



Overview of Health Net's Delegation Model

Health Net is implementing a process for our provider groups that focuses on the totality of performance by aligning different functional areas (along with their specific metrics) to create comprehensive provider group scorecards that allow us to focus efforts on zones with the most opportunity and finish with actionable solutions deployed by our teams in partnership with our provider delegates - with full line of sight across functional areas. Our scorecard template is available online.

During the contracting process, a pre-delegation audit is completed to provide the contracting Provider Group or delegated vendor with information and expectations about Health Net's delegation model and to ensure that the administrative capabilities are in place to meet regulatory, contractual and accreditation expectations. The delegation agreement/contract memorializes the obligations and duties of Health Net and the delegated group/vendor. The delegation agreement sets forth Health Net's oversight requirements including service level performance, reporting and corrective action processes. If a compliance issue is identified through an oversight activity, it is addressed through a progressive corrective action/escalation process to ensure appropriate attention and results. Depending on the severity of the issue, follow on actions may include the assessment of penalties, de-delegation of certain services or termination of the agreement as prescribed in the agreement.

For new delegates, our oversight teams will conduct a 90-day post contract audit to ensure processes are running as expected. Annual audits of delegated services are conducted along with quarterly monitoring of data collected from the delegated group/vendor. Results are shared with the delegates and provide opportunities to reiterate Health Net's delegation model and our performance standards and expectations.

In addition, regular meetings are held with providers and vendor delegates for purposes of information sharing and review of performance to continuously improve our programs.

We have online resources for our provider groups including the Provider Manual and Provider Updates. These documents are attachments to the Provider Agreements and are available to all Providers on our Provider Portal and have information related to our operational requirements and expectations.