

EXHIBIT J; 3.1.3
DELEGATION COMPLIANCE AND REPORTING PLAN

TABLE B: Delegation Justification and Plan

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: Sutter Pacific Medical Foundation (PFMA/Marin Headlands/SMG Redwoods)

Applicable County(ies):
Sonoma, Marin, Lake

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Partially Delegated, Administrative

Justification of Subcontractor or Downstream Subcontractor Agreement: Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement.

Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Credentialing and Recredentialing

Delegate agrees to be accountable for all responsibilities delegate by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by PHC.

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. N/A

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions.

Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) Impact on Contractor: Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor's operations, administrative capacity, and financial viability.

PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor: Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable

PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) Subcontractor's and Downstream Administrative Capacity: Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable.

PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions: Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Credentialing and Recredentialing

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures.

Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

i) Financial Arrangement: Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor.

The entity in question is a PHC Network Provider who has additional administrative responsibilities, making them a subcontractor. For this reason, the financial arrangement described is based on their network provider agreement and does not reflect a unique structure for subcontracted responsibility.

j) Other Information: Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*

k) Previously Approved Documents: (Applicable to annual submissions only) If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: Ukiah Adventist Hospital d.b.a. Adventist Health Ukiah Valley and St. Helena Hospital d.b.a. Adventist Health St. Helena for inpatient services at Adventist Health Clear Lake hospital, Adventist Health Howard Memorial hospital, Adventist Health St. Helena hospital, Adventist Health Ukiah Valley hospital, and Adventist Health Mendocino Coast hospital (“Adventist Health”)

Applicable County(ies): Napa, Lake, Mendocino

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Partially delegated, Administrative

a) **Justification of Subcontractor or Downstream Subcontractor Agreement:** Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

a. Utilization Management Standards specific to inpatient utilization of capitated members;

DELEGATE will perform all delegated UM functions of authorization review within PHC’s Electronic UM Authorization System. While DELEGATE will conduct review of assigned authorizations within this system, DELEGATE remains responsible for compliance of all delegated UM functions as described in this delegation agreement.

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. N/A

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions. Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) **Impact on Contractor:** Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor's operations, administrative capacity, and financial viability. PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) **Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor:** Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable
PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee, that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) **Subcontractor's and Downstream Administrative Capacity:** Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable. PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) **Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions:** Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement.

Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. DELEGATE's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, DELEGATE shall provide

documentation of their efforts to comply with these directives and requirements. Service to be provided by DELEGATE include, but are not limited to:

a. Utilization Management Standards for inpatient services specific to assigned members.

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures. Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

i) Financial Arrangement: Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor. The entity in question is a PHC Network Provider who has additional administrative responsibilities, making them a subcontractor. For this reason, the financial arrangement described is based on their network provider agreement and does not reflect a unique structure for subcontracted responsibility.

j) Other Information: Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*

k) Previously Approved Documents: (Applicable to annual submissions only) If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: Carelon Behavioral Health and College Health IPA, A Medical Corporation (“CHIPA” or “IPA”)

Applicable County(ies): Del Norte County, Humboldt County, Lake County, Lassen County, Marin County, Mendocino County, Modoc County, Napa County, Shasta County, Siskiyou County, Solano County, Sonoma County, Trinity County, Yolo County

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Fully delegated, Administrative

a) **Justification of Subcontractor or Downstream Subcontractor Agreement:** Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement.

Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC.

Service to be provided by BEACON include, but are not limited to:

Services to be provided by CARELON include, but are not limited to:

- a) Credentialing/Re-credentialing (CR)
- b) Screen, Enroll, and Revalidation
- c) Network Management (NET)
- d) Quality Management Improvement (QI)
- e) Claims
- f) Customer Services (Call Service)
- g) Members Experience (ME)
- h) Complaints, Grievance, and Appeals (CGA)
- i) Potential Quality Issues (PQI)
- j) Fraud Waste and Abuse (FWA)

Services to be provided by IPA include, but are not limited to:

- a) Utilization Management (UM)
- b) Members Experience (ME)
- c) Complaints, Grievance, and Appeals (CGA)

DELEGATE will perform all delegated UM functions of authorization review within PHC’s Electronic UM Authorization System. While DELEGATE will conduct review of assigned authorizations within this system, DELEGATE remains responsible for compliance of all delegated UM functions as described in this delegation agreement.

