



KERN HEALTH SYSTEMS

GOVERNANCE AND COMPLIANCE COMMITTEE MEETING

**Thursday, May 29, 2025
at
8:30 a.m.**

**Kern Health Systems
2900 Buck Owens Blvd.
4th floor – Kern River Room
Bakersfield, CA 93308**

For more information, call (661) 664-5000

AGENDA

GOVERNANCE AND COMPLIANCE COMMITTEE MEETING

KERN HEALTH SYSTEMS
2900 Buck Owens Boulevard
Bakersfield, California 93308

Thursday, May 29, 2025

8:30 A.M.

All agenda item supporting documentation is available for public review at Kern Health Systems in the Administration Department, 2900 Buck Owens Boulevard, Bakersfield, CA 93308 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

PLEASE SILENT CELL PHONES AND OTHER ELECTRONIC DEVICES DURING THE MEETING

COMMITTEE TO RECONVENE

Members: Acharya, Hoffmann, Meave, Turnipseed
ROLL CALL:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN HEALTH SYSTEMS STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST AND MAY BE APPROVED BY ONE MOTION IF NO MEMBER OF THE COMMITTEE OR AUDIENCE WISHES TO COMMENT OR ASK QUESTIONS. IF COMMENT OR DISCUSSION IS DESIRED BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE COMMITTEE CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS

AGENDA

Governance and Compliance Committee Meeting
Kern Health Systems

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PUBLIC PRESENTATIONS

- 1) This portion of the meeting is reserved for persons to address the Committee on any matter not on this agenda but under the jurisdiction of the Committee. Committee members may respond briefly to statements made or questions posed. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Committee at a later meeting. Also, the Committee may take action to direct the staff to place a matter of business on a future agenda. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

COMMITTEE MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Committee members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code Section 54954.2(a)(2))

COMMITTEE MATTERS

- 3) Report on Kern Health Systems Enterprise Risk Management Project Update (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 4) Report on Department of Justice Statewide Fraud, Waste, and Abuse (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 5) Report on Kern Health Systems Compliance Internal Audit Roadmap (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 6) Report on Kern Health Systems Compliance Survey Summary (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS
- 7) Report on Kern Health Systems Managed Care Accountability Set (MCAS) (Fiscal Impact: None) –
RECEIVE AND FILE; REFER TO KHS BOARD OF DIRECTORS

AGENDA

Governance and Compliance Committee Meeting
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ADJOURN TO THURSDAY, JULY 31, 2025 AT 8:30 A.M.

**AMERICANS WITH DISABILITIES ACT
(Government Code Section 54953.2)**

The meeting facilities at Kern Health Systems are accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the KHS Finance Committee may request assistance at the Kern Health Systems office, 2900 Buck Owens Boulevard, Bakersfield, California 93308 or by calling (661) 664-5000. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.



MEMORANDUM

TO: Kern Health Systems Governance and Compliance Committee
FROM: Deborah Murr, Chief Compliance and Fraud Prevention Officer
SUBJECT: Enterprise Risk Assessment Project Update
DATE: May 29, 2025

BACKGROUND

Establishing an Enterprise Risk Management (ERM) program will provide the knowledge and framework to identify and evaluate emerging through design and launching a program that combines existing risk management practices, explanation of how enterprise risk management will benefit KHS, and facilitate conversations around the topic of risk for all stakeholders.

Moss Adams and the KHS Compliance department initiated Phase 1 of 3 for the project on February 4, 2025, with projected completion December 2025.

January -April 2025 Planning and Management	May-August 2025 Field Work	September-December 2025 Reproting and Deliverables
ERM Program	ERM Leadership/Oversight	Perform Enterprise Risk Assessment
ERM Committee Composition/Charter	Risk Training Plan (Board, senior leadership, staff level)	Monitoring Plan
Policy/Document Review	Risk Governance Structure	Outcomes Roadmap
Foundational Process Identification	Risk Tolerance/Response Framework	Deliverables/Action Items for 2026 Remediation
	ERM Risk Assessment Process	

REQUESTED ACTION

Receive and file the Enterprise Risk Assessment Project update and refer to the KHS Board of Directors.



MEMORANDUM

TO: Kern Health Systems Governance and Compliance Committee
FROM: Deborah Murr, Chief Compliance and Fraud Prevention Officer
SUBJECT: Department of Justice Statewide Fraud, Waste, and Abuse
DATE: May 29, 2025

BACKGROUND

Fraud, as defined in Title 42 Code of Federal Regulations (“CFR”) Section 455.2 is an intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person.

The Fraud Section is an integral part of the Department of Justice’s (DOJ) efforts to investigate and prosecute complex crimes, particularly large national and international corporate cases. The Health Care Fraud Unit uses advanced data analytics and algorithmic methods to identify new or emerging health care fraud schemes and to target the most egregious fraudsters.

Fraud, waste, and abuse (FWA) has been identified in several areas of healthcare. Health plans, such as Kern Health Systems (KHS), are required to have a plan to analyze, review, identify, and report any fraudulent activities to both the Department of Health Care Services and the DOJ. Of particular interest identified during the DOJ Statewide meeting held on May 7, 2025, in San Francisco, was regarding hospice services.

Ensuring KHS has appropriately trained staff, data analytics, source materials, and documentation to identify FWA is critical to the fiduciary responsibility for KHS’s Medi-Cal funding.

REQUESTED ACTION

Receive and file the Department of Justice Statewide Fraud, Waste, and Abuse update and refer to the KHS Board of Directors.

Department of Justice

Fraud, Waste, Abuse Updates
May 2025



**KERN HEALTH
SYSTEMS**



Department of Justice Background Information

Medicaid Fraud Control Unit <https://oag.ca.gov/dmfea>

- Civil
- Criminal
- Facilities Enforcement

Source of Referrals

- Other law enforcement agencies
- DHCS
- Managed Care Plans
- Qui Tam actions
- Ground-up investigations
- Federal partners



Data and Needed Sources

Investigative File (non-exhaustive list)

- Claims data
- Medical records
- Correspondence to/from provider and others
- Member interviews
- Member complaints
- Provider agreements
- Provider guidance documents



Hospice Fraud Issues

"Hospice is now a 22-billion-dollar industry rampant with fraud and abuse. In California, hospice fraud has been one of our top types of fraud for several years, with the number of cases increasing each year."
New Yorker Magazine

Hospice Fraud Issues

Medical Necessity

- Battle of the experts
- Terminal diagnosis

Extended Hospice Care

- Normally approved in 6-month intervals

"Churn and Burn"

- Hospice shuts down and opens as a new entity



Revenue Code 650

Hospice Revenue Codes

650 (high rate)

- The first 60 days of routine home care in a recipient's certification period will utilize revenue code 0650 (routine home care high rate).

659 (low rate)

- Any subsequent days of care beyond the 60-day period, will utilize revenue code 0659 (routine home care low rate)

Fraud: As defined in Title 42 Code of Federal Regulations ("CFR") Section 455.2 fraud means:

"An **intentional** deception or **misrepresentation** made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person."



Methodology for Recovery Letters



(A) Determine the member's admission



(B) Determine the 60th day from the member's admission date. Routine home care rendered from the member's admission date through the 60th day was billed appropriately under Revenue Code 0650.



(C) Determine the 61st day from the member's admission date. Revenue Code 0650 billed with service dates on or after the 61st day from member's admission date was up-coded and paid inappropriately.



