Policy:	GG.1615
Title:	**Corrective Action Plan for Practitioners and Organizational Providers**
Department:	Medical Management
Section:	Quality Improvement
CEO Approval:	*/s/ Michael Hunn 12/20/2024*
Effective Date:	08/01/1998
Revised Date:	12/01/2024
Applicable to:	☒ Medi-Cal ☒ OneCare ☒ PACE ☐ Administrative

I. PURPOSE

This policy defines the appropriate Corrective Action process that CalOptima Health shall use for Practitioners and Organizational Providers (OPs), including routine monitoring, investigation, and Corrective Action related to their clinical practice.

II. POLICY

A. The Quality Improvement Health Equity Committee (QIHEC) oversees CalOptima Health's Quality Improvement activities. CalOptima Health's Chief Executive Officer (CEO) and Chief Medical Officer (CMO) are responsible for the Quality of Care of services provided by CalOptima Health.

B. CalOptima Health's CMO or their physician Designee working through, as appropriate, such standing or ad hoc peer review committee as CalOptima Health may from time to time establish, shall design and implement an effective quality program for the following purposes:

1. To monitor and assess the quality of professional practice of all Practitioners, and Organizational Providers (OPs); and

2. To promote high quality of practice by providing education and counseling, issuing letters of admonition, warning or censure, as necessary; and requiring routine monitoring when deemed appropriate by CalOptima Health or the CalOptima Health Credentialing and Peer Review Committee (CPRC).

C. CalOptima Health may conduct an investigation and initiate Corrective Action against an individual Practitioner or OP in any Health Network to ensure the safety of CalOptima Health Members.

D. CalOptima Health shall take Corrective Action for either Non-Medical and Medical Disciplinary Cause or Reason, in accordance with the terms and conditions of this Policy.

E. Corrective Actions may be imposed based on administrative or clinical findings. Certain investigations and Corrective Actions (*e.g.*, restriction of members or services) taken on the basis of a Medical Disciplinary Cause or Reason may be reportable under Section 805 and to the National Practitioner Data Bank (NPDB).

F. CalOptima Health shall implement any suspension or restriction imposed on a Practitioner for a Medical Disciplinary Cause or Reason in accordance with CalOptima Health Policy GG.1658: Summary Suspension or Restriction of Practitioner Participation in CalOptima Health's Network.

G. CalOptima Health shall notify a Practitioner and OPs, in writing, in accordance with that Practitioner or OP's contract, but in no case less than ninety (90) calendar days prior to terminating the Practitioner's participation without cause, if appropriate.

H. Health Networks shall have policies and procedures consistent with this Policy that provide Practitioners and OPs with a Corrective Action process when the Health Network takes or proposes action including routine monitoring, Corrective Action, or investigation.

III. PROCEDURE

A. Routine Monitoring

1. All Practitioners and OPs, regardless of status, shall be subject to routine monitoring.

2. The Quality Improvement (QI) Department shall conduct regular patient reviews and studies of practice consistent with CalOptima Health general quality assessment and improvement activities and shall investigate Potential Quality Issues (PQI) and complaints and Quality of Care incidents in accordance with CalOptima Health Policy GG.1611: Potential Quality Issue Review Process and shall report to the CPRC the results of investigations deemed a Quality of Care issue.

3. The QI Department shall routinely monitor, trend, and analyze Practitioner and OP PQI cases and Grievances.

4. If any issues or trends emerge with any Practitioner or OP during the monitoring process and to assist them to conform their conduct or practice to the standards of CalOptima Health, the CMO or their physician Designee may issue informal comments or suggestions either orally or in writing or take Corrective Action as outlined in Section III.C. of this Policy.

5. Informal comments or suggestions shall be confidential and may be issued by the CMO or their physician Designee with or without prior discussion with the recipient and with or without consultation with any CalOptima Health committee.

    a. Such comments or suggestions shall not constitute a restriction of practice prerogatives and shall not be considered to be a "Corrective Action" as that term is used in Section III.C.

