pathways for reporting any performance or compliance issue and enforces policies for non-retaliation for such reporting. Any of such reports may be communicated anonymously or with the reporters contact information.

Reporting to L.A. Care management

Reports of performance or compliance concerns may be made to any of the following individuals: Chief Compliance Officer, Chief of Human Resources, Human Resources Business Partner or any member of the L.A. Care management team.

Report Compliance Issues – Compliance Hotline/Helpline

L.A. Care Compliance Hotline and Helpline is available to Board members, employees, contractors, providers, members, first tier, downstream, and related entities, and other

interested persons for confidential/anonymous reporting of violations or suspected violations of the law and/or compliance program and/or questionable or unethical conduct or practices including, but not limited to the following:

- Incidents of fraud, waste, and abuse;
- Criminal activity (fraud, kickback, embezzlement, theft, etc.);
- Conflict of interest issues; and
- Code of Conduct violations.

Verbal communications to the Compliance Helpline, written reports to the Compliance Department and reports to Management staff shall be treated confidentially to the extent permitted by applicable law and circumstances. The caller and/or reporter need not provide his or her name. Communications via the Compliance Helpline or in writing shall be treated as privileged to the extent permitted by applicable law.

Reporting Compliance Issues:
L.A. Care Compliance Hotline: 1-800-400-4889 or 213-694-1250 x4292
lacare.ethicspoint.com or reportingfraud@lacare.org

Report Privacy and Information Security Incidents
Staff is encouraged to report privacy and information security incidents to the Privacy Officer and/or Information Security Officer.
Report incidents to PrivacyOfficer@lacare.org

Potential Misconduct or Fraud, Waste and Abuse Reporting
Staff, board members and contractors are encouraged to report misconduct or fraud, waste and abuse upon discovery.
Report potential FWA to reportingfraud@lacare.org.

Confidentiality and Non-Retaliation
Verbal communications to the Compliance Hotlines, written reports to Compliance department and reports to management staff shall be treated confidentially to the extent permitted by applicable law and circumstances. The caller and/or reporter need not provide his or her name. Communications to the Compliance Hotline or in writing shall be treated as privileged to the extent permitted by applicable law.

L.A. Care's policy prohibits any retaliatory action against a Board member, employee, or employee of a first tier, downstream or related entity for making any verbal or written communication in good faith. Discipline shall not be increased because a Board member, Employee, or first tier, downstream and related entities reported his or her own violation or misconduct. Prompt and complete disclosure may be considered a mitigating factor in determining a Board member's, employee's, or first tier, downstream and related entities discipline or other sanction.

Although Board members, Employees and first tier, downstream and related entities are encouraged to report their own wrongdoing, Board members, Employees and Contractors may not use any verbal or written report in an effort to insulate themselves from the consequences of their own violations or misconduct. Board members,

Employees, and Contractors shall not prevent, or attempt to prevent, a Board member, Employee, or Contractor from communicating via the Compliance Helpline or any other mechanism. If a Board member, Employee, or Contractor attempts such action, he or she is subject to disciplinary action up to and including, dismissal, or termination.

L.A. Care also takes violations of its reporting policy (e.g. retaliation) seriously and the Chief Compliance Officer will review disciplinary and/or other corrective action for violations, as appropriate, with the Compliance and Quality Committee.

VII. Enforcement of Standards through Well-Publicized Disciplinary Guidelines

L.A. Care takes all reports of violations, suspected violations, questionable conduct or practices seriously. L.A. Care's Compliance program and enterprise policies and procedures include clear disciplinary policies that establish the consequences of violating the law, regulations, or company policies. The disciplinary policies are enforced through the following means:

- There are well-publicized disciplinary standards available to all parties;
- There is consistent application of disciplinary standards; and
- There is a well-documented standardized process that is followed when taking disciplinary action.

