



**L.A. Care**  
HEALTH PLAN®

*For All of L.A.*

# COMPLIANCE & QUALITY COMMITTEE MEETING BOARD OF GOVERNORS

January 16, 2025 • 2:00 PM

L.A. Care Health Plan

1055 W. 7<sup>th</sup> Street, Los Angeles, CA 90017



**ELEVATING  
HEALTHCARE**  
IN LOS ANGELES COUNTY  
SINCE 1997

**DRAFT**



**AGENDA**

**Compliance & Quality Committee Meeting  
Board of Governors**

Thursday, January 16, 2024, 2:00 P.M.  
1055 West 7<sup>th</sup> Street, Conference Room 100, 1<sup>st</sup> Floor  
Los Angeles, CA 90017

**To listen to the meeting via videoconference please register by using the link below:**  
<https://lacare.webex.com/weblink/register/r54c527e035f9b1275a6b7ba4f0e1a21a>

**To listen to the meeting via teleconference please dial: +1-213-306-3065**  
**Meeting Number: 2480 983 8397 Password: lacare**

For those not attending the meeting in person, public comments on Agenda items can be submitted prior to the start of the meeting in writing by e-mail to [BoardServices@lacare.org](mailto:BoardServices@lacare.org), or by sending a text or voicemail to (213) 628-6420. Due to time constraints, we are not able to transcribe and read public comment received by voice mail during the meeting. Public comment submitted by voice messages after the start of the meeting will be included in writing at the end of the meeting minutes.

The purpose of public comment 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 public comments submitted will be read for up to 3 minutes during the meeting. The process for public comment is evolving and may change at future meetings. We thank you for your patience.

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](mailto: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 21, 2025 Meeting Minutes **P.5** *Chair*
4. Chairperson’s Report *Chair*
  - Education Topics
5. Chief Executive Officer Report *Martha Santana-Chin  
Chief Executive Officer*

**HEALTH SERVICES & QUALITY IMPROVEMENT**

6. Chief Medical Officer Report **P.17** *Sameer Amin, MD  
Chief Medical Officer*
7. Member Experience Survey Results **P.43** *Linda Carberry  
Manager, Quality Performance Management,  
Brigitte Bailey, MPH, CHES  
Supervisor, Quality Improvement*

8. Quality Oversight Committee (QOC) Report Edward Sheen, MD  
*Chief Quality and Population Health Executive*
9. Population Health Management Overview & Updates P.72 Elaine Sadocchi-Smith, FNP, MPH, CHES  
*Director, Facility Site Review*  
*Director, Population Health Management*

## HEALTH EQUITY

10. Quality Improvement and Health Equity Committee (QIHEC) Report P.90 Alex Li, MD  
*Chief Health Equity Officer*

## COMPLIANCE

11. Chief Compliance Officer Report P.99 Todd Gower  
*Chief Compliance Officer*
- 2025 Compliance Work Plan (COM 100) P.101
  - 2025 Compliance Program Plan (COM 101) P.129
12. Provider Training Program Overview P.164 Theresa Moore  
*Senior Manager, Engagement & Strategy*
13. Annual Compliance Training Update P.173 Michael Sobetzko  
*Senior Director,*  
*Risk Management and Operations Support*
14. Enterprise Risk Assessment P.176 Michael Sobetzko  
Amanda Asmus,  
*Senior Director, Care Management*  
Miguel Varela  
*Senior Director II, Regulatory Operations*  
Jyl Russell  
*Senior Director,*  
*Business Support Services Organizational Excellence*  
Loren Maddy  
*Senior Director, Risk Adjustment,*  
*Encounter Reporting and Analytic*  
Greg White  
*Director, Healthcare Analytics*  
David Inglese  
*Director, Contracting and Procurement*

15. Public Comment on Closed Session Items

## ADJOURN TO CLOSED SESSION (Est. time 30 minutes)

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

17. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION  
Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act:  
Three potential cases
18. THREAT TO PUBLIC SERVICES OR FACILITIES  
CA Government Code Section 54957  
Consultation with: Todd Gower, Chief Compliance Officer, Terry Brown, Chief Human Resources Officer, Darren Lee, Deputy Chief Human Resources Officer, and Michael Sobetzko, Senior Director, Risk Management and Operations Support
19. THREAT TO PUBLIC SERVICES OR FACILITIES  
CA Government Code Section 54957  
Consultation with: Tom MacDougall, Chief Information and Technology Officer, and Gene Magerr, Chief Information Security Officer
20. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION  
L.A. Care Health Plan's Notice of Contract Dispute under Contract No. 04-36069  
Department of Health Care Services (Case No. Unavailable)

## RECONVENE IN OPEN SESSION

## ADJOURNMENT

**The next Compliance & Quality Committee meeting is scheduled on  
Thursday, February 20, 2025 at 2:00 p.m.  
and may be conducted as a teleconference meeting.**

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

THE PUBLIC MAY SUBMIT COMMENTS TO THE COMPLIANCE & QUALITY COMMITTEE BEFORE DISCUSSION OF EACH ITEM LISTED ON THE AGENDA BY SUBMITTING THE COMMENT IN WRITING BY TEXT MESSAGE TO 213 628 6420, OR IN WRITING BY EMAIL TO [BoardServices@lacare.org](mailto: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 & QUALITY COMMITTEE CURRENTLY MEETS ON THE THIRD THURSDAY OF MOST MONTHS AT 2:00 P.M. AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION AT <http://www.lacare.org/about-us/public-meetings/board-meetings> and by email request to [BoardServices@lacare.org](mailto:BoardServices@lacare.org)

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 1055 W. 7<sup>th</sup> Street, Los Angeles, CA, in the reception area in the main lobby or at <http://www.lacare.org/about-us/public-meetings/board-meetings> and can be requested by email to [BoardServices@lacare.org](mailto:BoardServices@lacare.org).

**An audio recording of the meeting is made to assist in writing the minutes and is retained for 30 days.**

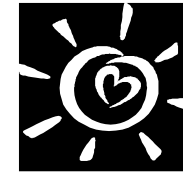
Meetings are accessible to people with disabilities. Individuals who may require any accommodations (alternative formats – i.e., large print, audio, translation of meeting materials, interpretation, etc.) to participate in this meeting and wish to request an alternative format for the agenda, meeting 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 – November 21, 2024



**L.A. Care**  
HEALTH PLAN

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

**Members**

Stephanie Booth, MD, *Chairperson*  
Al Ballesteros, MBA\*  
G. Michael Roybal, MD  
Fatima Vazquez

**Senior Management**

Sameer Amin, MD, *Chief Medical Officer*  
Terry Brown, *Chief of Human Resources*  
Todd Gower, *Chief Compliance Officer*  
Augustavia J. Haydel, *General Counsel*  
Alex Li, *Chief Health Equity Officer*  
Noah Paley, *Chief of Staff*  
Acacia Reed, *Chief Operations Officer*  
Edward Sheen, MD, *Chief Quality and Population Health Executive*  
Maggie Marchese, *Senior Director, Audit Services*  
Miguel Varela Miranda, *Senior Director II, Regulatory Operations, Compliance*  
Michael Sobetzko, *Senior Director, Risk Management and Operations Support, Compliance*

\* Absent \*\* Via Teleconference

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	<p>Chairperson Stephanie Booth, MD, called the L.A. Care Compliance &amp; Quality Committee and the L.A. Care Health Plan Joint Powers Authority Compliance &amp; Quality Committee meetings to order at 2:05 P.M.</p> <p>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.</p>	
<b>APPROVAL OF MEETING AGENDA</b>	<p>The meeting Agenda was approved as submitted.</p>	<p>Approved unanimously 3 AYES (Booth, Roybal, and Vazquez)</p>
<b>PUBLIC COMMENT</b>	<p><i>There was no public comment.</i></p>	

**DRAFT**

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>APPROVAL OF MEETING MINUTES</b>	The October 17, 2024 meeting minutes were approved as submitted.	Approved unanimously. 3 AYES
<b>CHAIRPERSON REPORT</b>	Chairperson Booth noted improvements in the organization's reporting and departmental operations related to the Compliance & Quality (C&Q) Committee oversight. She noted better organization and communication, leading to resolution of previously concerning issues. Chairperson Booth expressed gratitude to all departments, commending them for their support and excellent work.	
<b>COMPLIANCE &amp; INTERNAL AUDIT</b>		
<b>CHIEF COMPLIANCE OFFICER REPORT</b>	<p>Todd Gower, <i>Chief Compliance Officer</i>, presented the Chief Compliance Officer Report (<i>a copy of the written report can be obtained from Board Services</i>).</p> <p>Mr. Gower reported on four areas of focus for the Compliance Department. He noted the importance of preparing and presenting topics comprehensively at the Compliance and Quality Committee (C&amp;Q) meetings. The draft calendar plan under review with Dr. Amin aims to ensure inclusion of required components for reporting compliance and quality across various areas. Mr. Gower reviewed the compliance department maturity over the past year, noting significant progress particularly in delegation oversight and technology enhancements in Governance, Risk, and Compliance (GRC). He commended the strengthening of audit and compliance practices, which have led to improved risk management and transparency. Mr. Gower expressed satisfaction with the success in communication, with regular updates to the Board and leadership. The department will continue to work to reach higher maturity levels, especially in technology. At the National Healthcare Anti-Fraud Association conference, he saw new technologies adopted by other organizations to enhance provider monitoring and auditing, which could be beneficial for anti-fraud initiatives. He mentioned tools like Healthcare Fraud Shield and continuous auditing technologies to support internal audits. He stressed the importance of the GRC system in centralizing policies, audit plans, and compliance work, ensuring that past audit findings and enforcement actions are properly addressed and monitored. He underscored the critical role of technology in maintaining control over information, reducing risks, and supporting hybrid working environments. He spoke about the collaborative efforts across various departments, including finance, operations, healthcare services, and network management, to enhance monitoring, controls, and communication, ensuring compliance and reducing the risk of regulatory enforcement actions.</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Chairperson Booth asked what has changed. Mr. Gower responded by outlining several key initiatives and ongoing efforts to enhance the organization's governance structure and compliance practices. He discussed restructuring to support governance and the bifurcation of compliance and audit functions. He emphasized the importance of the risk committee's role in ensuring continuous communication and support for audits, addressing prior issues to avoid repetition and acknowledging significant improvements in IT security under the Chief Information and Technology Officer's leadership. Mr. Gower highlighted the critical focus on protecting member, provider, and employee data from fraud, particularly through enhanced IT security measures. He praised the support from various teams, including the Chief Information and Technology Officer and Advanced Analytics, in improving data protection and compliance. He mentioned the ongoing stakeholder mapping exercise aimed at identifying key areas of concern and strengthening communication between different lines of defense. He expressed openness to feedback and the importance of continuous improvement in compliance practices. He reviewed the 2024 work plan, noting progress in certain areas while emphasizing the need to enhance efforts in fraud prevention and detection. He recognized the complexity of L.A. County operations and the organization's achievements, particularly in comparison to other counties. Looking ahead to 2025, Mr. Gower outlined priorities such as stabilizing compliance, improving reporting and regulatory intake, and enhancing the GRC tools. He stressed the importance of maintaining good controls and effective communication in adapting to regulatory changes. Mr. Gower discussed efforts to continue maturing and scaling operations, acknowledging the challenges and progress made thus far.</p> <p>Chairperson Booth stated that there is lots of information there, it tells what L.A. Care had before and what it did to get to higher levels. Mr. Gower responded that reviewing ways to enhance Compliance validates current operation status and continued focus will help with the work plan overall, making sure L.A. Care achieves higher maturity levels.</p>	
<b>INTERNAL AUDIT SERVICES</b>	<p>Magdalena Marchese, <i>Senior Director, Audit Services</i>, and Gennadiy Daych, <i>Director, Internal Audit</i>, reported on Internal Audit Services (<i>a copy of the presentation can be obtained from Board Services</i>). Ms. Marchese presented the status of the 2024 audits and noted four specific audits for discussion:</p> <ul style="list-style-type: none"> <li>• Provider Operations and Provider Network Audits: Internal Audit (IA) recommended moving these two audits to the 2025 work plan due to a new system implementation affecting the ability to provide relevant findings from the current manual processes. Testing these areas is suggested post-implementation.</li> <li>• New Audit Additions for 2024: Ms. Marchese introduced two new audits: <ul style="list-style-type: none"> <li>○ HR Audit focusing on the recruitment process and background checks.</li> </ul> </li> </ul>	

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	<ul style="list-style-type: none"> <li>○ Transportation Audit evaluating the monitoring of transportation services through LA Care’s “Call the Car” program.</li> </ul> <p>Ms. Marchese then discussed the closed audits since the last meeting in August:</p> <ul style="list-style-type: none"> <li>● Call Center Audit: This audit assessed the effectiveness of monitoring processes and controls in the call center. Four findings were identified in call handling, complaints and grievance handling, training, and quality assurance.</li> <li>● Risk Mitigation Plan Effectiveness Review: This review focused on the timeliness of the health risk assessment process for Medicare and MediCal lines of business. The Medicare line passed with no findings, but the MediCal line had three findings due to delays in deploying necessary reporting tools.</li> </ul> <p>Board Member Roybal asked about the high risk ratings, is that a regulatory high risk or is it operationally high risk. Ms. Marchese responded that they were operational where some procedural areas were identified as high risk and required management action plans. Chairperson Booth asked how the risk is determined to be fully completed. Internal Audit considers it complete once the audit is done and the corrective action plan is in place, and then it gets rechecked. Ms. Marchese explained that after an audit is considered complete, it continues to be monitored until all findings are fully remediated. Internal Audit does not close the issue until the management action plan (MAP), which the business unit commits to for addressing the findings, is fully implemented. Internal Audit follows the MAP to completion. Ms. Marchese mentioned that in future C&amp;Q meetings, the status and progress of each MAP will be presented. Mr. Gower mentioned the disciplined approach in the current audit process, and noted the importance of consistency and regular reminders to avoid overlooking ongoing issues. He noted the positive examples of collaboration with marketing and member services departments to address past problems. Unlike regulators who simply report findings, Mr. Gower stressed that the IA team works closely with operations units to ensure proper follow-up and continued compliance. This approach enhances ongoing monitoring efforts within the organization.</p> <p>Member Roybal wondered if using “closed validation” would be helpful for documentation purposes. Ms. Marchese explained that they will report the closure of findings and observations, such as call handling processes, indicating the status of management action plans. Although they didn't have time to include it in the current report, the completion of these plans will be noted in future meetings. Mr. Gower noted the importance of ongoing validation to support the audit process and ensure continuous compliance with requirements. He acknowledged the supportive efforts of the Operations Department, the challenges in tracking activities which involve both manual reviews and technological support. He thanked the operations and IT teams for their contributions in facilitating these processes.</p>	



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<p><b>DELEGATION OVERSIGHT AUDIT SCHEDULE AND STATUS</b></p>	<p>Marita Nazarian, <i>Director, Delegation Oversight, Audit Services</i>, reported on the Delegation Oversight Audit Schedule and Status (<i>a copy of the written report can be obtained from Board Services</i>).</p> <p>In 2023, all 33 scheduled oversight audits were completed, with 29 having undergone corrective action plan validation. For 2024, 45 audits were planned, including 31 for Participating Physician Groups (PPG), 12 for Plan Partners, and eight for specialty health plans and vendors. In addition to these, four pre-delegation assessments were conducted. So far, 12 of the 45 audits have been completed, with the majority progressing through CAP implementation. Ms. Nazarian noted success in the areas of cultural and linguistic audits and compliance program effectiveness, where delegates performed well. Audits ensured delegates translated member materials into preferred languages, used qualified translators, and provided cultural and linguistic training. Compliance audits checked for the presence of compliance officers, committees, and programs, as well as effective communication channels and routine monitoring processes. The team successfully hired a clinical audit manager, updated audit tools for 2024 and 2025 and utilized delegate reports for annual audits, demonstrating strong collaboration among business units within L.A. Care.</p> <p>Chairperson Booth wondered if, when working with these outside entities, are there usually simple things to fix or do they need to complete a root cause analysis. Ms. Nazarian responded that they complete a root cause analysis for any finding and provide the results. Corrective action plans are created with status of remediation. Mr. Gower applauded Ms. Nazarian and her team’s efforts.</p> <p>Ms. Nazarian discussed challenges in completing case files for utilization management audits, particularly when delegates had difficulty gathering information from provider offices. To address this in 2025 audits, she proposed using internal reports for sample file selection rather than requesting universes from delegates. This approach would give delegates nearly two months more time to collect the necessary information. She mentioned that regulators typically request fewer samples than is done with L.A. Care, focusing on one line of business at a time. In contrast, L.A. Care audits delegates across all the lines of business, sometimes requesting 200 to 400 case files for a comprehensive audit covering various areas within each line of business.</p> <p>Chairperson Booth asked Ms. Nazarian if the volume of cases requested is too high. Ms. Nazarian responded that the number will not decrease, but will provide longer time to put them together. She noted that regulators are not gonna ask for that many when they're auditing delegates, and she has never seen any issues with delegates providing the case files to regulators during a regulatory audit, but it does happen ? during the annual audits due to regulators asking for large numbers of cases.</p>	

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	<p>Ms. Nazarian discussed several challenges related to utilization management audits. Delegates struggle to meet the 90% threshold for passing scores in case file reviews, particularly for denials. To address this in 2025, L.A. Care plans to conduct audit entrance calls with delegates to clearly highlight the clinical information needed in case files, aiming to improve their scores. Another challenge involved delegates being inconsistent in notifying L.A. Care about their subcontracting arrangements. To resolve this, L.A. Care will conduct a survey of delegates to gather details about all subdelegation arrangements. Additionally, a memo will be sent to re-educate delegates on the requirement to notify L.A. Care of subcontracting, ensuring that even minor subcontracting arrangements are communicated timely.</p> <p>Chairperson Booth asked how the second issue was related to repeat findings. Ms. Nazarian responded that some delegates fail to meet the 90% threshold in case file reviews, which can happen year after year. To help delegates, L.A. Care provides guidance on information that should be included in case files to meet the threshold and avoid repeat findings. Chairperson Booth stated she may not have been clear with her question, as the issue described seemed more related to incomplete case files and not how meeting the 90% threshold would prevent repeat findings. Ms. Nazarian responded that a repeat finding occurs when a delegate fails in an area and the following year the case files still do not meet the required 90%. By helping delegates understand what is needed in the case files, L.A. Care aims to prevent repeat failures and ensure delegates meet the threshold.</p>	
<p><b>COMPLIANCE TRAINING UPDATE</b></p>	<p>Michael Sobetzko, <i>Senior Director, Risk Management and Operations Support, Compliance</i>, reported on the 2024 Annual Compliance Training Program Results (<i>a copy of the written report can be obtained from Board Services</i>).</p> <p>The annual compliance training began in October and is due to be completed by December 15, with some cleanup tasks following that date. The training consists of six required modules for all employees and contingent workers, and includes HIPAA, code of conduct, overall compliance, privacy rules, fraud, waste, abuse and security awareness. As of November 7, the completion rate stood at 24%. Efforts to increase awareness have ramped up through heightened communication to associates and leadership, and supervisors receive automatic updates about outstanding training. The completion rate is expected to rise as the deadline approaches. Regarding training for the Board of Governors, Mr. Sobetzko noted that 10 out of 13 board members had completed their training, achieving a 77% completion rate with a goal to finish by the end of December.</p>	

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<b>ISSUES INVENTORY</b>	<p>Micheal Sobetzko, <i>Senior Director, Risk Management and Operations Support, Compliance</i>, reported on the Issues Inventory (<i>a copy of the written report can be obtained from Board Services</i>).</p> <p>Mr. Sobetzko provided updates on items reported in September. The first item, which has been closed, concerned L.A. Care's method of processing corrected claims. Historically, corrected claims were reprocessed as new claims, with the original payment recovered, a practice that regulators suggested might confuse providers. In response, L.A. Care changed its approach to reprocess the initial claim as a correction. These adjustments were made to both automated systems and manual processes by late October.</p>	
<b>REGULATORY AUDIT (FOLLOW UP)</b>	<p>Miguel Varela Miranda, <i>Senior Director II, Regulatory Operations, Compliance</i>, (<i>a copy of the written report can be obtained from Board Services</i>).</p> <p>Mr. Miranda provided an update on two audits, beginning with a 2021 routine survey conducted by the Department of Managed Health Care (DMHC), with findings released in 2022. The audit reviewed L.A. Care performance from 2019 to 2021, covering appeals and grievances, quality management, utilization management, access and availability, and pharmacy. Mr. Miranda said that L.A. Care has significantly evolved since 2021, and the audit reflects a past snapshot. The audit process includes three phases: the preliminary report received in 2022, to which L.A. Care responded within 45 days; the final report, now publicly available on the DMHC website, requiring a supplemental response by November 30, 2023; and a follow-up report by DMHC addressing all findings. The organization is currently in the second phase of this process.</p> <p>Member Roybal asked Mr. Miranda about the timing of the preliminary report from the audit in 2022. Mr. Miranda responded that it was received in December 2023. Member Roybal expressed concern about the lengthy timeline of the audit process, noting that L.A. Care submitted a response within the required 45 days, but the DMHC took nearly two years to provide the findings. He questioned whether there are any statutory or regulatory requirements for the DMHC to respond in a timely manner, suggesting that this process might need to be re-evaluated. Mr. Gower acknowledged that timely responses from regulatory bodies, especially in enforcement matters, have always been a challenge, and the audit protocols, even at the federal level, are not very timely.</p> <p>Mr. Miranda explained that part of the delay in the audit process was due to the COVID emergency, which allowed regulatory bodies more flexibility. He mentioned that although the delay was an outlier, the organization is working to ensure timely responses through legal support. He provided a comparison of audit findings, showing a decrease in final findings from the preliminary reports for both the Local Initiative and Joint Powers Authority, attributing the improvement to</p>	

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	<p>internal efforts and documentation pushback. The DMHC requested supplemental responses for several findings, including quality assurance, utilization management, emergency services, and prescription drug coverage. The team is preparing to submit responses that are due by November 30. A follow-up audit is expected near the end of 2025.</p> <p>Mr. Miranda briefly discussed the 2024 Center for Medicare and Medicaid Services (CMS) third financial audit currently underway. The audit is conducted by CMS through a CPA firm to review the organization’s risk-bearing liability losses and ability to effectively adjudicate claims. The audit is ongoing from September to December, with an extension to March 2025 for on-site work. The process will take time to complete and includes remediation, corrective action plans, and document submission. This audit helps CMS evaluate health plan’s financial performance, and L.A. Care is ensuring all necessary documentation is provided.</p>	
<p><b>PAYMENT INTEGRITY REPORT</b></p>	<p>Erik Chase, <i>Senior Director, Claims Integrity, Claims Integrity</i>, gave a Payment Integrity Report (<i>a copy of the written report can be obtained from Board Services</i>).</p> <p>Mr. Chase reported on key metrics and goals aimed at improving payment processes and reducing associated costs. He presented the amount paid including interest over the last six months, noting a decrease in June due to fewer working days caused by a weekend start and a holiday. He highlighted a downward trend in interest payments, reflecting more timely claims paid as interest is added to late claims. The goal is to reduce the payments to zero by mitigating controllable adjustments. Mr. Chase discussed the first pass adjudication claims volume, indicating that most claims are auto-adjudicated with a high eighty to low nineties percentage, while the remaining approximately 10% are manually processed. He noted the importance of timeliness in processing claims to maintain compliance. The compliance requirement involves processing a high percentage of claims within 30 calendar days. Although there was a slight dip due to a specific issue and efforts to identify and remediate it brought the process back into compliance. He detailed the average days taken to process claims from receipt to adjudication, aiming to keep this duration short through high auto-adjudication rates. Mr. Chase also provided insights into the first pass claims denial rate, stressing the need to keep it low, and discussed common reasons for denials, such as duplicate claims, incorrect billing, and timely filing issues, while identifying educational opportunities with providers to reduce denials. He explained the top denial reasons, including duplicate claims, incorrect billing practices, denials related to providers not set up in the system or claims submitted outside the timely filing limit. His report concluded with a focus on total claims processed including originals and adjustments, and noted the importance of reducing controllable</p>	

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	<p>adjustments by improving the accuracy of the adjudication process, while acknowledging that some adjustments are uncontrollable due to retroactive rate changes by DHCS.</p> <p>Member Roybal asked if L.A. Care gets the payment back as mentioned earlier. Mr. Chase explained that a rate increase requires going back to the effective date and reprocessing claims, paying out the incremental difference based on the new rate. For example, if the rate increases from \$100 to \$105, they would pay the additional \$5 per claim from the effective date. Conversely, when rates decrease, such as from \$100 to \$95, they identify overpayments, move them to payment integrity, and issue recovery letters to providers, notifying them of the overpayment and the amount due based on the claims submitted during the period between the rate change and system reconfiguration.</p> <p>Mr. Chase reported on provider disputes, explaining that providers have the right to dispute claims often due to denials or perceived underpayments. He described tracking the volume of disputes, the percentage of upheld decisions, and using these instances as educational opportunities to work with providers on contract interpretation to reduce disputes. He emphasized maintaining compliance in processing disputes within 45 days, noting a temporary dip in May 2024 due to a surge in COVID-related cases. Mr. Chase noted efforts to reduce the average days to process disputes and improve efficiency in the dispute process. He mentioned the success in exceeding the payment integrity goal, achieving \$206 million against a target of \$170.8 million in 2024. The focus moving forward is on prepayment strategies to avoid costs rather than recovering funds after payment, aiming for more effective collaboration with providers to ensure accurate claim submissions. Mr. Gower pointed out that 2025 will focus on prevention in payment integrity, aligning with Mr. Chase's points. He noted the need to enhance premium reviews and prevention efforts rather than just increasing the number of investigators. Mr. Gower noted advancements in technology for faster detection and prevention, acknowledging the time required to implement these technologies. He and Mr. Chase are considering involving experienced individuals and companies for a proof of concept to improve detection and alert systems, ensuring quicker identification of provider activities.</p>	
<b>HEALTH SERVICES</b>		
<b>MEDI-CAL ACCOUNTABILITY SET (MCAS) UPDATES</b>	<p>Sameer Amin, MD, <i>Chief Medical Officer, Chief Quality and Population Health Executive</i>, stated that Edward Sheen, <i>Chief Quality and Population Health Executive</i>, will be presenting the Managed Care Accountability Set (MCAS) Update (<i>a copy of the written report can be obtained from Board Services</i>).</p> <p>Dr. Amin gave the following updates before the MCAS update:</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<ul style="list-style-type: none"> <li>• Auto Assignment Methodology: He reported on fruitful discussions with DHCS regarding the auto assignment process for members who are not immediately assigned to a primary care provider. They have developed a new methodology based on national benchmarks, which includes a 5% cap on annual swings. The new system, derived from CMS’s value-based plan for hospitals, includes an 18-point scale that better reflects quality improvements. This change is expected to result in L.A. Care securing 57% of the auto assignment, with the remaining 43% going to Health Net.</li> <li>• QNXT Transition: Dr. Amin mentioned the transition from Synternet to QNXT for utilization management. The team is conducting user acceptance training and mock go-lives to ensure smooth system implementation. The release date is set for December 9, 2024, with real-life deployment to follow. Additional nursing staff will be available during the transition to handle inefficiencies.</li> <li>• Provider Portal: Dr. Amin discussed the development of a provider portal, which is part of a regulatory commitment to allow electronic authorization submission and tracking. The portal is expected to go live in December, with internal testing ongoing. There was positive feedback from a recent presentation on the portal.</li> </ul> <p>Dr. Sheen introduced Brigitte Bailey, <i>Supervisor, Quality Improvement</i>, to give the report.</p> <p>Ms. Bailey provided an update on the 2023 performance of the MCAS measures, where the organization is held accountable by DHCS. Of the 15 measures, six did not meet the minimum performance level (MPL), with three of those related to children's health, childhood immunization status, and well-child visits for children up to 30 months. Other measures that fell short included cervical cancer screening, and follow-ups after emergency department visits for mental illness and substance use. Asthma medication ratio was also cited as below MPL, but this was due to a data mapping issue being addressed with DHCS. As of October 25, 2023, the organization received a sanction notice of \$122,000, a reduction of nearly \$700,000 from the previous year, highlighting improvements across the organization. DHCS did not sanction any plans for emergency department visit performance due to state data gaps. Ms. Bailey emphasized ongoing efforts to improve measures like childhood immunizations and cervical cancer screenings, including outreach, educational campaigns, and provider partnerships. The organization also launched an incentive program for cervical cancer screenings and is exploring self-collection options. Additionally, they are working with high-performing PPGs to identify and replicate successful strategies to improve vaccination rates, especially for flu shots. For the upcoming 2025 measurement year, no new measures will be introduced, which was seen as a positive development.</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Dr. Sheen thanked Ms. Bailey for the summary and added a few thoughts for context. He addressed the legal review, mentioning that an administrative review was requested concerning the MCAS penalties for measurement year 2022. This appeal is still in progress, with discovery activities ongoing and a hearing tentatively scheduled for spring 2025. Dr. Sheen highlighted that the concerns raised about the MCAS methodology are still valid today, and they look forward to the hearing's outcome. He then acknowledged the reduction in sanctions for 2023, from \$800,000 to \$207,000, which is a significant decrease, though they are still dissatisfied with any penalties. Dr. Sheen explained that they had a "meet and confer" meeting with DHCS, where they reiterated that the concerns from 2022 remain, and they are applying the same perspective to the 2023 data. He emphasized that the upcoming hearing in spring 2025 will address both 2022 and 2023 measurement years. Dr. Sheen also discussed the AMR issue, which Ms. Bailey had previously mentioned. Although they exceeded the Minimum Performance Level (MPL), there were issues with drug codes and data mapping, which prevented them from meeting technical requirements on paper. However, they did meet the MPL, and this issue was also part of the "meet and confer" discussion. Turning to the 2024 performance, Dr. Sheen noted that they are in the middle of their 4<sup>th</sup> Quarter campaign push, making it too early to determine the results, but they are doing everything they can to close the gaps. Despite the exit of Kaiser, which boosted L.A. Care's measures, they are still achieving improvements across the board.</p>	
<b>MEMBER EXPERIENCE SURVEY RESULTS</b>	<i>This presentation was postponed until the January 16, 2025 meeting.</i>	
<b>PUBLIC COMMENT ON CLOSED SESSION ITEMS</b>	<i>There was no public comment.</i>	
<b>CLOSED SESSION</b>	<p>PEER REVIEW Welfare &amp; Institutions Code Section 14087.38(o)</p> <p>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION Significant exposure to litigation pursuant to Section 54956.9(d)(2) of Ralph M. Brown Act: Three potential cases</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION L.A. Care Health Plan's Notice of Contract Dispute under Contract No. 04-36069</p>	

AGENDA ITEM/ PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	Department of Health Care Services (Case No. Unavailable)	
<b>APPROVE INTERNAL AUDIT (IA) SERVICES WORKPLAN (COM 100)</b>	Chairperson Booth advised that the committee will revisit agenda item 6 to approve the Internal Audit (IA) Services Work Plan (a copy of the work plan can be obtained from Board Services). She advised that the public can obtain a copy of the work plan by contacting Board Services.  <b><u>COM 100.0225</u></b> <b>Approve Internal Audit (IA) Services Work Plan.</b>	<b>Approved unanimously. 3 AYES</b>
<b>ADJOURNMENT</b>	The meeting adjourned at 4:40 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: \_\_\_\_\_





**L.A. Care**  
HEALTH PLAN®

**For All of L.A.**

CMO Report: January 2025

# Health Services Division Update

Medical Management  
Community Health  
Pharmacy  
Quality Improvement

**Sameer Amin, MD**

Chief Medical Officer, Health Services



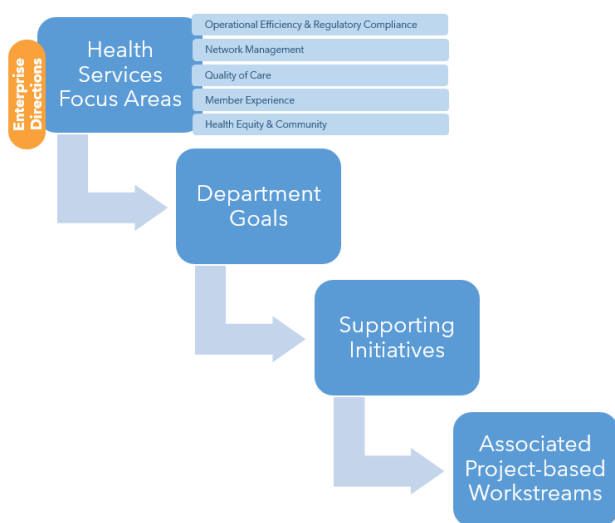
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HEALTHCARE**  
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# Contents

- Strategy Operations ..... 2
- Medical Management ..... 4
  - Enhanced Care Management (ECM) ..... 4
  - Care Management for Dual Eligible Special Needs Plans (D-SNP) ..... 5
  - Care Management for MCLA Members ..... 5
  - Utilization Management ..... 5
  - Managed Long Term Services and Supports (MLTSS) ..... 7
- Community Health ..... 8
  - Community Supports (CS) Operations & Reporting ..... 8
  - Behavioral Health Services (BH) ..... 9
  - Social Services (SS) ..... 10
  - Housing Initiatives ..... 10
  - Field and Street Medicine: Launch and Operations ..... 12
- Pharmacy ..... 13
  - Medication Adherence Programs ..... 13
  - Statin Use in Persons with Diabetes (SUPD) and Statin Therapy for Patients with Cardiovascular Disease (SPC) ..... 14
  - Medication Therapy Management (MTM) Program ..... 15
  - Additional Pharmacy Programs ..... 15
- Quality Improvement ..... 17
  - Health Education, Cultural, and Linguistic Services (HECLS) ..... 17
  - QI Initiatives ..... 18
  - Provider Quality Review (PQR) ..... 19
  - Stars Excellence ..... 20
  - Regulatory CAHPS Survey ..... 21
  - Population Health Management (PHM) ..... 22
  - Initial Health Appointment (IHA) ..... 23
  - Annual Cognitive Health Assessment (ACHA) APL 22-025 ..... 233
  - Child Health and Disability Prevention (CHDP) Program Transition ..... 24
  - Population Health Informatics ..... 24

## Strategy Operations

**The Health Services (HS) Division is crafting a comprehensive strategy to align with L.A. Care’s enterprise-wide goals while fostering seamless integration of operations across its departments—Medical Management, Community Health, Pharmacy, and Quality Improvement.** By adopting a shared foundational framework based on L.A. Care’s enterprise directions, the division ensures consistency and focus with its strategic efforts. These enterprise directions serve as guiding pillars for the development of specific departmental goals, driving alignment with organizational priorities and enabling a cohesive, unified strategy.