(D) For each calendar month, determine the total amount paid for Revenue Code 0650 billed with service date on or after the 61st day from the member's admission date.



(E) Determine the Revenue Code 0659 reimbursement rate for the service date billed



(F) For each calendar month, multiply the applicable Revenue Code 0659 reimbursement rate by the total number of days Revenue Code 0650 was paid and billed with service dates on or after the 61st day from member's admission date. The product is the total amount due for Revenue Code 0659



(G) For each calendar month, subtract the total amount due for Revenue Code 0659 from the total amount paid for Revenue Code 0650 billed with service dates on or after the 61st day from the member's admission date. The difference is the overpayment amount.



CA Code of Regulations Title 28 Sec 1300.71

(B) (5)

A plan or a plan's capitated provider shall not request reimbursement for the overpayment of a claim, including requests made pursuant to Health and Safety Code Section 1371.1, unless the plan or the plan's capitated provider sends a written request for reimbursement to the provider within 365 days of the Date of Payment on the over paid claim. The written notice shall include the information specified in section (d)(3). **The 365-day time limit shall not apply if the overpayment was caused in whole or in part by fraud or misrepresentation on the part of the provider.**

Thank You

Deborah Murr, Chief Compliance and Fraud
Prevention Officer



MEMORANDUM

TO: Kern Health Systems Governance and Compliance Committee
FROM: Deborah Murr, Chief Compliance and Fraud Prevention Officer
SUBJECT: Compliance Internal Audit Roadmap
DATE: May 29, 2025

BACKGROUND

An internal audit is a methodical and independent review of an organization's operations, processes, and internal controls. It determines whether the corporation is managing risk, creating a profit, and complying with felony rules. Internal audits provide valuable records to enhance general commercial enterprise governance, identify fraud, and enhance overall performance.

A compliance audit refers to the process to validate that an organization adheres to all applicable laws, regulations, guidelines, and standards of its industry. This is extremely important in highly regulated healthcare industries. These audits assist with avoiding legal penalties, reputational damage, and financial losses by ensuring all processes and policies aligning with legal and regulatory requirements and internal compliance standards.

The advantage of conducting internal audits provides visibility and opportunities to enhance operational efficiencies, strengthen risk management, facilitate regulatory compliance, improved internal controls, enhance financial precision, and protect against fraud.

Utilizing an industry standard approach to auditing helps to ensure the audits produce meaningful outcomes and direction for remediation. This requires five questions to be addressed:

- Criteria
- Condition
- Consequence
- Cause
- Corrective Action

REQUESTED ACTION

Receive and file the Compliance Internal Audit Roadmap update and refer to the KHS Board of Directors.

2025
Compliance Program
Compliance Auditing Monitoring Plan

Entity	Source	Reference	Topic	Item being Monitored/ Audited	Previous Regulatory Deficiencies	Functional Department	Departmental Mitigation Summary	Responsible for Reporting	Compliance Auditing or Monitoring															
									Method	Sample Size	Reporting	Method of Reporting	Frequency	January	February	March	April	May	June	July	August	September	October	November
DMHC	2023 DMHC Audit Report	Section 1368.015(a) and (c)(3).	Grievance & Appeals	KHS grievance form on website	2023 DMHC Audit Report (1)The Plan's online grievance form fails to correctly display the statement required by Section 1368.015(c)(3).	Member Services	Correction made as part of 04/20/2024 Corrective Action Submission	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	N/A	Internal Audit Results Summary	Compliance Committee	Annually						A					
DMHC	2023 DMHC Audit Report	Section 1368(a)(1); Rule 1300.68 (a)(1), (4) and (e)(2).	Grievance & Appeals	Exempt Grievances	The Plan does not consistently identify all issues within exempt grievances and fails to consistently document adequate consideration, investigation, and resolution of exempt grievances.	Member Services	Implementation of screening tool and training	Quality (Director of Quality Improvement and QI Supervisor, RN)	Department Audit - QI	50	QI Audit Results Summary	Compliance Committee	Quarterly		M			M			M		M	
DMHC	2023 DMHC Audit Report	Rule 1300.70 (a)(1) and (3), (b)(1)(A) and (B).	Grievance & Appeals	Exempt Grievances - PQI	The Plan fails to consistently identify potential quality issues (PQI's) with exempt grievances.	Member Services		Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual			A					A			
DMHC	2023 DMHC Audit Report	Section 1368.01 (b); Rule 1300.68.01(a)(1).	Grievance & Appeals	Expedited Grievances	Upon receipt of an expedited grievance, the Plan does not consistently provide immediate notification to the enrollee of the right to notify the Department of the grievance.	Member Services	Updated Member Services knowledge database	Member Services (Member Services Manager)	Department Audit - MS		Executive Summary Individual grievance review Results	Compliance Committee	Quarterly		M			M			M		M	
							Member Services implemented quarterly audits	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30 (or entire universe if less than 30 (Timeliness on entire universe)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual			A					A			
DMHC	2023 DMHC Audit Report	Section 1368(a)(5); Rule 1300.68(d)(3).	Grievance & Appeals	Standard Grievances	The Plan's written responses to grievances do not consistently include a clear and concise explanation of the Plan's decision.	Member Services	Grievance Response Template letter updated	Member Services (Member Services Manager)	Department Audit - MS	30	Executive Summary Individual grievance review Results	Compliance Committee	Quarterly		M			M			M		M	
							Member Services implemented quarterly audits	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30 (Timeliness on entire universe)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual			A						A		
DMHC	2023 DMHC Audit Report	Section 1368(a)(5); Rule 1300.68 (d)(4).	Grievance & Appeals	Prior Authorization - criteria included in letters	The Plan's written responses to grievances involving delay, denial, or modification of health care services based on medical necessity do not consistently include a description of the criteria or guideline used and the clinical reasons for the Plan's decision.	Utilization Management	Utilization Management (Sr. Director of Health Services)	Utilization Management Audits of Prior Auth	Department Audit - UM	150	Executive Summary Trending	Compliance Committee	Quarterly		M			M			M		M	
				Quality Improvement		Updated letter templates	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30 (Timeliness on entire universe)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual						A			A			
						Training completed	Quality (Director of Quality Improvement and QI Supervisor, RN)	Department Audit - QI	30	QI Audit Results Summary	Compliance Committee	Quarterly		M			M			M		M		
						Utilization Management Audits of Prior Auth	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30 (Timeliness on entire universe)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual							A			A		
DMHC	2023 DMHC Audit Report	Section 1368.02 (b).	Grievance & Appeals	Standard Grievances - required language in letters	The Plan's written grievance communications fail to consistently publish or fail to correctly publish the statement required by Section 1368.02(b).	Member Services	Grievance templates updated with language verbatim	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30 (Timeliness on entire universe)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual					A			A			
DMHC	2023 DMHC Audit Report	Rule 1300.67.2.3(a)(3).	Access and Availability	Provider Corrective Action Plans	The Plan's advanced written notice to contracted providers affected by a corrective action did not include the telephone number of the person authorized to respond to provider concerns regarding the Plan's corrective actions.	Provider Network Management	Policy 4.40-P updated CAP template to include	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30 (or entire universe if less than 30)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Annual							A				