B. Corrective Action for Medical Disciplinary or Non-Medical Disciplinary Cause or Reason

1. Criteria for Initiation

    a. Any person may provide information to the CMO, QIHEC, CPRC or QI Department about the conduct, performance, or competence of any CalOptima Health Practitioner or OP.

    b. A request for an investigation or action against a CalOptima Health Practitioner or OP may be initiated by the CalOptima Health CMO, the CEO, the QIHEC, the CPRC, or the QI Department when reliable information indicates that the Practitioner or OP has exhibited acts, demeanor, or conduct reasonably likely to be:

i. Detrimental to patient safety or to the delivery of quality patient care;

ii. Unethical;

iii. Contrary to CalOptima Health policies, rules, and regulations.

iv. Contrary to their CalOptima Health agreement (if applicable), or,

v. Below applicable CalOptima Health standards.

2. Initiation

   a. A request for an investigation must be submitted to the CalOptima Health Quality Improvement Department, in accordance with CalOptima Health Policy GG.1611: Potential Quality Issue Review Process and must be supported by reference to specific activities or conduct alleged to be detrimental to patient safety or to the delivery of quality patient care, unethical, contrary to CalOptima Health policies or the CalOptima Health contract (if applicable), or below CalOptima Health standards.

3. Investigation

   a. If the CalOptima Health CPRC concludes that an investigation is warranted, it shall direct an investigation to be undertaken in accordance with CalOptima Health Policy GG.1611: Potential Quality Issue Review Process.

   b. In the event of a formal investigation during the credentialing (or recredentialing) process and the Practitioner or OP withdraws their credentialing application, CalOptima Health shall determine if an 805 report and/or report to the NPDB is required, in accordance with CalOptima Health Policy GG.1657: State Licensing Board and National Practitioner Data Bank (NPDB) Reporting.

4. Corrective Action

   a. Corrective Action can be taken as a result of issues found through routine monitoring and subsequent PQI investigations in accordance with CalOptima Health Policy GG.1611: Potential Quality Issue Review Process, or as a result of issues found during formal investigations.

   b. The Corrective Action may be for a non-medical/administrative reason or a Medical, Disciplinary Cause or Reason, and if, for a Medical Disciplinary Cause or reason may result in a reportable action.

   c. At the conclusion of the investigation, the CPRC shall determine whether to recommend any Corrective Action, and if so, whether the Corrective Action recommended is for a non-medical or Medical Disciplinary Cause or Reason, and will determine if action is reportable pursuant to CalOptima Policy Health GG.1657: State Licensing Board and the National Practitioner Data Bank (NPDB) Reporting.

   d. Corrective Action for a Non-Medical Disciplinary Cause or Reason

i. If a Corrective Action is recommended for a "non-medical disciplinary cause or reason" such as customer service-related issues or delays in responding to medical records requests, the Corrective Action may include, without limitation, the following:

a) Deferring action for a reasonable time, not to exceed one hundred twenty (120) calendar days, where circumstances warrant;

b) Sending the Practitioner or OP a community best practice letter;

c) Recommending Practitioner education;

d) Recommending office staff training;

e) Requesting a written Corrective Action Plan (CAP) with appropriate time frames for correction from the Practitioner demonstrating how the issue will be prevented in the future;

f) Issuing a letter of warning, admonition, reprimand, or censure, although nothing herein shall be deemed to preclude the CMO, or their physician Designee, the CPRC, or the QIHEC from issuing informal written or oral warnings outside of the mechanism for Corrective Action; or

g) Taking other actions deemed appropriate under the circumstances, including, but not limited to, closing physician panels or freezing specialist referrals.

ii. A Corrective Action for a "non-medical disciplinary cause or reason" shall not constitute a restriction of practice prerogatives, shall not be considered to be a reportable Corrective Action for a "Medical Disciplinary Cause or Reason" as that term is used in Section III.B.4.e. of this Policy, and shall not give rise to hearing rights as outlined in CalOptima Health Policy GG.1616: Fair Hearing Plan for Practitioners.

iii. If no improvement is found after the "non-medical disciplinary" Corrective Action is taken within the specified time frame and the issue addressed in the action is a contractual requirement, the CPRC may escalate the case to CalOptima Health's Office of Compliance for further action.