**Figure 1. HS Strategy Framework**

This work ensures alignment and promotes integration across departments by highlighting interdependencies, encouraging resource sharing, and enabling cross-functional collaboration. The result is a streamlined approach that breaks down silos, minimizes duplication, and maximizes impact across the continuum of care.

Each departmental goal is supported by targeted initiatives that translate high-level objectives into actionable steps. These initiatives establish clear milestones and measurable key performance indicators (KPIs),

providing a structured pathway for implementation, monitoring, and reporting. By harmonizing efforts within the division and building dynamic collaboration pathways with other business units—such as Provider Network Management, Compliance, Operations, and Product—the strategy enhances operational efficiency, drives clinical quality, improves member experience, and promotes health equity.

Ultimately, the Health Services Division’s integrated approach advances L.A. Care’s mission to provide equitable, high-quality care and support to the diverse communities it serves, fostering accountability and continuous improvement throughout the organization.

The final set of initiatives supporting and operationalizing the HS strategic goals is expected to be completed by 1/31/2025. A preview of strategic goals, by department, is listed below.

## Health Services Strategic Goals by Department - In Development

- **Medical Management**
  - Complete QNXT System Implementations to Improve Efficiency and Ensure Compliance
  - Streamline Utilization Management Processes to Minimize Member Friction and Provider Abrasion
  - Implement a Model of Care Focused on Advanced Risk Stratification and Proactive Intervention
  - Strengthen Care Coordination in the Inpatient Member Journey for Seamless Transitions and Improved Outcomes
  - Improve the Quality of Care to Close Care Gaps, Prevent Readmissions, and Manage Costs
  
- **Community Health**
  - Increase Member Engagement in Community Health Services
  - Integrate Community Health Services with County and Government Programs
  - Build a High-Performing Provider Network
  - Improve Coordination of Transitions of Care
  - Improve Coordination Among Multiple Field-Based Services
  - Enhance Collaboration Among and Between Community Supports and Enhanced Care Management (ECM)
  - Track performance demonstrate efficacy and financial impact.
  - Maintain regulatory compliance across all Community Health services.
  - Community Health Innovation Platform to align investments with enterprise-wide goals, develop streamlined processes for project evaluation, launch and monitoring, and a framework for soliciting external funds.
  
- **Pharmacy**
  - Achieve Excellence in Regulatory Compliance for Prescription Drug Coverage
  - Optimize Operational Efficiency in Pharmacy Services to Reduce Member and Provider Abrasion
  - Advance Clinical Quality Programs to Drive Improved Member Outcomes
  - Enhance Provider Engagement by Integrating Pharmacy into Network Management Efforts
  
- **Quality Improvement**
  - Meet and Exceed Accreditation Standards and Regulatory Compliance in Quality Improvement and Population Health Management
  - Enhance Analytics and Technology to Drive Quality Performance, Population Health, and Health Equity
  - Improve Care Quality and Lead Practice Transformation through Focused Value-Based Initiatives
  - Elevate the Member Experience through Innovative Solutions that Drive Satisfaction and Deepen Engagement
  - Participate in Robust Collaboration

## Medical Management

### Enhanced Care Management (ECM)

#### Enrollment

L.A. Care continues to work towards the goal of enrolling 30,000 members in ECM. The initial Q3 2024 enrollment data, including Plan Partners, shows 19,318 members enrolled, reflecting a 16% increase from the previous quarter (16,725). This growth in Q3 2024 was driven almost entirely by L.A. Care, thanks to the ECM team's enrollment push, which included new incentive payments and improved referral and lead processes.

#### Contracting and Network

Providers have responded well to the Payment Model (PUPM) amendment, and the team closely monitored any risks for those who might not meet the October 1, 2024 signature deadline. L.A. Care's ECM network now includes 86 contracted providers. To focus on Providing Access and Transforming Health (PATH) initiative provider-recipients and providers with a Justice-Involved specialty, we have slowed the overall growth of our network. While we expect further growth throughout 2025, new providers joining later this year will primarily be those with expertise in Justice-Involved, Birth Equity, or Child Welfare populations.

#### Audit and Oversight

Our ECM Monitoring and Oversight Program launched in Q3, during which we audited 30 ECM providers and reviewed over 80 member cases.

- **Key Findings:** Since this was our first audit, we uncovered areas for improvement:
  - Inconsistent or incomplete documentation by providers.
  - Gaps in the development of care plans.
  - Issues with timely and accurate Transitions of Care (TCS) interventions
- **Performance Highlights:**
  - Highest Performing Area: Enhanced Care Coordination ranked the highest in our audit.
  - Lowest Performing Area: TCS interventions ranked the lowest.
- **Next Steps:**
  - Gap Closure Plans: We will provide all providers with a Gap Closure Plan to track progress on addressing the identified issues.
  - Expanded Audits: In the next quarter, we plan to expand the audit to include more providers.

## Care Management for Dual Eligible Special Needs Plans (D-SNP)

### Case Volumes

Through December 2024, the DSNP Care Management (CM) team experienced an uptick in overall active high-risk and complex cases under management. This increase resulted from the Health Risk Assessment (HRA) process for new DSNP enrollees and existing members needing their annual reassessments, as well as cases identified through predictive modeling as eligible to receive ECM-like services. In total, over 1,210 DSNP CM cases were active with the LAC Care Management team in December 2024, representing approximately 5.9% of the entire DSNP membership.

## Care Management for MCLA Members

### Case Volumes

- During August 2024, the LAC CM team created 457 MCLA CM cases and conducted initial outreach to offer members CM support.
- In total, 1,448 MCLA CM cases were active, with members either participating or in active outreach.
- For Transitional Care Services (TCS), the LAC team sustained volume of high-risk TCS cases outreached through December. During that month, 2,679 members were contacted and offered TCS support. The team is collaborating with the analytics resources to enhance and expand real-time admission notifications via Health Information Exchanges (HIEs). Currently, all but two contracted hospitals in Los Angeles County (West Hills and Lakewood) are on an HIE platform. Our data algorithms help immediately identify members who fall under the "DHCS High Risk" category for TCS purposes. Low risk TCS members began receiving post discharge notification of their ability to access TCS services. To date, a total of 223 low risk members have contacted the TCS Central Intake Line to request TCS support.

## Utilization Management

### Timeliness of UM Decisions and Notifications

The UM department has continued operational excellence from July to November 2024, with all quantitative compliance measures for timeliness of decisions and notifications consistently exceeding 95% across multiple lines of business, including MCLA, LACC, PASC, and D-SNP. The department's success in these areas highlights its strong adherence to regulatory requirements and its effectiveness in delivering timely care decisions to members.

## **Operational System Transition**

L.A Care is currently transitioning the program utilized to process authorization requests from Syntranet to QNXT. The move to QNXT is set to occur on January 21, 2024. The UM team has been working with our IT, configuration, and associated departments extensively over the past year to ensure a smooth transition. This program is used across multiple areas including UM, MLTSS, Behavioral Health, Community Health Services, and Claims. A multi-faceted training for all departments commenced on September 30<sup>th</sup>, which was successfully completed by the end of November. Approximately 350 users over multiple areas of LAC attended this series of educational sessions. UM continues to provide education as needed to all areas affected by the Syntranet to QNXT transition.

## **Prior Authorization Requirement Updates**

On July 25, 2024, the UM team launched an updated prior authorization matrix, reducing the number of procedure codes requiring prior authorization by 24%. This exciting implementation supports the goal of reducing administrative burden on providers allowing focus on patient care and expediting hospital discharges for our members. The new process also includes fax notifications to providers for codes that do not require prior authorization, replacing approval letters. Since the "No Authorization Required" implementation, authorization volume has decreased by 57% based on a comparison of average monthly volume from January to July (pre-implementation) with August through December (post-implementation). UM is working collaboratively with the provider network team to address high-volume providers submitting unnecessary requests, aiming for further reductions.

## **Inpatient Member Engagement**

Our current inpatient Medical Management team manages a large census of members daily, ranging from 500-700 members in house depending on current member admissions. In addition to ensuring regulatory compliance regarding decisions and notifications, our leadership team also implemented strategies to effectively manage our members, while providing support to the facilities that our members are housed in. Over the course of the year several different initiatives were started: Provider calls being warm transferred to our nursing team from our internal call center, Complex/Long length of stay member rounds in May of 2024, DHS member specific rounds to support discharge planning was initiated in February of 2024, Difficult to Place member rounds with Beacon and Rockport skilled nursing facilities also began in Quarter 1 of 2024. Currently, the MD leadership team, along with our Inpatient Clinical Leadership group, is utilizing the experiences from the past 6 months to improve our rounds, expediting member discharge and collaboration with our facility partners.

## **Provider Engagement Initiatives**

The Utilization Management team has prioritized provider education and support by implementing a monthly series, effective June 2024. Every other month, an email entitled "Clinical Connection" with important updates and educational tidbits is sent to all contracted providers, as well as some frequently used non-contracted providers. On the alternating months, UM hosts a WebEx session, inviting all providers, both contracted and non-contracted, important information and reminders to hear firsthand from Medical Management leaders. The sessions have been driven by the issues identified by our leaders, utilizing real-time data from our internal departments.

## **Managed Long Term Services and Supports (MLTSS)**

### **CalAIM & Community Supports (CS)**

Efforts to increase referrals and enrollment in all MLTSS CS-administered programs continue. Services are promoted in various provider forums as well as through internal education and training for cross-functional teams across the organization. Referrals to Personal Care and Homemaking Services have seen a significant increase, averaging 199 per month since October 2024, compared to an average of 146 per month in the previous fiscal year. Referrals to Respite Care and Environmental Accessibility Adaptations also continue to rise, with a current authorization rate of 75%, an increase since the last report.

Nursing Facility Transition and Diversion to Assisted Living Facility (NFTD) and Community Transition Services (CTS) to home and other private community settings became effective on January 1, 2024. Currently, three providers are contracted, with more to be added during the scheduled "Letter of Interest" process later in the year. Referrals for both programs have steadily increased, originating from hospitals, skilled nursing facilities, and internal teams (Utilization Management and Care Management) via Interdisciplinary Care Teams (ICTs). To date, the average number of referrals is 27, an increase from 20 in the last report, with an authorization rate of 78%. Trends and outcomes will continue to be monitored and reported.

### **CalAIM & Benefits Standardization**

Since January 1, 2024, Intermediate Care Facilities for the Developmentally Disabled (ICF-DD) long-term care became a Medi-Cal Managed Care covered service. Contracting efforts are ongoing with nearly 200 facilities throughout the county, most of which are new to managed care. As of April this year, the ICF-DD census was 326, and has increased to 378 by end of December 2024.



## Community Health

### Community Supports (CS) Operations & Reporting

#### CS Provider Network

Providers are in various stages of the contracting process for CS services. CS Letters of Interest (LOI) and Certification applications were released for the July 2025 CS contracting cycle in November and December 2024.

#### CS Stakeholder Engagement

The team is continuing to develop and implement strategies to increase member engagement, provider/stakeholder engagement, and CS utilization. Strategies include but are not limited to provider opportunity reports to help identify members potentially eligible for services, provider incentives, and referral monitoring and reporting.

- The Asthma Remediation Incentive Program: Request for Applications (RFA) was released in Dec 2024 and is planned for implementation in Jan/Feb 2025. The program is intended to increase utilization of Asthma Remediation services by engaging PCPs in referring eligible members and engaging Asthma Remediation providers in timely service delivery. Planning is ongoing for additional incentive programs to be implemented in 2025 targeting other CS services to support increased utilization.
- We are continuing to participate in community meetings, collaboratives, and deliver community presentations and in-service trainings to promote awareness and availability of CS services to internal and external stakeholders. External stakeholders attending presentations and in-service trainings include: Hospital Association of Southern California (Oct 2024), Southside Coalition of Community Health Centers (Nov 2024), and Southern California Hospital System (Dec 2024).

#### Latest in CS Implementation and Monitoring

The Community Health Department is awaiting final DHCS guidance for revised CS service descriptions, i.e., Model of Care, and the addition of a new CS service, Transitional Rent, which seeks to provide coverage of time-limited opportunity for housing to aid members in exiting homelessness and transitioning to stable housing. Review of draft/preliminary guidance completed to identify potential impacts.

#### CS Stakeholder Education and Training

The CS monthly webinar series for current and prospective CS providers is ongoing. The webinar series is intended to expand knowledge and awareness about CS, enhance provider skills, and share best practices and resources to best meet the needs of members. Different

CS and provider identified topics are highlighted each month. There were 149 participants in the November 2024 webinar which covered Recuperative Care & Short-Term Post-Hospitalization Housing. The January 2025 webinar will cover Doula services.

### **CS Reporting**

- Teams are actively working to stand up processes for CS required reporting via Authorization Status File (ASF) and Return Transmission File (RTF) files.
- Review of final DHCS Closed Loop Referral (CLR) guidance is in progress, (released December 2024) which is required to be implemented by July 2025.

### **Systems IT: SyntraNet and QNXT**

- CS under Housing Initiatives and Social Services (i.e., Housing Navigation, Tenancy Sustaining Services, Housing Deposits, Day Habilitation, Recuperative Care, and Short-Term Post Hospitalization Housing) will not transition to QNXT in Jan. 2025, they will remain in SyntraNet and plan to transition later in 2025.

## **Behavioral Health Services (BH)**

### **School Behavioral Health Incentive Program (SBHIP)**

L.A. Care has been collaborating with Health Net, DMH, and LA County Department of Education to help children and youth access behavioral health services in school. The SBHIP came to an end on 12/31/2024:

- 52 Local Education Agencies (LEAs) with 760 schools are currently referring members for BH services through Hazel Health.
- Utilization: 4,110+ students served, 25k+ telehealth visits, and 41K clinical service hours delivered.
- 160 dedicated spaces within the 7 selected LEAs were created to support behavioral health services, including individual and group counseling.
- LACOE staff supervised 76 interns placed in the 13 selected LEAs.
- 19 peer-to-peer programs were implemented in the 13 selected LEAs.

Behavioral Health services will continue to be available to these students through the **Children and Youth Behavioral Health Incentive (CYBHI) fee schedule**.

**In alignment with APL 24-012**, L.A. Care is actively working to increase utilization of Non-Specialty Mental Health Services (NSMHS) by creating a comprehensive outreach and education plan to inform Members on how to access NSMHS and support Primary Care Providers (PCPs) in effectively referring Members to NSMHS.

## Social Services (SS)

- We launched a referral pathway through Los Angeles County Department of Health Services (DHS) / Housing for Health (HFH) for members in Recuperative Care. It will allow eligible members an easier connection with housing navigation services and a potential voucher.

## Housing Initiatives

### Housing Community Supports: Housing Navigation (HN), Tenancy Sustaining Services (TSS) and Housing Deposits (HD).

#### Financial Restructure Planning

- HN/TSS will transition from a preemptive monthly capitation structure to a 2 claims per month (paid at half the cap rate each) structure. Implementation is in progress.
- HD will transition from having administration costs included in monthly capitation to being added as a cost line item on HD requests.
- Timeline: Go live 1/1/2025
  - SOW - HHSS and HD contract amendments went out to Providers 9/30
  - Operational and configuration go live is Jan 2025
  - Provider support: trainings, TA, meetings, updated guidance - *ongoing*

#### Unsupported Capitation Recovery

Phase I to request provider claims submission to support capitation paid - to begin after final HN/TSS capitation payment and payment reconciliation; schedule to commence in early March 2025.

### 2024 Network and Member Enrollment Summary

	JAN 24	DEC 24	Change
<b>Contracted Providers: HN/TSS</b>	26	33	27%
<b>Contracted Providers: HD</b>	19	25	32%
<b>Provider Network Capacity</b>	31,346	34,150	9%
<b>HN/TSS Enrollment</b>	10,498*	14,961	43%
<b>HN/TSS Network Utilization</b>	33%	43%	10%

\*Enrollment number as of 2/2/2024 (due to delay in processing DHS cohort)

#### 2024 Operational Highlights

- Development and launch of Day Habilitation CS
- Claims issues resolution

- Development and implementation of Housing CS Financial Restructure
- Ongoing updating/development of provider guidance and support
- Significant increase in utilization, including provider network expansion, provider capacity and member enrollment.

### **2025 Look Forward**

- Continued program growth and refinement
- ECM Coordination
- Syntranet to QNXT+CCA platform transition
- Expanded strategic collaboration with key partners - LAHSA, HFH, DMH
- Transitional Rent CS (TBD)

### **Day Habilitation Community Support**

This community support program launched on July 1, 2024.

- SOW and P&P - Completed
- Operations planning and launch, including program and provider guidance development; systems build out and configuration - Completed
- Member Assessment: Forms and processes development - Completed.

### **Housing and Homelessness Incentive Program (HHIP)**

- The Skid Row Care Collaborative HHIP Investment agreements were finalized. JWCH agreement has been executed. DHS agreement pending final signatures for execution.
- Mayor's Fund for LA amendment was completed and includes additional funding for new service model which will support legal support for Angelenos facing evictions.
- Brilliant Corners Interim Housing Accessibility HHIP Investment Agreement is being finalized and will be executed in early 2025. Brilliant Corners will support large- and small-scale modifications at interim housing sites to support accessibility needs for people experiencing homelessness.
- **2024 Highlights**
  - Final HHIP program earnings were received from DHCS
  - HHIP investments made to support Field Medicine including Skid Row Care Collaborative and 5-year field medicine capacity building investments to launch new field medicine teams in designated regions.
  - Additional investments were executed supporting HHIP priority areas including eviction prevention, data sharing, homeless sector workforce development, unit acquisition, and activities of daily living (ADL) supports at interim housing sites.
  - HHIP Unit Acquisition investment with County CEO - HI has resulted in 1,751 units currently contracted. Of these units 1247 are occupiable.

- L.A. Care participated regularly in Inside Safe, Pathway Home, and Tiny Home events to connect members to health plan resources and assist with program referrals.
- **2025 Look Forward**
  - Continued focus on oversight of current HHIP investments and relationship building with partners.
  - Homeless Management Information System (HMIS) IT adjustment to be completed in 2025 to improve data exchange and quality.
  - Expansion of eviction prevention partnerships and potential workshops for members and community at CRCs (expected 2025).

## **Field and Street Medicine: Launch and Operations**

- Capacity-building grants for new Street Teams, workplans and corresponding budgets were reviewed and approved by LAC for 5 of the 9 teams.
- Measurement Period 1 of the Field Medicine Performance Incentive program concluded on December 31<sup>st</sup>, 2024.
- Provider Services Agreement (PSA) and Field Medicine amendment sent to selected, non-contracted Field Medicine providers in October for their review.
  - Meetings are scheduled for January to discuss comments including rates and programmatic questions for those providers who submitted an edited contract.
- Convened a Field Medicine Steering Committee and associated subcommittees to work on internal processes that need to be altered or created.
- LAHSA provided 2 interim housing sites to begin the Provider Care Pod concept: 1 site in the Antelope Valley, and the other in Hollywood.
  - Field Medicine team met with the Field Medicine provider and on-site Housing Navigation provider separately before scheduling joint meetings for January.
- Scheduled meetings in January with Field Medicine providers not currently contracted for Housing Navigation services.
- MacArthur Park RFP under final review before posting in January.
- Working with newly established Emergency Centralized Response Center (ECRC) on the role Field Medicine providers will play with other City and County organizations.

## Pharmacy

### Medication Adherence Programs

#### **Comprehensive Adherence Solutions Program (CASP)**

Adherence rates for all three medication adherence measures have improved compared to this time last year. Our projections indicate that we are on track to meet our goals by the end of 2024. To further enhance member experience, the Pharmacy team will be launching a new welcome call campaign for incoming members who are new to our DSNP plan starting 1/2025. This initiative will educate members on health plan pharmacy benefits and resources, assisting them in getting started with our DSNP plan.

#### **Pharmaco-Adherence Mailers**

Pharmacy has been collaborating with Facilities on medication adherence mailers. Since the campaign launched in June 2024, a total of 1,575 DSNP and 1,998 LACC provider mailers have been sent out, alongside 3,200 DSNP and 18,135 LACC member mailers. Based on member feedback from the Enrollee Advisory Committee (EAC) meeting on 11/12/24, the mailers will continue in 2025.

#### **Pharmaco-Adherence Email Campaign**

Based on member feedback from the EAC meeting on 11/12/24, Pharmacy has partnered with Marketing to launch a new email campaign as an additional way to engage members. These quarterly emails will highlight pharmacy benefits and resources, helping members with their DSNP plan.

#### **Pharmaco-Adherence Postcards**

Pharmacy has been designing a magnetic postcard to inform members about their pharmacy benefits. The magnet will serve as a daily reminder for members to contact their Pharmacy team at L.A. Care with any questions or issues related to their prescription benefits or medications.

#### **mPulse Mobile Inc. Text Campaigns**

Pharmacy has partnered with mPulse Mobile Inc. to launch two text campaigns since 7/9/24 to support medication adherence. These campaigns remind members of overdue refills and include an interactive feature allowing members to request 100-day supplies of their medications. As of 12/23/24, 2,207 members have responded with requests for 100-day supplies and the pharmacy team has been diligently working to fax prescription change

requests to providers. Text campaigns will continue in 2025 based on some members' preferences to receiving text messages, as discussed in the 11/12/24 EAC meeting.

### **Refill Reminder Robocalls**

Pharmacy has been collaborating with CSC Even More to re-launch the refill reminder robocalls on 7/22/24. The robocall identification criteria was updated to identify and call members who are overdue for a medication refill, rather than those with an upcoming refill, reducing member abrasion. Since the campaign re-launch, 49,130 total robocall attempts have been made to DSNP and LACC members. Of these, 14,241 calls successfully connected with the members. Some members expressed a preference for robocalls during the 11/12/24 EAC meeting, so they will continue through 2025.

### **AdhereHealth Vendor Collaboration**

Pharmacy is collaborating with AdhereHealth to engage high-risk, non-adherent members. The program year has concluded with a total of 953 members enrolled and program evaluation will take place in Q1 2025.

### **New Start Insulin**

Pharmacy has launched a new initiative to support diabetic members with uncontrolled A1c who are not on insulin therapy. Clinical pharmacists are engaging with both members and their providers to highlight the benefits of initiating insulin therapy, as recommended by current diabetes management guidelines. As of 12/26/24, Pharmacy has attempted to outreach 31 members, with 6 members and their providers agreeing to start insulin therapy.

## **Statin Use in Persons with Diabetes (SUPD) and Statin Therapy for Patients with Cardiovascular Disease (SPC)**

### **AdhereHealth**

A total of 229 members have been referred to AdhereHealth for assistance in member outreach as of 11/21/24. AdhereHealth will conduct outreach to assess the need to initiate a statin in this population. The population consists of members who are currently eligible or may become eligible for the SPC measure.

### **Timely Member Identification for SPC Measure**

The Health Information Management (HIM) team helped identify 359 at risk members with 113 of them eligible for possible intervention in 2024. Pharmacy also submitted an intake request to the Advanced Analytics Lab (AAL) team to develop a predictive model that will identify members likely to qualify for the SPC measure. The model is expected to be completed in 2025.

## Medication Therapy Management (MTM) Program

### **CMS requires health plans to offer MTM services to Medicare members, including an annual comprehensive medication review (CMR).**

- L.A. Care Pharmacy, in collaboration with Navitus Clinical Engagement Center (MTM vendor), has achieved a 91% completion rate of eligible members as of 12/23/24, a significant improvement from this time last year at 86%.
- Due to major changes in the MTM program eligibility criteria starting 2025, the MTM measure will be moving to “tracking” for at least two years. During this time, the program will still be active with expanded eligibility criteria. Pharmacy is working with Navitus Clinical Engagement Center to accommodate a higher volume of qualified members and ensure a smooth transition.

## Additional Pharmacy Programs

### **Asthma Medication Ratio (AMR):**

Pharmacy identified discrepancies in drug quantities within the HEDIS engine’s pharmacy claims data, inflating rescue inhaler counts and lowering our AMR rate. As a result, DHCS (Department of Health Care Services) removed our sanction for the AMR quality measure, allowing L.A. Care to avoid a monetary penalty.

### **PA Accel**

PA Accel is an automated prior authorization program which operates at the point of sale by utilizing the member’s medical and pharmacy data. Medications requiring prior authorization may approve seamlessly at the pharmacy if criteria are met. PA Accel went into production 5/13/24 for our DSNP line of business and is planned to roll out for LACC and PASC by the end of Q1 2025. In the months of September and October, 417 and 468 transactions were approved through PA Accel, respectively. This made up 33% of all transactions, specific to PA Accel drugs.

### **Transitions of Care (TRC) - Medication Reconciliation Post-Discharge (MRP)**

Pharmacy completed 448 reviews as of 12/17/24 in collaboration with Care Management’s Transitional Care Services Program for MCLA. Pharmacy has also developed a workflow with the STARS team to complete 180 reviews for DSNP members since starting 6/14/24.

### **Community Resource Center (CRC) Vaccine Clinics:**

Pharmacy worked closely with Health Education, CRC leadership, and North Star Alliances to host 7 vaccine clinics between September and November 2024. Overall, the clinics provided 850 flu vaccines, 429 COVID vaccines, 605 blood glucose screenings, and 644



blood pressure screenings. Of the total blood pressure readings, 190 blood pressure readings were identified to be of our members and were submitted as supplemental data to our Quality Performance Management (QPM) team.

<b>Date</b>	<b>Time</b>	<b>Location</b>
Friday, 9/13/2024	10AM-4PM	Norwalk CRC
Saturday, 9/28/2024	10AM-2PM	West LA CRC
Friday, 10/4/2024	10AM-2PM	Lynwood CRC
Saturday, 10/5/2024	9AM-2PM	El Monte CRC
Monday, 10/7/2024	12PM-4PM	Long Beach CRC
Friday, 10/11/2024	12PM-4PM	East LA CRC
Friday, 11/8/2024	10AM-2PM	Panorama City CRC

## Quality Improvement

### Health Education, Cultural, and Linguistic Services (HECLS)

#### Meals as Medicine Program

The Meals as Medicine (MAM) program continues to grow. The number of service requests surpassed the 1,000+ mark in October and averaged 209 service requests per week in November.

#### Medi-Cal Doula Hub

Health Education continues to work with LA County's Medi-Cal Doula Hub. The Hub will complement ongoing efforts of direct service doula programs and statewide benefit implementation and enable doulas to prioritize families most at risk of adverse birth outcomes. More specifically, the Hub will focus on the following areas:

- Doula Training and Health Care System Integration
- Technical Assistance to Participate in Health Plan Doula Provider Networks
- Workforce & Organizational Development
- Evaluation
- Communications/Public Awareness Efforts (Doulas, Medi-Cal members, and Providers.)

