

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



MEDICARE PARTS C & D OVERSIGHT AND ENFORCEMENT GROUP

September 10, 2015

Ms. Brenda Yee
Chief Executive Officer
Chinese Community Health Plan
445 Grant Avenue
Suite 700
San Francisco, CA 94108

Re: Notice of Release of Intermediate Sanctions (Suspension of Enrollment and Marketing)
for Medicare Advantage-Prescription Drug Plan Contract Number: H0571

Dear Ms. Yee,

On October 29, 2014, the Centers for Medicare & Medicaid Services (CMS) imposed intermediate sanctions on Chinese Community Health Plan (CCHP), thereby suspending enrollment and marketing activities for Medicare Advantage-Prescription Drug Plan contract number H0571. The sanctions were imposed based on a program audit conducted July-August 2014. During this audit, CMS found serious deficiencies in the following operational areas: Part C and Part D organization/coverage determinations, appeals and grievances, and Part D formulary and benefit administration processes.

On May 15, 2015, CCHP attested to CMS that all of the deficiencies cited in the CMS sanction notice were corrected as of May 15, 2015. As a result, CMS authorized a limited enrollment period beginning on July 1, 2015.

Pursuant to 42 C.F.R. § 422.756(c)(3)(i) and § 423.756(c)(3)(i), CMS required that CCHP hire an independent auditor to conduct a validation audit and provide CMS with the results of the audit. CMS used the information from the independent audit report to assist in its determination about whether CCHP has corrected the deficiencies that formed the basis for the sanction. Based on the results of the validation audit, CMS has determined that CCHP's deficiencies have been sufficiently corrected. Therefore, effective September 10, 2015, the intermediate sanctions are released from contract H0571. Additionally, the limited enrollment period has ended and CCHP will return to normal marketing and enrollment status.

CMS expects CCHP to continue its audit validation activities with the CMS Division of Audit Operations for conditions found during the July-August 2014 program audit that were outside the scope of the sanctions. Please note that any future failures to comply with CMS requirements may subject CCHP to other applicable remedies available under law, including the imposition of

intermediate sanctions, civil money penalties, contract termination, or non-renewal as described in 42 C.F.R. Parts 422 and 423, Subparts K and O. If you have any questions about this notice, please call or email the enforcement contact provided in your email notification.

Sincerely,

/s/

Gerard J. Mulcahy
Director
Medicare Parts C and D Oversight and Enforcement Group

cc: Ann Duarte, CMS/CMHPO/Region IX
Max Wong, CMS/CMHPO/Region IX
Kenneth Gardner, CMS/CMHPO/Region IX