e. Corrective Action for a "Medical Disciplinary Cause or Reason"

i. If a Corrective Action is recommended for a "Medical Disciplinary Cause or Reason," CPRC may recommend one or more of the following actions:

a) Deferring action for a reasonable time, not to exceed one hundred twenty (120) calendar days, where circumstances warrant.

b) Sending the Practitioner or OP a best practice letter.

c) Recommending Practitioner education.

d) Recommending a written CAP from the Practitioner clearly demonstrating how the issue will be prevented in the future.

e) Issuing a letter of warning, admonition, reprimand, or censure, although nothing herein shall be deemed to preclude the CMO, or their physician Designee, the CPRC, or the QIHEC from issuing informal written or oral warnings outside of the mechanism for Corrective Action.

f) Recommending mandatory participation in: UCSD PACE Competency Assessment, Continuing Professional Development (CPD) courses, Continuing Medical Education (CME) courses, and/or a Physician Enhancement Program (PEP).

g) Imposing, or the Practitioner's voluntarily acceptance of, a suspension of or restrictions on a Practitioner's provision of services to CalOptima Health Members.

h) Terminating participation in CalOptima Health's network.

ii. Actions taken for a "Medical Disciplinary Cause or Reason" may require reporting to the licensing Board under California Business and Professions Code Section 805 and/or 805.01 and/or reporting to the National Provider Data Bank (NPDB) pursuant to CalOptima Health Policy GG.1657: State Licensing Board and the National Practitioner Data Bank (NPDB) Reporting. Reporting under that policy may also be required upon resignation or a leave of absence by a Practitioner from participation in CalOptima Health programs after notice of an investigation initiated for a "Medical or Disciplinary Cause or Reason."

iii. For an action that must be reportable under Section 805/805.01 hearing eligible, as described in CalOptima Health Policy GG.1658: Summary Suspension or Restriction of Practitioner Participation in CalOptima Health's Network, include Medical Disciplinary Cause or Reasons such as:

a) Incompetence;

b) Gross deviation from the standard of care;

c) Self-prescribing or self-administering controlled substances;

d) Abusing drugs or alcohol;

e) Repeated acts of excessive prescribing or providing controlled substances, and

f) Sexual misconduct with a patient.

iv. If the investigation concludes there is nothing of merit, no Corrective Action will be taken.

C. Subsequent Actions

1. If the CPRC recommends any reportable Corrective Action which would entitle a Practitioner to request a hearing, pursuant to CalOptima Health Policy GG.1616: Fair Hearing Plan for Practitioners, the CPRC shall give the Practitioner written notice of its recommendation, as provided in the CalOptima Health Policy GG.1616: Fair Hearing Plan for Practitioners prior to imposing such action. A copy of that notice shall be sent to the QIHEC for informational

purposes only. The CPRC shall also provide notice to CalOptima Health's Office of Compliance and to Legal Affairs. The written notice shall include:

a. The reasons for the action;

b. The standards and profiling data used to evaluate the Practitioner; and

c. Information regarding the Practitioner's appeal rights.

D. CPRC

1. Any CPRC action which has become effective shall remain in effect until it expires according to its own terms or is modified or terminated by the CPRC, a Judicial Review Committee, or the QIHEC.

2. If the CPRC does not recommend any Corrective Action which would entitle the CalOptima Health Practitioner to a hearing, pursuant to CalOptima Health Policy GG.1616: Fair Hearing for Practitioners, the CPRC shall either file its report with a recommendation of no further action or take the action that is not reportable.

3. If the CPRC action(s) is based on any of the following, instead of fifteen (15) calendar days after the effective date of decision, the Section 805/805.01 report must be filed within fifteen (15) calendar days of the final decision or recommendation of the CPRC, without regard to any subsequent hearing. These Medical Disciplinary Causes or Reasons covered by Section 805.01 are:

a. Incompetence;

b. Gross deviation from the standard of care;

c. Self-prescribing or self-administering controlled substances;

d. Abusing drugs or alcohol;

e. Repeated acts of excessive prescribing or providing of controlled substances; and

f. Sexual misconduct with a patient.