#### DHCS Transitional Care Services (TCS) for Birthing Individuals

The TCS program for Birthing Individuals has ramped up outreach and enrollment efforts to members eligible for this program. The newly hired eight-member team has been trained and actively coordinates post-discharge care for pregnant and postpartum individuals.

#### Language Assistance Program

L.A. Care members can contact Member Services to request an onsite interpreter for their medical appointments. In September, 815 interpreter requests were received. 94.0% of the requests (excluding cancelled appointments) were fulfilled. The top five requested languages were Spanish, American Sign Language, Thai, Korean, and Khmer.

#### Fight the Flu and COVID-19 Campaigns

- 90.5% of members (n=226,426) outreached to by the texting campaign were successfully messaged.
- CRC Vaccine Events concluded in 1st week of November.

- A social media campaign with flu and COVID-19 messages on Instagram and Facebook is currently running.
- A total of 16,368 messages have been sent to members in the MyHIM wellness portal since the initiative's launch in September. This is the newest initiative to launch under the Fight the Flu & COVID-19 campaign and continued in December as we enter peak season for respiratory viruses.

### Spanish and Khmer Glossary Project

Based on the Consumer Health Equity Council member feedback, Cultural and & Linguistic Services is working with Spanish and Khmer-speaking members to review and update the glossary terms to improve the readability and quality of translated documents. The initial glossary review by Spanish members has been completed, and the review by Khmer members is in progress.

## QI Initiatives

### Regulatory Updates

MY2023 MCAS sanctions decreased by 76% from almost \$800K for MY2022 down to around \$220K. This is reflective of significant improvement in overall performance in MY 2023

For MY2024, most MCAS measures have improved year over year performance from MY 2023. This is despite headwinds from the Kaiser plan partner exit.

The QI team is currently working to enact the terms of the All Plan Letter (APL) 24-008, titled Immunization Requirements. The APL stated that Managed Care Plans must have a plan to ensure their providers use the immunization registry in a timely manner. The team is currently developing a plan to monitor whether providers are using the CAIR registry.

### Interventions by HEDIS Measure

- **Topical Fluoride for Children (TFL-CH):** The Clinical Initiatives team will distribute fluoride varnish materials/kits to Transform L.A Clinics in Jan 2025. We have been actively working with all 15 clinics who have shown interest in participating.
- **Colorectal Cancer Screening (COL):** As part of a Q4 push spearheaded by Dr. Sheen, a new partnership was developed with Cologuard. Cologuard test kits were deployed on November 18, 2024 to LACC members who are due for COL screening and who did not receive an iXlayer at-home test kit. Approximately 18,714 unscreened members were sent Cologuard test kits.
- **Childhood Immunization Status Combination 10 (CIS-10):** L.A. Care Covered (LACC) CIS-10 measure is a Quality Transformation Initiative (QTI) measure for Measurement Year (MY) 2024. Plans across California and nationally have been

struggling with increases in vaccine hesitancy and declining vaccination rates due to parental refusal. To help increase LAC CIS-10 rates, the following are taking place:

- Daily stand-up team huddles and aggressive “all-hands on deck” team effort
- Provider and clinic staff incentives launched for LACC CIS-10. Member incentive is still ongoing. We are offering larger incentives than ever.
- The Clinical Initiatives and Quality Performance Management (QPM) teams are working closely together to close CIS-10 care gaps. Quality Improvement (QI) nursing staff are reaching out to provider offices and members' parents/guardians with refined member lists that include enhanced immunization information from QPM. L.A. Care staff are now also conducting in-person office visits to discuss the provider and member incentives and support providers in scheduling appointments.
- New partnership with DocGo to conduct home visits for vaccines.
- The Pediatric Flu Text Messaging Campaign launched 10/24 in English and Spanish, reaching 9,357 members
- Outreach and advocacy with Covered CA to update their CIS-10 QTI policy which is not based on current benchmarks and disproportionately penalizes plans like L.A. Care with very small member denominators for CIS-10 (e.g. currently approximately \$130,000 fine per open child vaccination gap). Important for Covered CA to recognize that statewide collaborative efforts are needed to address vaccine hesitancy and there are many cases where providers and plans are not able to change parental decisions.
- L.A. Care has contracted with Quality Health Partners (QHP) to host mobile clinic events for well-child visits, social determinants of health screening, topical fluoride application, and blood lead screening. So far, QHP has conducted 687 appointments for L.A. Care MCLA members, 593 via telehealth, and 91 via in-person events. The second event occurred on December 7th at the South L.A. Community Resource Center (CRC).

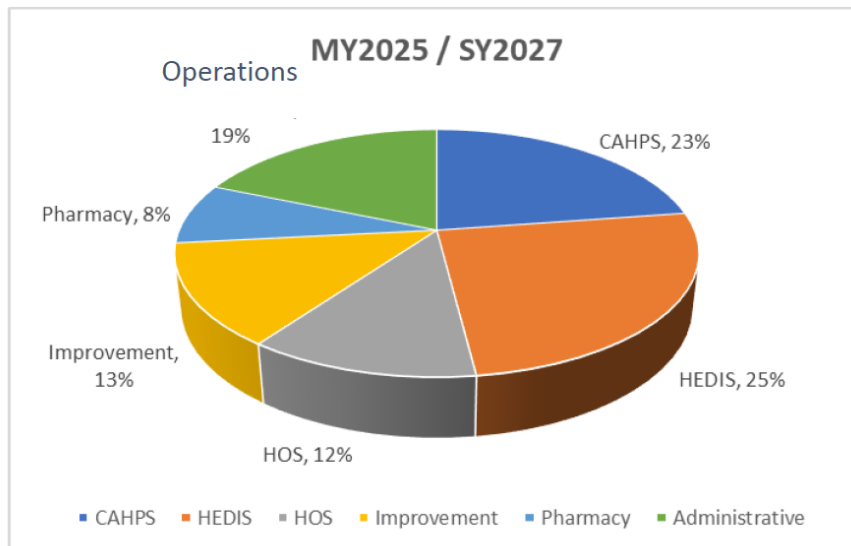
## Provider Quality Review (PQR)

- **Total Potential Quality Issue (PQI) Processed/PQI Processing Timeliness:** PQR has maintained a perfect timely closure rate (100%) for two consecutive months.
- **PQR- Audits and Oversight:** PQR has completed all Annual Audits for Plan Partners and Specialty Health Plans with no corrective action plans issued. PQR continues to monitor Anthem for low-volume trends, however, their PQI policies are noted to be in alignment with other health plans.
- **PQR Collaboration with A&G:** A&G, Medical Management, and PQR teams continue a forward-looking partnership as we enter 2025. Key stakeholders in each business unit continue to collaborate on:
  - Refining data reporting for trend analysis

- Regularly sharing grievance volumes with the Quality team so the PQR team can preemptively prepare to resource around incoming demand.
- Optimizing member touchpoints for follow-up on prioritized quality of care grievance issues.
- Optimizing the escalation process for medical record retrieval in the grievance process.
- PQR continues to monitor case volume from grievances and monthly audit oversight with non-referred cases to capture all necessary PQI. In September, 80 grievances were reviewed, of which 21 were found to have quality of care concerns. The findings were referred back to Grievances for a PQI to be submitted. PQR met with the IT team to align the new A&G platform with the PQI platform (Kaizen) requirements. Discussed crucial data fields for a seamless transfer between systems and to ensure all necessary information is captured and transferred accurately.
- **PQR - PQI Platform:** Kaizen was successfully deployed on 9/27/24 and started receiving cases on 10/1/24. Initial challenges with duplicate cases have been mitigated. Kaizen Phase II started development on January 5, 2025. Our team has made significant progress with Kaizen training to ensure a smooth transition for all staff members.

### Stars Excellence

Stars performance is determined by multiple divisions at L.A. Care. HEDIS is currently 25% of the score. Success requires enterprise performance across HEDIS, Pharmacy, Operations, and Member Experience.



Overall, the DSNP contract is projected to continue to perform at the 3.0 Star Rating level in MY2024:

- HEDIS domain performance is projected to increase from a 2.3 Stars rating in MY2023 to a 2.5 Stars rating in MY2024. Pharmacy is projected to maintain a 3.46 Star rating in MY2024. Both domains have demonstrated substantial year over year measure improvements.
- The Operations domain performance is projected to decline from 3.48 to 2.92 Stars rating. The decline in the Operations domain is due to a significant decrease in the Reviewing Appeals Decision measure, which is dropping to a projected 2 Star rating. Call Center TTY / Foreign Language (Part C) and SNP Care Management is maintaining performance but dropping a Star rating due to the changes in cut-points.
- LACC MY2023 is projected to earn an overall summary indicator rating of 75, achieving a Star Rating of 3, just 5 points short of achieving a 4-Star rating. LACC MY2024 is pending additional projections, and an update will be provided soon.

## Regulatory CAHPS Survey

- **HP (Health Plan)-CAHPS (Consumer Assessment of Healthcare Providers and Systems (Adult & Child) (HPR (Health Plan Rating))**
  - Results received. Response rates are up.
  - Improvements were seen in all six adult-rated question scores.
  - Improvements were seen in 2 of the 5 Child-rated question scores. Child scores remain higher than the Adult scores. Child scores are used for NCOA (National Committee for Quality Assurance) scoring.
- **QHP (Quality Health Plan), EES (Enrollee Experience Survey), LACC (L.A. Care Covered CA), QRS (Quality Rating System)**
  - Results received. Response rates are up.
  - Improvements were seen on 21 of the 30 rated question scores. L.A. Care remains a 4 STAR Member Experience Plan
- **MAPD (Medicare Advantage Prescription Drug) DSNP (Dual Special Needs Plan) (STARs)**
  - Results received. Response rates are up - 37.35%, the highest plan response at the survey vendor.
  - Improvements were seen in six of the nine rated question scores.

## Population Health Management (PHM)

- **The PHM Team continues to lead collaborative efforts with local health departments and all health plans that serve L.A. County to develop a work plan that achieves the proposed SMART goal and participate in each local health department's Community Health Assessment (CHA) and Community Health Improvement Plan (CHIP):**
  - SMART Goal: Reduce maternal and infant mortality disparities for Black and Native American Persons by at least 5% annually in Los Angeles County to make progress towards the 50% BOLD goals.
  - Objective: Develop a survey and data set of patient experiences in hospital settings for the Black/African American and Native American pregnant population, with annual data reports contributed by the MCPs to track progress and identify areas for improvement.
  - There has been agreement to move along the Doula Hub efforts within the county.
  - The collaborative brings a consultant to lead strategy, facilitation, and project management efforts. Currently, we are in the process of procuring BluePath Health.
  - The collaborative has developed regular workgroups for resources/funding, planning, data, and steering. The PHM Strategy deliverable to DHCS was submitted on 11/18/2024.
  - The PHM team attended two Community Advisory Committee (CAC) meetings in October and November to gather input on the Local Health Department's Community Health Assessment (CHA)/ Community Health Improvement Plan (CHIP). The PHM team will present a PHM overview and CAC expectations in the CHA/CHIP process at the TTECAC meeting in December.
  - Local Health Departments have shared their funding requests for the CHA/CHIP contribution. Internal teams (PHM, strategic investments, and finance) are reviewing the requests to determine the appropriate allocation and possible use of IPP funds to contribute to the CHA/CHIP.
  - Current Projected Funding Request Breakdown: Currently, the PHM team is working with the IPP team for year 1 funding.

Row Labels	Sum of Year 1	Sum of Year 2	Sum of Year 3	Sum of Total Request
<b>LA County</b>	<b>\$3,360,000</b>	<b>\$4,335,500</b>	<b>\$2,733,500</b>	<b>\$10,429,000</b>
Staffing	\$500,000	\$500,000	\$500,000	\$1,500,000
Contractual/Other	\$2,860,000	\$3,835,500	\$2,233,500	\$8,929,000
<b>Long Beach</b>	<b>\$1,527,725</b>	<b>\$1,376,725</b>	<b>\$1,376,725</b>	<b>\$4,281,174</b>
Staffing	\$261,725	\$261,725	\$261,725	\$785,174
Contractual/Other	\$1,266,000	\$1,115,000	\$1,115,000	\$3,496,000
<b>Pasadena</b>	<b>\$1,069,480</b>	<b>\$1,039,931</b>	<b>\$1,111,393</b>	<b>\$3,220,804</b>
Call to Action	\$13,837		\$14,183	\$28,020
Cultural Connectors	\$229,491	\$236,376	\$243,467	\$709,334
Data Infrastructure	\$100,000	\$100,000	\$100,000	\$300,000
LA County Health Survey & MIHA	\$32,498		\$32,498	\$64,996
Staffing	\$347,345	\$357,705	\$368,377	\$1,073,427
(SPA 3) - Group Prenatal Care	\$346,309	\$345,850	\$352,869	\$1,045,028
<b>Grand Total</b>	<b>\$5,957,205</b>	<b>\$6,752,155</b>	<b>\$5,221,618</b>	<b>\$17,930,978</b>

## Initial Health Appointment (IHA)

- **The IHA workgroup has developed a draft corrective action plan (CAP) to address the preliminary DHCS Audit finding that the Plan did not ensure the completion of an IHA for new members within 120 days of enrollment. New IHA initiatives are under development, including:**
  - The monthly compliance reports/scorecards are complete, shared internally, and posted monthly on the provider portal. Annual trending was added in the November reports.
  - IHA has been added to the P4P program for payment and was released in the May 2024 P4P Program Description.
  - The IHA text campaign with mPulse was executed. IHA texts have started, and monthly reports are being sent.
  - A reminder robocall and live script for members who have not completed an IHA but have visited the ER or Urgent Care was approved in Podio and will start in December.
  - An overall IHA scorecard was developed to identify top and bottom performers in the network and was integrated into the monthly compliance reports.
  - CCM developed a provider template for documenting member refusals and outreach efforts to be included in the member’s medical record for documentation. This will be included in the annual training materials.
- The IHA workgroup presents at the Provider Advisory Committee (PAC), Quality Oversight Committee (QOC), QI JOMs, and the Delegation Oversight JOMs.

## Annual Cognitive Health Assessment (ACHA) APL 22-025

- **The Policy for APL 22-025** developed by the PHM team was approved by DHCS and initially by QOC in November 2023.
- DHCS is sending the reports on providers completing the **Dementia Care Aware training**, and L.A. Care has notified all providers of the new APL requirements.



- Corporate Compliance Monitoring sends ACHA training and completes quarterly monitoring on a sample of delegates.

## Child Health and Disability Prevention (CHDP) Program Transition

- **The CHDP Transition Plan** was developed in collaboration with the CHDP Program Transition Workgroup and with feedback from CHDP stakeholders throughout the state. The transition preserves presumptive eligibility enrollment currently offered through the CHDP Gateway, activities under the CHDP Childhood Lead Poisoning Prevention Program, and the Health Care Program for Children in Foster Care. In accordance with Health and Safety Code section 124024, DHCS published on its website a declaration certifying that all activities required for successful transition were completed by March 27, 2024.
- **Provider communication notifications** have been sent to all providers participating in the CHDP program. Operational readiness activities include the LACI portal and provider portal updates.
- **CHDP Provider Trainings** are available through the provider external learning department. Providers and their staff can register to attend vision, fluoride varnish application, and audiometric/anthropometric Webex sessions.
- Statewide Managed Care Plan (MCP) Facility Site Review (FSR) collaborative workgroups have been developed and are meeting to compile a unified set of CHDP provider trainings on vision, fluoride varnish application, audiometric, and anthropometric content.

## Population Health Informatics

### Health Information Ecosystem (HIEc)

- **Health Information Exchange (HIE) Amendments:** The Hospital Services Agreement (HSA) is being updated to require mandatory participation in Health Information Exchanges (HIEs) for hospitals. This update ensures compliance with CMS 9115-F standards for Admission, Discharge, and Transfer (ADT) notifications and mandates engagement with the California Health and Human Services (CalHHS) Data Exchange Framework (DXF). Similarly, updates are being made to Skilled Nursing Facility (SNF) contracts to mandate participation in the CalHHS DXF and HIEs, facilitating more efficient information exchange. The amendments are currently under legal review.
- **Incentive Programs:** A new one-time HIE Adoption Incentive for clinics, small practices, and solo providers contracted with Plan Partners is being planned. This initiative is designed to encourage the adoption and meaningful use of HIEs and will target facilities currently contracted with Plan Partners only. Additionally, other one-time HIE Adoption Incentives targeting hospitals and SNFs are ongoing.

- **Clinical Data Repository (CDR) Program - FHIR ADT and CCD Projects:** Real-time ADT data integration into downstream applications (CCA) was completed on December 19, 2024. Testing is currently underway with Cognizant. This project aims to develop a real-time FHIR CCD data ingestion pipeline.
- **Data Exchange Framework (DXF) Implementation:** The implementation of the DXF is progressing, with internal testing successfully completed and external testing underway with LANES. This initiative requires L.A. Care to implement a Consent Management solution to comply with AB352 and AB254 requirements. Additionally, it involves the exchange of all claims, encounters, and clinical data maintained in internal systems. A robust three-phase plan for consent management is in place, with the initial release set for January 9, 2025, and full implementation expected by April 2025. This is crucial for the successful deployment of the DXF.
- **CMS Interoperability and Prior Authorization Rule (CMS-0057):** Planning is underway to implement CMS-0057 requirements to meet 2026 and 2027 deliverables.
- **HL7 CCD Ingestion for HEDIS Improvements:** Efforts are underway to enable the ingestion of HL7 CCDs into ClaimSphere to improve HEDIS gap closures and measure rates. Feasibility testing has been completed with a sample of 25,000 CCDs.

#### Incentives

- **Hospital P4P Program:** The third hospital data progress reports were distributed at the end of the year.
- **SNF P4P Program:** We are working with PNM and IT to set up the SNF data progress reports in the Provider Portal.
- **Provider Opportunity Report (POR)/Gap in Care (GIC) reports** are produced monthly for all provider types. Plans for report enhancements are underway, alongside efforts to use the Cozeva platform more effectively. The 6th 2024 prospective PORs went out in December, and the UM POR reports are also going out.
- **Member incentives for 2025** are currently being assessed among stakeholders. Much of the groundwork laid out in 2024 will continue with enhancements going into next year.



**L.A. Care**  
HEALTH PLAN®

**For All of L.A.**

# Member Experience Survey Results



**Compliance & Quality Committee (C&Q)**

**Date: 11/21/2024**

**Presenter: Linda Carberry**



**ELEVATING  
HEALTHCARE**  
IN LOS ANGELES COUNTY  
SINCE 1997

# Importance of Member Experience

- Regulatory survey results are important component of health plan ratings
- Regulatory survey results reflect member perceptions and expectations
- These survey results helps us see how our members see us
- Prioritizing the “rated measure” questions to support higher results will:
  - Educate L.A. Care and providers on the importance of these questions
  - Draw attention to member experience with L.A. Care
  - Provide insight on where we can improve
  - Achieve higher member experience scores
- Sharing these results on annual basis is crucial to understanding
  - Member experience
  - How we can best improve their experience

# Report Content

Important results from regulatory Member Experience Surveys including:

- **Medi-Cal HP-CAHPS** (Consumer Assessment of Healthcare Providers & Systems) **Adult & Child** (Health Plan CAHPS)
  - HPR (Health Plan Rating)
- **QHP EES** (Quality Health Plan Enrollee Experience Survey)
  - QRS (Quality Rating System)
  - Covered CA
- **MAPD CAHPS DSNP** (Medicare Advantage & Prescription Drug, Dual Special Needs Plan)
  - STARS
- **PASC-SEIU** (Workers Health Care Plan [PASC-SEIU] Survey for homecare workers affiliated with Personal Assistance Services Council [PASC] and United Long Term Care Workers Union [SEIU Local 6434])

# Report Background

## Medi-Cal HP-CAHPS (Consumer Assessment of Healthcare Providers & Systems)

- Administered between 2/19/2024 and 5/10/2024
- Final sample included 4,059 members (Adult)
  - Adults Completing Survey: 681 (2024), 652 (2023)
- Final sample included 6,798 members (Child)
  - Children (Parents) Completing Survey: 856 (2024), 740 (2023)
- NCQA (National Committee for Quality Assurance) Response Rates:
  - Adult: 17.24% (2024), 16.42% (2023)
  - Child: 17.46% (2024), 15.14% (2023)

**HPR (Health Plan Rating):** 2024 STAR Rating: 3.5 STARS

Local Initiative Health Authority, dba **L.A. Care**  
Health Plan  
also known as **L.A. Care** Health Plan



Accredited - Under  
Review by NCQA

Medicaid HMO

CA



L.A. Care received 3.5 STARS Rating in 2023

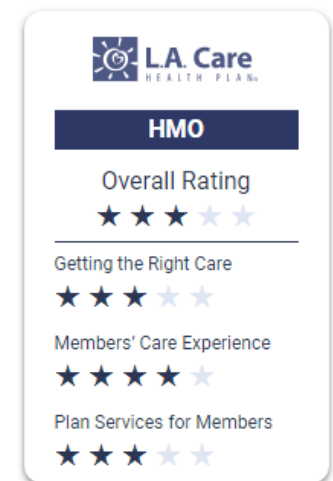
# Report Background

## QHP EES (Quality Health Plan Enrollee Experience Survey)

- Administered between 2/16/2024 and 5/17/2024
- Final sample included 1,690 members
  - Completing Survey: 217 (2024), 213 (2023)
  - Response Rate: 18.01% (2024), 18.23% (2023)

**QRS (Quality Rating System):** 4 Stars Member Care Experience, LACC (Covered CA)

L.A. Care received same rating in 2023



# Report Background

**MAPD CAHPS DSNP** (Medicare Advantage & Prescription Drug ) (Dual Special Needs Plan):

- Not fielded in 2023 due to contract change from CMC (Cal Medi-Connect) → DSNP
- Administered between 2/28/2024 and 6/12/2024
- Final sample included 1730 members
  - Completing Survey 639
  - Response Rate: 37.35%

**Medicare STARs:** DSNP line of business: 3 STAR plan

L.A. Care received the same rating in 2023



# Report Background

- **PASC-SEIU:** Workers Health Care Plan (PASC-SEIU) Survey for homecare workers affiliated with the Personal Assistance Services Council (PASC) and the United Long Term Care Workers Union (SEIU Local 6434)
- Using Commercial CAHPS Survey Instrument
  - Preparing for Accreditation in 2026
    - 2025 fielding will be used for evidence
  - Administered between 11/29/2023 and 2/12/2024
  - Final sample included 1350 members
    - Completing Survey: 236 (2024)
    - Response Rate: 17.51% (2024)

# Key Findings: Medi-Cal

## ▪ **Adult – HP-CAHPS**

- All 6 HPR rated measures increased by .5-3.5%

## ▪ **Child – HP-CAHPS**

- 2/5 rated measures increased by 1%
  - Even though child rates decreased for 3 measures
    - Child scores remain higher than the increased adult scores
    - Child scores are used for NCQA ratings (HPR)
- Over 60% returned in Spanish

## ▪ **Rating of Health Plan & Getting Care Quickly Increased for both Adult & Child**

# Key Findings: Covered CA, Medicare DSNP, PASC-SEIU

## ▪ QHP EES

- 21/30 QRS rated measures increased by 0.3-6.5%

## ▪ MAPD CAHPS DSNP

- High Response Rate, higher than National average by almost 2%
- Over 50% returned in Spanish
- 4/9 STARs rated measures increased by 0.25-2% (Compared to 2022 – Cal Medi-Connect)

## ▪ PASC-SEIU

- How Well Doctors Communicate Composite scored highest

# Highlights Met: Adult & Child HP-CAHPS

Scores for all listed measures have increased since 2023

## Health Plan Rating Adult Measures

- Getting Needed Care
  - Ease of Getting Needed Care
- Getting Care Quickly
  - Ease of Getting Urgent Care
- Rating of Doctor
- Rating of Health Care
- Rating of Health Plan
- Advising Smokers to Quit

*All Reported Adult HPR Measures Improved in 2024!*

## Health Plan Rating Child Measures

- Getting Care Quickly
  - Ease of Getting Urgent Care
- Rating of Health Plan

# Highlights Met: QHP

Scores for all listed measures have increased since 2023

## QRS (Quality Rating System)

- Rating of Personal Doctor
- Rating of Health Plan
- Access To Care
  - Ease of Getting Urgent Care
  - Ease of Getting a Check Up or Routine Care
  - Ease of Getting Needed Care
  - Ease of Seeing a Specialist
- Care Coordination
  - Doctor Had Your Information
  - Ease of Getting Test Results & Getting Results as Soon as Needed
  - Doctor Discussed Medications Being Taken

# Highlights Met: QHP

Scores for all listed measures have increased since 2023

- **Access to Information**
  - Ease of Finding Information on Health Plan
  - Ease of Finding Cost for Service
  - Ease of Finding Cost for Medications
  
- **Plan Administration**
  - Customer Service Provided Information/Help
  - Customer Service was Courteous/Respectful
  - Forms Easy to Fill Out
  - Plan Explained Form

# Highlights Met: MAPD CAHPS DSNP

Scores for all Listed Measures have increased since 2022 (Cal Medi-Connect)

## STARS

- Rating of Health Plan
- Getting Needed Care
  - Ease of Getting Specialist Appointments
- Health Plan Customer Service
  - Health Plan Customer Service Provided Needed Information/Help
  - Health Plan Customer Service was Courteous/Respectful
- Coordination of Care
  - Doctor had your Records/Information at Appointments
  - Doctor Discussed Prescription Medications
  - Doctor's Office Followed Up/Provided Timely Test Results

# Highlights Met: PASC-SEIU

First Fielding Using the Commercial CAHPS Survey Instrument

## No Measure Rating – Accreditation Coming in 2026

- How Well Doctors Communicate (90.17%)
  - Doctor Explained Things
  - Doctor Listened Carefully
  - Doctor Showed Respect
  - Doctor Spent Enough Time





# Improvement Opportunities: Adult & Child HP-CAHPS

## Adult

- Ease of Seeing a Specialist – Impacting Getting Needed Care (HPR)
- Ease of Getting Routine Care – Impacting Getting Care Quickly (HPR)
- To Help Improve the Member's Experience
  - Doctor Communication
    - Doctor Explained Things
    - Doctor Listened Carefully
  - Customer Service
    - Customer Service Provided Info/Help
    - Customer Service Courteous/Respectful

## Child

- Getting Needed Care (HPR)
  - Ease of Getting Needed Care
  - Ease of Seeing Specialist
- Rating of Doctor (HPR)
- Rating of Health Care (HPR)
- To Help Improve the Member's Experience
  - Doctor Communication
  - Customer Service

# Improvement Opportunities: QHP

- Rating of Specialist (QRS)
- Ease of Coordination of Health Care Services
  - Impacting Care Coordination (QRS)
- Doctor Informed About Specialist Care
  - Impacting Care Coordination (QRS)
- Customer Service Wait Too Long
  - Impacting Plan Administration (QRS)
- To Help Improve the Member's Experience
  - Telehealth Visits Offered

# Improvement Opportunities: MAPD CAHPS DSNP

- Getting Care Quickly (STARs)
  - Got Urgent Care as Soon as Needed
- Getting Needed Prescription Drugs (STARs)
  - Easy to Use PDP (Prescription Drug Plan) to Get Prescribed Medicines
  - Easy to Use PDP to Get Medicines from Pharmacy and by Mail
- To Help Improve the Member's Experience
  - Forms from Health Plan were Easy to Fill Out
  - Doctor Informed on Care Provided by Specialist
  - Doctor Listened Carefully
  - Doctor Spent Enough Time

# Improvement Opportunities: PASC-SEIU

- Rating of Personal Doctor
- Rating of Specialist
- Rating of All Health Care
- Rating of Health Plan
- Getting Care Quickly
- Getting Needed Care
- Health Plan Customer Service
- Claims Processing
  - Handling Quickly & Correctly

# Next Steps

- **Share important distinction between “Rated” and “Member Experience” measures**
- **Define process for how Rated Measure results can be improved**
  - Information packets are being assembled to show provider/member combinations
    - Pulling member data for providers regarding rated questions
    - Packets will be created for providers with members responding to rated questions
    - Educate providers and build clear understanding of rated survey questions
    - Providers are not aware of the breadth of survey questions being asked
    - Providers are not aware of their performance on rated questions
    - Expand virtual outreach to providers (e.g. Webex – CAHPS Trainings)
    - Encourage movement from Sometimes/Never & 0-8 to Usually/Always and 9/10

# Questions?



# Member Experience Improvement Efforts



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Brigitte Bailey, MPH, CHES  
Quality Improvement Supervisor  
Clinical Initiatives

# Overview

- Enterprise CAHPS Leadership Team
- SullivanLuallin Group Patient Experience Trainings
- New PPG and Clinic Engagement





# Enterprise CAHPS Leadership Team




- Established by Dr. Edward Sheen in February 2023
- CAHPS performance is driven by enterprise-wide teams beyond health services. Every LAC interaction with members counts. Access to both primary and specialty care are also key to member satisfaction.
- Bi-weekly collaborative bringing together leadership from departments across the health plan:
  - Representation from Quality Improvement, Product teams, Customer Solutions Center, Provider Network Management
- Teams are sharing current efforts and strategizing future joint initiatives to improve member experience, such as:
  - Member journey mapping
  - New member satisfaction surveys


# Patient Experience Trainings

- We contracted with SullivanLuallin Group (SLG) in 2019 to deliver patient experience trainings. Extended contract through December 2025.
- Trainings developed for:
  - Office managers and front-line staff
  - Care Providers
- In 2020, pivoted in-person model of trainings to webinar series
  - Completed 9 full webinar series (Fall 2020, Spring 2021, Fall 2021, Spring/Summer 2022, Fall 2022, Spring 2023, Fall 2023, Spring 2024, Summer 2024)



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Group**

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Group**

## Optimizing the Clinical Experience for All

**Fall 2024  
Online Training Series**

Join L.A. Care Health Plan and the SullivanLuallin Group this Fall for a series of online webinar trainings on enhancing patient experience and optimizing patient outcomes. Sessions will focus on setting the foundation for a positive patient experience including new training topics on finding joy in patient engagement (3-part series).

The webinar series will include sessions for clinicians, managers, and staff to establish a culture of patient-centered care and exceptional service. Invite your whole team!

The **full training schedule** can be found on the following page.

[Register here](#) or at [www.lacare.org/QI-webinars](http://www.lacare.org/QI-webinars)

Questions? Email [quality@lacare.org](mailto:quality@lacare.org).