2025
Compliance Program
Compliance Auditing Monitoring Plan

Entity	Source	Reference	Topic	Item being Monitored/ Audited	Previous Regulatory Deficiencies	Functional Department	Departmental Mitigation Summary	Responsible for Reporting	Compliance Auditing or Monitoring																
									Method	Sample Size	Reporting	Method of Reporting	Frequency	January	February	March	April	May	June	July	August	September	October	November	December
DMHC	2023 DMHC Audit Report	Section 1367.27 (m)(3).	Access and Availability	Online Provider Directory / KHS Website	The Plan does not include a hyperlink to a form in its online provider directory to allow enrollees, potential enrollees, other providers, or the public to directly report possible inaccurate, incomplete, or misleading information to the Plan.	Provider Network Management	Added to website: https://www.kernfamilyhealthcare.com/forms/provider-directory-feedback-form/	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	N/A	Internal Audit Results Summary	Compliance Committee	Annually					A							
DMHC	2023 DMHC Audit Report	Section 1367.27 (o)(2)(B).	Access and Availability	Provider Directory Discrepancies	The Plan's documentation in response to receipt of a report of a potential directory inaccuracy does not comply with statutory requirements.	Provider Network Management	Update the Plan's Provider Feedback Log	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	N/A	Internal Audit Result Summary	Compliance Committee	Annual									A			
DMHC	2023 DMHC Audit Report	Section 1367.01 (h)(1)-(3).	Utilization Management	Prior Authorization - Timeliness	The Plan does not consistently make denial, modification and concurrent review decisions in a timely manner and does not consistently notify the enrollee in writing of the decision in the required timeframe.	Utilization Management	Previously mitigated	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual						A				A		
DMHC	2023 DMHC Audit Report	Section 1368.02 (b).	Utilization Management	Prior Authorization - required language in letters	The Plan's utilization management decision letters do not correctly display the required paragraph as set forth at Section 1368.02(b).	Utilization Management	Templates updated	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual						A				A		
DMHC	2023 DMHC Audit Report	Section 1367.01 (h)(4).	Utilization Management	Prior Authorization - Criteria included in letters	The Plan's utilization management decision letters do not consistently include a description of the criteria or guidelines used, and the clinical reasons for the decisions regarding medical necessity.	Utilization Management	Refresher Training Departmental Audits	Utilization Management (Sr. Director of Health Services)	Department Audit - UM	150	Executive Summary Trending	Compliance Committee	Quarterly		M				M				M		
								Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30 (Timeliness on entire universe)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual							A				A	
DMHC	2023 DMHC Audit Report	Section 1367.01 (h)(4).	Utilization Management	Prior Authorization - Inability to reach Medical Director on phone number in NOAs	The Plan's utilization management denial and modification decision letters do not include the direct telephone number or an extension of the healthcare professional responsible for the decision.	Utilization Management	Revised letter templates Compliance Test Calls	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	10	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Monthly	A	A	A	A	A	A	A	A	A	A	A	A
DMHC	2023 DMHC Audit Report	Section 1367.01 (j).	Utilization Management	Prior Authorization and Appeals Audit Results	The Plan has not established an effective quality assurance process to assess and evaluate compliance with Section 1367.01(h).	Utilization Management	QI present audit results in Compliance Committee	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Monitoring	N/A	QI Appeal and UM Prior Auth Audit Results Trending Reports & Charts (to be developed)	Compliance Committee	Quarterly						M		M		M		
DMHC	2023 DMHC Audit Report	Section 1367.01(h)(3).	Utilization Management	Concurrent Review	The Plan failed to consistently demonstrate that for concurrent review denials, care was not discontinued until the enrollee's treating provider had been notified and agreed to an appropriate care plan.	Utilization Management	Peer-to-peer discussion implementation and form Contact by phone Updated policies and procedures	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30 (Timeliness on entire universe)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual							A			A		
DMHC	2023 DMHC Audit Report	Section 1262.8(d) (1)(A) and (B), (d)(2), (i), and (j); Section 1363.5(a); Section 1367.01(b); Section 1371.4(a), (d), (j)(1) and (2); Section 1386(b)(1); Rule 1300.71.4(b) and ©	Emergency Services and Care	Post-Stabilization	The Plan inappropriately denies post-stabilization care and is operating at variance with policies filed with the Department.	Utilization Management	Updated policies and procedures Training Updated non-contracted hospital notice	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30 (Timeliness on entire universe)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual							A			A		

2025
Compliance Program
Compliance Auditing Monitoring Plan

Entity	Source	Reference	Topic	Item being Monitored/ Audited	Previous Regulatory Deficiencies	Functional Department	Departmental Mitigation Summary	Responsible for Reporting	Compliance Auditing or Monitoring																
									Method	Sample Size	Reporting	Method of Reporting	Frequency	January	February	March	April	May	June	July	August	September	October	November	December
DMHC	2023 DMHC Audit Report	Section 1371.4 (b) and (c).	Emergency Services and Care	Emergency Claims	The Plan improperly denied payment for emergency services and treatment.	Claims	Update policy 6.01-P Refresher Training	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	30 (Timeliness on entire universe)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Semi-Annual							A			A		
DHCS	2023 DHCS Medical Audit	Exhibit E, 2.26 (B) (7)	Administrative Capacity	Fraud and Abuse Reporting Timeliness	The Plan did not report potential FWA to DHCS within ten working days.	Compliance	Updated Member Services Knowledge database Compliance presents periodically in Member Services Team Meeting Implemented emails upon late receipt of FWA referral	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Monitoring	N/A	FWA Reporting Charts	FWA Committee	Quarterly		M			M		M				M	
DHCS	2023 DHCS Focus Audit	APL 22-006	2.1 Care Management and Care Coordination	Behavioral Health	The Plan did not ensure the provisions of coordination of care to deliver mental health care services to members.	Behavioral Health	Episode Reconciliation Report KBHRS meetings Process update to refer BH grievances to BH team	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	N/A	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Annual							A					
DHCS	2023 DHCS Focus Audit	APL 22-005	2.2 Coordination of Non-Specialty Mental Health Services and Specialty Mental Health Services	Behavioral Health Care Transitions	The Plan did not coordinate with the county MHP to facilitate care transitions and guide referrals for members receiving NSMS to transition to an SMHS provider and vice versa.	Behavioral Health	BH referral desktop level procedure Episode Reconciliation Report Monthly Outcome Reports Referral Tracking Report TOC Report	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	N/A	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Annual							A					
DHCS	2023 DHCS Focus Audit	APL 21-014	2.3 Confirmation of Referred Treatments for Substance Use Disorder	Behavioral Health SUD Referrals	The Plan did not make good faith efforts to confirm whether members received referred SUD treatments and document when and where the services were received, as well as any next steps following treatment.	Behavioral Health	Episode Reconciliation Report Updated processes	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	N/A	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Annual							A					
DHCS	2023 DHCS Focus Audit	APL 21-014	2.4 Follow up for Referred Substance Use Disorder Treatments	None	The Plan did not have a process in place to follow up with members who did not receive referred SUD treatment to understand barriers and make subsequent adjustments to referrals.	Behavioral Health	Episode Reconciliation Report Updated processes	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	N/A	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Annual							A					
DHCS	2023 DHCS Focus Audit	APL 22-008	3.1 Monitoring Levels of Service Modification	Transportation Level of Service Modification	The Plan did not adequately monitor and oversee its transportation broker to ensure compliance with the requirement that the transportation broker is not modifying the level of transportation service outlined in the PCS form.	Member Services	Member Services implemented Call Audits to monitor	Member Services and Delegation Oversight (Member Services Manager and Delegation Oversight Manager)	Department Auditing - MS	30	Internal Audit Results Summary Detailed Excel Audit Tool	Delegation Oversight Committee	Quarterly		M			M			M			M	
DHCS	2023 DHCS Focus Audit	APL 22-008	3.2 Monitoring of Door-to-Door Assistance	Transportation Door to Door	The Plan did not adequately monitor and oversee its transportation broker to ensure compliance with the requirement that the NEMT provider is providing door-to/door assistance for members receiving NEMT services	Member Services	Member Services implemented member survey	Member Services and Delegation Oversight (Member Services Manager and Delegation Oversight Manager)	Department Monitoring - MS	30	Internal Audit Results Summary Detailed Excel Audit Tool	Delegation Oversight Committee	Quarterly		M			M			M			M	
DHCS	2023 DHCS Focus Audit	APL 22-009	3.3 Monitoring of No-Show Rates	Transportation No Show Rates	The Plan did not adequately monitor and oversee its transportation broker to ensure compliance with the requirement to verify the no-show rates for NEMT and NMT providers.	Member Services	New No Show Reporting	Member Services and Delegation Oversight (Member Services Manager and Delegation Oversight Manager)	Department Monitoring - MS	N/A	Internal Audit Results Summary Detailed Excel Audit Tool	Delegation Oversight Committee	Quarterly		M			M			M			M	
Both	All Plan Letters	Various APLs	All Plan Letter (APL) Compliance	Compliance with All Plan Letters	N/A	Multiple	N/A	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Audit	1 per month (based on risk assessment of previously implemented APLs)	Internal Audit Results Summary Detailed Excel Audit Tool	Compliance Committee	Monthly						A	A	A	A	A	A	A