E. Action Initiation by QIHEC

1. If the CPRC fails to investigate or take disciplinary action, contrary to the weight of the evidence, the QIHEC may direct the CPRC to initiate an investigation or disciplinary action.

2. If the CPRC fails to take action in response to that direction from the QIHEC, the QIHEC may initiate Corrective Action.

F. Automatic Termination, Suspension or Limitation

1. A Practitioner or OP shall inform the CMO promptly, and in writing, of any change in their compliance including, without limitation, professional license status, eligibility to participate in any federal health care program, including Medi-Cal or Medicare, compliance with CalOptima Health requirements for professional liability insurance, or conviction of a felony.

2. The Practitioner also must inform the CMO pursuant to this Section, if they are listed in the OIG List of Excluded Individuals/Entities (LEIE), CMS Preclusion List, DHCS Restricted Provider Database, Drug Exclusion list, the System for Award Management (SAM) list, or the Medi-Cal Suspended and Ineligible Provider List.

3. In the following instances, the Practitioner's participation may be terminated, suspended, limited, restricted, or placed on probation as described, and such action shall be final, without any of the procedural rights described in CalOptima Health Policy GG.1616: Fair Hearing Plan for Practitioners. Further, any other action required by CalOptima Health policies and contractual requirements with respect to the Practitioner's participation in (including through the Health Networks) shall be taken as applicable.

    a. Licensure

        i. Whenever a Practitioner's license or other legal credential authorizing practice in California is revoked, suspended, or has lapsed, the Practitioner's participation shall automatically be terminated as of the date such action becomes effective.

        ii. Whenever a Practitioner's license or other legal credential authorizing practice in California is limited or restricted by the applicable licensing or certifying authority, the Practitioner's participation shall be automatically limited or restricted in a similar manner, as of the date such action becomes effective and throughout its term, at least.

        iii. Whenever a Practitioner is placed on probation by the applicable licensing or certifying authority, their participation status with CalOptima Health shall automatically become subject to the same terms and conditions of the probation as of the date such action becomes effective and throughout its term, at least.

        iv. Whenever a Practitioner's license or other legal credential is suspended, the Practitioner or OP's participation shall be suspended, at least for the term of the license or other legal credential suspension. CalOptima Health may, at the discretion of the CMO, terminate a Practitioner or OP when the terms of the Practitioner or OP's probation will impact patient care.

    b. Controlled Substances

        i. Whenever a Practitioner's Drug Enforcement Administration (DEA) certificate is revoked, limited, or suspended, or has expired, the Practitioner shall automatically and correspondingly be divested of the right to prescribe medications covered by the certificate, as of the date such action becomes effective and at least throughout its term.

        ii. Whenever a Practitioner's DEA certificate is subject to probation, the Practitioner's right to prescribe such medication shall automatically become subject to the same terms of the probation, as of the date such action becomes effective and at least throughout its term. CalOptima Health may, at the discretion of the CMO, terminate a Practitioner when the terms of the Practitioner's probation will impact patient care.

    c. Medicare/Medi-Cal

        i. If a Practitioner is suspended or excluded from participation or otherwise becomes ineligible to participate in Federal or State health care programs including, without

limitation, the Medicare or Medi-Cal program, the Practitioner's participation shall automatically be terminated as of the effective date of the sanction.

d. Conviction of an Offense

i. A Practitioner who is convicted of any offense (misdemeanor or felony) that is substantially related to the qualifications, functions, or duties of a physician and surgeons constitute unprofessional conduct may be suspended or terminated at the recommendation of the CMO or their designee. Such suspension or termination can be effectuated upon conviction at the discretion of the CMO and does not await the criminal conviction becoming final.

ii. The CMO or their designee shall determine whether the conviction will warrant such suspension or termination depending upon the circumstances of the offense and the relationship between the offense for which the Practitioner is convicted and the qualifications, functions or duties of the Practitioner.

e. Professional Liability Insurance Eligibility

i. If, for any reason, a Practitioner fails to maintain professional liability insurance as required by CalOptima Health, the Practitioner's participation shall automatically be suspended until the Practitioner is covered by professional liability insurance acceptable to CalOptima Health.

