



3.4 Discussion/Action Item

COMPLIANCE ACTIVITIES REPORT

Sunny Cooper

Between January 2025 and November 2025, we received and investigated a total of 38 cases. Of the 38 cases investigated, 25 (83%) cases were reported timely within 24 hours of discovery while 5 (17%) were reported untimely. One of the primary reasons for untimely reporting was due to delay in reporting to Compliance (16%). Compliance is currently working on developing a Compliance Awareness training series to educate and remind CCHP Workforce to report non-compliance incidents timely.

Table 1: Timely Regulatory Reporting of HIPAA Incident for Reporting Period 01/01/25 – 11/30/25

Report within 24 Hours	JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC	Total
Not Timely	1		1		1	1		1				-	5
Timely	7	5	1	1	3	1	4		1		2	-	25
Grand Total	8	5	3	1	6	2	4	1	1	3	4	-	38

Table 2: Internal Reporting Delays between Breach Date and Compliance Receipt Date

Internal Reporting Delays	JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC	Total
Not Timely	1		1		2	1		1				-	6
Timely	7	5	2	1	4	1	4		1	3	4	-	32
Grand Total	8	5	3	1	6	2	4	1	1	3	4	-	38

2025 Fraud, Waste & Abuse Incidents

Total Active FWA Cases as of 10/22/25: 25

Table 1: Cases Received and Closed by Month for Reporting Period 1/1/25 – 10/22/25

	JAN	FEB	MAR	APR	MAY	JUN	JULY	AUG	SEPT	OCT	NOV	DEC	YTD TOTAL
# Received	1	0	1	1	4	5	7	7	5	4	-	-	35
# Closed	0	0	0	2	1	1	2	1	2	1	-	-	10

Table 2: Timely Regulatory Reporting of FWA Incident for Reporting Period 1/1/25 – 10/22/25

FWA Filing Status	Count
Timely Filing (<i>within 10 business days of incident</i>)	27
Untimely*	3 (10%)
NA (<i>reported by DHCS</i>)	3
TOTAL	33

*Untimely filing is about 10% and 90% timely. Threshold is 100%.

Table 3: FWA Case Type (Closed Cases) for Reporting Period 1/1/25 – 10/22/25

Type of FWA	Count
Services Not Rendered	3
Medically Unnecessary Services	1
Other	1
Not FWA	5
TOTAL	10



Audit Deficiencies and Correction Action Plan Update

2024 Medical Survey CAP Status Update – Open CAP

There were a total of 19 deficiencies identified from the 2024 DHCS Medical Survey. Of the 19 deficiencies identified, one remaining deficiency is being remediated along with our ECM providers. The status of this deficiency is included below:

ID & Deficiency	Progress Update	Business Owner
2.6 ECM assessment is not comprehensive	1) Corrective Action Plans proposed for the deficiencies were partially accepted by DHCS. 2) Follow-up requests were focused on audits of ECM providers - <i>in progress</i> . 3) CCHP provided the required monthly update to DHCS on 11/07/25. 4) Currently awaiting DHCS confirmation of next update submission date but anticipate first week of December.	ECM

DMHC Financial Audit Deficiencies & CAP

2022 Medical Survey CAP – Collect Evidence of Remediations in time for April 2026 Financial Audit.

- 1) **Balance Sheet Incurred But Not Reported (IBNR) Claims Liability:** Under accrued IBNR liability.
- 2) **Income Statement:** Reporting error for registering Inpatient Per Diem & Inpatient Fee for Service (FFS) as capitated expenses.
- 3) **Tangible Net Equity (TNE):** Overstated TNE due to under-reporting of IBNR specified in Finding #1.
- 4) **Required TNE:** Overstated TNE due to Income Statement reporting error specified in Finding #2.
- 5) **Administrative Capacity:** Lacks adequate administrative capacity.

- 6) **Management Changes:** Timely filing of key personnel changes
- 7) **Claims Reviewer Compensation:** Contract with a delegate for claims processing and negotiation services includes compensation based on a percentage of savings to the Plan.
- 8) **Provider Contracts:** Failed to file Provider boilerplates with the Department.
- 9) **Anti-Fraud Plan:** Failed to file the Anti-Fraud Plan with the Department.
- 10) **AB 1455 Quarterly Claims Settlement Practices Report:** Unable to accurately capture and report claims data to the Department due to the lack of capacity and system functionality.