Although each situation is considered on a case-by-case basis, L.A. Care consistently undertakes appropriate disciplinary action to address inappropriate conduct and to deter future violations. L.A. Care policies and procedures, and the Code of Conduct state that employees in violation of policies and procedures may be disciplined up to and including termination of employment. When appropriate, the progressive discipline procedure consists of:

- Verbal counseling and education;
- First written warning with enhanced education and oversight;
- Final written warning, which may include suspension; and
- Discharge/termination.

Disciplinary action may also be taken for:

- Authorizing or participating in a violation;
- Failing to report a violation or suspected violation;
- Refusing to cooperate with the investigation of a suspected violation;
- Retaliating against an individual who reported, in good faith, a suspected violation; and
- Failing to complete required training.

VIII. Effective Systems for Routine Monitoring and Auditing

L.A. Care has established the following procedures for its various monitoring and auditing activities.

Monitoring and Auditing

To ensure that all L.A. Care Health Plan members receive high quality and medically appropriate healthcare services, L.A. Care shall staff performs an annual audit of contracted risk bearing or delegated organizations which evaluate the contracted/delegated entity's performance and compliance with all contractual and regulatory requirements. L.A. Care shall also regularly conduct internal audits and monitor its operations in order to identify and correct any potential occurrences of noncompliance or barriers to compliance. Compliance audit priorities will be determined annually or as new risks are identified. L.A. Care will assess current enforcement trends, operational and clinical risks identified during the annual risk assessment, guidance from regulatory authorities, potential compliance issues of which it is aware and the annual OIG Work Plan when assigning audit priorities.

Audit reports and/or findings will be prepared and results of an audit will be provided to the appropriate members of senior management and to the Compliance and Quality Committee to ensure that management is aware of the results and can take necessary steps to correct any concerns to prevent reoccurrence of the activity. Audit reports shall specifically identify the reason for the audit, any suspected non-compliance, areas where corrective action is needed or self-disclosure is appropriate and in which cases, if any, subsequent audits or studies would be advisable to ensure that the recommended corrective actions have been implemented and are effective.

Risk Assessment and Remediation

L.A. Care Compliance Department has established and implemented effective system for identification of risk. On an annual basis, the Compliance Department will conduct risk analysis including the CMS and CMC annual risk assessment of the organization.

Oversight of Delegated Activities

L.A. Care delegates certain functions and/or processes to contractors who are required to meet all contractual, legal, and regulatory requirements and comply with L.A. Care Policies and Procedures and other guidelines applicable to the delegated functions.

L.A. Care maintains oversight over all contractors, including but not limited to, the following delegated activities:

- Utilization Management;
- Review of Provider Dispute resolution cases;
- Practitioner and provider credentialing and re-credentialing;
- Provider network contracting;
- Claims payment;
- Cultural & Linguistic services;
- Pharmaceutical services/benefits;
- Care management/coordinator of care; and
- Compliance Program Effectiveness.

Oversight of Non-Delegated Activities

L.A. Care also maintains oversight of the following internal activities that are not delegated to contractors and remain the responsibility of L.A. Care:

- Quality Improvement Program
- Member Grievances
- Development of credentialing standards in specified circumstances
- Development of utilization standards
- Development of quality improvement standards
- Pharmacy and drug utilization review
- Compliance and Program Integrity Plans

Oversight Audits and Reports

L.A. Care conducts various oversight audits, including pre-delegation, annual and ad-hoc or unannounced audit and monitoring activities. The annual audit of delegated PPGs/IPAs, Plan Partners, and sub-contracted entities are conducted to ensure that delegated responsibilities and services are in compliance with program requirements. Any deficiencies identified during the annual audit process will result in corrective action plans. The corrective action plan developed by a PPG/IPA, Plan Partner, or sub-

contracted entity will identify the deficiency, outline how the deficiency will be corrected and set a time frame for implementing the corrective actions.