2025
Compliance Program
Compliance Auditing Monitoring Plan

Entity	Source	Reference	Topic	Item being Monitored/ Audited	Previous Regulatory Deficiencies	Functional Department	Departmental Mitigation Summary	Responsible for Reporting	Compliance Auditing or Monitoring															
									Method	Sample Size	Reporting	Method of Reporting	Frequency	January	February	March	April	May	June	July	August	September	October	November
DHCS	N/A	DHCS Contract	Fraud, Waste, and Abuse	Transportation Misuse	N/A	Member Services	N/A	Member Services (Member Services Manager)	Department Monitoring - MS	Varies	Excel Results	FWA Committee	Quarterly		M			M		M			M	
Both	N/A	DHCS Contract	Provider Network	Exclusion Lists	N/A	Credentialing	N/A	Quality Performance (Credentialing Manager)	Department Monitoring - QP	Par/Non-Par Provider Universe	Report of Findings	Delegation Oversight Committee	Monthly		M			M					M	
DHCS	Previous DHCS Audit Finding	DHCS Contract	Utilization Management	CBCC POS Audit	Plan did not validate auto-approvals were medically necessary	Utilization Management	Department implementation of audits	Quality (Director of Quality Improvement and QI Supervisor, RN)	Department Audit - QI	10%	QI Audit Results Summary	Compliance Committee	Quarterly		M			M		M			M	
DHCS	Previous DHCS Audit Finding	DHCS Contract	Utilization Management	Gold Card	Plan did not validate auto-approvals were medically necessary	Utilization Management	Department implementation of audits	Quality (Director of Quality Improvement and QI Supervisor, RN)	Department Audit - QI	10%	QI Audit Results Summary	Compliance Committee	Quarterly		M			M		M			M	
DHCS	Previous DHCS Audit Finding (repeat)	DHCS Contract	Utilization Management	Initial Health Appointment	IHA not provided within required timeframes	Utilization Management	Clinical Oversight / Audits	Quality (Director of Quality Improvement and QI Supervisor, RN)	Department Audit - QI	10%	QI Audit Results Summary	Compliance Committee	Quarterly		M			M		M			M	
DHCS	N/A	DHCS Contract	Provider Network	Blood Lead Screening	N/A	Utilization Management	Clinical Oversight / Audits	Quality (Director of Quality Improvement and QI Supervisor, RN)	Department Audit - QI	10%	QI Audit Results Summary	Compliance Committee	Quarterly		M			M		M			M	
DHCS	N/A	N/A	Delegation Oversight	AllMed Prior Auths	N/A	Utilization Management	Clinical Oversight / Audits	Quality (Director of Quality Improvement and QI Supervisor, RN)	Department Audit - QI	TBD	QI Trending Report	Delegation Oversight Committee	Quarterly					M		M			M	
DHCS	N/A	N/A	Delegation Oversight	AllMed Prior Appeals	N/A	Utilization Management	Clinical Oversight / Audits	Quality (Director of Quality Improvement and QI Supervisor, RN)	Department Audit - QI	TBD	QI Trending Report	Delegation Oversight Committee	Quarterly					M		M			M	
DHCS	N/A	DHCS Contract	MOU	MOU Status	N/A	Health & Wellness	N/A	Wellness & Prevention (Manager of Wellness & Prevention Partnerships)	Department Monitoring - W&P	N/A	DHCS Reporting	Compliance Committee	Quarterly		M			M		M			M	
DHCS	N/A	DHCS Contract	Encounter Submissions	Encounter Scorecards	N/A	Claims EDI	N/A	Compliance (Compliance Analyst & Compliance Manager of Audits & Investigations)	Compliance Monitoring	N/A	Trending Report (To be developed)	Compliance Committee	Quarterly							M			M	
Both	N/A	Regulatory Requirements	Regulatory Submissions	Regulatory Submissions Timeliness and Accuracy	N/A	Multiple	N/A	Compliance (Compliance Supervisor & Compliance Manager of Audits & Investigations)	Compliance Monitoring	N/A	Summary Reporting	Compliance Committee	Quarterly							M			M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Privacy / HIPAA	HIPAA Reporting Timeliness	Plan did not report potential breaches/unauthorized disclosures timely	Compliance	Updated workflow Weekly Meetings	Compliance (Compliance Analyst & Manager of Audits & Investigations)	Compliance Monitoring	N/A	Summary Reporting	Compliance Committee	Quarterly		M			M		M			M	
Both	N/A	All Plan Letters (APL)	All Plan Letters (APL)	APL Implementation Status	N/A	Compliance	N/A	Compliance (Sr. Regulatory and Compliance Program Manager)	Compliance Monitoring	N/A	Excel Status Report by APL	Compliance Committee	Quarterly					M		M			M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Health Education	Service Audit	The Plan did not monitor Health Education Classes	Wellness & Prevention	Departmental Monitoring	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Monitoring - W&P	N/A	Presentation of Results	Compliance Committee	Quarterly		M			M		M			M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Health Education	Satisfaction Survey	The Plan did not monitor Health Education Classes	Wellness & Prevention	Implement member satisfaction surveys	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Monitoring - W&P	N/A	Presentation of Results	Compliance Committee	Quarterly		M			M		M			M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Health Education	Class Effectiveness	The Plan did not monitor Health Education Classes	Wellness & Prevention	Implemented pre/post class knowledge	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Monitoring - W&P	N/A	Presentation of Results	Compliance Committee	Quarterly		M			M		M			M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Delegation Oversight	Delegated Credentialing Audits	N/A	Credentialing	Implemented annual credentialing audits	Quality Performance (Credentialing Manager)	Department Audit - QP	100% of credentialing delegates	Summary Detailed Audit Tools	Delegation Oversight Committee	Annually		M									
DHCS	N/A	DHCS Contract	Delegation Oversight	Call Center Statistics	N/A	Member Services	N/A	Member Services (Member Services Manager)	Department Monitoring - MS	N/A	Excel Reporting by delegated entity, by month	Delegation Oversight Committee	Quarterly		M			M		M			M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Delegation Oversight	Transportation Providers	The Plan did not ensure transportation vendors were enrolled with DHCS within required timeframes and/or monitoring for ongoing enrollment	Credentialing	Implemented monthly reporting of DHCS enrollment status	Quality Performance (Credentialing Manager)	Department Monitoring- QP	N/A	Excel Reporting of all transportation providers status	Delegation Oversight Committee	Quarterly		M			M		M			M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Language	Bilingual Staff Call Audit	The Plan did not evaluate performance of bilingual staff	Member Services	Implemented audits of bilingual calls	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Audit - W&P	30	Presentation of Results	Delegation Oversight Committee	Quarterly		M			M		M			M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Delegation Oversight	Post Call Surveys	The Plan did not evaluate delegate performance	Member Services	Implemented post call surveys to include bilingual surveys	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Monitoring - W&P	Varies based on participation	Presentation of Results	Delegation Oversight Committee	Quarterly		M			M		M			M	