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. *N/A*

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor's assertions. *Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.*

d) **Impact on Contractor:** Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor's operations, administrative capacity, and financial viability. *PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.*

e) **Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor:** Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable *PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee, that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.*

f) **Subcontractor's and Downstream Administrative Capacity:** Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable. *PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.*

g) Subcontractor's and Downstream Subcontractors' Compliance with Applicable

Contractual Provisions: Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement.

Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to BEACON/CHIPA, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. BEACON/CHIPA's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS

All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, BEACON/CHIPA shall provide documentation of their efforts to comply with these directives and requirements.

Service to be provided by BEACON include, but are not limited to:

- a) Credentialing and Re-credentialing (CR)
- b) Screen, Enroll, and Revalidation
- c) Network Management (NET)
- d) Quality Management Improvement (QI)
- e) Claims
- f) Customer Service (Call Service)
- g) Member Experience (ME)
- h) Complaints, Grievance, and Appeals (CGA)

Services to be provided by CHIPA include, but are not limited to:

- a) Utilization Management (UM)
- b) Member Experience (ME)
- c) Complaints, Grievance, and Appeals (CGA)

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures.

Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

i) **Financial Arrangement:** Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor.

The entity in question is not a PHC network provider and instead, acts solely as a PHC subcontractor. The financial arrangement described is reflective of such.

In exchange for performing clinical and non-clinical Administrative Services in accordance with the terms of the agreement between Beacon and IPA, PHC shall pay to Beacon and IPA the Administrative Per Member Per Month (PMPM) fees set forth in the agreement as compensation for the provision of Administrative Services.

j) **Other Information:** Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*

k) **Previously Approved Documents: (Applicable to annual submissions only)** If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: [Caret Healthcare Service](#)

Applicable County(ies): [Del Norte County](#), [Humboldt County](#), [Lake County](#), [Lassen County](#), [Marin County](#), [Mendocino County](#), [Modoc County](#), [Napa County](#), [Shasta County](#), [Siskiyou County](#), [Solano County](#), [Sonoma County](#), [Trinity County](#), [Yolo County](#)

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: [Partially Delegated](#)

a) Justification of Subcontractor or Downstream Subcontractor Agreement: Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a) Cultural & Linguistic Services
- b) Member Services

DELEGATE will perform all delegated UM functions of authorization review within PHC’s Electronic UM Authorization System. While DELEGATE will conduct review of assigned authorizations within this system, DELEGATE remains responsible for compliance of all delegated UM functions as described in this delegation agreement.

b) Pre-Existing Relationships: Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. [N/A](#)

c) Sub-Delegation: Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions. Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) **Impact on Contractor:** Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor's operations, administrative capacity, and financial viability. PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) **Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor:** Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable
PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) **Subcontractor's and Downstream Administrative Capacity:** Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) **Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions:** Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement.

PHC delegates to Carenet, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide the services set forth to covered Members. Carenet agrees to be governed by and agrees to comply with all laws and applicable regulations and MediCal Managed Care program requirements ensuring all Carenet policies and procedures remain in compliance with the requirements of PHC and all applicable laws and regulations, including, without limitation, Titles 22 and 28 of the

California Code of Regulations, DHCS All Plan Letters ("APLs"). Services to be provided by Carenet include, but are not limited to:

- a) cultural and linguistic services; and
- b) Member services (call center).

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures. Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

i) Financial Arrangement: Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor.

The entity in question is not a PHC network provider and instead, acts solely as a PHC subcontractor. The financial arrangement described is reflective of such.

Carenet will perform the Services stated in Exhibit A- Statement of Work. Carenet will deliver its invoices to PHC based on the Pricing section of Exhibit A- Statement of Work.

j) Other Information: Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*

k) Previously Approved Documents: (Applicable to annual submissions only) If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: [Marin General Hospital](#)

Applicable County(ies): [Napa](#)

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: [Partially delegated, Administrative](#)

a) **Justification of Subcontractor or Downstream Subcontractor Agreement:** Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement. [Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services \(“DHCS”\), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:](#)

a. [Utilization Management Standards specific to inpatient utilization of capitated members;](#)

[DELEGATE will perform all delegated UM functions of authorization review within PHC’s Electronic UM Authorization System. While DELEGATE will conduct review of assigned authorizations within this system, DELEGATE remains responsible for compliance of all delegated UM functions as described in this delegation agreement.](#)