On a regular basis (monthly or quarterly), PPGs/IPAs, Plan Partners, and Specialty Health Plans are required to submit tracking/activity reports to L.A. Care. The reports are analyzed to identify opportunities for improvement, and to establish trends and/or patterns. Any variances and/or identified deficiencies will be communicated to the PPG/IPA or Specialty Health Plan as applicable. Additional information will be requested to explain the identified variances or deficiencies. The reports submitted by PPGs/IPAs and Specialty Health Plans address activities in utilization management, member services, pharmacy, information systems, provider network services, financial solvency and claims reimbursement.

Compliance Work Plan

The Compliance Work Plan is developed annually and is based, in part, upon the performance of the prior year's Compliance program and the results of audits, monitoring and other oversight and investigation activities.

The Compliance Work Plan includes:

- Planned activities and measurable goals and/or benchmarks to be undertaken in the ensuing year
- Staff member(s) responsible for each activity
- Time frames within which each activity is to be achieved
- Key findings, interventions, analysis of findings/progress and monitoring activities of previously identified issues

IX. Procedures and Systems for Promptly Responding to Compliance Issues and Suspected Fraud, Waste and Abuse

Investigating Compliance Issues and Fraud, Waste and Abuse Allegations

L.A. Care conducts timely and reasonable investigation of all compliance issues and fraud, waste, and abuse allegations. In event that the investigation leads to credible information regarding the validity of the allegation, the Compliance Department will make the appropriate referrals to the NBI MEDIC for its D-SNP or Cal Medi-Connect programs or to the Program Integrity Unit at DHCS for its Medi-Cal program, including voluntary self-reporting of potential fraud or misconduct related to the Medicare program to CMS or its designee. In addition, law enforcement agencies are notified as necessary and as required by law.

The Code of Conduct communicates the requirement that all L.A. Care employees are responsible for reporting suspected fraud, waste or abuse. The Special Investigations Unit is responsible for performing internal and external investigations into all fraud waste and abuse allegations of or suspected activities associated with L.A. Care programs,

members, providers and first tier, downstream and related entities. The SIU, in consultant with relevant internal management, refers suspected fraud matters to appropriate state and federal regulators and assists law enforcement by providing information needed to conduct investigations.

Corrective Actions and Root Cause Analyses

Corrective action initiatives as identified through routine monitoring and internal audit activities or the investigation of non-compliance or fraud, waste and abuse are monitored and managed by the Chief Compliance Officer. Corrective actions are designed to correct conduct or issues that and to address the causes of compliance issues as may be identified in a root cause analysis. Corrective action plans are implemented for both internal and first tier, downstream and related entity noncompliance or performance issues. Corrective action plans are documented in a format determined by the Chief Compliance Officer and include specific implementation tasks, individuals accountable for implementation and required time frames for remediation activities.

Corrective action initiatives may include actions such as the repayment of identified overpayments and making reports to government authorities, including CMS or its designees (e.g., NBI MEDIC) and law enforcement, as necessary or required. The Chief Compliance Officer will report any routine corrective actions to the Internal Compliance Committee, the senior leadership team and the Board on a quarterly basis.

Compliance and Fraud, Waste and Abuse corrective actions may include but not be limited to:

- Termination of employment;
- Creation of or revision to policies and procedures;
- Self-reporting of the issue to CMS or other regulatory agencies;
- Referral to NBI MEDIC or other law enforcement or regulatory agencies;
- Repayment of overpayments – L.A. Care is able to demand refund of overpayments from fraud or abuse claims submitted by providers or members;
- Identifying and recommending providers for termination, including physicians and pharmacists who have defrauded or abused the system;
- Identifying and recommending members for disenrollment due to fraud or abuse; or
- Provider education - The business and operations units shall have the ability to notify and educate providers and pharmacies regarding activities that may involve claims data or referral information that indicates a potential problem.

Corrective actions may include various auditing and monitoring activities to confirm that the corrective action initiatives have remediated for noncompliance or performance issues.