2025
Compliance Program
Compliance Auditing Monitoring Plan

Entity	Source	Reference	Topic	Item being Monitored/ Audited	Previous Regulatory Deficiencies	Functional Department	Departmental Mitigation Summary	Responsible for Reporting	Compliance Auditing or Monitoring															
									Method	Sample Size	Reporting	Method of Reporting	Frequency	January	February	March	April	May	June	July	August	September	October	November
DHCS	Prior DHCS Audit Finding	DHCS Contract	Delegation Oversight	Vendor Bilingual Call Audits (AL, Carenet, VSP, Harte Hanks)	The Plan did not evaluate delegate performance	Member Services	Implemented bilingual call audits of delegated subcontractors	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Audit - W&P	30 per delegate	Presentation of Results	Delegation Oversight Committee			M			M			M		M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Delegation Oversight	Language Line Interpreter Call Monitoring	The Plan did not evaluate delegate performance	Member Services	Implemented call audits of multiple languages	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Audit - W&P	30	Presentation of Results	Delegation Oversight Committee			M			M			M		M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Delegation Oversight	Onsite Interpreting Member Satisfaction Survey	The Plan did not evaluate delegate performance	Member Services	Implemented satisfaction surveys for interpreting services	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Monitoring - W&P	30	Presentation of Results	Delegation Oversight Committee			M			M			M		M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Delegation Oversight	Member Satisfaction for Over-the-phone (OPI) & Video Remote Interpreting (VRI)	The Plan did not evaluate delegate performance	Member Services	Implemented satisfaction surveys for interpreting services	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Monitoring - W&P	30	Presentation of Results	Delegation Oversight Committee			M			M			M		M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Delegation Oversight	Translation Member Satisfaction Survey	The Plan did not evaluate delegate performance	Member Services	Implemented member surveys for translation services	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Monitoring - W&P	30	Presentation of Results	Delegation Oversight Committee			M			M			M		M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Delegation Oversight	KHS Staff Satisfaction Survey for OPI services	The Plan did not evaluate delegate performance	Wellness & Prevention	Implemented surveys for translation services	Wellness & Prevention (Cultural and Linguistic Services Manager)	Department Monitoring - W&P	Varies based on volume	Presentation of Results	Delegation Oversight Committee			M			M			M		M	
DHCS	Prior DHCS Audit Finding	DHCS Contract	Administrative Capacity	Fraud, Waste, and Abuse Verification of Services	The Plan did not have a process for verifying services provided were actually received by the member	Compliance	Implemented written survey; replaced by texting survey in 05/2024	Compliance (Regulatory and Compliance Program Manager)	Compliance Monitoring	400- 500	Trending Report of Results	FWA Committee			M			M			M		M	
DHCS	D.0143 - Contractual Website Requirement	DHCS Contract	Website Postings	Website Posting Monitoring	N/A	Multiple	N/A	Compliance (Compliance Analyst (KC) & Manager of Audits & Investigations)	Compliance Audit	N/A	DHCS Review Tool	Compliance Committee	Annual					A						
Both	N/A	N/A	Delegation Oversight	Annual Delegation Oversight - Follow up Audit - VSP	N/A	Multiple	N/A	Compliance (Manager of Audits & Investigations; Multiple business owners)	Delegation Oversight Audit	N/A	Internal Audit Results Summaries Detailed Excel Audit Tool	Delegation Oversight Committee	Annual									A		
Both	N/A	N/A	Delegation Oversight	Annual Delegation Oversight Audit - Follow Up Audit - CareNet	N/A	Multiple	N/A	Compliance (Manager of Audits & Investigations; Multiple business owners)	Delegation Oversight Audit	N/A	Internal Audit Results Summaries Detailed Excel Audit Tool	Delegation Oversight Committee	Annual									A		
Both	N/A	N/A	Delegation Oversight	Annual Delegation Oversight Audit - Follow Up Audit - American Logistics	N/A	Multiple	N/A	Compliance (Manager of Audits & Investigations; Multiple business owners)	Delegation Oversight Audit	N/A	Internal Audit Results Summaries Detailed Excel Audit Tool	Delegation Oversight Committee	Annual										A	
Both	N/A	N/A	Delegation Oversight	Annual Delegation Oversight Audit - AllMed	N/A	Multiple	N/A	Compliance (Manager of Audits & Investigations; Utilization Management; Quality Improvement)	Delegation Oversight Audit	N/A	Internal Audit Results Summaries Detailed Excel Audit Tool	Delegation Oversight Committee	Annual									A		
Both	N/A	DHCS Contract	Claims	Claims Audits	N/A	Claims	N/A	Claims (Sr. Director of Claims)	Department Audit - Claims	TBD	TBD	Compliance Committee	Quarterly							M		M		
Both	N/A	DHCS Contract	Delegation Oversight	Delegation Oversight - Subcontractor Service Level Agreements (SLAs)	N/A	Delegation Oversight	N/A	Delegation Oversight (Delegation Oversight Manager)	Department Monitoring - DO	N/A	Excel report of subcontractor performance	Compliance Committee	Quarterly					M			M		M	
Both	N/A	DHCS Contract	Delegation Oversight	Delegation Oversight AL Joint Operating Meeting (JOM)	N/A	Delegation Oversight	N/A	Delegation Oversight (Delegation Oversight Manager)	Department Monitoring - DO	N/A	Meeting Minutes	Delegation Oversight Committee	Quarterly		M			M			M		M	
Both	N/A	DHCS Contract	Delegation Oversight	Delegation Oversight Carenet Joint Operating Meeting (JOM)	N/A	Delegation Oversight	N/A	Delegation Oversight (Delegation Oversight Manager)	Department Monitoring - DO	N/A	Meeting Minutes	Delegation Oversight Committee	Quarterly		M			M			M		M	