PL2024 0004

# Available Trainings

- **For Care Providers**

- Leading to a Positive Patient Experience
- Efficient and Effective Patient Encounters
- Motivating Patients to Change Health Behaviors
- Improving Patient Compliance

- **For Managers/Staff**

- Managing for Telephone Service Excellence
- Handling Patient Complaints with H.E.A.R.T.
- A Better Care Experience with A.I.M.
- Managing Access and Flow

- **For Entire Care Team**

- Building an Empowered Care Team: Strategies and Tools for Fostering an Engaged Clinical Practice
- Finding Shared Purpose: Meaningful Connection Within Our Work Environment *\*new training\**
- Professional Fulfillment: Finding Joy in Healthcare *\*new training\**
- Compassion as Fuel: Empowering You Towards a Sustainable Career *\*new training\**

# Partnership with IPAs and Clinics

- Quality Improvement continues to partner with provider groups and clinics to offer trainings directly to clinicians and staff
- In 2024, SullivanLuallin Group completed 13 trainings for 8 clinics and IPAs.
  - Audience included clinicians, pediatricians, health educators, and physician fellows
- Teams are also partnering with L.A. Department of Health Services Ambulatory Care Network to offer trainings to primary care physician network
  - Conducted half-day retreat for primary care physician leadership on January 11<sup>th</sup>, 2024

# Evaluation

- In addition to post-training surveys, Quality Improvement evaluates CG-CAHPS scores to determine impact of trainings
- 2023 CG-CAHPS Survey Scores: 10/14 clinics hosting a training realized improvement in year over year scores.
- Measures of focus:
  - Rating of Provider
  - Rating of Health Care
  - How Well Providers Communicate with Patients
  - Helpful, Courteous, and Respectful Office Staff







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# Population Health Management: Overview and Updates



**Compliance & Quality Committee (C&Q)**  
**January 16, 2025**  
**Elaine Sadocchi-Smith FNP, MPH, CHES**  
**Director, Population Health Management**



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# PHM Content & Background

## L.A. Care's Population Health Management (PHM) addresses:

### Regulatory Requirements

- **NCQA's** PHM standards (2024 survey complete and 2026 survey on track)
- **CalAIM** PHM Program to ensure all program requirements are met and collaborating with local health departments and other managed care plans
- **Initial Health Appointment (IHA)**
- **Annual Cognitive Health Assessment (ACHA)**

### Patient-centered Care Across the Continuum of Health

- PHM works collaboratively across the enterprise to provide services to members through a **holistic patient-centered model of care**, engaging members regardless of their location on the health continuum.
- The continuum of coordinated, comprehensive care uses **evidence-based practice guidelines** to improve member outcomes and quality of life
- Management of the “**Focused PHM Index**” which is one of the Enterprise level goals for the year

# PHM Content

The program description addresses member needs throughout the continuum of care including

- Keeping Members Healthy
- Early Detection/Identifying Emerging Risks
- Chronic Condition Management
- Complex Case Management
- Transitional Care Services
- Patient Safety

The PHM program annually assesses the population and analyzes data

- **PHM Population Health Assessment:** NCQA requirement
- **PHM Population Needs Assessment** is no longer a DHCS requirement (Medi-Cal).

L.A. Care is working with other managed care plans and Los Angeles Health Departments on their **community health assessment (CHA) and community health improvement plan (CHIP) towards a shared SMART goal and submitting** an annual PHM Strategy report.

**SMART Goal:** Reduce maternal and infant mortality disparities for Black and Native American Persons by at least 5% annually in Los Angeles County to make progress towards the 50% bold goal.

PHM  
Cross-Functional Team

- **Cross Functional Team (CFT)** reviews and connects the Population Assessment findings to existing programs, initiatives and workgroups to address targeted populations, develop new programs, and expand community offerings based on assessment findings.

# PHM Content

The PHM Program conducts an annual Impact Evaluation, including quantitative and qualitative analysis of each program and intervention

- Measuring Effectiveness of the Diabetes Management Program: Hemoglobin A1c Control for Patients with Diabetes- HbA1c Control < 8% (Clinical Measure)
- Measuring Effectiveness of Utilizing Medically Tailored Meals- (Utilization Measure)
- Measuring Well Child and Well Care Visit Utilization (Utilization Measure)
- Measuring Member Experience in Case Management (Member Satisfaction Measure)

Focused PHMI Cycle for 2024-2025 includes goals and initiatives across the organization

- Preventive Care and Immunizations
- Colorectal Cancer, Breast Cancer, and Cervical Cancer Screening
- Prenatal and Postnatal Care
- Diabetes HbA1C control and adding Kidney Health Evaluation for patients with Diabetes
- ED visit follow-up service
- Medication Therapy Management
- Depression screening

# Focused PHM Highlights (Enterprise-wide goals)/Goals Met

## Focused Population Health Goal Index 2023-2024

Total Goals = 9

Reward Ranges: **Min:** 5-6/9:55.6%-66.7%, **Mid:** 7/9:77.8%, **Max:** 8-9:88.9-100.00%.

**Met at Max range (Oct 2023- Sept 2024): Met 8 / 9 goals; 88.9%.**

Focused PHMI Goal Category	Number of Goals (met as of 09/30/2024)
Keeping Members Healthy	<b>5</b> (4 MCLA, 3 D-SNP, 4 LACC) <b>Met: 4 / 5</b>
Early Detection of Emerging Risk	<b>1</b> (1 MCLA) <b>Met: 1 / 1</b>
Chronic Condition Management	<b>3</b> (2 MCLA, 3 D-SNP, 2 LACC) <b>Met: 3 / 3</b>
<b>Total</b>	<b>9 goals</b>

# PHM Highlights (PHM Goals Aligned with the PHM Program Description)/Goals Met

## PHMI Population Health Goal Index 2023-2024

Total Goals = 18

Reward Ranges: Min: 11-13/18: 61.1%-72.0%, Mid:14-15/18: 77.8%-83.3%;  
Max: 16-18/18: 88.9%-100.00%

**Met at Min range (Oct 2023- Sept 2024): Met 12 / 18 goals; 66.7%.**

PHM Goal Category	Number of Goals (met as of 09/30/2024)
Keeping Members Healthy	5 (3 MCLA, 3 D-SNP, 3 LACC) <b>Met: 3 / 5</b>
Early Detection of Emerging Risk	1 (1 MCLA) <b>Met: 1 / 1</b>
Chronic Condition Management	6 (4 MCLA, 5 D-SNP, 2 LACC) <b>Met: 3 / 6</b>
Transitions of Care	3 (3 MCLA, 3 D-SNP) <b>Met: 2 / 3</b>
Member and Provider Experience	3 (2 MCLA, 3-D-SNP, 2 LACC) <b>Met: 3 / 3</b>
<b>TOTAL</b>	<b>18 Goals</b>

# CalAIM Updates and Highlights

## Transitional Care Services

- **Care Management Model**
  - **Texting Campaign with mPulse:** Exploring member texting solutions to decrease manual calls and increase timely engagement with high and low-risk TCS members
  - **Letter Automation:** Working on developing automated faxed TCS letters to Hospitals and PCPs
  - **TCS Central Intake Line:** Aiming to increase Member and Provider calls each quarter
  - **TCS Medication Reconciliation Pilot:** L.A. Care Pharmacy supports TCS Community Health Workers with 10 weekly medication reconciliations.
- **ADT Data Improvements:**
  - Readmission Risk Tool (RRT) is used to identify eligible TCS members, and the TCS Team assigned to the member
  - RRT was updated to include:
    - Real-time ADT data
    - SNF Admission Data
    - More accurate identification of responsible TCS Team to support members

# CalAIM Updates and Highlights

## Transitional Care Services

- **Pregnant Individuals Care Model**
  - This model includes individuals who have been hospitalized during pregnancy, admitted during the 12 months postpartum, and discharged related to delivery.
- **All pregnant individuals are considered High Risk for TCS**
  - The care manager/Community Health Worker (CHW) assists members throughout their transition and ensures culturally and linguistically appropriate support
  - The care manager/CHW ensures all required **care coordination** and follow-up services are completed per the policy guide, including but not limited to:
    - **Coordination with discharge facility** & post-discharge summary
    - **Follow-up appointment** with Provider within 7 days post-discharge
    - **Medication Reconciliation**
- Eligible members are referred to programs based on needs, such as Doula services, medically tailored meals, WIC, lactation support, behavioral health support, etc.



# CalAIM Updates and Highlights

## Community Partnership with Local Health Jurisdictions and Managed Care Plans

- Bringing together 7 MCPs that serve LA County to develop a formal, **collaborative relationship** with the 3 Local Health Jurisdictions (LHJs) in Los Angeles County. This spirit of collaboration has allowed for opportunities such as:
  - All key partners working together to collectively **drive improvement in Maternal and Infant health**
  - MCPs learn what barriers LHJs are experiencing and how MCPs can contribute to in-kind staffing/funding and data exchange.
  - MCPs and LHJs learn current **processes**, available **data**, and **current Maternal and Infant Health initiatives**.
  - Three LHJs **work collaboratively** instead of in silos in the process.
  - MCPs participating in upcoming **LHJ Community Health Assessment (CHA) and Community Health Improvement Plans (CHIPS)**
  - Planning and developing opportunities to assist CHA/CHIPS with **funding from each MCP in 2025** – still in process



# CaAIM PHM Key Performance Indicators

## Key Performance Indicators (KPIs)

PHM KPI Metrics	Mean (Standard Deviation)	Median (Range Across Plans)	LA Care Rates - November 2023
Percentage of members who had more ED visits than primary care w/in 12 mo	10%(6%)	8% (1%-26%)	9.20%
Percentage of members who had at least one primary care visit w/in 12 mo	48%(18%)	49% (8%-77%)	44.10%
Percentage of members with no ambulatory or preventive visit w/in 12 mo	40% (18%)	40% (9%-93%)	43.50%
Percentage of members eligible for CCM who are successfully enrolled in the CCM program	26% (29%)	12% (0%-100%)	15.20%
Care Management for High-Risk Members after Discharge	12% (17%)	6% (0%-74%)	0.79%
Percentage of members who received CHW benefit	0.06% (0.18%)	0.00% (0%-0.85%)	0.00027%
Percentage of contracted acute care facilities from which the MCPs receive ADT notifications	49% (31%)	50% (0%-100%)	74.70%
Percentage of contracted skilled nursing facilities from which MCPs receive ADT notifications	19% (29%)	0% (0%-79%)	50.00%
Percentage of acute hospital stay discharges which had follow up ambulatory visits within 7 days post hospital discharge	36% (12%)	35% (14%-70%)	38.00%

- DHCS pended PHM KPI in February 2024. ETA October 2024
- L.A. Care is participating with DHCS and other health plans to develop revised KPI specifications.

# CaAIM PHM KPI Interventions

## CHW Interventions

- CHWs work with Community Resource Center (CRC) staff to ensure walk-in members are **screened for SDOH needs and CHW Benefit eligibility**
- CHWs table at internal CRC events to inform members of the **CHW Benefit and screen for eligibility**
- Staff tables at community fairs, in collaboration with the Communications Department, inform attendees of the CHW Benefit offered by LA Care and screen for eligibility
- **DHCS** support HEDIS Outreach calls for the W30 measure and CHW Benefit eligibility and interest screening.
- Call campaigns to high utilizers to encourage nurse advice line

# CaAIM PHM KPI Interventions

Members with ED visit, at least 1 PCP visit, and no PCP visit within 12 months

- Call campaigns to high utilizers to **encourage nurse advice line**
- Text and social media campaigns to “get back to care” and “**get your well-care visits.**”
- **After-hours care resource flyer** targeting high utilizers to educate on options for care when PCP office is closed (e.g., Urgent Care, Teladoc, and Nurse Advice Line)
- Text campaign reminding members to **schedule annual visit** and see PCP at least once a year
- Outreach interventions (text campaigns, mailers, automated calls) for different measures educating members on importance of seeing PCP at least once a year and to **complete screenings/tests/appointments**
- Member surveys are embedded in text campaigns to understand better **why members see PCP**

# CaAIM PHM KPI Interventions

## Complex Care Management

- Hired and trained **new Care Managers** to support CCM members
- **Retrained** existing CMs who support CCM members
- Use of Interdisciplinary Care Team meetings to **identify** members eligible for CCM
- **Use of alternative phone number** searched for members with invalid phone numbers.
- Mailing **Unable to Contact Letters** and CM flyers to educate members about CCM
- Developed call scripting to support staff with **improving member understanding of CM benefits**
- **Timely member follow-up** 1 day following discharge to offer CM support

# CaAIM PHM KPI Interventions

## Transitional Care Management

- **Hired additional TCS CHWs and Care Coordinators** to support eligible TCS members.
- **Increased assigned daily case assignments** for CHWs
- Ongoing refinement of operational processes to **increase caseload capacity**
- Added additional Care Coordinators to TCS call queue to **triage more member and provider calls**
- Developed call scripting to support staff with **improving member understanding of TCS benefits**

## Transitional Care Management for Prenatal-Postpartum

- TCS Birthing Individuals program moved to Health Education in Q2 2024
- Resources were allocated to integrate TCS Birthing Individuals into prenatal and postpartum initiatives
- Developed workflows and updated call scripts to support staff with **improving TCS member engagement** and to refer to appropriate resources.
- **Hired TCS CHWs and Care Coordinators** to support eligible TCS Birthing Individuals population
- Newly hired staff are being trained to support eligible member population and take on TCS Birthing Individuals caseload

# CaAIM PHM Next Steps

## Collaboration

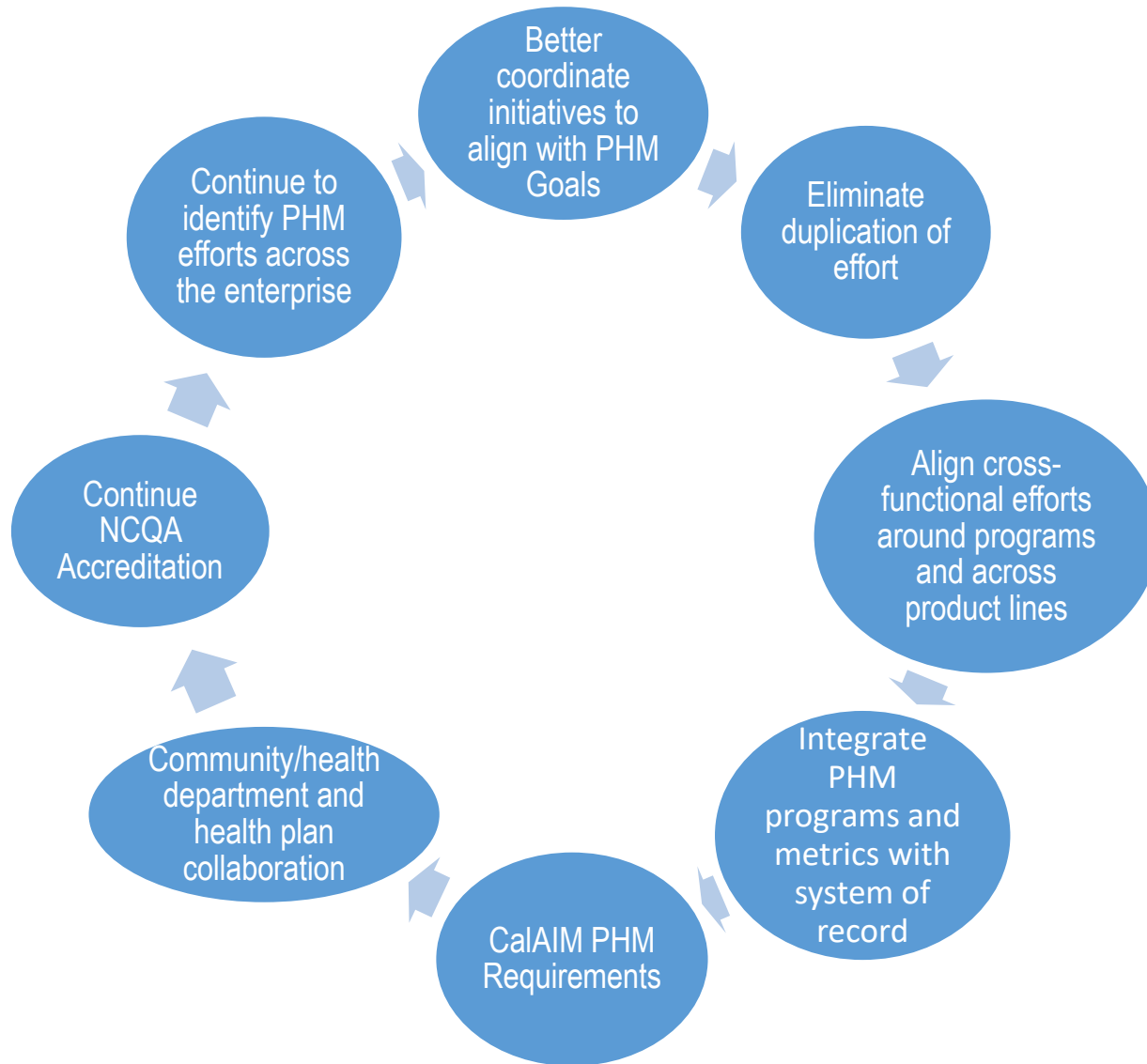
- **Continue meeting and working with MCPs and 3 L.A. health jurisdictions to:**
  - Meet SMART Goal of reducing maternal and infant mortality disparities for Black and Native American persons
  - Meaningfully contribute to LHJ CHA/CHIP by participating in the process and contributing through in-kind staffing or funding
  - Start data sharing as outlined in May 2024 PHM policy guide (start Q2 2025)
  - Engage with L.A. Care Community Advisory Committee for CHA/CHIP input
- **Health Services Strategy Management:**
  - Optimize Population Health Management (PHM): The Health Services Division will adopt a PHM-based integration framework that will enable all departments to coordinate key success drivers that are fundamental to PHM implementation. Drivers will be embedded in all subsequent strategic initiatives:
    - Data Analytics and Technology
    - Aligned Incentive Contracting
    - Network Development and Optimization
    - Robust Provider Engagement
    - Effective Member Engagement
    - Value-Based Practice Transformation
    - Care Coordination and Integration

# CaAIM PHM Next Steps

## Program Strategy

- Program strategy due November 22, 2024
- 2023 NCQA PHM Program Description to be included in program strategy
- 2023 Annual Population Assessment to be included in program strategy

# CalAIM PHM Priorities





# Questions?



# Quality and Improvement and Health Equity Committee (QIHEC)

## Summary Report for Compliance and Quality Committee

January 16, 2025



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# November 19, 2024 QIHEC Overview

- **Member:**
  - **Focused Initiatives in Health Equity and QI**
- **Provider Resources:**
  - **Social Determinants/Drivers of Health (SDOH) and Approval of Clinical Guidelines**
  - **Diversity, Equity, Inclusion and Health Equity Training**
- **A Year (2024)/Mid-Point Review of the Health Equity and Disparities Mitigation Plan.**
- **Community-Based Initiatives with Community Resource Centers**



# HE: SDOH Strategy, Approach & Outcomes

- Created a social needs resource sheet for members and providers



## L.A. Care Social Needs Member Reference Sheet

The following sections contain information and a QR code to community resources in L.A. County:

- Curated list: 84 new resources added



### General Social Needs Resources

- Community Link:** Yelp-like platform for community resources, (financial assistance, food pantries, and other free or reduced-cost services)
- L.A. Care & Blue Shield Promise Community Resource Centers:** Free health and wellness classes, enrollment support for Medi-Cal and other health coverage programs, and more services.

### Food Resources

- L.A. Care Meals as Medicines:** Healthy home-delivered meals tailored to a person's health needs (for eligible members)
- CalFresh:** Monthly food benefits for individuals and families with low-income.
- L.A. Regional Food Bank:** They distribute food and other essentials to children, seniors, families, and other individuals in need.
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC):** Food benefits and nutrition information for growing families.



### Scan QR Code

To access community resources in L.A. County  
[www.lacare.org/social-needs-resource-s-member](http://www.lacare.org/social-needs-resource-s-member)

- Community Link activity data shows **↑ usage** with fax blast/email & website live (Fall 2024)

### Transportation Resources

- L.A. Care Transportation Services:** Both emergency and non-emergency transportation benefits. (for L.A. Care members)
- \*Low Income Fare is Easy (LIFE) Program:** Offers free rides and discounted Metro and transit agency fares for qualifying L.A. County residents.
- \*Metro GoPass:** All students at participating K-12 and Community Colleges can ride Metro buses and trains for free with GoPass after contacting their school.



### Housing Support Services

- L.A. Care Enhanced Care Management (ECM):** Services for Medi-Cal members with complex health and/or social needs. (provider referral needed)
- L.A. Care Homeless and Housing Support Services Program (HHSS):** Housing navigation and tenancy services. (provider referral needed)

### Maternal Health

- L.A. Care Doula Benefit for Expectant Mothers:** Health education, advocacy, and physical, emotional, and non-medical support for pregnant and postpartum persons. (for eligible members, provider recommendation form may be needed)
- L.A. Care Healthy Mom Program (HMP):** Provides support for new moms to get the postpartum care that they need.
- \*CinnaMoms:** Hosts virtual and in-person support circles to support individuals who breastfeed.



# Diversity, Equity and Inclusion (DEI) and Health Equity Training

- Implementing the DEI and Health Equity Training
  - DHCS All Plan Letter 24-016
- Contracted with **Community Clinic Association of Los Angeles County (CCALAC)** to create training curriculum
- Presented overview of training curriculum for feedback from providers, members and staff
- Positive feedback from providers that find this topic valuable and important

**Advancing DEI in Los Angeles County**

LA Care HEALTH PLAN For All of L.A.

## Diversity, Equity, and Inclusion

### What is health equity?

**Inequity** refers to unfair, avoidable Differences arising from poor governance, corruption or cultural exclusion

**Inequality** refers to the uneven distribution of health or health resources as a result of genetic or other factors or the lack of resources

**Disparity** refers to a difference, not specifically the result of unfairness or injustice

Equality

Equality

22

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93

# QI: Children and Adolescent Health

- Shared MCLA Well Care Visits rates for HEDIS W30 and WCV
  - Lower rates among Native Hawaiian and Black/African American members
- Completed a member survey of barriers to well care visits
- interventions
  - Live agent/ automated calls, mailers, text messaging, social media, incentives



Blood Lead Poisoning  
**Protect Our Children**

**Schedule your child's visit today!**  
Babies and toddlers need 10 well-child visits from birth up until they are 30 months.

Your baby needs well-child visits in order to:

- ❏ **Check milestones.** The doctor will ask how your child talks, plays, and interacts with others.
- ❏ **Stay on track with vaccines.** They prevent or reduce the harm of many diseases. Many vaccines (shots) are needed by age 2. Children 6 months and up can get the Flu and COVID-19 shots.
- ❏ **Test for lead.** High levels of lead are harmful to kids. A lead test is the best way to check for lead in the body.
- ❏ **Protect new teeth.** The doctor can let you know why dental visits and fluoride are important for baby teeth.

The doctor will discuss what screenings and shots are needed for the day's visit. Discuss any health concerns you have.

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Medi-Cal

Planning for FY 2025-26:  
Work with trusted health and community partners to **host mobile clinic events at CRCs** for WCV visits and more

# One-Year/Midpoint Progress Report

- Presented in full Board Meeting.
- 2023-2025 Health Equity Disparities and Mitigation Plan launched in June 2023
- Assessment of health equity efforts progress compiled in **one-year impact report**
- Highlights include:
  - Black birthing individuals and infants efforts
  - UCLA Sounds Body Sound Mind grant
  - Gun Violence Prevention billboard campaign



# New and Ongoing Community Engagement

- December 12 – Walk and Talk with a Doc at Wilmington CRC
  - Dr. Alex Li and Elsa Greno from Health Equity team answered health questions from CRC participants
- December 5 – Gun Violence Awareness Event at Inglewood CRC
  - Leah Mitchell from Health Equity team moderated panel which included gun violence survivor, community advocate, law enforcement and Department of Public Health expert





Questions?

# APPENDIX

Topics covered at November 19, 2024 QIHEC Meeting

- Health Equity P&Ps approval
- 2024 Clinical Practice Guideline Updates
- PIP/PDSA/QIP/SWOT Update
- 2024 Member Experience Survey Results
- Member and Provider Outreach and Education Plans for Non-Specialty Mental Health Services
- Pharmacy and Formulary Update



# Compliance & Quality Committee Meeting



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January 16, 2025



**Compliance**

*The Heartbeat of Accountability*

# Chief Compliance Report & Agenda

1. Compliance Officer Report
  - a) Compliance Work Plan
  - b) Compliance Program Plan
2. External Learning Provider Training Program
3. 2024 Annual Compliance Training Program
4. Enterprise Risk Assessment (ERA) Outcomes
5. Management Action Plan Updates
  - Health Risk Reassessment (HRA) Summary (Amanda Asmus)
  - Encounter Data Collection Summary (Greg White, Loren Maddy)
  - Compliance Monitoring Summary (Miguel Varela)
  - Compliance Delegation Oversight Summary (Miguel Varela)
  - Dual Special Needs Plan (DSNP) Oversight Summary (Miguel Varela)
  - Human Resources – Talent Management Summary (Jyl Russell)
  - Vendor Management and Contracting Process Summary (Michael Sobetzko, David Inglese)

Compliance Services Division  
2024-2025 Strategic Workplan  
C&Q January 2025



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Todd Gower, Chief Compliance Officer

# Roadmap

**Compliance  
Strategy  
Framework**

**Key  
Considerations**

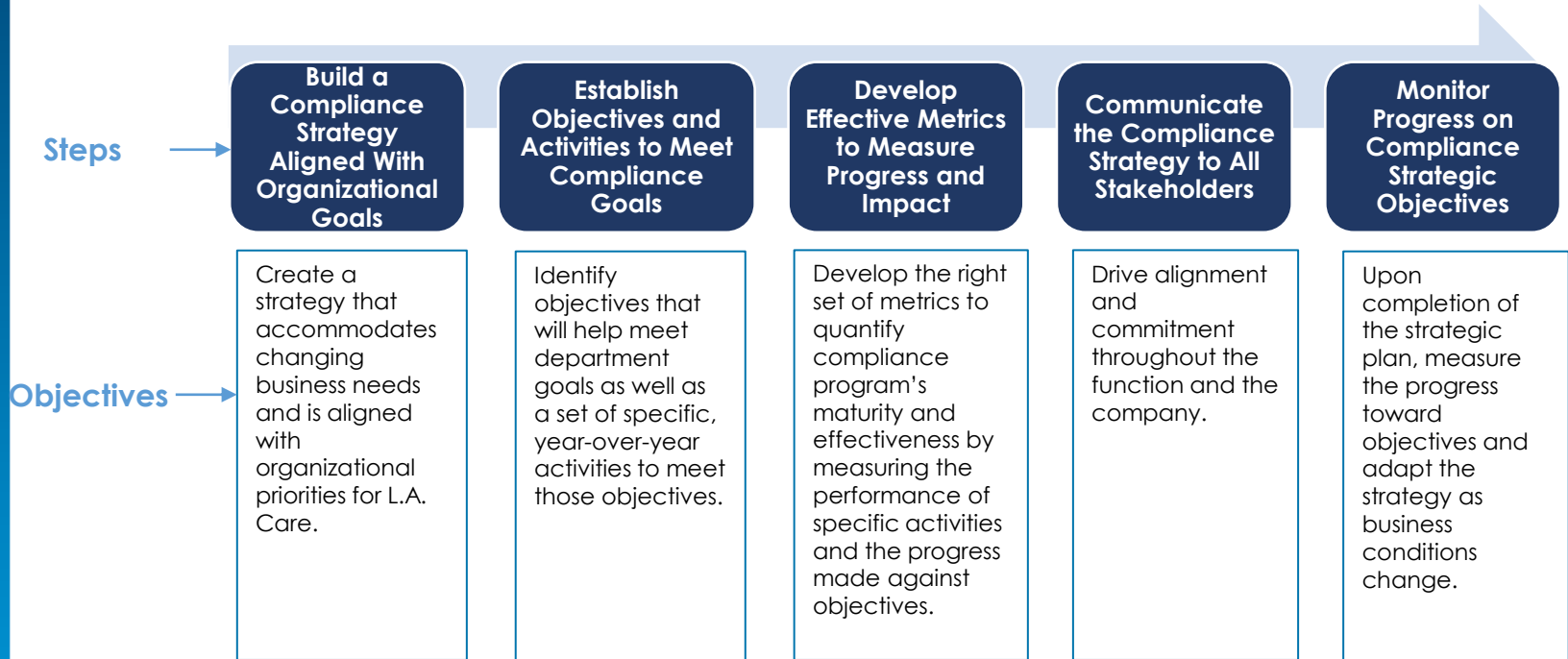
**Integrating Past  
Success**

**Strategic  
Priorities for 2025  
& Beyond**



# Development of the 2025 Strategic Plan

**Leadership Summit:** Compliance had a 2-day summit in October to develop the workplan for 2025



# Roadmap

Compliance  
Strategy  
Framework

**Key  
Considerations**

Integrating Past  
Success

Strategic  
Priorities for 2025  
& Beyond



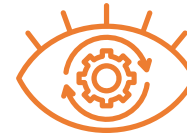


# Key Considerations – Mission & Vision

## Enterprise



L.A. Care's mission is to provide access to quality health care for Los Angeles County's vulnerable and low-income communities and residents and to support the safety net required to achieve that purpose.



A healthy community in which all have access to the health care they need..

## Compliance

The L.A. Care Compliance Department shall be a strategic and collaborative business partner to the Board of Governors, employees and business units by providing advice, support and guidance on ethical and regulatory requirements as these groups make decisions and implement operations at L.A. Care.

The L.A. Care Compliance Department will foster trust, honesty, ethics and integrity with all L.A. Care employees and third parties by providing guidance and counsel on compliance risks and their potential impact to L.A. Care, advice and support on implementing compliance best practices into operations, and the ability to report any potential compliance concerns confidentially and without fear of retaliation.



# Key Considerations – L.A. Care Strategic Priorities



Improve operational efficiency.



Support a robust provider and partner network to ensure their capacity to address our members' health and social needs.



Improve the member experience with L.A. Care and the quality of care members receive.