X. Measures to Prevent, Detect and Correct Fraud, Waste and Abuse

L.A. Care conducts investigations of all suspected fraud, waste, and abuse allegations, including evaluation of all suspected FWA activities in the healthcare industry and how such trends might affect the operations of L.A. Care and its members and stakeholders. The Code of Conduct communicates the requirement that all L.A. Care employees are responsible for reporting suspected fraud, waste or abuse. The Special Investigations Unit is responsible for performing internal and external investigations into all fraud waste and abuse allegations of or suspected activities associated with L.A. Care programs, members, providers and first tier, downstream and related entities. The SIU, in consultation, with relevant internal management, refers suspected fraud matters to appropriate state and federal regulators and assists law enforcement by providing information needed to conduct investigations.

L.A. Care also conducts data mining of its claims, encounter and other data to identify potential fraud schemes and communicates potential fraud schemes with its first tier, downstream and related entities.

XI. Conclusion

L A. Care's Compliance Program is constantly evolving to ensure that the organization adopts and monitors the implementation of policies and procedures and other performance standards that require L.A. Care Health Plan and its employees, participating providers, and other contracted entities to act in full compliance with all applicable laws, regulations and contractual requirements. The Compliance Program description is subject to future amendments in order to reflect the compliance department's scope of activities and L.A. Care Health Plan's legal and financial compliance with applicable laws, regulatory requirements, industry guidelines and policies.

	Risk Level
High	Effect on reputation is substantial, causing long-term deterioration in stakeholder value.
Medium	Moderate effect on stakeholder value and reputation; effect on reputation can be mitigated in the near-term.
Low	Negligible effect on stakeholder value and reputation; effects can be observed without major budgetary impact.

Risk #	Open/Closed	Risk Name	Risk Domain	Description of Risk	Status	Risk Owner(s)	Description of Mitigation/Remediation	Anticipated Remediation Date
1	Open	Provider Data	Operational	Improving accurate data that will influence regulatory reports, network associations, network adequacy, provider directory, provider communications, timely access and enrollment and disenrollment processes.	Medium	Provider Network Management	L.A. Care continues to work with PPGs, Specialty Health Plans, and Plan Partners on provider data submission. Data submission that reaches an 85% passing threshold will be moved into the production environment and will continue to correct if any errors/issues arise from loading the file. This risk has been moved from high to medium risk pending the implementation date of the Total Provider Management (TPM) redesign. 1.2022: Name change to "SPF Outreach" from Total Provider Managment (TPM). Temporarily on hold for redesign. L.A. Care continues to work with the PPG's on submitting SPF data on a monthly basis to meet the 85% for ingestion of data into our system. Internally we continue to work on ways to improve the process.	TBD
3	Open	Care Catalyst Project	Operational Financial	Implementation of an enhanced application to centralize data to improve features and factually to give a complete view of members' care plans and health services needs in one application.	Medium	UM CSC	Phase 1 of the project has gone live, and the new application is being used in some business units to assist members. Remains on the risk list as medium until full implementation of application; anticipated date has been moved out to 7/2022 as the program is being re-planned. 1.2022: no update	7/31/2022
4	Open	Member Data	Operational Reputational Regulatory Financial	L.A. Care is improving the member data files process to ensure enrollment/disenrollment, coverage cancellation, member assignments to PCP, and member notifications are complete and precise.	Low	Enrollment Provider Network Management	An intake form via SharePoint was implemented and continues to be monitored. The Service level agreement (SLA) has improved and working on improving IT data support. The Enterprise Provider Change Form tool is currently used, but it's not supported by IT if any disruption occurs; the recovery time of the tool is within 24 hours. They will provide manual work during the interruption. The new CBT project will provide IT support, and has received IRB for approval, and there's no current anticipated timeframe. 1.2022: No updates.	12/31/2022
6	Open	Member Assignments	Operational, Organizational, Regulatory	L.A. Care is improving the provider assignment process that will appropriately cover member's age range.	Low	Provider Network Management Enrollment CSC	Member age out process has been developed and PNM and Enrollment Services continued to improve the provider assignment process. 1.2022: Continuing on-going collaboration with PNM and enrollment with no additional update.	12/31/2022
7	Open	Enrollment/Disenrollment: Inappropriate Coverage Cancellation	Regulatory Organizational Operational	L.A. Care is improving the process of receiving the most current 834 files provided by CalHeers to secure appropriate member coverage.	Low	Enrollment CSC	Provider Network Management (PNM) 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. 1.2022: No updates	12/31/2022