2025
Compliance Program
Compliance Auditing Monitoring Plan

Entity	Source	Reference	Topic	Item being Monitored/ Audited	Previous Regulatory Deficiencies	Functional Department	Departmental Mitigation Summary	Responsible for Reporting	Compliance Auditing or Monitoring																
									Method	Sample Size	Reporting	Method of Reporting	Frequency	January	February	March	April	May	June	July	August	September	October	November	December
Both	N/A	DHCS Contract	Delegation Oversight	Delegation Oversight VSP Joint Operating Meeting (JOM)	N/A	Delegation Oversight	N/A	Delegation Oversight (Delegation Oversight Manager)	Department Monitoring - DO	N/A	Meeting Minutes	Delegation Oversight Committee	Quarterly		M			M			M				
Both	N/A	DHCS Contract	Delegation Oversight	Delegation Oversight LanguageLine Joint Operating Meeting (JOM)	N/A	Delegation Oversight	N/A	Delegation Oversight (Delegation Oversight Manager)	Department Monitoring - DO	N/A	Meeting Minutes	Delegation Oversight Committee	Quarterly		M			M			M				
DHCS	DHCS Contract	DHCS Contract	Compliance with DHCS Contract	Various Sections of DHCS Contract (not covered in other activities) based on Risk Assessment	N/A	Multiple	N/A	Compliance (Compliance Analyst & Manager of Audits & Investigations)	Compliance Audit	1 per month	Internal Audit Results Summaries Detailed Excel Audit Tool	Compliance Committee	Monthly						A	A	A	A	A		
DHCS	DHCS	ECM Policy Guide	Compliance with DHCS Policy Guides	Enhanced Care Management	N/A	Enhanced Care Management	N/A	Compliance (Compliance Analyst & Manager of Audits & Investigations)	Compliance Audit	N/A	Internal Audit Results Summaries Detailed Excel Audit Tool	Compliance Committee	TBD									A	A		
DHCS	DHCS	PHM Policy Guide	Compliance with DHCS Policy Guides	Population Health Management	N/A	Population Health Management	N/A	Compliance (Compliance Analyst & Manager of Audits & Investigations)	Compliance Audit	N/A	Internal Audit Results Summaries Detailed Excel Audit Tool	Compliance Committee	TBD							A		A			
DHCS	DHCS	CSS Policy Guide	Compliance with DHCS Policy Guides	Community Supports	N/A	Community Supports	N/A	Compliance (Compliance Analyst & Manager of Audits & Investigations)	Compliance Audit	N/A	Internal Audit Results Summaries Detailed Excel Audit Tool	Compliance Committee	TBD							A			A		
Both	Regulatory Requirements	Regulatory Requirements	Non-Compliance	Multiple	N/A	Multiple	N/A	Compliance (Director of Compliance)	Compliance Monitoring	N/A	Compliance Issues Log	Compliance Committee	Quarterly							M		M			
Both	Regulatory Requirements	Regulatory Requirements	Policies	Multiple	N/A	Multiple	N/A	Compliance (Policy Team & Compliance Supervisor)	Compliance Monitoring	N/A	Policy Status	Compliance Committee (& Monthly Distribution)	Monthly					M	M	M	M	M	M		
Monitoring														0	37	0	0	37	2	1	46	1	1	46	1
Auditing														1	1	4	0	4	9	10	6	8	14	6	5

Notes:
Subject to change based on business needs and/or newly identified risks
M Monitoring - validate reporting /completion of Task
A Compliance Audit
Completed



MEMORANDUM

TO: Kern Health Systems Governance and Compliance Committee
FROM: Deborah Murr, Chief Compliance and Fraud Prevention Officer
SUBJECT: Compliance Survey Summary
DATE: May 29, 2025

Background

Annually, Kern Health Systems (KHS) Compliance Department conducts an organization wide survey which supports its commitment to ensuring organizational capacity, leadership, financial well-being, investment in our communities, and program integrity. In addition, the Compliance program supports our ability to demonstrate compliance with all applicable federal and state requirements, including but not limited to the Knox-Keene Act 2025 and the DHCS Contract.

Conducting the survey enables the Compliance department to:

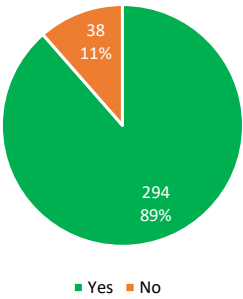
- Understand organizational awareness
- Identify improvement opportunities
- Detect potential issues, generating faster responses for prompt remediation

Year over year comparisons are trended to identify potential knowledge or process gaps. This provides improvement opportunity in the areas of educational support, guidance on regulatory mandates, documentation and timelines; all in the effort to foster greater internal communication of the importance of embracing a culture of compliance within KHS.

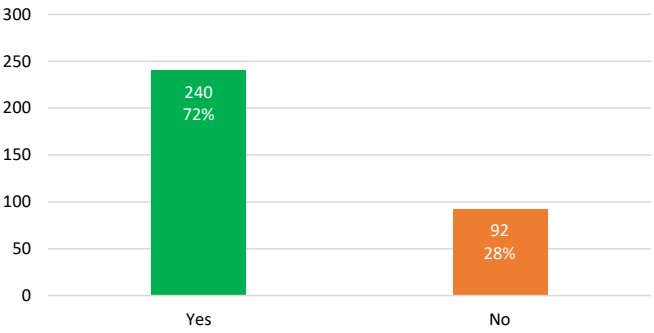
Requested Action

Receive and file the Compliance Survey Summary update and refer to KHS Board of Directors.

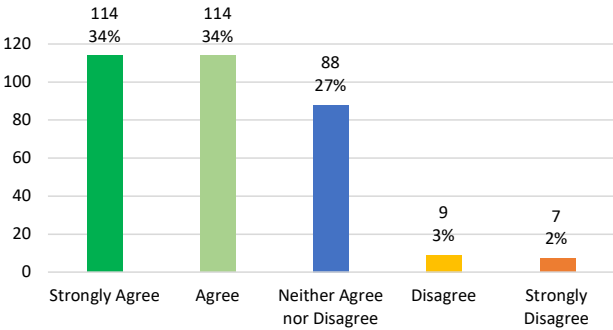
I am aware of the Compliance Program Description and where it can be located.



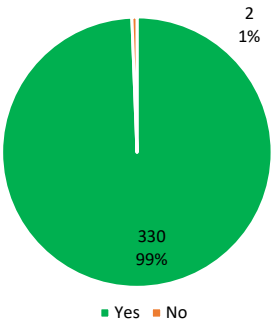
I am familiar with the 7 elements of a Compliance Program.



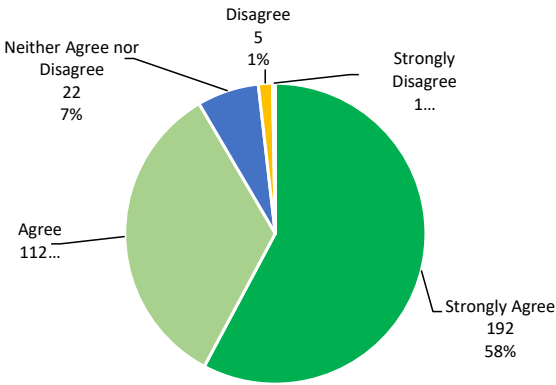
I see people around me at my company consistently taking action to comply with company policies and/or procedures, even if doing so has consequences.