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. [N/A](#)

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions. [Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate \(sub-delegate\) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.](#)

d) **Impact on Contractor:** Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor’s operations, administrative capacity, and financial viability. [PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC’s delegated structure is](#)

conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor: Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable. PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits

f) Subcontractor's and Downstream Administrative Capacity: Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable. PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions: Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. DELEGATE's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, DELEGATE shall provide documentation of their efforts to comply with these directives and requirements. Service to be provided by DELEGATE include, but are not limited to:

- a. Utilization Management Standards for inpatient services specific to assigned members;

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures. Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

i) Financial Arrangement: Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor. The entity in question is a PHC Network Provider who has additional administrative responsibilities, making them a subcontractor. For this reason, the financial arrangement described is based on their network provider agreement and does not reflect a unique structure for subcontracted responsibility.

j) Other Information: Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*

k) Previously Approved Documents: (Applicable to annual submissions only) If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: Napa County

Applicable County(ies): Napa

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Partially, Administrative

a) **Justification of Subcontractor or Downstream Subcontractor Agreement:** Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Administration of Community Supports (CS) limited to housing navigation, deposits, and tenancy/sustainability
- b. Credentialing and Recredentialing to include provider screening and validation
- c. Network Management to include provider contracting
- d. Claims Processing and Payment
- e. Member Services and Call Center
- f. Cultural and Linguistic Services

DELEGATE will perform all delegated CS functions per the delegation agreement. DELEGATE remains responsible for compliance of all delegated CS functions as described in the delegation agreement.

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. N/A

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions. Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall

maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) Impact on Contractor: Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor's operations, administrative capacity, and financial viability. PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor: Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) Subcontractor's and Downstream Administrative Capacity: Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable. PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions: Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. DELEGATE's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the

Knox Keene Act, DHCS All Plan Letters (“APLs”), Plan Letters (“PLs”), Provider Bulletins and current standards of the National Committee for Quality Assurance (“NCQA”). On request of PHC, DELEGATE shall provide documentation of their efforts to comply with these directives and requirements. Service to be provided by DELEGATE include, but are not limited to:

- a. Administration of Community Supports (CS) limited to housing navigation, deposits, and tenancy/sustainability
- b. Credentialing and Recredentialing to include provider screening and validation
- c. Network Management to include provider contracting
- d. Claims Processing and Payment
- e. Member Services and Call Center
- f. Cultural and Linguistic Services

h) Contractor’s Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor’s oversight policies and procedures. Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor’s policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters (“APLs”), Plan Letters (“PLs”), Provider Bulletins and current standards of the National Committee for Quality Assurance (“NCQA”). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC’s provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

i) Financial Arrangement: Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor.

The entity in question is not a PHC network provider and instead, acts solely as a PHC subcontractor. The financial arrangement described is reflective of such.

Subcontractor will accept from PHC compensation as payments in full and discharge of PHC’s financial liability. Services provided to Medi-Cal Members by Subcontractor’s Network Provider will be reimbursed to Subcontractor as listed in the agreement in the amounts set forth to the agreement and in accordance with PHC’s Provider Manual and policies and procedures. Subcontractor will look only to PHC for such compensation. PHC has the sole authority to determine reimbursement rates if rates from the State to PHC are reduced by DHCS.

j) Other Information: Include any other information that would assist DHCS in its review of Contractor’s delegated structure. *N/A*

k) Previously Approved Documents: (Applicable to annual submissions only) If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: NorthBay Health Group dba NorthBay Medical Center and VacaValley Hospital

Applicable County(ies): Solano

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Partially delegated, Administrative

a) **Justification of Subcontractor or Downstream Subcontractor Agreement:** Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

a. Utilization Management Standards specific to inpatient utilization of capitated members;

DELEGATE will perform all delegated UM functions of authorization review within PHC’s Electronic UM Authorization System. While DELEGATE will conduct review of assigned authorizations within this system, DELEGATE remains responsible for compliance of all delegated UM functions as described in this delegation agreement.

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. N/A

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions. Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) **Impact on Contractor:** Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor’s operations, administrative capacity, and financial viability. PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As

DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor: Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee, that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) Subcontractor's and Downstream Administrative Capacity: Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable. PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions: Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

a. Utilization Management Standards specific to inpatient utilization of capitated members.