IV. ATTACHMENT(S)

Not Applicable

V. REFERENCE(S)

A. California Business and Professions Code, Sections 805 & 805.01
B. CalOptima Health Contract with the Centers for Medicare & Medicaid Services (CMS) for Medicare Advantage
C. CalOptima Health Contract with the Department of Health Care Services (DHCS) for Medi-Cal
D. CalOptima Health PACE Program Agreement
E. CalOptima Health Compliance Plan
F. CalOptima Health Quality Improvement Program
G. CalOptima Health Policy GG.1611: Potential Quality Issue Review Process
H. CalOptima Health Policy GG.1616: Fair Hearing Plan for Practitioners
I. CalOptima Health Policy GG.1650: Credentialing and Recredentialing of Practitioners
J. CalOptima Health Policy GG.1651: Assessment and Reassessment of Organizational Providers
K. CalOptima Health Policy GG.1657: State Licensing Board and the National Practitioner Data Bank (NPDB) Reporting
L. CalOptima Health Policy GG.1658: Summary Suspension or Restriction of Practitioner Participation in CalOptima Health's Network

VI. REGULATORY AGENCY APPROVAL(S)

Date	Regulatory Agency	Response
04/13/2021	Department of Health Care Services (DHCS)	Fulfilled Requirement

VII. BOARD ACTION(S)

Date	Meeting
03/04/2021	Regular Meeting of CalOptima Board of Directors

VIII. REVISION HISTORY

Action	Date	Policy	Policy Title	Program(s)
Effective	08/01/1998	GG.1615	Corrective Action Plan for Practitioners	Medi-Cal
Revised	02/01/2003	GG.1615	CalOptima Direct Corrective Action Plan for Practitioners	Medi-Cal
Revised	07/01/2007	GG.1615	CalOptima Direct Corrective Action Plan for Practitioners	Medi-Cal
Revised	11/01/2011	GG.1615	CalOptima Direct Corrective Action Plan for Practitioners	Medi-Cal
Revised	03/01/2013	GG.1615	Corrective Action Plan for Practitioners	Medi-Cal OneCare
Revised	03/04/2021	GG.1615	Corrective Action Plan for Practitioners	Medi-Cal OneCare OneCare Connect PACE
Revised	12/31/2022	GG.1615	Corrective Action Plan for Practitioners	Medi-Cal OneCare PACE
Revised	12/01/2023	GG.1615	Corrective Action Plan for Practitioners	Medi-Cal OneCare PACE
Revised	12/01/2024	GG.1615	Corrective Action Plan for Practitioners	Medi-Cal OneCare PACE

IX. GLOSSARY

Term	Definition
Corrective Action(s)	Specific identifiable activities or undertakings which address contract deficiencies, noncompliance, or regulatory deficiencies.
Corrective Action Plan (CAP)	A plan delineating specific identifiable activities or undertakings that address and are designed to correct program deficiencies or problems identified by formal audits or monitoring activities by CalOptima Health, the Centers of Medicare & Medicaid Services (CMS), Department of Health Care Services (DHCS), or designated representatives. FDRs and/or CalOptima Health departments may be required to complete CAPs to ensure compliance with statutory, regulatory, or contractual obligations and any other requirements identified by CalOptima Health and its regulators.
Credentialing and Peer Review Committee (CPRC)	The Credentialing and Peer Review (CPRC) Committee makes decisions, provides guidance, and provides peer input into the CalOptima Health provider selection process and determines corrective action necessary to ensure that all practitioners and providers who provide services to CalOptima Health Members meet generally accepted standards for their profession in the industry. The CPRC meets at least quarterly and reports to the CalOptima Health Quality Improvement Health Equity Committee (QIHEC).
Designee	A person selected or designated to carry out a duty or role. The assigned designee is required to be in management or hold the appropriate qualifications or certifications related to the duty or role.
Grievance	Medi-Cal: Any expression of dissatisfaction about any matter other than an Adverse Benefit Determination (ABD), and may include, but is not limited to the Quality of Care or services provided, aspects of interpersonal relationships with a Provider or CalOptima Health's employee, failure to respect a Member's rights regardless of whether remedial action is requested, and the right to dispute an extension of time proposed by CalOptima Health to make an authorization decision. A complaint is the same as Grievance. An inquiry is a request for more information that does not include an expression of dissatisfaction. Inquiries may include, but are not limited to, questions pertaining to eligibility, benefits, or other CalOptima Health processes. If CalOptima Health is unable to distinguish between a Grievance and an inquiry, it must be considered a Grievance. OneCare: An expression of dissatisfaction with any aspect of the operations, activities or behavior of a plan or its delegated entity in the provision of health care items, services, or prescription drugs, regardless of whether remedial action is requested or can be taken. A grievance does not include, and is distinct from, a dispute of the appeal of an organization determination or coverage determination or an LEP determination. PACE: A complaint, either written or oral, expressing dissatisfaction with service delivery or the quality of care furnished, regardless of whether remedial action is requested, as defined by the federal PACE regulation 42 CFR Section 460.120.