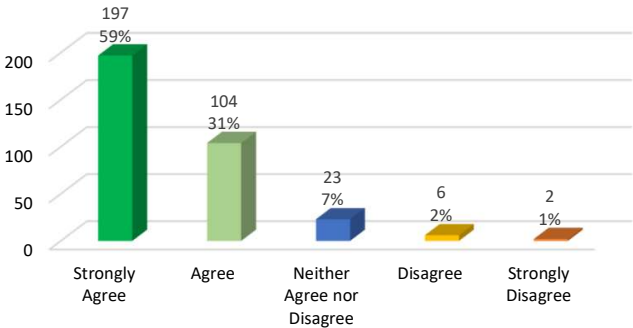
I understand that I am responsible for reporting compliance concerns and that failure to do so may result in disciplinary action, up to and including termination.



Fully complying with policies is a critical part of 'how we do things' at my company.



Managers at my company deeply care about complying with our policies.

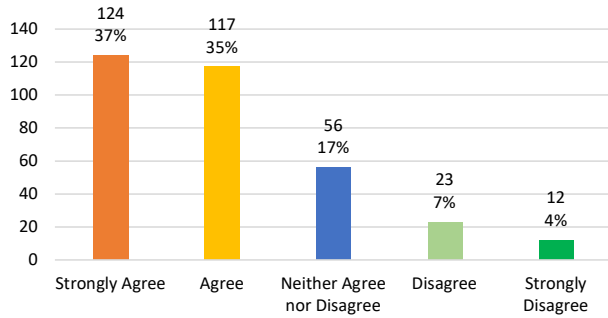


KHS Governance and Compliance Committee Meeting, May 29, 2025

2025 Compliance Awareness Survey

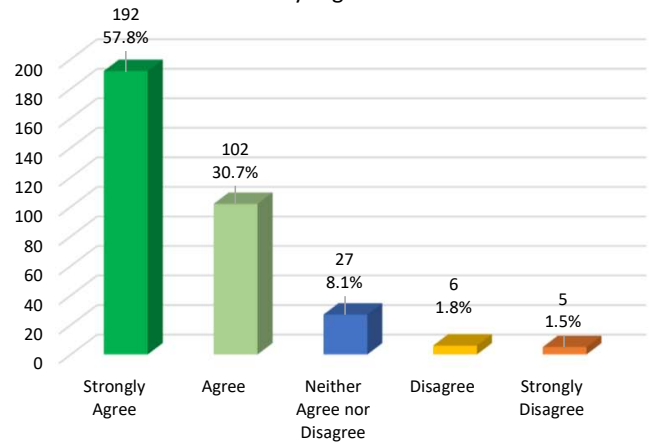
New Questions in 2025

There are "unwritten rules" at my organization that allow people to disregard policies.

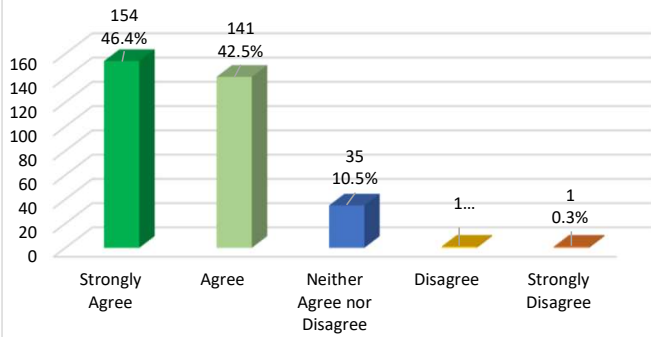


Note: This was question #18, and was worded the "opposite" of other questions, so answers may be reversed.

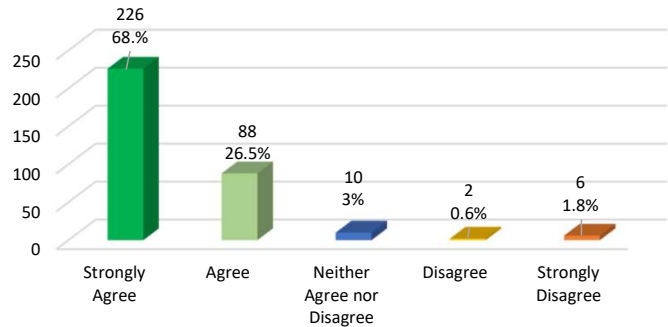
Noncompliance and unethical behavior are not tolerated at my organization.



The monthly Compliance Capsules help to increase my understanding of Compliance and my responsibilities.

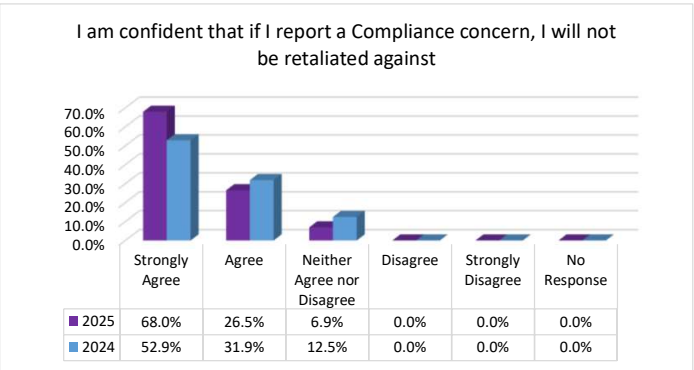
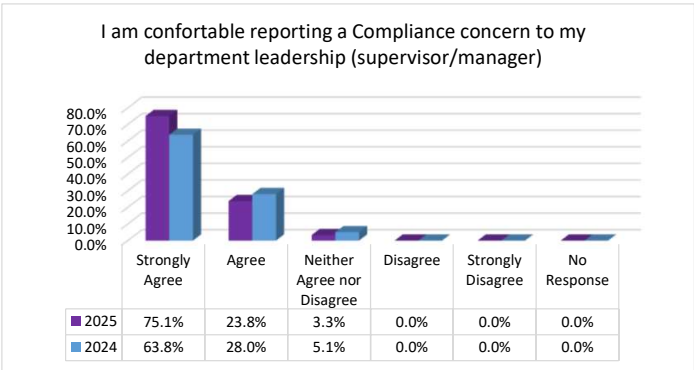
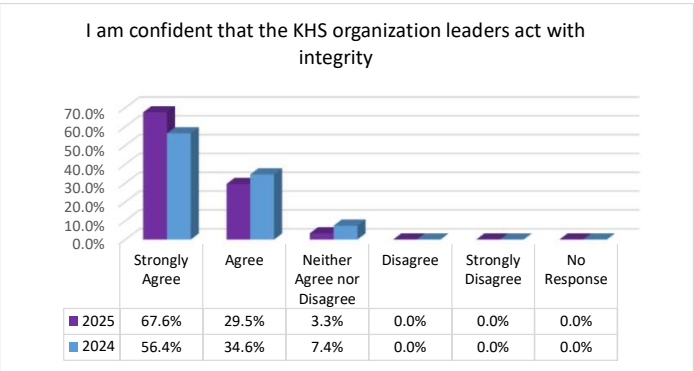
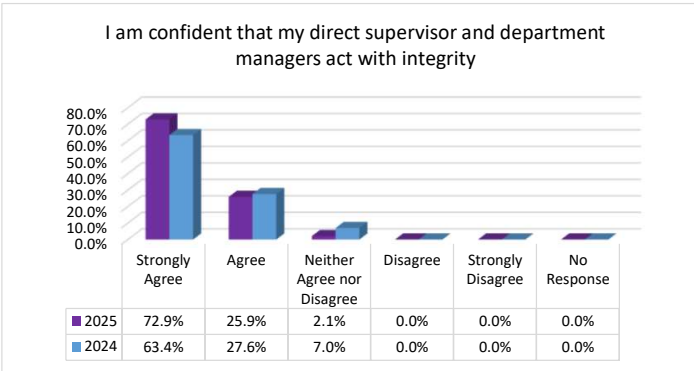
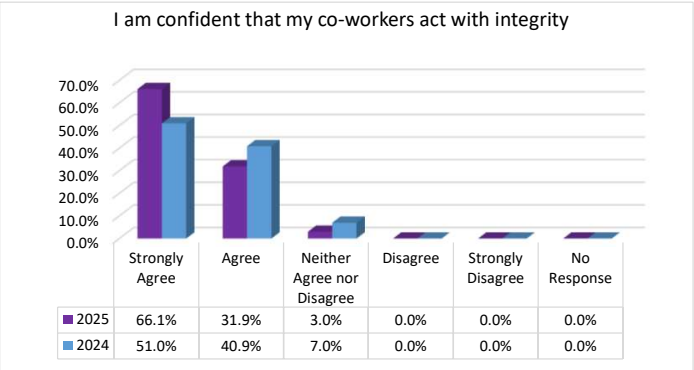
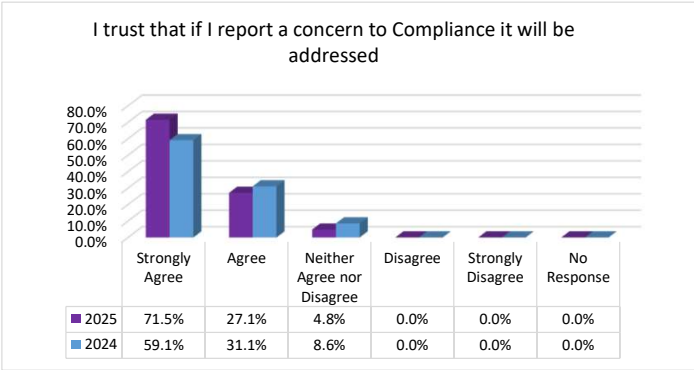