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures. Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"),

Provider Bulletins and current standards of the National Committee for Quality Assurance (“NCQA”). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC’s provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

- i) **Financial Arrangement:** Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor. The entity in question is a PHC Network Provider who has additional administrative responsibilities, making them a subcontractor. For this reason, the financial arrangement described is based on their network provider agreement and does not reflect a unique structure for subcontracted responsibility.
- j) **Other Information:** Include any other information that would assist DHCS in its review of Contractor’s delegated structure. *N/A*
- k) **Previously Approved Documents: (Applicable to annual submissions only)** If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: Queen of the Valley Medical Center

Applicable County(ies): Napa

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Partially delegated, Administrative

a) **Justification of Subcontractor or Downstream Subcontractor Agreement:** Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

a. Utilization Management Standards specific to inpatient utilization of capitated members;

DELEGATE will perform all delegated UM functions of authorization review within PHC’s Electronic UM Authorization System. While DELEGATE will conduct review of assigned authorizations within this system, DELEGATE remains responsible for compliance of all delegated UM functions as described in this delegation agreement.

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. N/A

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions. Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) **Impact on Contractor:** Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor’s operations, administrative capacity, and financial viability. PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC’s delegated structure is

conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor: Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable. PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee, that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) Subcontractor's and Downstream Administrative Capacity: Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable. PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions: Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

a. Utilization Management Standards specific to inpatient utilization of capitated members.

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures. Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA").

On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

- i) **Financial Arrangement:** Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor.
The entity in question is a PHC Network Provider who has additional administrative responsibilities, making them a subcontractor. For this reason, the financial arrangement described is based on their network provider agreement and does not reflect a unique structure for subcontracted responsibility.
- j) **Other Information:** Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*
- k) **Previously Approved Documents: (Applicable to annual submissions only)** If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: Sutter Medical Foundation – Sutter Medical Group (Yolo and Solano)

Applicable County(ies):
Yolo, Solano.

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Partially Delegated, Administrative

Justification of Subcontractor or Downstream Subcontractor Agreement: Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement.

Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Credentialing and Recredentialing

Delegate agrees to be accountable for all responsibilities delegate by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by PHC.

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. N/A

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions.

Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) Impact on Contractor: Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor's operations, administrative capacity, and financial viability.

PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor: Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable

PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) Subcontractor's and Downstream Administrative Capacity: Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable.

PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions: Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Credentialing and Recredentialing

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures.

Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

i) Financial Arrangement: Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor.

The entity in question is a PHC Network Provider who has additional administrative responsibilities, making them a subcontractor. For this reason, the financial arrangement described is based on their network provider agreement and does not reflect a unique structure for subcontracted responsibility.

j) Other Information: Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*

k) Previously Approved Documents: (Applicable to annual submissions only) If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: UC Davis Medical Group (UCD MG)

Applicable County(ies):

Del Norte, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Shasta, Solano, Sonoma, Siskiyou, Trinity and Yolo

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Partially Delegated, Administrative

Justification of Subcontractor or Downstream Subcontractor Agreement: Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement.

Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Credentialing and Recredentialing

Delegate agrees to be accountable for all responsibilities delegate by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by PHC.

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. N/A

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions.

Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) Impact on Contractor: Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor's operations, administrative capacity, and financial viability.

PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor: Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable

PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) Subcontractor's and Downstream Administrative Capacity: Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable.

PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions: Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Credentialing and Recredentialing

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures. Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

i) Financial Arrangement: Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor.

The entity in question is a PHC Network Provider who has additional administrative responsibilities, making them a subcontractor. For this reason, the financial arrangement described is based on their network provider agreement and does not reflect a unique structure for subcontracted responsibility.

j) Other Information: Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*

k) Previously Approved Documents: (Applicable to annual submissions only) If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: UC San Francisco Medical Group (UCSF MG)

Applicable County(ies):

Del Norte, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Shasta, Solano, Sonoma, Siskiyou, Trinity and Yolo

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Partially Delegated, Administrative

Justification of Subcontractor or Downstream Subcontractor Agreement: Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Credentialing and Recredentialing

Delegate agrees to be accountable for all responsibilities delegate by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by PHC.

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. N/A

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions. Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) Impact on Contractor: Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor's operations, administrative capacity, and financial viability.

PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor: Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable

PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) Subcontractor's and Downstream Administrative Capacity: Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable.

PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions: Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Credentialing and Recredentialing

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures. Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

i) Financial Arrangement: Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor.

The entity in question is a PHC Network Provider who has additional administrative responsibilities, making them a subcontractor. For this reason, the financial arrangement described is based on their network provider agreement and does not reflect a unique structure for subcontracted responsibility.

j) Other Information: Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*

k) Previously Approved Documents: (Applicable to annual submissions only) If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: Vision Services Plan

Applicable County(ies): Del Norte County, Humboldt County, Lake County, Lassen County, Marin County, Mendocino County, Modoc County, Napa County, Shasta County, Siskiyou County, Solano County, Sonoma County, Trinity County, Yolo County

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Partially Delegated, Administrative

a) **Justification of Subcontractor or Downstream Subcontractor Agreement:** Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Administration of Vision Services
- b. Credentialing and Recredentialing
- c. Member Services/call center
- d. Claims
- e. Cultural and linguistic services
- f. Network management

Delegate agrees to be accountable for all responsibilities delegate by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by PHC.

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. N/A

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions. Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records, electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) **Impact on Contractor:** Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor's operations, administrative capacity, and financial viability. PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) **Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor:** Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) **Subcontractor's and Downstream Administrative Capacity:** Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable. PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) **Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions:** Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Administration of Vision Services
- b. Credentialing and Recredentialing
- c. Member Services/call center
- d. Claims

- e. Cultural and linguistic services
- f. Network management

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures. Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities.

i) Financial Arrangement: Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor
The entity in question is not a PHC network provider and instead, acts solely as a PHC subcontractor. The financial arrangement described is reflective of such.

j) Other Information: Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*

k) Previously Approved Documents: (Applicable to annual submissions only) If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*

Template B: Delegation Justification and Plan

Instructions: Complete this template for each Subcontractor or Downstream Subcontractor. Contractor may not delegate for those contractual duties and obligations where delegation is legally or contractually prohibited. Responses must be limited to no more than ten (10) pages.

Subcontractor or Downstream Subcontractor Name: DIGNITY COMMUNITY CARE, A COLORADO NONPROFIT CORPORATION, d/b/a WOODLAND CLINIC (“**DHMF**”).

Applicable County(ies): Yolo, Solano

Type of Subcontractor or Downstream Subcontractor: Fully delegated, Partially delegated, Administrative, Downstream Fully delegated, Downstream Partially delegated, Downstream Administrative: Partially delegated, Administrative

a) **Justification of Subcontractor or Downstream Subcontractor Agreement:** Describe the purpose and the justification of the Subcontractor or Downstream Subcontractor Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services (“DHCS”), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

- a. Credentialing/Re-Credentialing

Delegate agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement

b) **Pre-Existing Relationships:** Describe any pre-existing relationship, including any affiliation, parent entity, or prior existing contract between Contractor and Subcontractor, or Subcontractor and Downstream Subcontractor including the duration of such pre-existing relationship. N/A

c) **Sub-Delegation:** Indicate if Subcontractor or Downstream Subcontractor is permitted to sub-delegate any functions. If so, describe how Contractor will maintain oversight over delegated functions to Subcontractors and Downstream Subcontractors. Provide citations to provisions in the Subcontractor and Downstream Subcontractor Agreement to support Contractor’s assertions. Per the preamble to the delegation agreement by and between delegate and PHC, DELEGATE agrees to be accountable for all responsibilities delegated by PHC and will not further delegate (sub-delegate) any such responsibilities without prior written authorization by Plan, except as outlined in the Delegation Agreement. Additionally, in accordance with 42 CFR 438.230, a delegate and/or subcontractor shall maintain and make available contracts, books, documents, records,

electronic systems, and financial statements for the purpose of inspection, evaluation and auditing to PHC or its designee.

d) **Impact on Contractor:** Describe the impact and benefit, if any, the Subcontractor or Downstream Subcontractor Agreement will have on Contractor's operations, administrative capacity, and financial viability. PHC selectively delegates responsibility to external entities and does so when such a relationship provides benefit to our operations and/or our members. As DHCS will see through the submission of Exhibit J materials, PHC's delegated structure is conservative and maintains rigorous oversight when authority has been assigned to a non-PHC entity.