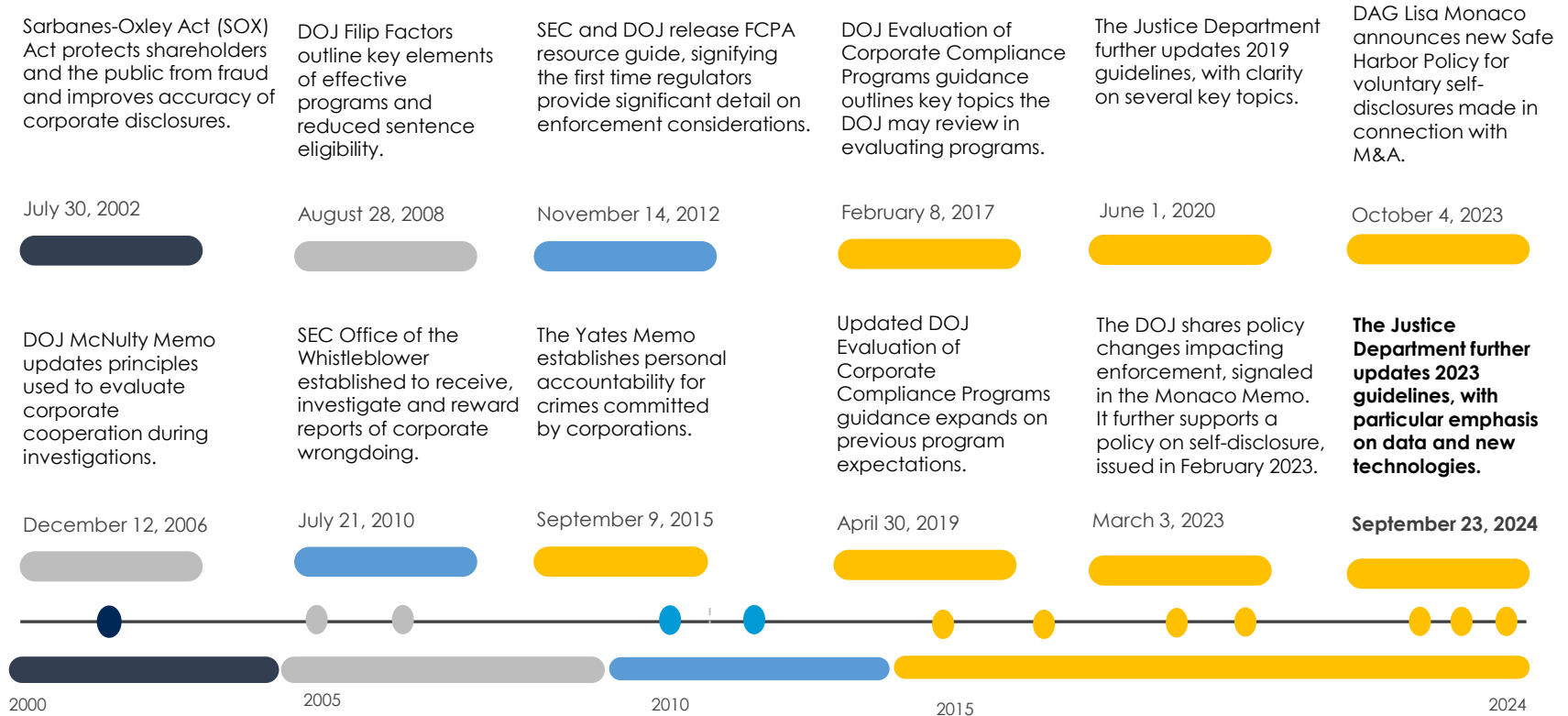
Serve as a national leader in promoting equitable healthcare to our members and the community and act as a catalyst for community change.

## Strategic Vision

FY 2024/25 – 2026/27



# Key Considerations – DOJ Guidance Context



# Key Considerations – DOJ Guidance

1 Managing Risk of New Technologies Like AI	2 Stakeholder Support to Access and Experiment With Data	3 Tailored and Iterative Training	4 Protection for Internal and External Whistleblowers	5 Early Postdeal Integration Planning in M&A Due Diligence
<p>The guidance asks how organizations are managing the internal and external risks of new technologies, particularly AI.</p> <p>It calls for:</p> <ul style="list-style-type: none"><li>▪ AI governance in both the commercial business and the compliance program</li><li>▪ "Monitoring and testing" to ensure AI functions as intended</li><li>▪ Quick detection and correction of poor decisions made by AI</li></ul>	<p>The guidance considers whether compliance programs have sufficient, timely access to data sources.</p> <p>It calls for:</p> <ul style="list-style-type: none"><li>▪ Giving compliance staff timely access to data sources</li><li>▪ Giving compliance comparable "assets, resources, and technology" to other parts of the company</li><li>▪ Using analytics tools to measure compliance effectiveness and improve compliance operations</li></ul>	<p>The guidance calls for training efficacy that goes beyond compliance leaders' standard practices today.</p> <p>It calls for:</p> <ul style="list-style-type: none"><li>▪ Tailoring training by employee "needs, interests, and values"</li><li>▪ Measuring employee engagement with training sessions</li><li>▪ Incorporating lessons learned from industry/geography peers into training</li></ul>	<p>The guidance has a new emphasis on external whistleblowing and anti-retaliation.</p> <p>It calls for:</p> <ul style="list-style-type: none"><li>▪ Training employees on "external whistleblower programs and regulatory regimes"</li><li>▪ Ensuring the same protections for external whistleblowers as internal reporters</li><li>▪ Measuring employee willingness to speak up</li></ul>	<p>The guidance asks about compliance's involvement in the M&amp;A and integration process.</p> <p>It calls for:</p> <ul style="list-style-type: none"><li>▪ Compliance involvement in "designing and executing the integration strategy"</li><li>▪ Establishing a process to "ensure appropriate compliance oversight of the new business"</li><li>▪ Incorporating the new business "into the company's risk assessment activities"</li></ul>

Source: [Evaluation of Corporate Compliance Programs \(Updated September 2024\)](#), U.S. Department of Justice Criminal Division.

# Key Considerations – Industry Input for 2025

Changes in the profile of top risks from the prior year point to a number of shifting conditions that may disrupt markets, including events triggered by intensifying geopolitical conditions. Many of those shifts are expected to have long-lasting impacts on business models and the competitive balance in a nuanced global marketplace. Board members and C-suite leaders who recognize the increasing pace of change and address dynamic conditions through robust, enterprise wide risk analyses that are aligned with their business' strategy position their organizations to better navigate the rapidly evolving healthcare business landscape.

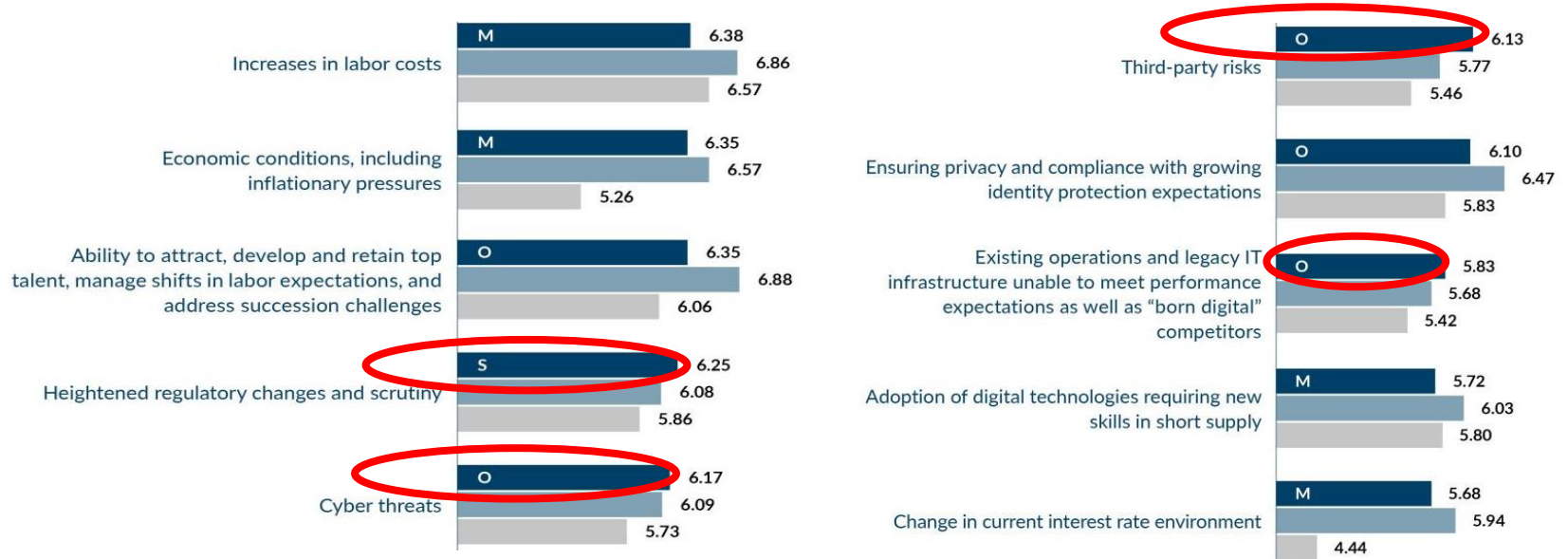
Each year there are annual surveys from Gartner, Protiviti, Big 4 and University's analyzing ERM efforts to help share the top risks currently on the minds of board members and executives worldwide. The results of these surveys reflect their views on the extent to which a broad range of risks are likely to affect their organizations over the next year, 2024, and a decade later, 2034.

The respondent group, which includes board members and C-suite executives from around the world, provided their perspectives about the potential impact over the next 12 months and next decade of 36 risk issues across these three dimensions:

- **Macroeconomic risks** likely to affect their organization's growth opportunities
- **Strategic risks** the organization faces that may affect the validity of its strategy for pursuing growth opportunities
- **Operational risks** that might affect key operations of the organization in executing its strategy
- 



# Key Considerations – Survey 2024



**Risk Increase: Regulatory – Cyber – 3<sup>rd</sup> Party Risks – Ops and IT Systems**

M Macroeconomic Risk Issue    S Strategic Risk Issue    O Operational Risk Issue    ■ 2024    ■ 2023    ■ 2022

# Roadmap

Compliance  
Strategy  
Framework

Key  
Considerations

Integrating Past  
Success

Strategic  
Priorities for 2025  
& Beyond



# Building on Past Success

Compliance Program Components	Subcomponents	Operational Practice (1 <sup>st</sup> LoD)		Education, Comms. and Training		Reporting		Technology		Trend
		2023	2024 (Current)	2023	2024 (Current)	2023	2024 (Current)	2023	2024 (Current)	
<b>Policies &amp; Procedures</b>	<ul style="list-style-type: none"> <li>Mission, Vision and Value Statements</li> <li>Policy Management (P&amp;Ps)</li> <li>Regulatory Change Management</li> </ul>	2	3	2	3	2	3	2	2	↔
<b>Training and Awareness</b>	<ul style="list-style-type: none"> <li>Culture and Tone of Compliance &amp; Regulatory Change</li> <li>Participation of Training and Timely Content</li> <li>Medicare Awareness</li> <li>Regular and Frequent Communication</li> </ul>	2	3	2	3	3	3	3	3	↑
<b>Effective Communication</b>	<ul style="list-style-type: none"> <li>Periodic Reporting to Management and Committee</li> <li>Required Regulatory Reporting</li> <li>Compliance Effectiveness Dashboard</li> <li>L.A. Care Governance Structure</li> <li>Reporting and Tracking of Potential FWA</li> <li>FDR and Delegation Oversight Committee</li> </ul>	2	3	2	2	2	3	2	2	↑
<b>Risk Management</b>	<ul style="list-style-type: none"> <li>Inventory Material Regulatory Requirements</li> <li>Review Current Compliance Risks</li> <li>Issues Management and Recommendations</li> <li>Vendor Risk Management</li> <li>Hotline Triage and Review</li> <li>Responding to Government Investigations and Exam</li> <li>Proactive COI Monitoring</li> </ul>	2	2	2	2	1	2	1	2	↑
<b>Monitoring and Auditing</b>	<ul style="list-style-type: none"> <li>Monitoring and Tracking of Regulatory Change</li> <li>Payment Integrity</li> <li>FWA Auditing and Monitoring</li> <li>Periodic Compliance Program Evaluation</li> <li>Delegation / FDR Oversight</li> </ul>	2	3	2	3	3	3	2	2	↑
<b>Use of Technology</b>	<ul style="list-style-type: none"> <li>Technology to Support Compliance Program</li> <li>Defined Measures (KRIs/KPIs)</li> <li>Potential Recoveries and Refund Monitoring</li> </ul>	2	2	2	2	1	1	2	2	↔
<b>People, Skills and Culture</b>	<ul style="list-style-type: none"> <li>Roles &amp; Responsibilities</li> <li>Performance Management and Incentives</li> <li>Enforcement and Disciplinary Accountability</li> <li>Culture and Tone from the Top</li> <li>Organizational Design</li> </ul>	2	3	2	3	2	3	2	2	↔
<b>Trend</b>			↑		↑		↑		↔	↑

## KEY

1- Basic (Ad hoc, Individual Heroics)

2- Developing (Reactive)

3- Established (Proactive)

4- Advanced (Orchestrated)

5- Leading (Continuous Improvement)



# Completed FY24 Compliance Work Plan

The projects noted in the subsequent pages related to the approved 2024 Compliance Workplan Presented at C&Q. A Draft 2025 Compliance Work Plan will be presented January of 2025 C&Q.

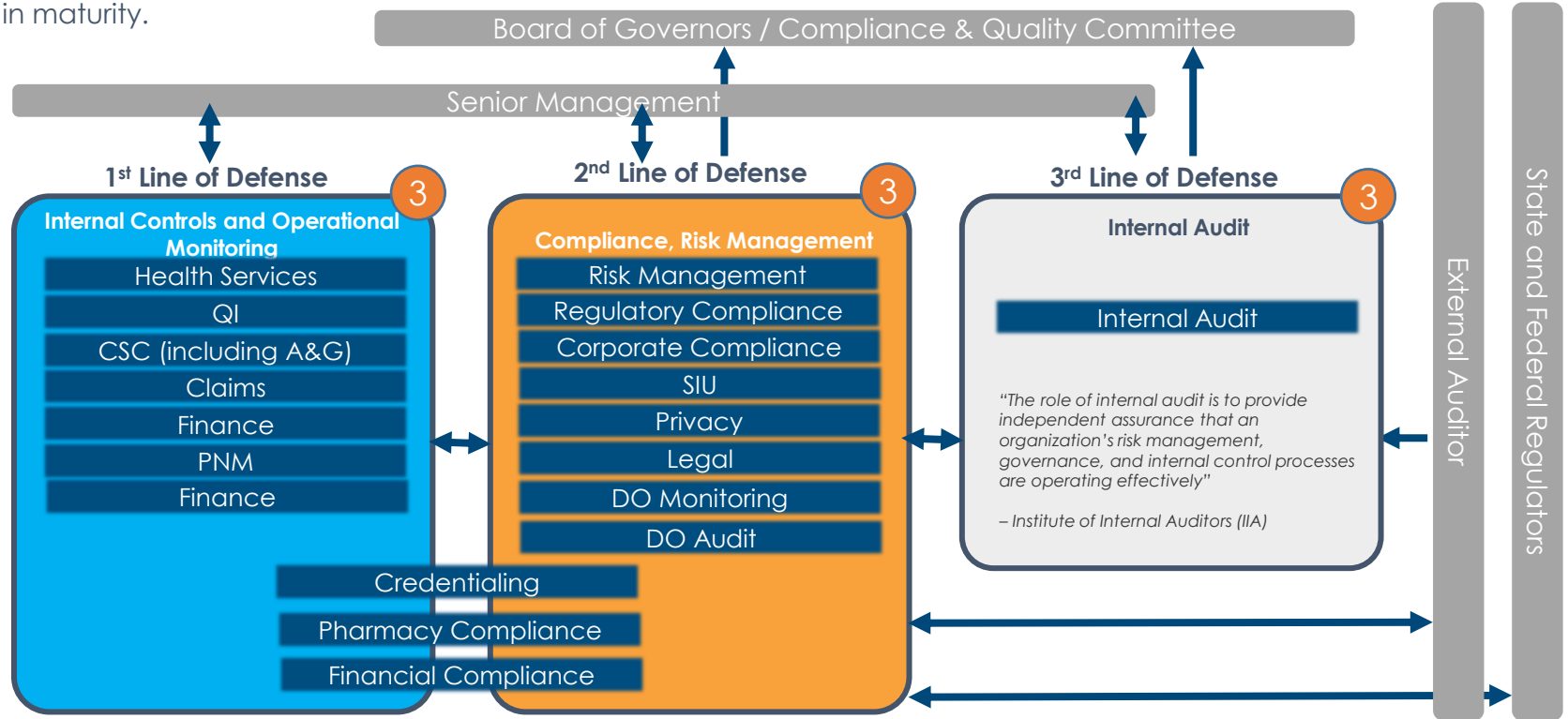
## 2024 Overview: 29 Projects

- ✓ **Testing effectiveness (6):** Compliance validated the closure of 6 of the 7 closed projects from 2023. The remaining project now #14) ties to completing the Fraud Prevention Program, which will be part of 2025 Work Plan
- **2024 Projects removed (3):** These projects related to Internal Audit and Delegation Oversight Audit and in 2024 Audit Services was not part of Compliance.
- ✓ **2024 Completed Projects (6)**
- **2024 Remaining Projects that will roll over to 2025 (14):** These projects focus on the OIG 7 elements, Medicare Compliance and overall Corporate Compliance. One project was split into 2 projects #9 and #10 are tied to #25 in the approved list of 2024 Compliance Work Plan Projects.



# Reiterating the Lines of Defense

Since the remediation efforts of the enforcement matter, LA Care has made significant improvements in their Lines of Defense. Each line is more established and 2025 will be a focus to harden the processes and tech to level in maturity.



# Roadmap

Compliance  
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# Our Compliance Priorities for 2025

01

Advanced Compliance  
Technology Integration

02

Cultivating a Culture of  
Compliance

03

Delegation Oversight  
Stabilization

04

Modernizing Compliance  
Reporting Tools

05

Enhanced Regulatory Change  
Management



# Compliance and Audit Services in 2025

Aspect	Compliance (Monitoring/Risk Management)	Internal Audit (IA)
<b>Reporting</b>	<ul style="list-style-type: none"> <li>Admin – CEO; Inform: Compliance &amp; Quality Committee (C&amp;QC) of the Board</li> </ul>	<ul style="list-style-type: none"> <li>Admin – Chief Compliance Officer; Inform: C&amp;QC</li> </ul>
<b>Consult</b>	<ul style="list-style-type: none"> <li>Senior Leadership, Regulatory bodies</li> </ul>	<ul style="list-style-type: none"> <li>Senior Leadership, Risk Management</li> </ul>
<b>Nature</b>	<ul style="list-style-type: none"> <li>Ongoing and continuous</li> </ul>	<ul style="list-style-type: none"> <li>Risk-based approach; Periodic and retrospective. A snapshot in time.</li> </ul>
<b>Objective</b>	<ul style="list-style-type: none"> <li>Detect and correct compliance issues in real-time</li> </ul>	<ul style="list-style-type: none"> <li>Verify effectiveness of controls</li> </ul>
<b>Scope</b>	<ul style="list-style-type: none"> <li>Broad, covering daily operations and processes</li> </ul>	<ul style="list-style-type: none"> <li>Narrow, focusing on specific areas or risks</li> </ul>
<b>Frequency</b>	<ul style="list-style-type: none"> <li>Continuous (daily/weekly/monthly)</li> </ul>	<ul style="list-style-type: none"> <li>Scheduled (annually, biannually, quarterly)</li> </ul>
<b>Methodology</b>	<ul style="list-style-type: none"> <li>Data analytics, dashboards, regular reviews</li> </ul>	<ul style="list-style-type: none"> <li>Sampling, document reviews, interviews</li> </ul>
<b>Responsibility</b>	<ul style="list-style-type: none"> <li>Management</li> </ul>	<ul style="list-style-type: none"> <li>Management</li> </ul>
<b>Focus</b>	<ul style="list-style-type: none"> <li>Prevention and real-time correction</li> </ul>	<ul style="list-style-type: none"> <li>Identification of gaps, risk assessment</li> </ul>
<b>Outcome</b>	<ul style="list-style-type: none"> <li>Immediate correction of issues and recommendations for IA to test</li> </ul>	<ul style="list-style-type: none"> <li>Formal reports with recommendations and corrective actions</li> </ul>

# Goal 1 – Compliance Technology Integration

**Description of Goal:** Enhance compliance efficiency and oversight by implementing and optimizing industry-leading platforms, leveraging technology to streamline processes, improve risk management, and ensure robust regulatory adherence across the organization.

Strategic Objectives Supported	
Enterprise Goals	Compliance Objectives
Improve Operational Efficiency: <ul style="list-style-type: none"> <li>• Improve systems, technology, and network infrastructure</li> <li>• Modernize our data ecosystem using cloud-based rather than legacy systems;</li> <li>• Employ a suite of technologies that are lightweight, nimble, and adaptable</li> </ul>	Implement technology platforms that centralize compliance activities, enhance risk management capabilities, and streamline governance processes by automating workflows, improving data analytics, and ensuring alignment with regulatory requirements. <ul style="list-style-type: none"> <li>• <b>Compliance Workplan #6</b></li> </ul>

Why and How	
What's Driving the Need?	Activities to Accomplish
Increasing Regulatory Complexity - growing regulatory requirements across multiple jurisdictions,	System Design and Implementation for all modules related to the Governance, Risk, Compliance (GRC) platform
Management of compliance activities in isolated systems or departments, leading to inefficiencies, duplication of efforts, and gaps in oversight.	Deployment of Artificial Intelligence Capabilities to enhance Regulatory Change Management
Compliance requires robust analytics to make informed decisions about risk and compliance.	Optimize Smartsheet Utilization Across the Compliance Ecosystem
L.A. Care requires scalable systems that can accommodate evolving compliance needs. A GRC platform offers flexibility to align with organizational changes.	

# Goal 2 – Compliance Culture

**Description of Goal:** Embed a culture of compliance across the organization by fostering awareness, accountability, and ethical decision-making through targeted education, leadership engagement, and the implementation of proactive compliance strategies

Strategic Objectives Supported	
Enterprise Goals	Compliance Objectives
Serve as a national leader in promoting equitable healthcare to our members and the community and act as a catalyst for community change.	Develop tailored training programs, enhance communication channels, and incentivizing compliance practices to ensure that compliance becomes a core value in daily operations. <ul style="list-style-type: none"> <li>• <b>Compliance Workplan #3, #5, #7, #11, #12, #14, #15, &amp; #17</b></li> </ul>

Why and How	
What's Driving the Need?	Activities to Accomplish
Community and network partners increasingly demand transparency, ethical practices, and adherence to regulatory standards.	Hotline Operations - Create a new awareness campaign for our Hotline system along with appropriate reporting for substantiation and investigation. Be able to track the insights that could lead to an SIU or internal investigation
Prevention of unethical behavior, fraud, harassment, and other misconduct, safeguarding the organization and its employees.	Enhance the fraud prevention program by focusing on proactive measures, leveraging technology, enhancing internal and external partnerships, and fostering a culture of awareness.
Integrating compliance into the organization's culture reinforces alignment with mission, vision, and values.	Create the Enterprise Business Continuity Plan
Need to reduce the likelihood of regulatory violations, financial penalties, reputational harm, and operational disruptions.	Improve Policy Management Program to include our external facing HIPAA Policy
Medicare and HIPAA Compliance. New rules and greater regulatory scrutiny. Our need to drive this awareness is key.	Drive HIPAA & Medicare Compliance Awareness Program

# Goal 3 – Delegation Oversight Stabilization

**Description of Goal:** Establish and standardize robust processes for delegation oversight by developing clear guidelines, implementing consistent monitoring protocols, and ensuring alignment with regulatory requirements

Strategic Objectives Supported	
Enterprise Goals	Compliance Objectives
Support a robust provider and partner network to ensure their capacity to address our members' health and social needs.	<p>Achieve stabilization in delegation oversight by enhancing operational consistency, streamlining monitoring &amp; auditing processes, and ensuring compliance with regulatory standards. This includes developing standardized tools and workflows, fostering collaborative relationships with delegated entities, and implementing a comprehensive governance plan to align expectations and improve accountability.</p> <ul style="list-style-type: none"> <li>• <b>Compliance Workplan #9 &amp; #10, #14, &amp; #16</b></li> </ul>
Why and How	
What's Driving the Need?	Activities to Accomplish
L.A. Care's decentralized organizational structure can lead to inconsistent oversight practices across different departments and delegated entities.	Develop and implement an enterprise-wide strategy for delegation oversight across all departments and entities.
The increasing number of delegated entities and the diversity of their functions create operational complexity.	Create and implement an effective Vendor Risk Management program at LA Care.
Disparate or inconsistent data collection and reporting practices among delegated entities can hinder decision-making.	Create and implement an effective First Tier, Downstream and Related Entity (FDR) program at LA Care.
Fragmented oversight processes can lead to inefficiencies and wasted resources.	Establish clear lines of communication with delegated entities for regular updates, issue resolution, and feedback.



# Goal 4 – Modernizing Compliance Reporting

**Description of Goal:** Enhance the accuracy, efficiency, and accessibility of compliance reporting by adopting advanced tools and technologies that enable real-time data analysis, automated reporting, and seamless integration across systems.

Strategic Objectives Supported	
Enterprise Goals	Compliance Objectives
<ul style="list-style-type: none"> <li>Support a robust provider and partner network to ensure their capacity to address our members' health and social needs.</li> <li>Improve operational efficiency.</li> </ul>	<p>Streamline reporting workflows, ensuring compliance with regulatory requirements, and empowering stakeholders with actionable insights through user-friendly dashboards and advanced analytics.</p> <ul style="list-style-type: none"> <li><b>Compliance Workplan #1, #2 #8, #13 &amp; #18</b></li> </ul>
Why and How	
What's Driving the Need?	Activities to Accomplish
Increasingly complex and stringent regulations necessitate more comprehensive and timely reporting to meet compliance obligations	Regulatory Compliance Quarterly Reporting- Design and launch a trending and actionable report of regulatory agency inquiries, noncompliance communications, regulatory reports, regulatory audits, deficiencies and corrective action plans.
Growing volumes of compliance-related data across multiple systems make traditional reporting methods inefficient and prone to errors.	Regulatory Reports Quality Assurance & Monitoring - Continue to develop and expand the Regulatory Reporting Quality Assurance process
L.A. Care requires real-time reporting capabilities to identify risks early and make informed decisions promptly.	Develop compliance dashboard to provide key metrics of an effective compliance workplan
Need to ensure that reports are audit-ready with clear data trails and regulatory alignment.	Member Data Validation - Develop a robust quarterly monitoring process of member data This will help validate marketing and care efforts to nonqualified members.

# Goal 5 – Enhance Regulatory Change Mgmt.

**Description of Goal:** Strengthen the organization's ability to monitor, assess, and respond to regulatory changes by implementing robust processes, leveraging advanced tools, and fostering cross-departmental collaboration

Strategic Objectives Supported	
Enterprise Goals	Compliance Objectives
Improve operational efficiency.	<p>Ensure compliance with evolving regulations, reduce risks associated with non-compliance, and maintain operational agility in adapting to new regulatory requirements.</p> <ul style="list-style-type: none"> <li>• <b>Compliance Workplan #4</b></li> </ul>

Why and How	
What's Driving the Need?	Activities to Accomplish
Failure to respond effectively to regulatory changes can result in penalties, reputational damage, and operational disruptions.	Develop a Centralized Regulatory Tracking System to consolidate updates into a centralized repository accessible to all relevant stakeholders.
Existing regulatory change management processes may lack standardization and coordination, leading to inefficiencies and missed requirements	Utilize artificial intelligence and machine learning tools to identify and analyze regulatory changes and automate notifications and workflows to ensure timely action on identified changes
The sheer volume of regulatory updates demands systems that can efficiently track, analyze, and prioritize necessary actions.	Enhance Regulatory Change Management Framework
Rapid changes in regulations across regulators require a more dynamic and efficient approach to manage updates.	Develop and execute validation protocols to ensure that regulatory changes are implemented correctly by all relevant stakeholders.