Term	Definition
Health Network	A Physician Hospital Consortium (PHC), physician group under a shared risk contract, or health care service plan, such as a Health Maintenance Organization (HMO) that contracts with CalOptima Health to provide Covered Services to Members assigned to that Health Network.
Judicial Review Committee	An unbiased physician panel responsible for the review of fair hearing cases, deliberation and decision making.
Medical or Disciplinary Cause or Reason	An aspect of a Practitioner's competence or professional conduct which is reasonably likely to be detrimental to patient safety or to the delivery of patient care.
Member	A beneficiary enrolled in a CalOptima Health program.
Organizational Provider	For purposes of this Policy, Organizations or institutions that are contracted to provide medical services such as, but not limited to: hospitals, home health agencies, nursing facilities (includes skilled nursing, long term care, and sub-acute), free standing ambulatory surgical centers, hospice services, community clinics including Federally Qualified Health Centers, urgent care centers, End-Stage renal disease services (dialysis centers), Residential Care Facility for the Elderly (RCFE), Community Based Adult Services (CBAS), Managed Long Term Services and Supports (MLTSS), durable medical equipment suppliers, radiology centers, clinical laboratories, outpatient rehabilitation facilities, outpatient physical therapy and speech pathology providers, diabetes centers, portable x-ray suppliers and methadone clinics, non-emergency medical transportation (NEMT), mobile blood bank, community home support services for housing, non-medical service practitioners.
Potential Quality Issue(s)	For the purposes of this policy, means any issue whereby a Member's health may have been compromised by the action or neglect of care at the hand of a practitioner or other provider. PQIs require further investigation to determine whether an actual quality issue or opportunity for improvement exists.
Practitioner	A licensed independent practitioner including, but not limited to, a Doctor of Medicine (MD), Doctor of Osteopathy (DO), Doctor of Podiatric Medicine (DPM), Doctor of Chiropractic Medicine (DC), Doctor of Dental Surgery (DDS), Doctor of Psychology (PhD or PsyD), Licensed Clinical Social Worker (LCSW), Marriage and Family Therapist (MFT or MFCC), Nurse Practitioner (NP), Nurse Midwife, Physician Assistant (PA), Optometrist (OD), Registered Physical Therapist (RPT), Occupational Therapist (OT), or Speech and Language Therapist, furnishing Covered Services.
Quality Improvement	Systematic and continuous actions that lead to measurable improvements in the way health care is delivered and outcomes for Members.
Quality Improvement Health Equity Committee	The CalOptima Health committee that is responsible for the Quality Improvement Health Equity (QIHEC) process.
Quality of Care	The degree to which health services for Members and populations increase the likelihood of desired health outcomes and are consistent with current professional knowledge.
Routine Monitoring	Review of a Practitioner or OP's practice and may include activities for which the Practitioner or OP's only obligation is to provide reasonable advance notice to any CalOptima Health committee or representative of certain patient care procedures or other patient care activity.

Term	Definition
Suspension	Effective immediately, the Practitioner's panel will be closed and all CalOptima members will be redirected to another provider in good standing or new authorizations for the Practitioner or OP will cease and all open, unused authorizations will be modified, and members will be reauthorized to another specialist or OP in good standing.