e) **Contractor's Administrative Capacity to Oversee and Monitor Subcontractor and Downstream Subcontractor:** Describe Contractor's administrative capacity to oversee and monitor Subcontractor and Downstream Subcontractor as applicable PHC maintains a robust delegation oversight function which includes policies that outline delegation oversight and monitoring requirements, auditing, escalation and corrective action, and sanctions. Furthermore, we facilitate a quarterly delegation oversight subcommittee, that reports up to our Compliance Committee and includes representation/reports from all operational departments that oversee delegated functions. PHC maintains delegation agreements with our subcontractors, which are reviewed on an annual basis and serve as the basis for our annual and/or ad hoc auditing of delegates. PHC's delegation oversight has been verified through our health plan accreditation from the National Committee on Quality Assurance (NCQA) and annual DHCS medical audits.

f) **Subcontractor's and Downstream Administrative Capacity:** Describe Subcontractor's and Downstream administrative capacity to perform each delegated function, including but not limited to Subcontractor's and Downstream capacity to perform quality monitoring and community engagement, if applicable. PHC subcontractors undergo a pre-delegation evaluation prior to PHC entering into or amending delegated responsibility. Through this process, the subcontractor must demonstrate their ability to perform proposed duties and may be placed on corrective action before assuming duties. Following successful pre-delegation evaluation and entering into a delegated agreement, subcontractor is subject to regular monitoring including reports and joint operations meetings and no less than annual audits. Furthermore, subcontractors are required to participate in PHC's DHCS medical audit and NCQA surveys.

g) **Subcontractor's and Downstream Subcontractors' Compliance with Applicable Contractual Provisions:** Detail how the Subcontractor Agreement and Downstream Subcontractor Agreement complies with, and ensures compliance, with all provisions of the Contract applicable to the delegated functions, including appropriate citations to the provisions in the Subcontractor Agreement and Downstream Subcontractors' Agreement. Please complete Template C Contract Requirements Grid in Exhibit J to indicate which provisions are included in the Subcontractors Agreements and Downstream Subcontractors Agreements, as applicable for each Agreement. Per the preamble to the delegation agreement by and between delegate and PHC, PHC delegates to DELEGATE, under its Medi-Cal contract with the Department of Health Services ("DHCS"), to provide delegated services on behalf of PHC. Service to be provided by DELEGATE include, but are not limited to:

a. Credentialing/Re-Credentialing

h) Contractor's Oversight Policy and Procedures: Describe how Contractor will inform Subcontractor and Downstream Subcontractors of Contractor's oversight policies and procedures. Per the preamble to the delegation agreement by and between delegate and PHC, Subcontractor's policies and procedures shall remain in compliance with the requirements of PHC and all applicable state and federal laws and regulations, including, without limitation, Titles 22 and 28 of the California Code of Regulations, the Knox Keene Act, DHCS All Plan Letters ("APLs"), Plan Letters ("PLs"), Provider Bulletins and current standards of the National Committee for Quality Assurance ("NCQA"). On request of PHC, subcontractor shall provide documentation of their efforts to comply with these directives and requirements.

Furthermore, PHC maintains contract provisions that require subcontractor adherence to PHC's provider manual, which includes policies regarding delegation oversight and monitoring, escalation and corrective action, and sanctions. These policies are posted to our website via the provider manual and accessible in real-time. PHC also maintains a regulatory change management process by which we issue memos to delegates wherein a DHCS All Plan Letter (APL) impacts the delegate due to scope of responsibilities

i) Financial Arrangement: Contractor must include description of any financial arrangements it has with Subcontractor and Downstream Subcontractor. The entity in question is a PHC Network Provider who has additional administrative responsibilities, making them a subcontractor. For this reason, the financial arrangement described is based on their network provider agreement and does not reflect a unique structure for subcontracted responsibility.

j) Other Information: Include any other information that would assist DHCS in its review of Contractor's delegated structure. *N/A*

k) Previously Approved Documents: (Applicable to annual submissions only) If Contractor has previously submitted documentation to DHCS in connection with the Subcontractor Agreement or Downstream Subcontractor Agreement, either through the Request for Proposal (RFP) process or during the term of this Contract, Contractor must provide any such documentation. *N/A*