Key Performance Indicators: September 2021 – November 2021

KPI Measure	Business Unit	Sept 2021	Oct 2021	Nov 2021	Root Cause	Remediation
Timely effectuation of standard appeals (CMC)	A&G	92%	94%	100%	During the month of October, A&G experienced and an unforeseen amount of unscheduled absences that contributed to the timeliness issues.	Ongoing remediation A&G is in the process of obtaining additional staff to allow for timely process of A&G cases. A reminder has gone out to the team reminding them of the importance of processing expedited cases timely.
Timeliness of Expedited Appeals (End to End process) CMC	A&G	0%	0%	None Reported	The volume of expedited appeals was only one (1) case. It was received on 10/22 at 7:56am and closed on 10/25 at 2:47pm. The case was closed late within the same day it was due and was fully favorable to the member.	Ongoing remediation A&G will continue to evaluate the expedited appeal process to ensure that cases are processed within the 72hr window.
Preliminary investigation of a suspected FWA case to be reported to NBI MEDIC ≤ 14 days of notification (CMC)	Compliance (SIU)	100%	100%	96.7%	The SIU department received several leads over a weekend and one case was missed when the Analyst was conducting the intake triage.	The responsibility for these reviews has been transferred to a more senior Analyst.
Preliminary investigation of a suspected FWA case to be reported to DHCS ≤ 10 working days of notification (Medi-Cal)	Compliance (SIU)	100%	100%	97.6%	The SIU department received several leads over a weekend and one case was missed when the Analyst was conducting the intake triage.	The responsibility for these reviews has been transferred to a more senior Analyst.
Calls answered within 30 seconds (Call Center) Medi-Cal	Member Services	58.3%	65.4%	44.8%	The vendor (C3/Everise) has not been able to meet the required staffing demand. However, the vendor is in the process of conducting training to onboard	Ongoing remediation Call center has augmented staffing levels by onboarding part-time temporary staff that are now scheduled during peak

KPI Measure	Business Unit	Sept 2021	Oct 2021	Nov 2021	Root Cause	Remediation
					additional staff by the end of November.	periods. In addition, both the call center vendor and CSC call center are currently conducting training classes anticipated to graduate additional staff by the end of November. The Vendor will continue to have training classes through the month of December to offset attrition impacting coverage and service levels.
Abandonment Rate (Medi-Cal)	Member Services	8.9%	9.7%	14.8%	The vendor (C3/Everise) has not been able to meet the required staffing demand. However, the vendor is in the process of conducting training to onboard additional staff by the end of November.	Ongoing remediation Call center has augmented staffing levels by onboarding part-time temporary staff that are now scheduled during peak periods. In addition, both the call center vendor and CSC call center are currently conducting training classes anticipated to graduate additional staff by the end of November. The Vendor will continue to have training classes through the month of December to offset attrition impacting coverage and service levels.