# 2025 Work Plan for Approval



# 2025 Workplan (Prior approved # included)

#	Project	Compliance Unit	Description	Dependencies	% Complete	Current Status
1 (#5)	Regulatory Compliance Quarterly Reporting	Regulatory Compliance	Design and launch a trending and actionable report of regulatory agency inquiries, noncompliance communications, regulatory reports, regulatory audits, deficiencies and corrective action plans. <ul style="list-style-type: none"> <li>The report will be communicated to senior management and used to monitor business unit investigation and remediation activities</li> <li>Each section will include new initiatives or programs and implementation updates</li> </ul>	<ul style="list-style-type: none"> <li>GRC Implementation</li> <li>Sr. Director onboarding</li> <li>Smart Sheet configuration</li> </ul>	25%	<ul style="list-style-type: none"> <li>Report baseline document created and outlined the quarterly inputs (new PM managing the development); working with stakeholders to provide initial quarter inputs</li> <li>Currently collecting a pilot due 8/5 (differs from CCM's KPIs - this is focused on CAPs, monitoring and Chief level need-to-knows)</li> </ul>
2 (#1)	Regulatory Reports Quality Assurance & Monitoring	Regulatory Compliance	Continue to develop and expand the Regulatory Reporting Quality Assurance process including the following actions: <ul style="list-style-type: none"> <li>Comprehensive technical specifications document for regulatory reports including regulatory review tools.</li> <li>Data validation protocols for data that may pose a high-risk to the organization if it is found to be inaccurate</li> <li>Streamline coordination of report development and ensure data governance</li> </ul>	<ul style="list-style-type: none"> <li>Prioritization efforts</li> <li>Enhancement to ERCM program</li> <li>Delegation Oversight RACI</li> <li>GRC Implementation</li> </ul>	75%	<ul style="list-style-type: none"> <li>FTE officially moved over (6/17); Upcoming meeting to discuss regulatory reports quality assurance current state and begin to outline future state process</li> <li>Developed Regulatory Reporting strategy; working on CMS audit universe collection as a priority; still defining the regulatory reporting team</li> </ul>
3 (#6)	Improve Policy Management Program	Material Review	Improve enterprise-wide Policy Management Program: <ul style="list-style-type: none"> <li>Update Policy template and glossary</li> <li>Review and revise Policy Management Workflow</li> <li>Implement new workflow to all affected parties, with monitoring to ensure enterprise-wide compliance with policy management requirement</li> </ul>	<ul style="list-style-type: none"> <li>GRC Implementation</li> </ul>	25%	<ul style="list-style-type: none"> <li>Gathering P&amp;P listing current state assessment from BUs to enable reporting and to clean up P&amp;P listing in the system;</li> <li>Developing quarterly report to be included in larger ongoing Director Compliance report;</li> <li>Policy Management of GRC is in the configuration stage (reviews begin week of 8/5)</li> <li>Deadlines may be pushed due to losing an FTE and one being on LOA</li> </ul>
4 (#7)	Enhance enterprise-wide Regulatory Change Management (RCM) Program	Regulatory Analysis and Communication	Enhance the enterprise-wide regulatory change management program, including but not limited to: <ul style="list-style-type: none"> <li>Develop and socialize Regulatory Implementation Dashboard</li> <li>Implement Regulatory Implementation Artifact Inventory</li> <li>Review and revise Regulatory analysis templates and change management workflow</li> </ul>	<ul style="list-style-type: none"> <li>Staffing enhancements</li> <li>GRC Implementation</li> </ul>	50%	<ul style="list-style-type: none"> <li>IT resources are not allowed to transfer to Compliance - project on hold until position filled (in the meantime regular regulatory change management process taking place;</li> <li>Need to confirm how items in the queue should be handled (w Todd);</li> </ul>

# 2025 Workplan (Prior approved # included)

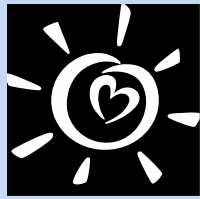
#	Project	Compliance Unit	Description	Dependencies	% Complete	Current Status
5 (#4)	Create the Enterprise Business Continuity Plan	Risk Management / Business Continuity	<ul style="list-style-type: none"> <li>• Create new BCP P&amp;Ps to incorporate all DHCS 2024 requirements</li> <li>• Meet all deliverables for 2024 Operational Readiness associated with BCP and emergency preparedness</li> <li>• Conduct DR testing, Business Impact Analysis (BIA) and develop departmental BCPs to reflect multiple scenarios</li> <li>• Test enterprise level BCP by end of 2024</li> </ul>	<ul style="list-style-type: none"> <li>• Outcome of Application (DR) and BCP testing</li> <li>• Mission critical BCP identification and creation</li> <li>• Sign-off of enterprise BCP</li> </ul>	50%	<ul style="list-style-type: none"> <li>• Completed BIA and working through infrastructure changes (DR) – IT responsible</li> <li>• Enterprise BCP and crisis management plan created developed with IT and Compliance – both need sign off</li> <li>• BCPs being created for mission critical processes</li> <li>• Training component underway for crisis management</li> <li>• Developing a communication plan and vetting OnSolve contract (electronic tool for internal communications) – waiting on final sign-off</li> </ul>
6 (#3)	Implement GRC	All	<ul style="list-style-type: none"> <li>• Collection and prioritization of business requirements:</li> <li>• Vendor request for proposals</li> <li>• System Design and Implementation</li> <li>• Training for Compliance and Business users</li> </ul>	<ul style="list-style-type: none"> <li>• PISQ form completion underway (secure SFTP site development for Users) – needed for better automation</li> </ul>	Phase 1 50% Phase 2 15%	<ul style="list-style-type: none"> <li>• Phase 1 workstreams (Policy Management testing underway; Privacy testing starting soon; Enhanced Regulatory Change Management still under configuration development)</li> <li>• Phase 2 workstreams (ERM, Incidents, Delegation oversight all kicked-off)</li> <li>• Confirming responsible parties for InfoSec privacy verification sign-off across the system</li> </ul>
7 (#2)	External facing HIPAA Policy	Privacy	Create an external facing HIPAA policy used to communicate our privacy and security expectations with our vendors and delegates.	<ul style="list-style-type: none"> <li>• Defining the roll-out plan along with established Vulnerability Management Program</li> </ul>	50%	<ul style="list-style-type: none"> <li>• BAA updated and working to get it confirmed with internal stakeholders (deciding if there will be a single BAA or one for vendors and one for providers)</li> <li>• New FTE coming to inventory the contracts and then work through the high-risk contracts; Legal may go to outside counsel for help</li> <li>• New FTE coming to inventory the contracts and then work through the high-risk contracts; Legal may go to outside counsel for help</li> </ul>
8 (#23)	Compliance Dashboard	All	Develop compliance dashboard to provide key metrics of an effective compliance workplan	<ul style="list-style-type: none"> <li>• UBIX Approval (Resources)</li> <li>• GRC Implementation</li> </ul>	15%	<ul style="list-style-type: none"> <li>• Potential contract with UBIX AI to complete a compliance dashboard pilot leveraging LA Care's available data</li> <li>• Outlining Compliance Dashboard metrics with details on availability, responsibility, and priority-level; defining scope of UBIX pilot</li> </ul>

# 2025 Workplan (Prior approved # included)

#	Project	Compliance Unit	Description	Dependencies	% Complete	Current Status
9 (#25)	Vendor Risk Management "Oversight" Program (Level 1)	Risk Management	Create an effective Vendor Risk Management program at LA Care. This includes support from IT Security, Compliance, Legal, Finance, Procurement.	<ul style="list-style-type: none"> <li>Approval of charter</li> <li>Approval of P&amp;Ps</li> <li>Staffing of 1 FTE</li> </ul>	50%	<ul style="list-style-type: none"> <li>Working with contractor to assist with designing the program, charter, P&amp;Ps, 12-month initial plan (sub-committee to the Risk committee);</li> <li>Worked with Delegation Oversight to combine the needs of DO, FDR and broad-based vendors</li> <li>Targeting 9/26 charter approval with Risk Committee</li> <li>Creating Vendor Risk Management P&amp;P</li> <li>Approval from Finance to support VRMC reporting</li> <li>FDR definitions and rubric shared with the Risk Committee</li> <li>Need to update FDR list from mock audit and further define the future state (i.e., vendor listing)</li> </ul>
10 (#25)	FDR Risk Management	Delegation Oversight	Create an effective FDR program at LA Care. This includes support from IT Security, Compliance, Legal, Finance, Procurement.	<ul style="list-style-type: none"> <li>Procurement enhancements</li> </ul>	25%	<ul style="list-style-type: none"> <li>Hotline Defined: Ethics hotline (mostly escalated issues (e.g., long wait on A&amp;G), OCR mailbox, FWA hotline, in-person, Compliance team</li> <li>Initial awareness program kicks off with Compliance week (week of 9/16)</li> <li>Resource hired to assist with risk management team reporting (SIU and Hotline)</li> </ul>
11 (#26)	Hotline Operations	Corporate Compliance	Create a new awareness campaign for our Hotline system along with appropriate reporting for substantiation and investigation. Be able to track the insights that could lead to an SIU or internal investigation	<ul style="list-style-type: none"> <li>Access to SQL sandbox for report development</li> </ul>	25%	<ul style="list-style-type: none"> <li>Updated the scope of the project to align with the CMS program mock audit findings (tied to program requirements)</li> <li>Developing project timelines for addressing findings</li> <li>Awaiting completion of KPI buildout</li> </ul>
12 (#27)	Medicare Awareness Program	Medicare Compliance	Develop a robust Medicare and DSNP Compliance awareness program. To include modifying the current communication plan, monitoring and auditing.	<ul style="list-style-type: none"> <li>DSNP KPI Implementation</li> <li>Medicare Product team partnership</li> </ul>	75%	<ul style="list-style-type: none"> <li>In planning stage with a workgroup of HCS, Product team, Compliance and IT</li> <li>IT Architecture is finalizing the ingestion requirements to protect member data after analysis.</li> </ul>
13 (#28)	Member Data Validation	Regulatory Compliance	Develop a robust quarterly monitoring process of member data This will help validate marketing and care efforts to nonqualified members. The data will have to be validated against a 3rd party resource to check movement of members within the county, state, or country	<ul style="list-style-type: none"> <li>LexisNexus and IT Data Management</li> </ul>	10%	

# 2025 Workplan (Prior approved # included)

#	Project	Compliance Unit	Description	Dependencies	% Complete	Current Status
14 (#18)	Fraud Prevention Program (Part of FY 23)	Regulatory Compliance	From FY23 (#18) Compliance Workplan - Develop a fraud prevention program. LA Care has a leading practice detection program which has provided recoveries and insights to reduce revenue leakage and thwart fraud. The next step is to improve its fraud prevention program by focusing on proactive measures, leveraging technology, enhancing internal and external partnerships, and fostering a culture of awareness.	<ul style="list-style-type: none"> <li>Enhanced communication plan to providers</li> <li>Collaborative Fraud Prevention Committees.</li> </ul>	50%	<ul style="list-style-type: none"> <li>SIU has developed tracking of trends in their investigations</li> <li>Established an Internal Investigations Team (potential employee FWA)</li> <li>Leverages Fraud Shield for case management and tracking of open cases</li> </ul>
15	**New** Enforcement Matter Support	All	In response to the DMHC and DHCS Enforcement Matter and settlement, Compliance will be leading the oversight of the outside consulting firm Forvis/Mazars, which will be validating effective closure of our findings	<ul style="list-style-type: none"> <li>Regulatory Audit closures</li> <li>Forvis/Mazars Contract and Workplan</li> </ul>	0%	<ul style="list-style-type: none"> <li>Working with legal on the updated scope of the project to align with the enforcement deliverables</li> </ul>
16	**New** Audit Workplan	Audit Services	With the incorporation of the Audit Services Program back into Compliance, this will help strengthen our Delegation Oversight Monitoring programs to not duplicate efforts.	<ul style="list-style-type: none"> <li>Annual Risk Assessment</li> <li>Monitoring Plan</li> <li>Senior Leadership Team Support</li> </ul>	50%	<ul style="list-style-type: none"> <li>Audit Services already has been working to develop their annual plan and will need to present to Senior Leadership.</li> </ul>
17	**New** 2025 Compliance Comms Plan	All	With the integration of Audit Services, New CEO, Forvis/Mazars, Medicare Awareness and Fraud Prevention, the Compliance Department will develop a new Comms plan for 2025.	<ul style="list-style-type: none"> <li>Medicare Product Leadership</li> <li>SIU</li> <li>Senior Leadership</li> <li>Forvis/Mazars</li> </ul>	50%	<ul style="list-style-type: none"> <li>Compliance already has a digital newsletter and updated website.</li> <li>Needing to work with LA Care Comms on updating website with Audit Services, new CEO information and updating the frequency of communications to the LA Care staff.</li> </ul>



**L.A. Care**  
HEALTH PLAN®

**Board of Governors**  
**MOTION SUMMARY**

**Date:** January 16, 2025

**Motion No.** COM 100.0125

**Committee:** Compliance & Quality

**Chairperson:** Stephanie Booth, MD

**Issue:** CY2025 Compliance Work Plan

New Contract  Amendment  Sole Source  RFP/RFQ

**Background:** L.A. Care's Compliance Plans establish a foundation for responding to multiple state and federal regulatory initiatives. Not only does the implementation of our Compliance Plans help identify and prevent deficiencies, but it also may reduce the potential for liability should violations occur. Additionally, the Compliance Plans establish the organization's commitment to ethical behavior and the proper way of doing business.

**Member Impact:** None

**Budget Impact:** None

**Motion:** To approve the CY2025 Compliance Work Plan.

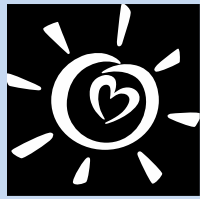


# 2025 L.A. Care Compliance Program DRAFT

## Exhibit A

*Todd Gower*





**L.A. Care**  
HEALTH PLAN®

## **Board of Governors** **MOTION SUMMARY**

**Date:** January 16, 2025

**Motion No.** COM 101.0125

**Committee:** Compliance & Quality

**Chairperson:** Stephanie Booth, MD

**Issue:** CY2025 Compliance Program Plan

New Contract  Amendment  Sole Source  RFP/RFQ

### **Background:**

#### 1. Legal and Regulatory Requirement

- Many laws and regulations, such as the Affordable Care Act (ACA) and guidance from the Office of Inspector General (OIG), require health plans to maintain an effective compliance program. Board approval demonstrates formal oversight and accountability.
- Federal Regulatory bodies, including CMS (Centers for Medicare & Medicaid Services), mandate board-level engagement in compliance program oversight for organizations participating in government-sponsored health plans.

#### 2. Governance Best Practices

- Board approval of the CPD underscores its role in overseeing the organization's compliance framework, aligning with fiduciary responsibilities.
- It ensures the compliance program remains a priority and reinforces the organization's commitment to ethical and legal practices.

#### 3. Adaptation to Changes

- Healthcare regulations and risks evolve rapidly. Annual approval ensures the CPD is updated to address new regulatory requirements, risk areas, and operational changes.
- Regular board review helps incorporate lessons learned from audits, investigations, or industry developments.

#### 4. Accountability and Transparency

- The approval process creates a clear record that the compliance program has been reviewed and endorsed by the board.
- It reinforces the accountability of the board and senior leadership for fostering a culture of compliance.

#### 5. Support for the CCO

- Board approval signals support for the CCO and the compliance function, empowering them to implement and enforce policies effectively.
- It provides the CCO with necessary authority to address compliance risks and allocate resources.

#### 6. Risk Mitigation

**Board of Governors**

**MOTION SUMMARY**

- Board involvement reduces liability by demonstrating active oversight in case of investigations or legal scrutiny.
- A well-documented approval process can serve as evidence of due diligence in managing compliance risks.

**Member Impact:** None

**Budget Impact:** None

**Motion:** To approve the CY2025 Compliance Program Plan.



**L.A. Care**  
HEALTH PLAN®

**For All of L.A.**

# Compliance Program



**Compliance**

*The Heartbeat of Accountability*

# Table of Contents



**L.A. Care**  
HEALTH PLAN

**For All of L.A.**

## Contents

- I. Compliance Program Overview .....3
- II. Goals and Objectives.....4
- III. Definition of Terms.....5
- IV. Written Policies, Procedures, and Standards of Conduct.....7
- V. Chief Compliance Officer, Compliance Committee, Governing Body, and Compliance Department Structure .....7
- VI. Effective Training and Education .....16
- VII. Effective Lines of Communication and Pathways for Reporting Compliance Concerns .....17
- VIII. Enforcement of Standards through Well-publicized Disciplinary Guidelines .....21
- IX. Effective Systems for Routine Monitoring and Auditing .....22
- X. Procedures and Systems for Promptly Responding to Compliance Issues and Suspected Fraud, Waste and Abuse .....31
- XI. Measures to Prevent, Detect, and Correct Fraud, Waste, and Abuse .....32
- XII. References .....32
- XIII. Conclusion.....33

## 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 about the State of California requirements and the Medicare Advantage and Prescription Drug programs. L.A. Care's compliance commitment extends to its internal business operations and 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. Chief 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

As the Compliance Organization continues to mature and evolve, L.A. Care has tailored its Compliance Program to fit recent enforcement matters and internal compliance effectiveness assessment, as well as our evolving business environment. Moreover, the Compliance Program is dynamic and must include a robust monitoring and auditing plan. Compliance is working closely with their I.T. and Business units to evaluate their internal monitoring, compliance monitoring, and effective auditing efforts. The Compliance Program applies to Board members, L.A. Care employees, first tier, downstream, and related entities (FDRs), including contracted Knox-Keene licensed health plans and participating providers.

As part of our commitment, Compliance and L.A. Care continue to formalize its compliance activities by developing this Compliance Plan ("Plan") that guides the prevention, detection, and correction of compliance issues. This Plan includes actions to prevent and detect violations of ethical standards, contractual obligations, 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 healthcare services to all its members. L.A. Care's Compliance Program aims to ensure that all L.A. Care members receive appropriate and quality healthcare services through a provider network in compliance with all applicable state and federal rules and regulations and 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 Partners, and other sub-contracted entities.
- Implements and monitors corrective action plans with PPGs/IPAs and sub-contracted entities to address deficiencies in the 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 in 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 specify required actions to ensure contractual compliance. Makes additional information about compliance activities and requirements available to PPGs/IPAs continuously.
- 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 applicable regulatory agencies require. The Compliance Program also extends to (as appropriate) 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 concerning 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 outlined in L.A Care's contracts with California and federal agencies, private foundations, and other payer organizations to provide 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. Definition of Terms

#### **Abuse**

Actions that may, directly or indirectly, result in unnecessary costs to L.A. Care, Medi-Cal or the Medicare program, improper payment, payment for services that fail to meet professionally recognized standards of care, or services that are medically unnecessary. Abuse involves payment for items or services when there is no legal entitlement to that payment and the provider has not knowingly and/or intentionally misrepresented facts to obtain payment. Abuse cannot be differentiated categorically from fraud because the distinction between "fraud" and "abuse" depends on specific facts and circumstances, intent and prior knowledge, and available evidence, among other factors. (Medicare Managed Care Manual (MMCM) Ch. 21, Section 20)

#### **Delegated Activity**

A specific plan function pertaining to the performance of healthcare and/or administrative services that is performed by an entity under the terms of a plan contract.

#### **Delegation**

A legal assignment to another party of the authority for particular functions, tasks, and decisions on behalf of the original party. The original party remains liable for compliance and fulfillment of all rules, requirements, and obligations pertaining to the delegated functions.



## **Downstream Entity**

Any party that enters into a written arrangement, acceptable to CMS, with persons or entities involved with the MA benefit, below the level of the arrangement between an MAO or applicant or a Part D plan sponsor or applicant and a first tier entity. These written arrangements continue down to the level of the ultimate provider of both health and administrative services. (MMCM Ch. 21, Section 20 and 42 C.F.R. § 423.501)

## **False Claims Act (“FCA”)**

The False Claims Act, pursuant to 31 United States Code (U.S.C.) Sections 3729-3733, protects the government from being overcharged or sold shoddy goods or services. The FCA imposes civil liability on any person who knowingly submits, or causes to be submitted, a false or fraudulent claim to the federal government. The “knowing” standard includes acting in deliberate ignorance or reckless disregard of the truth or falsity of the information. There are civil monetary penalties and criminal penalties for submitting false claims, which may include criminal fines, imprisonment, or both. (31 U.S.C. Sections 3729-3733)

## **First Tier Entity**

Any party that enters into a written agreement, acceptable to CMS, with an MAO or Part D plan sponsor or applicant to provide administrative services or health care services to a Medicare eligible individual under the MA program or Part D program. L.A. CARE is a first tier entity. (MMCM Ch. 21, Section 20 and 42 C.F.R. § 423.501)

## **Fraud**

Knowingly and willfully executing, or attempting to execute, a scheme or artifice to defraud any health care benefit program or to obtain (by means of false or fraudulent pretenses, representations, or promises) any of the money or property owned by, or under the custody or control of, any health care benefit program. (MMCM Ch. 21, Section 20 and 18 U.S.C. § 1347)

## **Related Entity**

Any entity that is related to an MAO or Part D sponsor by common ownership or control and (1) performs some of the MAO or Part D plan sponsor's management functions under contract or delegation; (2) furnishes services to Medicare enrollees under an oral or written agreement; or (3) leases real property or sells materials to the MAO or Part D plan sponsor at a cost of more than \$2,500 during a contract period. (MMCM Ch. 21, Section 20 and 42 C.F.R. § 423.501)

## **Sub-Delegation**

Process that occurs when the delegate gives a third entity the authority to carry out a delegated function. (NCQA)

## **Waste**

Overutilization of services, or other practices that, directly or indirectly, result in unnecessary costs to L.A. Care or the Medicare program. Waste is generally not

considered to be caused by criminally negligent actions but rather the misuse of resources. (MMCM Ch. 21, Section 20)

## **IV. Written Policies, Procedures, and Standards of Conduct**

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;
- Guides employees and others in dealing with potential compliance issues
- Identifies how to communicate compliance issues to appropriate compliance personnel;
- Tells how potential compliance issues will be investigated and resolved;
- Provides actions for non-intimidation and non-retaliation for good faith participation in the compliance program, including, but not limited to, reporting potential issues, analyzing issues, conducting self-evaluations, audits, and remedial actions, and reporting to appropriate officials.

## **V. 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 responsible for 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 L.A. Care employee and 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 before 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 whom the DHHS OIG or GSA has excluded;
- 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 noncompliance 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 noncompliance 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 noncompliance 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 an 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 noncompliance 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 L.A. Care staff and contractors/vendors perform;
- Reporting any potential fraud or misconduct related to the Medicare programs to CMS, its designee;
- Maintaining documentation for each report of noncompliance, potential fraud, waste, or abuse received through any of the reporting methods (i.e., hotline, mail, in-person) which describe the initial report of noncompliance, 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 noncompliance and/or fraud, waste, and abuse; or
- Coordinate 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 know the content and operations of the Compliance program.

## COMPLIANCE COMMITTEES

L.A. Care's Compliance Program operates with the oversight and/or support of 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 findings 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.

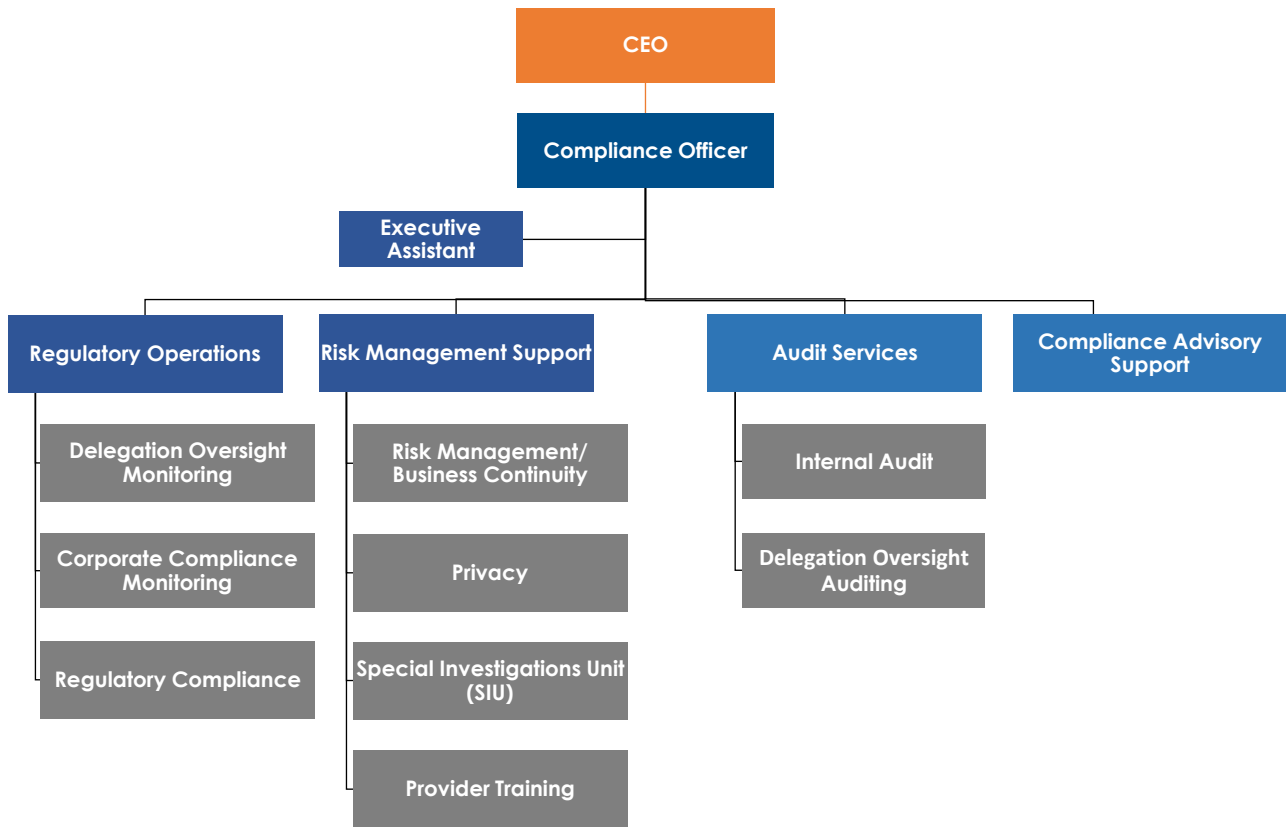
The duties and responsibilities of the ICC include but are not limited to the following:

- 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 noncompliance 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 the correction of compliance risks and identification of areas for training and education of associates; and
- Oversee corrective action plans and ensure 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.
6. **Delegation Oversight Committee (DOC)**. The Delegation Oversight Committee (DOC) provides oversight and general guidance and advises L.A. Care Health Plan leadership on matters relating to compliance effectiveness of the Plan's delegated network. The oversight includes monitoring and auditing their financial solvency, compliance program effectiveness, credentialing processes, U.M. and Q.I. activities, and I.T. controls for data and systems management.
7. **Risk Committee (R.C.)**. The Risk Committee (R.C.) provides oversight and general guidance and advises L.A. Care Health Plan leadership on matters relating to proactive risk management, including the status of mitigation activities of the top identified risks by the Plan. The Annual/Yearly Risk Assessment calls out the likelihood, impact, and management preparedness of the identified and inherent risks for the Plan. The purpose of the R.C. is to make sure Risk Mitigation Ownership has appropriate accountability and responsibilities assigned, monitored, and audited for the effectiveness of their processes and controls.
8. **Regulatory Implementation Oversight (RIO) Committee**. The Regulatory Implementation Oversight (RIO) Committee serves as a forum for the Compliance Department to announce and oversee implementation efforts for all applicable new or revised laws, requirements, and guidance impacting any of L.A. Care's lines of business. It shall report issues of noncompliance and escalated items to the ICC, as appropriate, on those findings and matters within the scope of their responsibility.

## COMPLIANCE DEPARTMENT STRUCTURE

The chart below shows the current Compliance Department structure.



## RESPONSIBILITIES OF THE COMPLIANCE DEPARTMENT

The Compliance Department provides support to the Chief Compliance Officer in promoting ethical conduct, instilling a commitment to compliance, and exercising diligence in ensuring the overall Compliance Plan requirements are met. Specifically, the Compliance Department's responsibilities include:

- Ensuring consistent and timely reporting of relevant compliance, privacy, or other concerns to the Chief Compliance Officer. Working with the applicable business units to implement appropriate and timely corrective actions that will result in measurable compliance.
- Assisting the Chief Compliance Officer in reporting compliance matters to state regulators and escalating issues to senior management and the Board when necessary.
- Assisting, advising, and overseeing the individual business units in the design, administration, and implementation of their individual work plans and policies.
- Conducting assessments of risk areas based on information gathered from a variety of sources, including new regulatory guidance, internal assessments, member complaints, DMHC 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 improve compliance.

- Conducting independent monitoring and auditing of identified risk areas to ensure compliance with health plan regulations and working with business units to ensure effective corrective actions are implemented in a timely manner.
- Monitoring and reporting on key compliance and performance metrics for the purpose of resolving identified patterns and trends and working with business units on internal corrective actions.
- Developing relevant and effective compliance training programs that support the Compliance Plan and providing education and awareness for managed care staff.
- Designing, implementing, maintaining, and managing member privacy assurance functions, including investigations to evaluate potential inappropriate access to or release of PHI and performing privacy risk assessments in accordance with federal law and guidelines and L.A. CARE established protocols.
- Maintaining up-to-date knowledge of all state and federal regulations affecting regulatory compliance for the operations of the Plan required under the law and this Compliance Plan, attending conference calls, DMHC roundtables, and outside compliance trainings or conferences by regulatory agencies or professional associations.

### **RISK MANAGEMENT SUPPORT**

The Risk Management 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.

#### *SPECIAL INVESTIGATIONS UNIT*

The Special Investigations Unit (SIU), which reports to Risk Management, conducts all fraud, waste, and abuse investigations, as well as some Internal Investigations. In addition, Leadership has created an internal investigation review process with Legal, Human Resources, and Compliance to assess SIU cases that may need outside legal or investigatory support due to required expertise and/or potential conflicts depending on the assigned cases.

#### *PRIVACY*

The Privacy unit, reporting to Risk Management, directs and supports L.A. Care's business units in its HIPAA compliance efforts, which include monitoring Federal and State privacy rules, developing privacy policies, providing guidelines procedures, conducting ongoing HIPAA training on the workforce, and conducting ongoing auditing and monitoring initiatives. Privacy also partners with Information Security on security rules and policies.



#### *RISK MANAGEMENT AND BUSINESS CONTINUITY*

The Risk Management and Business Continuity unit directs and supports L.A. Care's business units in following-up on reported L.A. Care Issues, CAPs and Disaster Recovery issues to closure. Upon closure, Issue Management reports their efforts up to ICC and C&Q. In addition, this unit monitors L.A. Care's current Business Continuity and Disaster Recovery process improvement and management preparedness efforts. Audit Services will be asked test effectiveness depending on the severity and risk to the organization.

#### *PROVIDER TRAINING*

The Provider Training unit, reporting to Risk Management, directs and supports L.A. Care's Provider Training efforts, which include awareness of provider responsibilities to Federal and State compliance rules.

### **REGULATORY OPERATIONS**

The Regulatory Operations unit is responsible for material review and regulatory analysis with oversight of any associate implementation. In addition, Regulatory Operations include Regulatory Affairs, Delegation Oversight Monitoring, and Corporate Compliance Monitoring.

#### *MATERIAL REVIEW*

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

#### *REGULATORY ANALYSIS AND COMMUNICATIONS*

The Regulatory Analysis and Communications ensures the appropriate dissemination of new and revised regulatory guidance to stakeholders. This unit also assists with organization-wide interpretation of regulatory guidance and oversight of the policy management program.

#### *REGULATORY AFFAIRS AND REPORTING*

The Regulatory Affairs and Reporting unit has the primary responsibility of managing relationships with regulatory agencies, regulatory agency relationships, and reporting. This unit also assists with regulatory disclosures and inquiries.

#### *REGULATORY AUDITS AND MONITORING*

The Regulatory Affairs unit has the primary responsibility of managing regulatory audits. The Regulatory Affairs unit works with responsible business units, delegates, and vendors to review respective findings, conduct root-cause analysis, develop corrective action plans, and monitor these corrective action plans for implementation and effectiveness.

### *DELEGATION OVERSIGHT MONITORING*

The Delegation Oversight Monitoring function, reporting to Regulatory Operations, performs monitoring of prospective and participating subcontractors, delegates, and vendors. The Compliance Department develops monitoring and oversight activities to ensure the effective operation of the delegation oversight function by federal and state regulatory requirements and NCQA accreditation standards. The unit also manages critical performance indicators and the development of a monitoring program for L.A. Care.

### **INTERNAL AUDIT AND AUDIT SERVICES**

The mission of the Internal Audit unit and Audit Services is to provide independent and objective assurance and support related to L.A. Care's operations, delegates, direct network, and I.T. systems.

The Audit Services team uses a risk-based approach to decide what audit projects will be conducted. Each year, an Internal Audit Plan is created that outlines the audits, assessments, and consults to be conducted during the year. In addition, The Delegation Oversight Auditing function performs annual auditing of prospective and participating subcontractors, delegates, and vendors. Audit Services develops auditing activities to ensure the effective operation of the delegation oversight function by federal and state regulatory requirements and NCQA accreditation standards.

Not included in the Annual Internal Audit Plan is the annual Financial Audit. An independent external auditor conducts the external audit.

## **VI. 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 communicate effectively its standards, policies, and procedures to all affected personnel. Additionally, L.A. Care regularly reviews and updates its training programs and 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 for the objectives of the Code of Conduct.

