

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop C1-22-06  
Baltimore, Maryland 21244-1850



**MEDICARE PARTS C AND D OVERSIGHT AND ENFORCEMENT GROUP**

---

November 21, 2022

Mr. Patrick Blair  
President and Chief Executive Officer  
InnovAge California PACE – Sacramento, LLC  
8950 East Lowry Boulevard  
Denver, CO 80230

RE: Notice of Release of Imposition of Sanction to Suspend Enrollment of Programs of All-inclusive Care for the Elderly (PACE) Participants into contract number: H2368

Dear Mr. Blair:

On September 17, 2021, the Centers for Medicare & Medicaid Services (CMS) imposed an enrollment sanction on InnovAge California PACE – Sacramento, LLC (InnovAge Sacramento). The sanction immediately suspended InnovAge Sacramento's ability to enroll new participants into its Programs of All-Inclusive Care for the Elderly (PACE) contract (H2368), operating in Sacramento, California. The sanction was imposed due to clinical and operational deficiencies detected during a 2021 CMS audit.

On October 17, 2022, InnovAge Sacramento attested that all of the violations, which formed the basis for the sanction, as cited in the sanction notice, were corrected as of July 21, 2022.

Pursuant to 42 C.F.R. § 460.42(c), CMS required InnovAge Sacramento to undergo a validation audit of all the operational areas cited in the notice before the enrollment suspension could be lifted. CMS evaluated the results of the validation audit in making their determination on whether InnovAge Sacramento has corrected the deficiencies that formed the basis for the sanction. Based on the results of the validation audit and the ongoing monitoring conducted by federal regulators, CMS has determined that InnovAge Sacramento's sanction-related deficiencies have been sufficiently corrected. Therefore, effective November 21, 2022, the sanction is released from contract H2368 and InnovAge Sacramento will return to normal enrollment status.

CMS expects InnovAge Sacramento to conduct post sanction corrective action and monitoring activities with CMS' Medicare Parts C and D Oversight and Enforcement Group (MOEG) to address any issues identified during the validation audit. CMS will provide a more detailed monitoring plan in a separate communication.

For any initial audit conditions that were outside of the scope of the sanction, CMS expects

InnovAge Sacramento to continue any needed oversight and correction activities with the CMS Regional Account Manager. Please note that any future failures to comply with PACE program requirements may subject InnovAge Sacramento to other remedies available under law, including the imposition of intermediate sanctions, civil money penalties, or termination of the PACE program agreement as described in 42 C.F.R. Part 460, Subpart D.

If you have any questions about this notice, please call or email the enforcement contact provided in your email notification.

Sincerely,

/s/

John A. Scott  
Director  
Medicare Parts C and D Oversight and Enforcement Group

cc: Kevin Stansbury, CMS/CM/MOEG/DCE  
Tamara McCloy, CMS/OPOLE  
Annemarie Anderson, CMS/OPOLE  
Rachael Whang, CMS/OPOLE