Non-Compliance Issues Report

Non-Compliance Issue	Non-Compliance Issue Description	Impacted LOBs	Delegates Involved	Date Issued Identified	Business Units Involved	Remediation Status - January	Remediation Status - Current	Status
UM Authorizations Backlog	~9000 authorizations, which include prior, concurrent, and retro cases, were found to be backlogged. This was due to the move to the new UM system Syntranet, a high volume of non-actionable requests being received from providers, and a shortage of staff to process the cases.	CMC MCLA LACC PASC	NA	3/29/2021	UM	No new updates. Newly non-compliant cases continue to be worked.	No new updates. Currently, the number of non-compliant cases being reported are at the level typically expected prior to the occurrence of the backlog. However, the team continues to work through those non-compliant cases. Compliance will be working with UM to validate CAP actions have been completed and sufficiently resolved the root causes, and will collect evidentiary documentation.	Open
PPGs monitoring process deficiency with IHA completion	Deficiencies related to appropriately monitoring the completion of the Initial Health Assessment (IHA). PPGs are responsible for completing the IHA's and the Health Plans are responsible for monitoring the PPGs.	CMC MCLA PASC LACC		10/1/2020	Delegation Oversight	No new updates.	No new updates.	Open
SPD Annual Reassessment-unexecuted	Annual HRAs reassessment for Seniors and Persons with Disabilities (SPD) members not being completed.	CMC MCLA PASC LACC		10/1/2020	Health Services/CM	There is approximately 5500 member backlog, and CSC started reaching out to members using the 2016 approved script. The goal is to complete the backlog within 12 months. Members that are considered high-risk or high complex will be directed to the Care Management team	No new updates.	Open
Mental Health Parity Oversight	There is a lack of oversight to ensure mental health parity. Oversight would involve reviewing internal/delegate UM procedures and Beacon's procedures to ensure mental health services are not more challenging to obtain compared to medical services.	CMC MCLA PASC LACC		10/1/2020	Delegation Oversight	No new updates.	No new updates.	Open
Provider Training	LAC does not have an ICT training curriculum outlining the required provider training. In addition to a lack of a curriculum, there is no centralized monitoring process or accountable owner	CMC MCLA PASC LACC			Delegation Oversight	No new updates.	No new updates.	Open
Direct Network Oversight	In developing and implementing a CAP for the DHCS Audit, it was realized that there is no centralized department to conduct oversight and monitoring of direct network providers. This gap is specifically related to Initial Health Assessment (IHA) completion. While EPO will monitor PCPs contracted with our Delegates (through medical record reviews), we have not been successful in identifying an "owner" of Direct Network Oversight.	MCLA	All PPGs	1/1/2020	Delegation Oversight	No new updates.	No new updates.	Open