Education and training include, but are not limited to:

- Annual Compliance Training;
- Code of Conduct;
- HIPAA & Privacy;
- Fraud, Waste and Abuse
- Medicare and Medicaid Compliance Awareness

In addition, L.A. Care has developed a program to provide Fraud, Waste, and Abuse training 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 after that. These training programs are updated before annual training to incorporate any changes to Federal or state laws or regulations regarding compliance and/or fraud, waste, and abuse requirements.

## **VII. 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 essential 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, 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 that 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 such reports may be communicated anonymously or with the reporter's 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 are 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:**

- **On the Phone:** *L.A. Care Compliance Hotline: 1-800-400-4889 or 213-694-1250 x4292*
- **Website:** <http://www.lacare.ethicspoint.com>; or
- **Via Email:** [reportingfraud@lacare.org](mailto: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 HIPAA and privacy incidents to [PrivacyOfficer@lacare.org](mailto:PrivacyOfficer@lacare.org)**

**Report security incidents [infosec@lacare.org](mailto:infosec@lacare.org)**  
(CC: [PrivacyOfficer@lacare.org](mailto:PrivacyOfficer@lacare.org))

## **A. HIPAA**

The Health Insurance Portability & Accountable Act of 1996 (HIPAA) is enforced by the OCR and requires healthcare entities to ensure certain risk safeguards are in place to prevent the inadvertent or intentional release of PHI.

The HIPAA Final Privacy Rule (as amended) sets forth the specific program elements L.A. Care must have in place to ensure that information is maintained in a confidential manner. Program elements of an effective privacy program include many of the same elements addressed in this overall Compliance Plan, including:

- Risk analysis and monitoring.
- Effective employee privacy education.
- Use of a Business Associates Agreement (BAA) or similar agreement for any entity who will be viewing or handling any elements of PHI.
- Policies regarding disciplinary or corrective actions following a confirmed privacy event.

## **B. California Confidentiality Laws**

The State of California has enacted legislation that complements, and in some cases extends, the obligations of health providers under the Privacy Rule. L.A. Care adheres to the requirements of these statutes and promulgating regulations:

- **Confidentiality of Medical Information Act (CMIA) [CA. Gov. Code § 56 et seq.]**  
Places limits on the disclosure of patients' medical information by medical providers, health plans, and businesses organized for the purpose of maintaining medical information. It specifically prohibits many types of marketing uses and disclosures.
- **Use of PHI for Direct Marketing [CA Civ. Code § 1798.91]**  
Prohibits a business from seeking to obtain medical information from an individual for direct marketing purposes without, (1) clearly disclosing how the information will be used and shared, and (2) getting the individual member's consent.
- **Patient Access to Health Records [CA H&SC § 123110]**  
With minor limitations, gives patients the right to see and copy information maintained by health care providers relating to the patients' health conditions. The law also gives patients the right to submit amendments to their records, if the patients believe that the records are inaccurate or incomplete.
- **Insurance Information & Privacy Protection Act [CA Ins. Code § 791]**  
Sets standards for the collection, use, and disclosure of personal information gathered in connection with insurance transactions by insurance companies,

agents, or insurance- support organizations. It generally prohibits disclosure of personal or privileged information collected or received in connection with an insurance transaction unless the disclosure is: (1) authorized in writing by the individual, or (2) necessary for conducting business. The individual must be given an opportunity to opt-out of disclosure for marketing purposes.

### **C. L.A. Care Privacy Plan**

As required by HIPAA and relevant matters of law, L.A. Care has implemented various policies used by the Plan to maintain member confidentiality.

- **Privacy Officer**

L.A. Care has designated a Privacy Officer. The Privacy Officer is responsible for maintaining an effective privacy protection program that supports compliance with the Privacy Rule and all related matters of law.

- **Notice of Privacy Practices**

L.A. Care has develop a Notice of Privacy Practices that is publicly available

- **Incident Response & Reporting**

All employees and network providers are responsible for notifying the Compliance Department regarding any potential or confirmed breach of a member's privacy and/or a privacy complaint from a member. Upon notification, the Compliance Department conducts an investigation of all relevant facts. If necessary, a review of computer access logs to patient records will be performed. Once all pertinent details are collected through the investigation, the Compliance Department determines if the breach is federally reportable. All privacy incidents are documented and on the Privacy Incident Log.

- A privacy breach that meets the prescribed risk threshold (as provided by the OCR) is reported to the OCR electronically through the agency's online reporting portal. Privacy incidents affecting members shall be reported to the Privacy Officer, pursuant to the stipulations in the plan-to-plan agreement. If necessary, the Chief Compliance Officer notifies Corporate Communications for significant or extensive breach incidents requiring notification of the media.

### **POTENTIAL MISCONDUCT OR FRAUD, WASTE AND ABUSE REPORTING**

Staff is encouraged to report privacy and information security incidents to the Privacy Officer and/or Information Security Officer.

**Report potential FWA to [reportingfraud@lacare.org](mailto:reportingfraud@lacare.org)**

## CONFIDENTIALITY AND NON-RETALIATION

Verbal communications to the Compliance Hotlines, 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 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 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 wrongdoing, Board members, Employees, and Contractors may not use any verbal or written report to insulate themselves from the consequences of their 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.

## **VIII. 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.

## **IX. 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 perform 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 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 noncompliance, 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 MITIGATION MANAGEMENT

L.A. Care Compliance Department has established and implemented an effective system for the 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 is conducted to ensure that delegated responsibilities and services comply 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.

Regularly (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. Below are examples of the new Auditing Reports for 2025

### **A. Anti-Fraud Plan & Report**

In accordance with California Health and Safety Code, Section 1348, L.A. Care will prepare an annual Anti-Fraud Plan that is integrated into the routine managed care compliance activities through investigation of potential or actual FWA. The purpose of the Anti-Fraud Plan is to organize and implement an effective strategy to identify and reduce costs to health plans, providers, members, and others impacted by fraudulent activities and to protect consumers in the delivery of healthcare services through timely detection, investigation, and reporting or prosecution of suspected FWA.

The elements of the Anti-Fraud Plan include:

- a. Designation of an individual with specific investigative expertise in leading fraud investigations;
- b. Training of Plan and FDR employees concerning detection of healthcare

fraud in managed care;

- c. The Plan's procedure for managing incidents of suspected fraud; and
- d. The internal procedure for referring suspected fraud to the appropriate government agency.

The anti-fraud activities, investigations, reports, and corrective actions are summarized and submitted to the DMHC in an annual report. This annual report includes specific actions taken by the Plan to prevent or detect misconduct, the number of reports made to a government agency regarding suspected fraudulent activity, the number of cases prosecuted by the Plan, and any other recommendations the Plan may have to combat healthcare fraud in the industry.

The Chief Compliance Officer, or his/her designee(s), is responsible for overseeing the performance of the following activities:

- a. Developing and implementing an effective program to detect, investigate, report, and resolve potential and actual instances of FWA.
- b. Maintaining member continuity of care and quality of care during FWA investigations.
- c. Improving provider understanding of fraudulent practices and reporting methods through effective and ongoing provider education.
- d. Improving member understanding of fraudulent practices and reporting methods.
- e. Responding to member needs, such as escalated complaints and FWA concerns.
- f. Creating a mechanism for the detection of FWA. Ongoing monitoring responsibilities include reviewing coding trends for all provider types to identify outliers that may require additional assistance, education, or corrective action, if necessary. Analysis includes medical record documentation reviews with additional related information.
- g. Coordinating investigations with internal L.A. Care departments (i.e., Corporate Compliance, Legal) and, as applicable, with law enforcement or government agencies. L.A. CARE is responsible for conducting special investigations to determine provider compliance and assisting legal counsel with responding to requests from enforcement agencies.
- h. Improving overall FWA awareness and education.

## **B. Annual Planned Projects and Activities**

Each year the Chief Compliance Officer reviews and adopts a set of planned projects and activities for the Compliance Department to work toward during that year. These projects and activities are a part of the overall process for assessing and evaluating relative risk to the Plan. The Compliance Department completes ongoing risk assessments as part of its annual plan of projects and activities. Potential risks identified from external resources are reviewed and evaluated for relevance to L.A. Care managed care lines of business, and if applicable, the effectiveness of current internal controls already in place are evaluated. The planned projects and activities are reviewed annually by the C&Q Committee.

The Compliance Department monitors activities on a regular basis to ensure regulatory and compliance activities are completed timely.

- a. The Compliance Plan is reviewed and approved annually by the C&Q Committee.
- b. Activity reports reflecting trends are presented regularly to the C&Q Committee.
- c. Regulatory and compliance activities are completed timely, accurately documented, and maintained in a secure drive or database.

The planned projects and activities assist in building an effective work plan that the organization uses to maintain and enhance L.A. Care's compliance risk posture. In addition, the compliance risk assessment process considers the reasonableness of the levels of effort and effectiveness of various functions performed within L.A. Care.

### **C. Consideration of Plan Risks**

#### **1. On-going Mechanisms for Identifying and Assessing L.A. Care Compliance Risks:**

- Compliance monitoring and auditing, investigations, and risk assessments conducted by the Plan's Compliance Department, and government surveyors to monitor compliance and assist in the reduction of identified problem areas.
- Compliance staff participation on key committees within L.A. Care and external industry-wide work groups and open lines of communication with L.A. Care Compliance Organization.
- Ongoing review of the OIG Work Plan and DMHC identified objectives.
- Ongoing review of guidance and other materials published by the DMHC, OIG, CMS, and the Office of Civil Rights (OCR) websites.
- The investigation and remediation of identified systemic problems.

The Chief Compliance Officer, or his/her designee(s), will work with the L.A. Care management team to ensure ongoing compliance with state and federal regulations and to correct any deficiencies that have been identified.

The Chief Compliance Officer, or his/her designee(s), will issue CAPs as necessary to ensure that all deficiencies are resolved appropriately.

Ongoing efforts to monitor compliance will include an annual mock audit of medical management and claims and finance activities using the same audit methodology as the DMHC. The Compliance Department also performs routine internal monitoring and auditing of other managed care activities including, but not limited to, appeals and grievances, denied referrals, and certain denied claims. Claims payment practices are audited on an ongoing basis by the finance claims auditors.

## **2. Annual Compliance Program Risk Assessment Process:**

The Compliance Department and Internal Audit gathers and analyzes input from the ongoing monitoring mechanisms and develops risk assessments and priorities. These assessments include review of current regulatory trends, trade organizations, and professional journals and may include discussions with Plan leaders, external vendor partners, and benchmarking with select peer institutions. The Compliance Department compiles a composite of high risk areas to guide planned projects and activities along with a review of compliance program efficacy.

### ***D. Monitoring by External Agencies***

The Chief Compliance Officer and the Compliance Department monitor the results of audits conducted by external agencies and the completion of the Plan's CAPs. The Chief Compliance Officer, or his/her designee(s), works closely with Plan leaders to ensure all CAPs are implemented efficiently and communicated to external agencies. Plan leaders overseeing reimbursement, medical management, financial operations, and other audited areas are responsible for ensuring implementation of CAPs with their teams and areas of responsibility. All CAPs are sent to the Compliance Department for review and approval before releasing to the external agency.

The Chief Compliance Officer, or his/her designee(s), will be the key contact person(s) for any DMHC audits, working with the appropriate management team within L.A. Care to provide the DMHC with the necessary documents, filings, and materials. The Chief Compliance Officer, or his/her designee(s), will monitor the DMHC website for updated Technical Assistance Guides (audit tools).

## **1. Oversight of Plan, Provider, and Administrative Contracts**

The Chief Compliance Officer, or his/her designee(s), works closely with the Provider Network Management Department in order to track and maintain copies of all L.A. Care Provider contracts and subsequent amendments. Many Plan agreements require acceptance by the DMHC and shall not be considered effective until the DMHC has accepted the agreement or notified the Plan that no objections are forthcoming. The Compliance Department reviews contracts and agreements prior to execution to ensure legally mandated contract elements are included in the document. Any changes to

the L.A. CARE contract templates will be filed with the DMHC within thirty (30) days of the effective date of the change.

## **2. Payment Integrity & Proper Billing**

Claims payment practices are audited by L.A. CARE monthly, and the DMHC every three (3) years. Though each audit focuses on different areas, ongoing monitoring efforts serve as an internal control to the reimbursement and payment areas, where claims and billing operations are often the source of FWA in the industry and, therefore, historically have been the focus of government regulation, scrutiny, and sanctions. DMHC's main focuses are claims payment accuracy, timeliness, and provider dispute resolution.

## **3. Provider Credentialing & Peer Review**

The Credentialing Department is responsible for responding to audits. The audits focus on NCQA standards, timeliness, primary source verification, ongoing monitoring, sanctions and exclusions monitoring, and file review.

## **4. Medical Management**

The UM and QM Departments are audited annually by DMHC every three (3) years. The audits focus on UM file review, UM timeliness, UM documentation, case management, access, and continuity of care.

## **5. Corrective Action Plans (CAPs)**

The Chief Compliance Officer, or his/her designee(s), will review audit results and ensure CAPs are submitted timely, maintain a grid showing final scores, date CAP is due, and date CAP was submitted.

## **E. Delegation Oversight Monitoring**

Prior to executing a contract or delegation agreement with a potential delegate, a pre-delegation audit is completed to determine the ability of the potential delegate to assume responsibility for delegated activities and to maintain L.A. Care standards, applicable state and federal regulatory requirements, and accreditation requirements. The initial evaluation includes, but is not limited to, a review of the entity's operational capacity and resources to perform the delegated functions, the entity's ability to meet contractual and regulatory requirements, and verification that the entity is not excluded in the OIG List of Excluded Individuals/Entities (LEIE), the General Services Administration (GSA) System of Award Management (SAM), or the California Department of Health Care Services Medi-Cal Suspended and Ineligible Provider List from participating in health programs. Results of the initial evaluation and ongoing delegation audits are presented to the Delegation Oversight Committee for review and approval. Pre-delegation and ongoing delegation audits of medical management activities are also reported to QI and UM.

### **1. Contracting with Delegates**

Once an entity has been approved, the delegation agreement specifies the activities that L.A. CARE delegates to the delegate, each party's respective roles and responsibilities, reporting requirements and frequency, and the process for performance evaluations and audits. Delegation agreements also include provisions for disciplinary actions and remedies for any instances of non-compliance with the contract and applicable state and federal regulations. Prior to any sub-delegation, the delegate must obtain approval from L.A. CARE, who will directly monitor the sub-delegate's compliance with requirements.

## **2. Annual Delegation Oversight Audits**

The Audit Service as Department will conduct an annual comprehensive delegation oversight audit to determine the delegate's performance of the delegated activities. High risk delegates are those that are continually non-compliant or at risk of non-compliance based on identified gaps with contractual standards, applicable state, CMS, and accreditation requirements, or L.A. Care policies and procedures. Any previously identified issues, which include any CAPs, service level performance, or complaints and appeals from the previous year will be factors that are included in the delegation oversight audit. Any delegate deemed high risk or vulnerable is presented to the DOC for suggested follow-up audit. Delegates determined to be high risk may be subjected to a more frequent monitoring and auditing schedule, as well as additional reporting requirements.

If L.A. Care has reason to believe the delegate's ability to perform a delegated function is compromised, an additional focused audit may be performed. The Chief Compliance Officer, or his/her designee(s), may also recommend focused audits upon evaluation of non-compliant trends or reported incidents. The results of these audits will be reported to the DOC. The risk assessment process and reports from delegates will be managed by the Chief Compliance Officer, or his/her designee(s), and presented to the DOC for review and discussion. L.A. Care is ultimately responsible for identifying and correcting all instances of non-compliance with all delegated entities.

A focused audit may be initiated for any of the following reasons, or any other reason at the discretion of the Chief Compliance Officer, or his/her designee(s):

- Failure to comply with regulatory requirements or L.A. Care policies and procedures or service standards;
- Failure to comply with a CAP;
- Reported or alleged FWA;
- Significant policy variations that deviate from L.A. Care or state, federal, or accreditation requirements;

- Bankruptcy, impending bankruptcy, or insolvency that may impact services to members (either suspected or reported);
- Sale, merger, or acquisition involving the delegate;
- Significant changes in the management of the delegate; or
- Changes in resources that impact L.A. Care and/or the delegate's operations.

### **3. Corrective Actions and Additional Monitoring and Auditing**

The Chief Compliance Officer, or his/her designee(s), shall submit summary reports of all monitoring, auditing, and corrective action activities to the ICC and C&Q. In instances where non-compliance is identified, a CAP shall be developed by the delegate and reviewed and approved by the Chief Compliance Officer, or his/her designee(s). Every CAP is presented to the DOC for approval. Supplemental and focused audits of delegates, as well as additional reporting, may be required until compliance is achieved.

At any time, L.A. Care may implement sanctions or require remediation by a delegate for failure to fulfill contractual obligations, including development and implementation of a CAP. Failure to cooperate with L.A. Care in any manner may result in termination of the delegation agreement, in a manner authorized under the terms of the agreement.

## 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:

- Risk Assessment;
- Current GRC technology support for success;
- Vendor Risk Management and FDR assessment;
- Regulatory intake and implementation follow-up;
- Annual roadmap and strategy;
- 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.



## X. 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. Suppose the investigation leads to credible information regarding the validity of the allegation. In that case, 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 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.

### CORRECTIVE ACTIONS AND ROOT CAUSE ANALYSES

Corrective action initiatives, as identified through routine monitoring and internal audit activities or the investigation of noncompliance or fraud, waste, and abuse, are monitored and managed by the Chief Compliance Officer. Corrective actions are designed to correct conduct or issues 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 every quarter.

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 can demand a 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 dis-enrollment due to fraud 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 noncompliance or performance issues.

## **XI. Measures to Prevent, Detect, and Correct Fraud, Waste, and Abuse**

Under the SIU of Risk Management, 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 SIU 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, encounters, and other data to identify potential fraud schemes and communicates potential fraud schemes with its first-tier, downstream, and related entities.

## **XII. References**

- California Confidentiality of Medical Information Act (CMIA) [CA. Gov. Code § 56 et seq.] California Insurance Information & Privacy Protection Act [CA Ins. Code § 791]
- Deficit Reduction Act of 2005 (DRA)

- False Claims Act (FCA) [31 USC § 3729 et seq.]
- Fraud Enforcement Recovery Act of 2009 [Public Law No. 111-21]
- Health Information Technology for Economic & Clinical Health (HITECH) – in part to ARRAY of 2009 [Pub. L. 111-5 § 13400-13424]
- Health Insurance Portability & Accountability Act of 1996 [42 USC § 1320(d-6)]  
HIPAA Administrative Simplification [45 CFR Parts 160, 162, 164]
- Knox-Keene Act Health Care Service Plan Act of 1975 [HSC 1340 et seq.]  
Medicare Managed Care Manual, Chapter 21
- Medicare, Medicaid & SCHIP Extension Act (MMSEA) of 2007 § 111 [42 U.S.C. § 1395y(b)(8)]
- Office of Inspector General's Compliance Program Guidance for Medicare+ Choice (MA+) Organizations Offering Coordinated Care Plan [FR Vol 64 No. 219 11.15.1999]
- Patient Protection and Affordable Care Act of 2010 [42 U.S.C. § 18001 et seq.]  
Title 28 of the California Code of Regulations – Managed Health Care
- Title 42 – Public Health and Title 45 – Public Welfare of the Code of Federal Regulations. United States Sentencing Commission Chapter Eight - Sentencing of Organizations

### **XIII. 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 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.

# External Learning Provider Training Program Overview

*Theresa Moore*



# External Learning Provider Training

## Overview

- External Learning Provider Training facilitates learning and educational opportunities for contracted entities to provide services to L.A. Care members. General Training concepts are also provided for our contracted entities who provide care to our members. Some of the learnings are regulatory and others are informative.
- External Learning Provider Training ensures a valuable learning experience by collaborating with L.A. Care's Subject Matter Experts to educate our contracted entities. We ensure contracted entities are provided with an engaging and fundamentally enhanced knowledge base, aligned with regulatory requirements, as they provide quality care to our members. We collaborate cross-functionally with our enterprise-wide business units (Provider Network Management (PNM), Behavioral Health (BH), Quality Improvement (QI), Managed Long Term Services & Supports (MLTSS), Safety Net Initiatives (SNI), Compliance, Legal, etc.), as well as with specialty services provided by: Primary Care Physicians (PCPs), Specialists, Ancillary, Behavioral Health Therapists, Autism Therapists, Chiropractors, Acupuncturists and Vendors.



# External Learning Provider Training

## Regulatory Trainings

- External Learning Provider Training adheres to the required timelines given by our regulators. We ensure the appropriate timelines are followed to ensure Compliance. The trainings we currently facilitate are:
  - **New Provider Onboarding Training Direct Network**
    - As required by DHCS all newly contracted providers must complete New Provider Onboarding training by a designated time. The content of this training includes specific best practice topics that provide guidance on serving those in need. This training is facilitated weekly via Instructor Led Method via WebEx platform (by provider type) as well as On-Demand module.
  - **Dual Special Needs Plans ((D-SNP) - Model of Care Training**
    - As required by APL 23-019 this training is facilitated annually via Instructor Led Method and content shared with Delegates to ensure that all newly contracted PPGs have access to the training content.
  - **Medi-Cal for Kids and Teens Training (formerly Early Periodic Screening Diagnostic & Treatment (EPSDT)**
    - As required by APL 23-005 this training is facilitated biannually via Instructor Led Method via WebEx platform. On Demand module available mid-2025.
  - **Child Health and Disability Prevention Program (CHDP) Trainings**
    - As required by Senate Bill (SB) 184 this training is now facilitated by the Provider Training team. This training is facilitated bi-monthly via Instructor Led Method via WebEx platform.



# External Learning Provider Training

## Direct Network New Provider Onboarding Training (NPOT) Program

- **Direct Network Providers** have training directly facilitated by the External Learning Provider Training team. The Provider Training Team receives a list of providers entering the Provider Information Form (PIF) process, the first of every month from the Provider Network Management Team. The Provider Management Team submits a Training Request via PODIO which assigns a request number for tracking purposes. This training request contains the demographic data of each provider entering the credentialing process (name, provider type, NPI number, group name, address, city, state, zip code and email address. The Provider is sent an email invitation with the instructions to register for an upcoming onboarding training session. The 90-minute Instructor-led trainings are held weekly via a Web-Ex platform utilizing our Learning Management System (LMS). The Onboarding training content includes the following 21 topics:

- Member Rights and Responsibilities
- Cultural Sensitivity
- Customer Service
- Access and Availability Standards
- Medi-Cal Managed Care
- Model of Care
- Federal and State Statutes
- Medical Management Delegation and Payment Responsibility
- Authorizations and Claims (include balanced billing)
- Eligibility Verification
- Seniors and Persons with Disabilities
- Child Health and Disability Prevention
- Mental Health
- Balance Billing
- Managed Long-Term Services and Supports
- Authorizations
- Health Assessments and Provider Toolkits
- Case Management
- Applicable Policies and Procedures in the DHCS contract with L.A. Care
- Provider will comply with Health Plan applicable policies and procedures
- Provider will comply with all Medi-Cal marketing guidelines



# External Learning Provider Training

## Direct Network New Provider Onboarding Training (NPOT) Program *continued*

- **For Direct Network Providers** once the Onboarding Trainings Sessions end, the LMS Team provides a “WebEx Duration Report” this report provides the reference date and time of training and Provider Type of the provider who appears on the WebEx Duration Report. The Provider Training Team will send a blank ‘Attestation’ and ‘Sign In’ sheet to attending providers and request that the provider completes, signs and dates the attestation and sign in sheet and returns the forms to [externallearning@lacare.org](mailto:externallearning@lacare.org) Inbox.
- Once the completed attestation and sign in sheet are returned, ensure Provider name is listed on sign-in sheet. If they did not sign, return the document to Provider and request they sign and date. Ensure Facilitator is L. A. Care employee (Not Office Manager or Administrator)
- Once completed, signed and dated documents are returned they are stored in the Provider Training Evidence database.
- The date of training completion is added into the Provider’s records in the PODIO platform
- The date of training completion is added into the Provider’s records in the Provider Information. A copy of the signed and dated attestation and sign in sheet are attached and the Provider Training flag is attested to in the PIF.
  
- **Monitoring and Auditing Provider Training Compliance** – In following our Policy CMPELPT-001 we monitor monthly provider training activity and complete quarterly audits of training material received.





# External Learning Provider Training

## Delegated Network New Provider Onboarding Training (NPOT) Program

- **Delegated Providers follow the Monthly Training Reporting (MTR) Process for onboarding training.** PPGs/MSOs are responsible for ensuring newly contracted providers receive the required onboarding training. New Provider Onboarding Training (NPOT) includes the following components:
  - L. A. Care New Provider Orientation Handbook and L. A. Care Universal Provider Manual
  - Medi-Cal for Kids and Teens training for providers serving children and youth under 21 years of age
  - Model of Care (MOC) training for providers serving members under the D-SNP Line of Business
  - General Annual Compliance Training (GACT).
- Provider Training Team provides the PPGs with L. A. Care materials and PPG/MSO is responsible for ensuring providers complete their GACT within the first of the month of contracting.
- The Monthly Training Report (MTR) is a spreadsheet completed by the PPG/MSO (Primary Provider Group/Managed Service Organization) that lists all new providers who were onboarded during the reporting month. In addition, a Welcome letter, attestation and sign in sheet are provided to confirm the details on the spreadsheet are in alignment.
- **Monitoring and Auditing Provider Training Compliance** – In following our Policy CMPELPT-001 we monitor monthly provider training activity and complete quarterly audits of training material received.



# External Learning Provider Training

## Corrective Action Process

- **Corrective Action Process** – Providers are expected to complete regulatory training requirements. Those deemed not timely, accurate, complete or compliant, Provider Training will prepare a communication to the Delegate(s) identifying infractions.
  - For infractions for the 1st time within the quarter, they will receive a communication indicating this is their 1st time submitting a report this quarter that contains infractions. They will receive a copy of reporting instructions and a reminder of the reporting deadlines
  - For infractions for the 2nd time within the quarter, they will receive a communication indicating this is their 2nd time submitting a report that contains infractions. They will receive a copy of reporting instructions, a reminder of the reporting deadlines as well as a notification that submitting a report that contains infractions can be subject to Corrective Action Plan recommendation.
  - For Delegate(s) with infractions for the 3rd time within the same quarter, they will receive a Notice of Non-Compliance communication indicating this is their 3rd time submitting a report with infractions and as a result, will receive a CAP.
  - When Provider Training places Delegate(s) on a Corrective Action Plan status, all infractions are compiled and referenced in the CAP request.
  - Action Plan(s) are to be submitted via the SFTP with supporting documentation bookmarked, tagged and highlighted. The original CAP Word Document is to also be returned as a Word Document to allow for L.A. Care to respond in writing to the Delegates Action Plan.
  - If provider continues to be out of compliance, they may be submitted to Delegation Oversight Work Group (DOWG) for sanctioning recommendation.



# External Learning Provider Training

## Additional Training Initiatives

- **Ad Hoc Trainings/Webinars** - External Learning Provider Training partners with our Internal Business Units to facilitate educational and knowledge opportunities for our network of providers. A variety of Webinars and Trainings are conducted bi-weekly, monthly and quarterly to continue education of our providers. A few of the programs we support are:
  - Quality Improvement (QI)
  - CalAIM: Enhanced Care Management (ECM) \* Community Supports (CS) - Provider Training Program
  - Provider Continuing Education (PCE) Program
  - Managed Long Term Services and Supports (MLTSS) Training Programs for Community Based Adult Services (CBAS) & Long-Term Care (LTC) Quarterly and Ad Hoc Training initiatives
- **Provider Training Evidence Tracker Database** - Once trainings are confirmed, providers submit a signed and dated attestation and sign in sheet as confirmation of training completion. Our Provider Training Evidence Tracker houses this documentation.
- **Quarterly results reporting** - will be reported to Internal Compliance Committee and C & Q.



# External Learning Provider Training

## New for 2025

- As required by APL 23-025 beginning in 2025 all providers will be required to complete Diversity, Equity & Inclusion (DEI) Training
- Business Continuity Management awareness Fact Sheet is included as part of Onboarding of newly contracted providers.
- Enhanced awareness of Fraud Waste and Abuse Training is under way.
- As instructed by APL 24-018 in 2025 Provider Directory Requirements include Transgender, Gender Diverse, or Intersex (TGI) Cultural Competency Training Program.



# 2024 Annual Compliance Training Program

*Mike Sobetzko*



# 2024 Annual Compliance Training Program

Presenter(s): Michael Sobetzko

- ✓ Annual Training Materials and Attestation Forms were sent to Board of Governors Members on October 15, 2024.
- ✓ Due Date provided was December 15, 2024.
- ✓ We received all Attestations by December 5, 2024.

2024 Annual Compliance Training L.A. Care Board of Governors	
BoG Member	Completion Date
Dr. Booth	11/20/2024
Dr. Ghaly	11/7/2024
Dr. Roybal	11/20/2024
Dr. Shapiro	11/20/2024
Mr. Ballesteros	11/20/2024
Mr. De La Torre	12/5/2024
Mr. Greene	11/20/2024
Mr. Raffoul	10/16/2024
Ms. Contreras	11/26/2024
Ms. Gonzalez	11/5/2024
Ms. Solis	12/2/2024
Ms. Vaccaro	11/5/2024
Ms. Vazquez	11/13/2024

# 2024 Annual Compliance Training Program

Presenter(s): Michael Sobetzko

L.A. Care requires all employees to complete the Compliance Training upon hire and subsequently, each year after that. This includes all employees, temps, contingent workers and consultants. Anyone with access to L.A. Care systems MUST complete the training. The Training consists of the following 6 courses which also focuses on Fraud, Waste, and Abuse.

1. Code of Conduct (2024) \*Launch in Google Chrome\*
2. Compliance Program General Requirements (2024) \*Launch in Google Chrome\*
3. Compliance Security Awareness (2024) \*Launch in Google Chrome\*
4. Fraud, Waste and Abuse Awareness (2024) \*Launch in Google Chrome\*
5. HIPAA Privacy Essentials (2024) \*Launch in Google Chrome\*
6. HIPAA Privacy Rule for Covered Entities (2024) \*Launch in Google Chrome\*

- ✓ Annual Training Modules were assigned to all employees and contingent workers on October 15, 2024.
- ✓ Due Date provided was December 15, 2024.
- ✓ We are currently (1/3/25) at 99.6% for employees which is due to people being on Vacation or LOA (leave of absence).