Compliance Performance Improvement Workplan Update

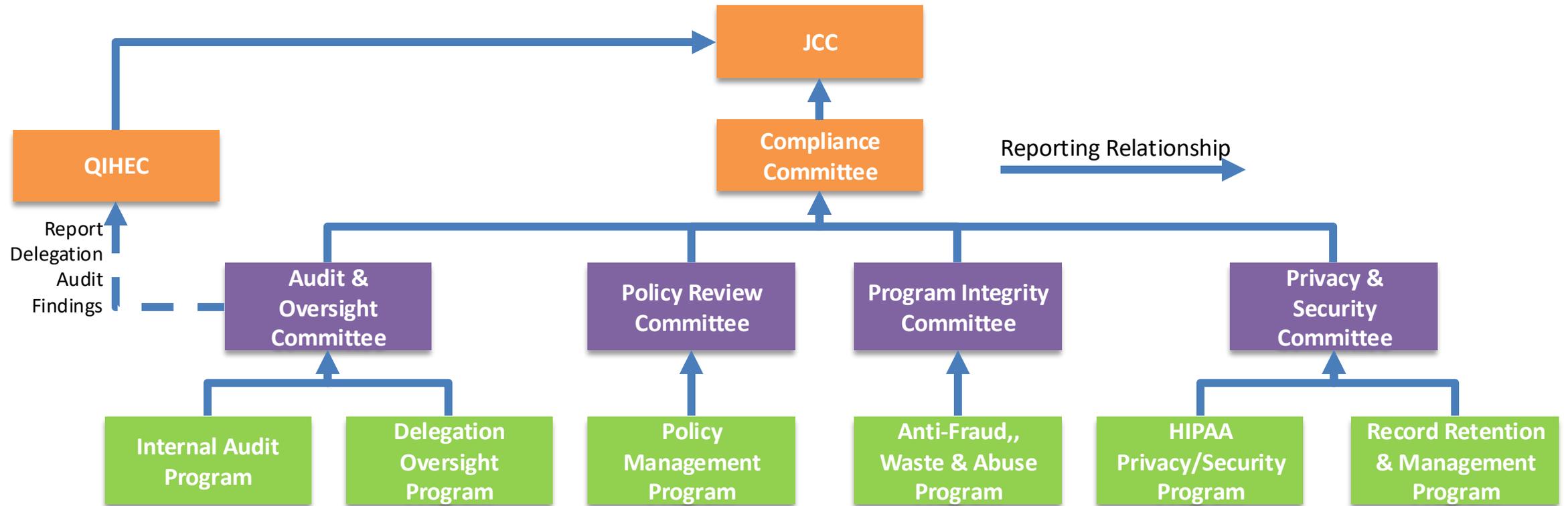
7 Elements of an Effective Compliance Program

The **7 Elements of an Effective Compliance Program**, published in the US Sentencing Guidelines, are essential to an effective compliance and ethics program. It is a standard that is broadly used as a roadmap or guiding principles to establishing and maintaining compliance and ethics in almost all healthcare entities including health plans like CCHP. Per DHCS Contract Section 1.3.1, 42 CFR §§ 422.503(b)(4)(vi) and 423.504(b)(4)(vi), CCHP must have a Compliance Program in place which adopts these 7 Elements.

- 1) **Written Policies and Procedures:** Establish clear, written guidelines for conduct (Code of Conduct) and compliance across the organization.
- 2) **Compliance Leadership & Governance:** Designate a compliance officer and a Compliance Committee with authority and oversight to manage the Program involving the highest levels of leadership.
- 3) **Training and Education:** Provide regular, effective training and educational programs to all employees to ensure they understand their compliance obligations.
- 4) **Effective Communication:** Develop clear and accessible channels for employees to report concerns and ask questions without fear of retaliation.
- 5) **Monitoring and Auditing:** Conduct regular internal/delegate monitoring and auditing to assess the Program's effectiveness and identify potential areas of non-compliance.
- 6) **Enforcement & Discipline:** Implement and publicly communicate disciplinary standards and consequences for non-compliance to ensure accountability across the organization.
- 7) **Response to Offenses:** Establish a system for promptly responding to detected offenses, including investigating issues and taking appropriate corrective action to prevent recurrence.

Compliance Governance Plan

In this reporting period, we are highlighting our Plan related to the second element - “**Compliance Leadership & Governance**”. The Plan to structure CCHP’s Compliance Governance is depicted below.





Compliance Activities Report

Public Comments

JCC Comments