Non-Compliance Issues Report

Non-Compliance Issue	Non-Compliance Issue Description	Impacted LOBs	Delegates Involved	Date Issued Identified	Business Units Involved	Remediation Status - January	Remediation Status - Current	Status
Overpayment by enrollee for deductible and out-of-pocket maximum (OOPM).	Enrollee was charged over the enrollee's deductible and out-of-pocket maximum (OOPM). Pursuant to Health and Safety Code section 1386, subdivision (b)(1), a plan cannot act in variance with its Evidence of Coverage (EOC). The enrollee's EOC, page 10, states that the OOPM limit for participating providers is $2,450 per person/$4,900 per family. The EOC further states that the "out-of-pocket limit is the most you could pay during a coverage period (usually one year) for your share of the cost of covered services."	MCLA		1/14/2019	Information Technology; EDI	For 2019 the unit has completed 592 intakes out of the 811 • 23 pending with MPSS for to send check reimbursement. Some of these check require member address validations as QNXT and MPSS system do not match, once identified a new letter needs to be updated. • 98 responses from Member Outreach which include a members that were mailed a letter to indicate an outreach was made to them. L.A. Care has given them 30 days from mail date to respond, if not we will close intake. • 80 are pending update from PPGs, and L.A.Care have received the files, just working to create intakes to account for any PPG Savings • 18 are pending individual resolutions which include a manual check as the member reimbursement was a child versus an adult or were duplicates. For 2020 the team completed 476 intakes out of the 932 • 95 pending with MPSSS to send out check reimbursements. Some of these check require member address validations as QNXT and MPSS system do not match, once identified a new letter needs to be updated • 74 responses from Member Outreach which include members that were mailed a letter to indicate an outreach attempt was made to them. L.A Care has given them 30 days from mail date to respond, if not the intake will be closed. • 282 intakes that are over the $500 reimbursement threshold will	No new updates.	Open
A&G Open Cases	~11000 cases were discovered to have no resolution letter sent from 2017-2021. 48000 cases were not closed in PCT. Some show open action items which may be member facing.	CMC MCLA PASC LACC	NA	4/1/2021	A&G	In follow up to the call with DHCS, A&G has developed an updated regulatory report that includes information on the remediation of the new disclosure non-compliant cases, as well as a report on the cases loaded into the PCT shell environment. This new reporting format has been put in place from 12/20/2021 onward.	the A&G team continue to work through the backlog and non-compliant cases, and expect to have them resolved and closed out by 3/17/2022. Compliance will be working with A&G to validate CAP actions have been completed and sufficiently resolved the root cases, and will collect evidentiary documentation.	Open
CMC Sales Practices	A whistleblower complaint identified that representatives made misleading statements in enrolling members in CMC.	CMC	NA		Sales & Marketing, Medicare Product, Legal	DHCS requested an update on the enhancements made to the Sales & Marketing department during Q3 2021. The updates were submitted timely on 12/16/2021.	DHCS has requested an update on the enhancements made to the Sales & Marketing department during Q4 2021. These updates are due to DHCS by 2/23/2022.	Open
County Programs MOUs	L.A. Care does not have executed MOUs with several county providers. The DHCS contract requires us to establish these relationships or show proof of good faith effort.	CMC MCLA PASC	NA	3/10/2021	Provider Network Management	No new updates; will be revisited early next year per last update.	No new updates; will be revisited in March.	Open
CMC Grievance Volume	CMC monthly grievance volume increased substantially starting early 2020 and continues to increase. Volume increased more than 5x the normal monthly volume. CMS requires monthly updates on analysis & mitigation. Top trends are transportation, pharmacy, and member abrasion/customer service. Risk of becoming a formal PIP or NONC.	CMC	NA	4/1/2021	A&G, Medicare Product	No new updates; monthly process continues to be operationalized. Grievance volume continues to remain high.	No new updates; monthly process continues to be operationalized. Grievances have been trending downward into the 800 range since Sept. 2021, down from a peak of 1200 grievances in June 2021.	Open
NCQA CR5 and CRED Policy CR 10	Credentialing unable to provide the 1st Quarter & 2nd Quarter 2021 report to Credentialing Committee due to not being able to obtain an accurate/complete provider report from A&G.	CMC MCLA PASC LACC	NA	10/6/2021	Credentialing/ A&G	The issue has been escalated by Tom to leadership for next steps. Reports are now outstanding for Q1 through Q3 2021.	No new updates.	Open

Non-Compliance Issues Report

Non-Compliance Issue	Non-Compliance Issue Description	Impacted LOBs	Delegates Involved	Date Issued Identified	Business Units Involved	Remediation Status - January	Remediation Status - Current	Status
Medicare Part B Claims Issue	Olympic Medical Center contacted L.A Care regarding Medicare Part B claims being rejected.	CMC		10/5/2021	Claim	Claims reached provided a spreadsheet with response for each claims that was denied to the MS. The claim department is going to have the Edibility team verify eligibility since L.A. Care get the information directly form CMS/DHCS. Claims informed MS if they billed part A is because when a member has part b only, LAC becomes the primary payor and primary rules apply. This means that prior authorization (PA) is required, there are claims on the spreadsheet where the PA was denied. Also It appears that some of the documents indicate that the member exhausted their lifetime reserve's. Under part A, the member/patient has 60 lifetime reserve days. Once the reserved days are used, they no longer have extra days.	No new updates.	Open
Background Check	LA Care didn't complete background checks on 6 employees who previously were temp employees.	NA	NA	10/19/2021	Human Resources	Corrective Action Plan submitted to DPSS	HR has submitted responses to CDR related to fingerprinting requirement of background check process	Open