2024 Annual Compliance Training L.A. Care Staff & Contingent Workers	
Type	Current Completion
Employees	99.6%
Contingent Workers	100%

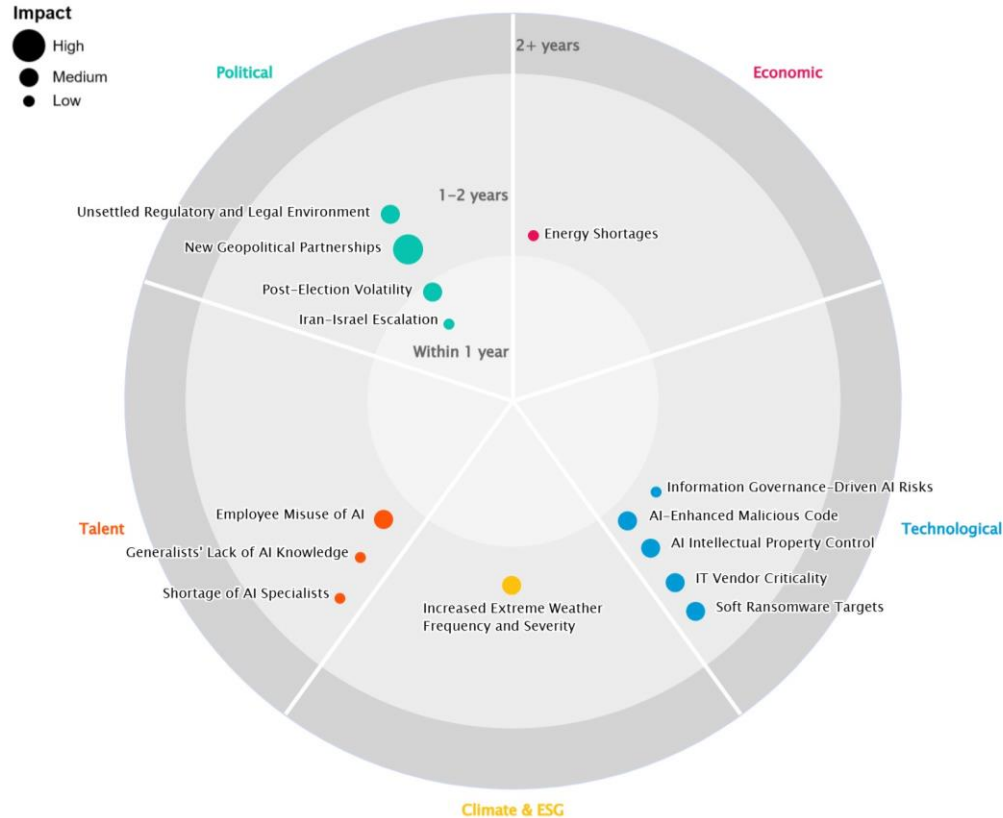
# Enterprise Risk Assessment (ERA) Outcomes

*Mike Sobetzko*





# Emerging Risks across industries



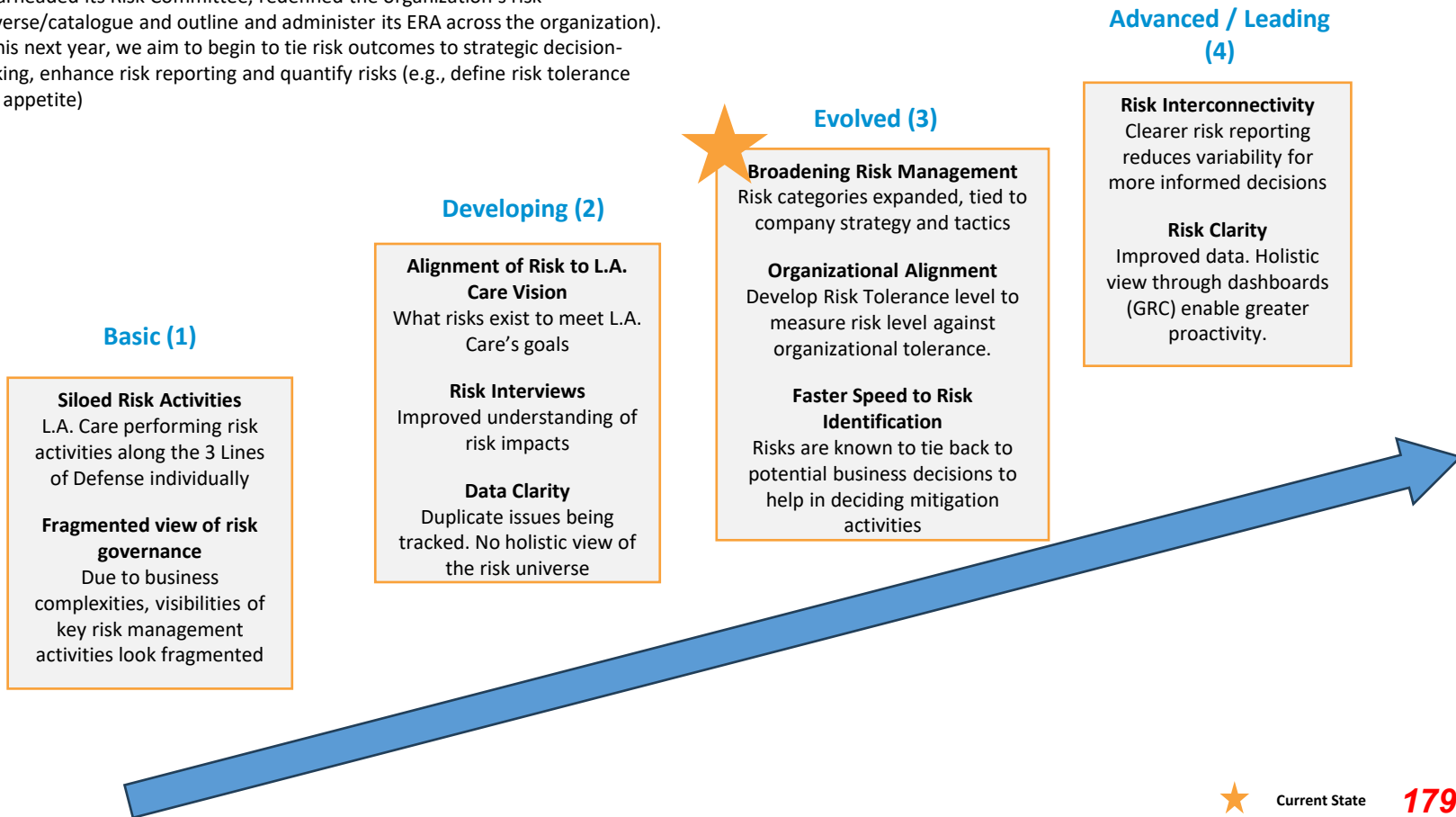
n = 17 risk management and audit leaders and professionals  
Sector: Health Care  
Source: 4Q24 Gartner Emerging Risks Survey

# LA Care's evolution of ERM – Maturation Process

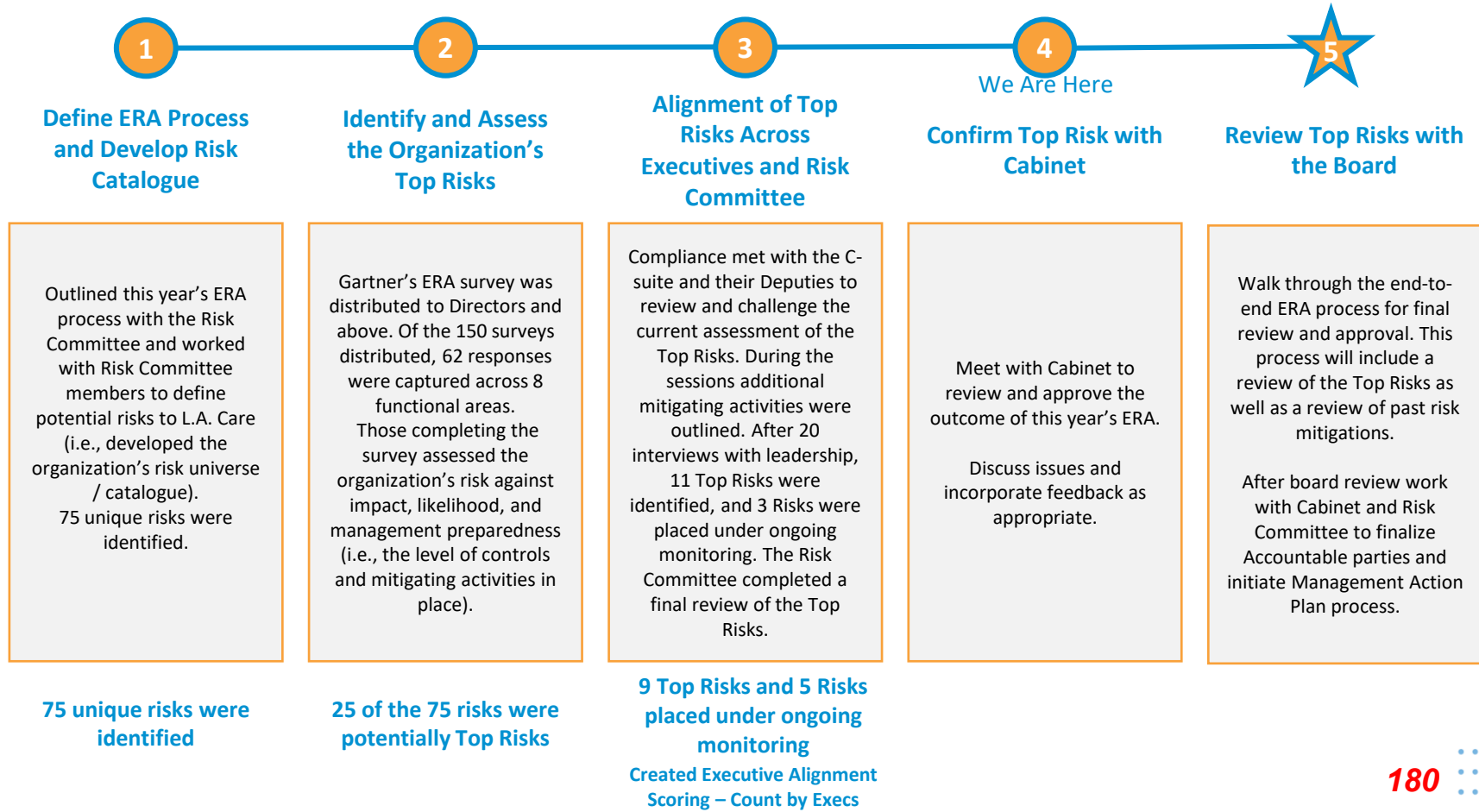
1	2	3	4	5
<p><b>The C-suite must become the R-suite</b></p> <p>Risk is the business of every member of the C-suite, and CCO's &amp; CROs should spread risk ownership across the organization, working with business leaders to build risk into their strategy and make it part of their everyday thinking.</p>	<p><b>Build a risk-centric workforce</b></p> <p>Investments in a target operating model that fits your risk needs. Organizations should identify the need of new risk roles, for example a workforce with the skills to deploy AI technologies and re-orient the operating model towards value.</p>	<p><b>Risk as a value creator</b></p> <p>Key decisions by the risk function should begin and end by answering the question: how will this next step add value to the business? Such an approach can help transform risk from the "department of no" to a service that consistently creates value — inspiring everyone across the organization to incorporate risk into their everyday decision-making.</p>	<p><b>Integrate risk with decision-making</b></p> <p>Decisions affecting one office or department can have a ripple effect on all the others, and this applies to the risk, too.</p> <p>This means that risk management should be effectively embedded in decision-making throughout the organization, ideally as part of an "ERP for risk" system.</p>	<p><b>Accelerate with data analytics</b></p> <p>New technology helps risk professionals to manage change better, although it also brings fresh risks like cybersecurity and AI bias. As organizations digitize and embrace AI, they need to gain trust in its application, preferable via fewer platforms that use common data.</p>
<p>Example – Conducting the ERA with full Cabinet</p>	<p>Example – Financial Reporting and new Budgeting Process</p>	<p>Example – Risk Committee, IRB, etc..</p>	<p>Example – Risk Committee, IRB, etc..</p>	<p>Example – DO Scorecards, Advanced Analytics, etc.</p>
<p>3</p>	<p>3</p>	<p>2</p>	<p>3</p>	<p>3</p>

# Current State – Enterprise Risk Assessment Maturity

L.A. Care has made strides this year to mature it's ERA process (e.g., spearheaded its Risk Committee, redefined the organization's risk universe/catalogue and outline and administer its ERA across the organization). In this next year, we aim to begin to tie risk outcomes to strategic decision-making, enhance risk reporting and quantify risks (e.g., define risk tolerance and appetite)



# End-to-End Enterprise Risk Assessment (ERA) Process



# Outcome of L.A. Care's 2024/25 ERA – Top Risks

No.	Risk Type	Risk	Risk Statement	2023/24 Assessment	Executive Alignment*	Mitigating Action Plans
1	Operational	Financial Risk - Claims	The risk that claims processing issues may result in potential incorrect payments (e.g. Corrected Claims, MOT Claims). These issues may be due to system configuration issues or the need for manual intervention to process a claim.	Not Applicable	9+	In flight work to create new Provider data target state based on HELIX Infosys.
2	Operational	Risk Exposure from Delegates or Third Parties Oversight	Risk that the lack of oversight of third-party delegates and vendors will lead to third parties being out of regulatory and/or contractual compliance.	Top Risk	12+	2024 MAP
3	Operational	Efficiency Risk	The risk that inefficient operations (inc. mis-alignment of functions, lack of coordination, duplication of effort, system inefficiencies) threaten the health plan's ability to provide healthcare service at or below competitor cost levels.	Not Applicable	14+	System enhancements scheduled for July 2025 in the call center (New system should lower call handle time)
4	Operational	Financial Risk - Encounters	Risk that the accuracy, quality and timeliness of encounter data does not meet requirements and poses a financial risk.	Top Risk	7+	2024 MAP
5	Legal & Compliance	Accountability	The risk that front-line ownership is not fully accepted/defined and/or integrated into day-to-day business processes and risk management.	Top Risk	8+	TBD
6	Strategic	Strategic Initiatives Risk	The risk that limitations of resources, processes and prioritization are obstacles to support and complete strategic initiatives.	Not Applicable	8+	TBD
7	Legal & Compliance	Regulatory Compliance Risk - Oversight	Risk that the Compliance department is unable to properly oversee the organization's performance including operational performance monitoring, operational readiness and audit readiness for all LOBs. This includes the ability to provide requested materials (e.g., reports, audit universes, etc.) for regulatory audits.	Top Risk	19+	2024 MAP

\* - Concurrence by Interviewed Executives



# Outcome of L.A. Care's 2024/25 ERA – Ongoing Monitoring

The risks listed below were reviewed during the Top Risk discussions with L.A. Care's Executives and Risk Committee and due to the current high-level of mitigation activities in place it was decided they should be monitored. Key risk indicators (KRIs) will be identified and tracked to ensure the risks stay within appropriate tolerance ranges.

No.	Risk Type	Risk	Risk Statement	23/24 Assessment	Executive Alignment*	Mitigating Action Plans
1	Talent	Retention Risk	The risk that the organization fails to engage and retain qualified employees to ensure optimal staffing levels in a balanced workforce environment.	Not Applicable	2-	Perform periodic compensation review against industry Turnover is monitored and currently below national averages for the industry. Additionally, per policy, retention for specific key positions or projects is cared for. Management Certification Program Initiation of a Succession Program
2	Talent	Staff Bench Strength Risk	The risk that the company does not have an employee talent pool deep enough to absorb staff departures.	Not Applicable	4+	Implementing a Korn Ferry interview process and guidelines for hiring managers to improve our hiring practices. Implementing Management Certification Program as initiation of a Succession Program
3	Operational	Contract Compliance - LAC, Member and Provider	The risk that non-compliance with obligations may result in poor performance. LAC, member & provider dissatisfaction, or legal action.	Not Applicable	8+	TBD
4	Strategic	Macroeconomic Volatility Risk	The risk that economic factors (CA state budget deficit) beyond company control will have a negative impact on financial results and/or the ability to achieve objectives.	Not Applicable	10+	Recommendation: Initiate "war-game" scenario planning.

\* - Concurrence by Interviewed Executives

# Next Steps – ERA Communication Plan

## 1. ERA Distribution:

- Send final list of Enterprise Risks to Cabinet and Risk Committee

## 2. Accountable Risk Owners Validation:

- Validate and assign Accountable Risk Owners (ARO) for each risk area.
- In some cases, risks may have shared ownership between multiple parties.

### • Definitions:

#### Accountable Risk Owner (1 per risk): Executive Sponsor

Holds overarching ownership of the mitigation process, even when all elements of the risk are not directly within their control.

#### Responsible Risk Owner (1 or more per risk): Activity Based Level Responsibility

Supports and drives the mitigation efforts for the risk.

## 3. Management Action Plans:

- Management Action Plans (MAPs) will follow C&Q and Cabinet review
- Accountable Risk owners to assign responsible parties for creation and management of MAPs

# 2024 Enterprise Risk Assessment Management Action Plans ("MAPs")

*Mike Sobetzko & Business Unit Management  
Owners*





# Risk Management Update

Presenter(s): Michael Sobetzko, Sr. Director, Risk Management & Operations Support

Risk Mitigation Plan Status Key				
Off Track	Delayed	On Track	Validating	Mitigation In Place

Risk #	Risk Title	Risk Mitigation Plan Status	Initial Risk Level	Current Risk Level	Comments
C2	HRA Assessment / Reassessment Timeliness	On Track	Very High	Very High (based on 2024 Risk Assessment)	The majority of mitigations have been completed. Internal Audit has completed an initial validation.
E10	Encounters	On Track	Very High	Very High (based on 2025 ERA)	Some mitigations have been completed. Several items on track. Encounters will continue to be a top risk for the company in 2025.
C13	Compliance Monitoring	On Track	Very High	High (based on 2025 ERA)	Some mitigations have been completed. An initial validation audit has been performed and a follow up is in process. Remains a top risk in 2025.
O15	Delegation Oversight	On Track	Very High	High (based on 2025 ERA)	Some mitigations have been completed. Additional mitigations planned for 2025. IA validation is in progress. Remains a top risk in 2025.

# Risk Management Update

Presenter(s): Michael Sobetzko, Sr. Director, Risk Management & Operations Support

Risk Mitigation Plan Status Key				
Off Track	Delayed	On Track	Validating	Mitigation In Place

Risk #	Risk Title	Risk Mitigation Plan Status	Initial Risk Level	Current Risk Level	Comments
O23	Dual Special Needs Plan (DSNP) Oversight	On Track	Very High	High	Several mitigations have been completed. Internal Audit
O20	Talent Management	On Track	Very High	Medium (Based on 2025 ERA)	Mitigations in progress for 2025. Initial assessment performed by Internal Audit
E5	Vendor Management	On Track	Very High	Medium (based on 2025 ERA)	Some mitigations have been completed. A pre-implementation assessment has been performed by Internal Audit

# Health Risk Reassessment (HRA) Summary

Presenter: Amanda Asmus

RISK DESCRIPTION AND ACTIVITY	STATUS	START DATE	END DATE
<b>Risk Description:</b> Health Risk Assessments are not completed timely. Potentially, enrollees who need extensive care management interventions will not receive care or interventions. Untimely completion will expose L.A. Care to regulatory violations.			
<b>Operational Reports Expansion Remediation Plan and Timeline</b>			
MCLA HRA Operational reports expanded to capture new MCLA Populations. <i>Completed; report is being used to track HRA outreach.</i>	Completed	2023	7/2024
DSNP HRA Operational reports expanded to capture new DSNP line of business. <i>Completed; DSNP initial HRA has reached near 100% compliance in 2024.</i>	Completed	2023	7/2024
CMC-era Operational Reports and ad-hoc reports: Care Management and EvenMORE teams have been relying on ad-hoc reports and workarounds based on old reports to manually track DSNP HRA outreach and completion. Legacy reports have been phased out now that DSNP reports are operational	Completed	2023	8/2024
DHCS High Risk populations configured into iPro reports in accordance with DHCS revisions.	Completed	8/2023	06/2024

# Health Risk Reassessment (HRA) Summary

Presenter: Amanda Asmus

RISK DESCRIPTION AND ACTIVITY	STATUS	START DATE	END DATE
<b>Operational Reports Expansion Remediation Plan and Timeline</b> <i>Continued</i>			
In July 2024, it was identified that L.A. Care was behind on outreaching MCLA members who require an HRA (DHCS High Risk populations). EvenMORE has obtained temporary staffing to remediate outreach efforts and close the gap by 1/2025 – this is on track.	In Progress	10/2024	01/2025
New reports to better track MCLA HRA outreach activities are in-progress to ensure ongoing compliance. Ad-hoc interim reporting is currently in place to support oversight	In Progress	10/2024	<i>Pending</i>
<b>MAP Validation by Internal Audit</b>	Complete		

# Encounter Data Collection Summary

Presenters: Greg White, Loren Maddy

RISK DESCRIPTION AND ACTIVITY	STATUS	START DATE	END DATE
<b>Risk Description:</b> Data Intake, timeliness, and quality of encounters received, and Implementation of Medi-Cal Targeted Rate Increase (TRI).			
<b>Encounter Data, Collection and Timeliness Remediation Plan and Timeline</b>			
Establish an Encounter Data Governance Committee	Completed	7/1/24	7/30/24
PPG Outreach – Analysts have been assigned to reach out to our largest PPGs to assist with their submissions and error correction. This is a newly established function as previous monitoring was done at the submitter level. Monitoring is now an on-going task for the Encounters team.	Completed	11/30/23	11/30/24
Development of Encounter KPIs – Based on recommendations from AArete consulting, new KPI's have been defined and are under development. Due to extended period to recruit and train dedicated analytics team, these KPIs should now be available by the end of Q2 2025	In Progress	7/1/24	6/30/25



# Encounter Data Collection Summary

Presenters: Greg White, Loren Maddy

RISK DESCRIPTION AND ACTIVITY	STATUS	START DATE	END DATE
<b>Risk Description:</b> Data Intake, timeliness, and quality of encounters received, and Implementation of Medi-Cal Targeted Rate Increase (TRI).			
<b>Encounter Data, Collection and Timeliness Remediation Plan and Timeline, continued</b>			
Staffing Analysis and Enhancements – In order to expand efforts to monitor encounter submissions at the PPG level, as well as investigate issues that arise with their submissions, a request for additional FTEs has been included in the 2025 Budget year. 2025 budget includes two (2) additional analysts and are in process for recruiting and hiring in Jan 2025.	In Progress	7/1/24	2/15/25
<b>MAP Validation by Internal Audit</b>	In Progress		



# Compliance Monitoring Summary

Presenter: Miguel Varela

RISK DESCRIPTION AND ACTIVITY	STATUS	START DATE	END DATE
<p><b>Risk Description:</b> Compliance departments ability to oversee the organizations performance including operational performance monitoring and operational readiness of all lines of business (LOBs). Timely issuance of internal CAPs. Data driven view of LA Care's compliance and identification of deficiencies. Repeat findings from external audits. CAPs and monitoring required.</p>			
<p><b>Compliance Restructuring and Operational Improvements Remediation Plan and Timeline</b></p>			
<p>Restructure of Regulatory Compliance vertical – To ensure L.A. Care has the appropriate oversight and monitoring, the department formerly known as EPO, will need to be integrated into the Regulatory Operations vertical.</p>	Completed	10/1/23	5/1/24
<p>Quantification and Analysis – Once the structural changes have been made, each department leader will analyze their areas and assess the maturity level of the division. This analysis will need to encompass current state, GAP analysis, and future proposals.</p>	Completed	12/1/23	5/1/24
<p>Enhance Corporate Compliance Monitoring – Update processes to ensure appropriate oversight and monitoring; Based on the analysis and recommendations to develop the function, the Corporate Compliance Monitoring division will need to hire the necessary staff. Additionally, the team will need to develop workflows and procedures that capture the oversight and monitoring process of our enterprise.</p>	In Progress	12/1/23	On-going
<p><b>MAP Validation by Internal Audit</b></p>	Initial Audit Complete Follow Up In Progress		

# Compliance Delegation Oversight Summary

Presenter: Miguel Varela

RISK DESCRIPTION AND ACTIVITY	STATUS	START DATE	END DATE
<b>Risk Description:</b> There is a risk of L.A. Care's Delegation Oversight not effectively monitoring relationships and their agreements to L.A. Care. This could lead to a potential increase in appeals and grievances, member harm and regulatory findings.			
<b>Compliance Delegation Oversight Monitoring Improvements Remediation Plan and Timeline</b>			
Establish a Compliance Delegation Oversight Committee – The Compliance Delegation Oversight team is standing up a three-tiered Committee structure that will allow for the ingestion of information from different L.A. Care Business areas completing Oversight activities. The purpose is to collectively assess our Delegates performance, which is inclusive of contractual and regulatory obligations. Through the committee meetings we can collectively solution through issues as necessary.	Completed	4/2024	7/2024
Delegate Scorecards – The Delegation Oversight Monitoring team is establishing a process to ingest information from functional areas who are completing oversight activities, digesting the information, and manually populating Delegate scorecards ("baseball cards"). The scorecards will allow for assessment of Delegate's performance from different attributes.	Completed	6/2024	7/2024
Appeals and Grievances by Delegate – Begin exploring the options of receiving A&G reports by Delegates. This will require working sessions with A&G and IT analytics teams to figure out how to obtain this information related to each Delegate, starting with PPGs and vendors.	In Progress	1/1/25	4/30/25
Monitoring of Plan Partner Appeals and Grievances – Obtain recurring reports from Plan partners in order to begin monitoring delegated A&G.	In Progress	1/1/25	4/30/25
<b>MAP Validation by Internal Audit</b>	In Progress		<b>192</b>



# Dual Special Needs Plan (DSNP) Oversight Summary

Presenter: Miguel Varela

RISK DESCRIPTION AND ACTIVITY	STATUS	START DATE	END DATE
<b>Risk Description:</b> A monitoring program for DSNP has not been fully rolled out for internal operations and delegates. It is uncertain if LA Care's implementation of DSNP met all requirements. LA Care is highly likely to be selected for audit by CMS.			
<b>DSNP Oversight &amp; Audit Readiness Remediation Plan and Timeline</b>			
Establish a Compliance Delegation Oversight Committee – The Compliance Delegation Oversight team is standing up a three-tiered Committee structure that will allow for the ingestion of information from different L.A. Care Business areas completing Oversight activities. This centralization process will provide the oversight needed on the multiple activities happening within L.A. Care.	Completed	Q1 2024	Q2 2024
Delegate Scorecards – the Delegation Oversight Monitoring team established a framework to gather and visualize compliance-related information for each of our delegates. These “baseball cards” will allow for a holistic analysis on the performance from each delegate.	Completed	Q1 2024	Q2 2024
Development of DSNP KPI – Identify, create, and implement Key Performance Indicators (KPIs) related to DSNP metrics.	In Progress	1/1/24	2025
Staffing Analysis and Enhancements – Compliance teams are conducting staffing analysis and requesting enhancements that will allow for this additional work.	In Progress	1/1/24	2025
<b>MAP Validation by Internal Audit</b>	Complete		

# Human Resources – Talent Management

Presenter: Jyl Russell

RISK DESCRIPTION AND ACTIVITY	STATUS	START DATE	END DATE
<p><b>Risk Description:</b> L.A. Care is like other health plans, with risks in recruiting and retaining skilled talent. L.A. Care's process can be perceived as cumbersome and may contain longer cycle times to recruit, promote, and receive approvals for hires. Additionally, L.A. Care has difficulty in timely performance management of staff.</p>			
<p><b>Human Resources Talent Management Process Remediation Plan and Timeline – Timely Performance Management</b></p>			
<p>Complete Revisions of P&amp;P HR-214: Employee Conduct and Discipline</p> <ul style="list-style-type: none"> <li>Review and approval process – Chief, Legal, Executive team – Potentially scheduled to go for Exec approval on 1/22/25</li> <li>Finalize documents and post to GRC Policy Manager</li> <li>Send for Employee Attestations</li> </ul>	<p>In Progress On Track</p>	<p>9/2/2024 10/1/2024</p>	<p>2/28/25</p>
<p>Updated Manager Training</p> <ul style="list-style-type: none"> <li>Create training documentation (include policy and templates)</li> <li>Pilot training to select group</li> <li>Launch Training</li> </ul>	<p>In Progress On Track</p>	<p>10/7/2024</p>	<p>Q2 2025</p>
<p>Provide ongoing coaching and support - ongoing</p>	<p>In Progress</p>		

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<p><b>Human Resources Staffing Process Remediation Plan and Timeline – Improve Recruitment Process</b></p>			
<p>Address Hard To Fill Positions</p> <ul style="list-style-type: none"> <li>• Create reporting for hard to fill positions (every other week)</li> <li>• Standardize Review for Talent Acquisition Advisors/Hiring Managers/HR Business Partners</li> <li>• Process for optimization of job postings, grades and department needs</li> <li>• Communicate all ongoing efforts to hiring managers</li> <li>• Ongoing review and appropriate improvements to process</li> </ul>	<p>In progress On Track</p>	<p>10/1/2024</p>	<p>Ongoing</p>
<p>Training for managers on L.A. Care's hiring process</p> <ul style="list-style-type: none"> <li>• Identify and document top issues that delay hiring process (e.g. candidates must meet the Basic Qualifications (BQs) ).</li> <li>• Create plan to train managers on recruiting processes so that they may improve the cycle time of their portion of the process.</li> <li>• Determine most effective delivery system</li> <li>• Deliver training - TBD</li> </ul>	<p>In progress On Track</p>	<p>10/1/2024</p>	<p>TBD</p>
<p>Provide ongoing coaching and support to hiring managers</p>	<p>Ongoing</p>		<p>Ongoing</p>
<p><b>MAP Validation by Internal Audit</b></p>	<p>Completed Assessment Audit In Progress <b>195</b></p>		

# Vendor Management and Contracting Process

Presenters: Michael Sobetzko & David Inglese

RISK DESCRIPTION AND ACTIVITY	STATUS	START DATE	END DATE
<p><b>Risk Description:</b> Lack of cross functional third-party vendor management and oversight. How to ensure vendors adhere to contractual requirements. Complexed contracting process, multiple touches across organization, contracting may be delayed in certain parts of process. Centralized owner that works cross functionally with business partners.</p>			
<p><b>Vendor Management and Contracting Process Remediation Plan and Timeline</b></p>			
End to End process currently being assessed with 3rd party consultant	Complete		Q3 2024
Leadership review of the contracting process assessment. Evaluation of recommendations to understand what will be implemented	In Progress		Q2 2025
Procurement Council	Delayed		2025
Vendor Risk Management Committee (VRMC) Charter was approved at September Risk Committee	Complete	7/24	Q3 2024
Risk Management Process formalized – Vendor Risk Management Policy approval by Vendor Risk Management Committee in January	In Progress	7/24	Q1 2025
<b>MAP Validation by Internal Audit</b>	Pre-Implementation Assessment		