I never feel pressured to violate a policy when I am at work.



KHS Governance and Compliance Committee Meeting, May 29, 2025

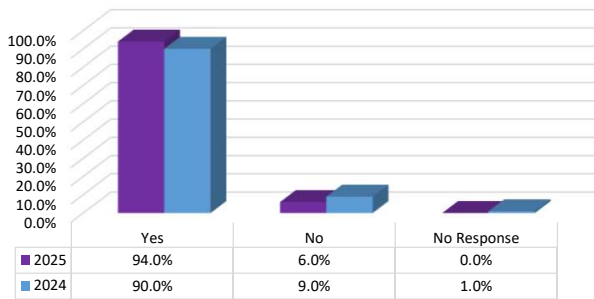
2025 Compliance Awareness Survey
2025 vs. 2024



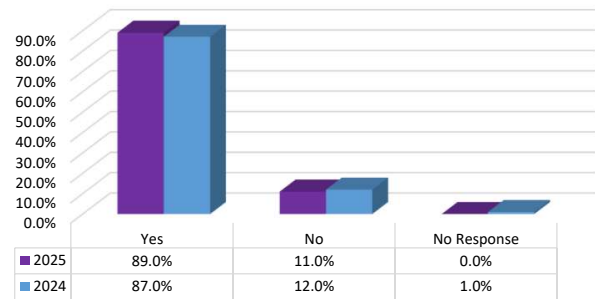
KHS Governance and Compliance Committee Meeting, May 29, 2025

2025 Compliance Awareness Survey
2025 vs. 2024

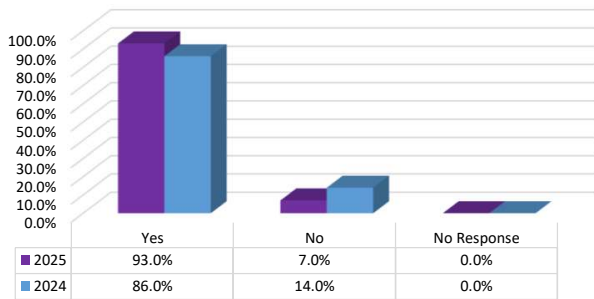
Do you know where to find the Code of Conduct?



Do you know how to find Policies?



Do you know how to report Compliance concerns?



Have you observed any violations to our Code of Conduct or regulatory requirements in the past 12 months?



Identifying and responding to Compliance concerns: Can you think of a time when you saw or overheard something that didn't sit quite right with you?



Management Response to Concerns: Can you think of a time when you felt that your Supervisor/Manager didn't listen to you or act on a compliance and ethics issue that you raised?



Compliance Response to Concerns: Can you think of a time when you felt that Compliance didn't listen to you or act on a compliance and ethics issue that you raised?





MEMORANDUM

TO: Kern Health Systems Governance and Compliance Committee
FROM: Jake Hall, Senior Director of Contracting and Quality Performance
SUBJECT: Managed Care Accountability Set Update
DATE: May 29, 2025

Background

The Managed Care Accountability Set (MCAS) is a California specific, focused subset of HEDIS (Health Effectiveness Data Information Set) measures that DHCS and DMHC use to evaluate managed care plan performance. These measures include well child visits, adolescent vaccinations, breast cancer screenings, Diabetes monitoring, blood pressure control, and a host of other preventative care services. The measures are categorized into various “domains” such as Chronic Disease Management, Behavioral Health, Cancer Prevention, Women, and Children’s domains. The QP team is responsible for plan monitoring and oversight of MCAS performance annually, as well as evaluation of ongoing MCAS activities. This overview provides an update on our annual MCAS audit progress, 2025 year to date performance, and a comparison of past years’ performance.

Discussion

The annual MCAS audit is nearing completion for MY2024. Significant improvement has been achieved in overall performance compared to the last six years. KHS is meeting or exceeding MPL in 12 of 18 measures compared to 8 of 18 measures in 2023. The MCAS measure met include AMR, BCS, CBP, CCS, CHL, GSD, IMA, LSC, PPC-Pre, PPC-Post, TFL-CH, and W30 (15-30). 4 measures meeting or exceeding MPL are in the Children’s domain of care, which is the first time meeting MPL in this domain since MY2019.

For MY2025, KHS is currently meeting MPL for 3 measures based on year-to-date administrative data only. Improvement is noted in 14 MCAS measures compared to the same point in time last year with 3 additional measures within 5% of MPL.

Various collaborative initiatives led to the overall improvement, including but not limited to:

- Utilizing data driven locations with mobile unit partnerships to pinpoint areas in need and disparaged populations,
- Increased visibility into real-time performance with 3 additional supplemental data sources
- Provider partnerships to expand clinic hours and days

-
- Expansion of communication methods including text messages and a dedicated outreach team
- Enhancements in audit process
- Increased Electronic Medical Record (EMR) access

Fiscal Impact

The fiscal impact of not achieving and maintaining satisfactory MCAS rates may be severe to the health plan. This includes sanctions which may come in the form of monetary fines, reduction in default assignment, reduction in membership, and ultimately revocation of the plan from the Medi-Cal program. Another cost is utilization and increased costs of care associated with the lack of preventive care, that turns preventable conditions into chronic conditions. The ultimate cost is paid by the membership in the form of reduced health status and a diminished quality of life. Access to high quality and equitable care is what MCAS drives, and what we as a plan are striving to deliver to the more than 400,000 lives we cover.

Requested Action

Receive and file the Managed Care Accountability Set Update and refer to KHS Board of Directors.