# Health Plan of San Mateo
# Policy & Procedure Manual

| Procedure: CP.019 | | Title: Document Retention | Original Effective Date: 08/05/2011 |
|---|---|---|---|
| Revision: 7 | Last Reviewed /Revised: 08/04/2025 | Dept: Compliance | Page 1 of 5 |

| Approval By: Compliance Committee | Date: 08/18/2025 |
|---|---|
| Annual Review Date: 10/01/2026 | |
| Authored by: Chief Government Affairs and Compliance Officer | |
| Pursuant To:<br>☒ DHCS Contract Exhibit A, Attachment III, Provision 1.3.1(J)(2); Exhibit D(F), Provision 7; Exhibit E, Provision 1.1.22<br>☒ Health and Safety (H&S) Code 1380, 1381, 1386<br>☒ CFR 42 CFR 438.3(h) & (u), 438.230(c); 42 CFR 422.504(d)-(e), 422.2480(c); 42 CFR 423.505(d)-(e), 423.2480(c)<br>☒ APL / DPL 24-023 (DMHC) | ☒ W & I Code 14124.1<br>☐ California Title # 28 CCR 1300.85<br>☐ Organization Need<br>☒ Other Medicare Managed Care Guide Chapter 21, Sections 50.4.2; Medicare Prescription Drug Benefit Manual Chapter 9, Section 50.4.2; California Business and Professions Code (BPC) 2266; California Medical Practice Act; Assembly Bill 3221 (2024 Statutes) |
| Departments Impacted: All | |

## Purpose

To document HPSM's document retention policy in accordance with federal and state statutory guidelines. It is important that HPSM and its providers keep medical and financial records to facilitate review of the services HPSM provides and when necessary, provide information on a member's care to other health care professionals.

This procedure has been developed in accordance with applicable federal and state laws. This policy and procedure seeks to provide uniform guidance for all lines of business. Records, books, and papers include those possessed by HPSM in any medium, including electronic media.

## Scope

This procedure applies to (check all that apply):

| | | |
|---|---|---|
| ☒ All LOBs/Entire Organization | ☐ CCS | ☐ Medi-Cal Expansion |
| | | ☐ Medi-Cal Adults |
| ☐ ACE | ☐ HealthWorx | ☐ Medi-Cal Children |
| ☐ CA-DSNP | ☐ Medi-Cal | ☐ Other (specify) |

## Responsibility and Authority

- The Chief Government Affairs and Compliance Officer is responsible for overseeing this policy and procedure.

## Definitions

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|---|---|---|---|
| Revision: 7 | Last Reviewed /Revised: 08/04/2025 | Dept: Compliance | Page 2 of 5 |

***Medical Records*** are the collection of information concerning a member and his or her health care that is created or received and maintained in the regular course of HPSM business. Records may be from any source and in any format, including but not limited to paper or electronic format, and contains:

1. The billing and clinical records about the member including all physician or provider notes in which medical decision-making is documented
2. The enrollment, payment, claims adjudication, and case management record systems maintained by HPSM
3. The information used, in whole or in part, to make decisions about a member including information to identify the member, support a diagnosis, justify a treatment, document the course and results, and promote continuity of care among providers.

**Procedure**

1.0 Record Retention under HIPAA

1.1 HIPAA created rules for the retention of documents created in compliance with HIPAA. As a Covered Entity, HPSM is required to maintain HIPAA documents for at least 6 years from the date of its creation or the date it was last put into effect. This means all HIPAA required policy and procedures, all HIPAA related communication required to be in writing, and all HIPAA related actions, activities or designations that are required to be documented should be retained.

2.0 Record Retention under Medicare

2.1 HPSM's contract with CMS for CareAdvantage specifies that all books, records, documents, and other evidence of accounting practices and procedures should be retained for 10 years. The records affected include all those that are sufficient to:

2.1.1 Accommodate periodic financial auditing

2.1.2 Enable CMS to inspect or otherwise evaluate the quality, appropriateness and timeliness of services performed under our Medicare contract and our facilities

2.1.3 Enable CMS to audit and inspect any books and records that pertain to services performed, determinations of amounts paid under the contract, or the ability of HPSM to bear the risk of potential financial losses. .

2.1.4 Properly reflect all direct and indirect costs used in preparation of the bid proposal

2.1.5 Establish component rates of the bid for determining additional and supplementary benefits

2.1.6 Determine the rates utilized in setting premiums

2.2 The Medicare related records to retain include:

2.2.1 Documents on ownership and operation of HPSM's financial, medical, and other record keeping systems

2.2.2 Financial statements for the current contract period and the 10 prior periods

2.2.3 Federal income tax or informational returns for the current contract period and 10 prior periods

2.2.4 Asset acquisition, lease, or sale

2.2.5 Agreements, contracts, and subcontracts

2.2.6 Marketing and management agreements

2.2.7 Matters pertaining to cost of operations

2.2.8 Amounts of income received by source and payments

2.2.9 Cash flow payments

2.2.10 Any financial reports filed with other federal programs or State of California agencies.

2.3 HPSM shall keep all its records related to our Medicare Advantage line of business, whether medical or financial, for 10 years.

3.0 Record Retention Under Medi-Cal

3.1 The Knox Keene Act requires that all records, books, and papers of a plan and a provider must be open for inspection during normal business hours. The Act also requires, to the extent feasible, all records, books, and papers shall be located in California. Further, the Title 28 requires (1) books and records not be removed from the State without prior consent of the Department of Managed Health Care (DMHC), plans maintain at least five (5) years of records, the last two (2) of which must be in an "easily accessible place".

3.2 Assembly Bill 3221 amends Knox Keene Act requirements for review of records by the DMHC. California Health and Safety Code (HSC) regulations require all records, books and papers of a plan, management company, solicitor, solicitor firm, and any provider or subcontractor providing health care or services to a plan, management company, solicitor, or solicitor firm to be open to inspection, including through electronic means, by the Director of DMHC.

3.2.1 Pursuant to a request by the Director of DMHC to inspect the records, books, and papers, requires the plan, management company, solicitor, or solicitor firm, and a provider or subcontractor providing health care or other services to a plan, management company, solicitor, or solicitor firm to:

3.2.1.1 Furnish in electronic media records, books, and papers that are possessed in electronic means, and

3.2.1.2 Conduct a diligent review of the records, books, and papers and make every effort to furnish those responsive to the Director's request.

3.2.2 HSC regulations also require:

3.2.2.1 To the greatest extent feasible, all records, books, and papers to be furnished in a format that is digitally searchable.

3.2.2.2 If requested by the DMHC, all records, books, and papers be preserved until furnished.

3.2.3 In connection with an investigation or action authorized by Article 2 (commencing with Section 11180) of Chapter 2 of Part 1 of Division 3 of Title 2 of the Government Code, allows the Director to:

3.2.3.1 Inspect and copy records, books and papers, and:

3.2.4 Seek relief from an administrative law proceeding if a plan, management company, solicitor, or solicitor firm, and a provider or subcontractor providing health care or other services to a plan, management company, solicitor, or solicitor firm fails to fully or timely respond to a duly authorized request for production or records, books, and papers.

3.3 Welfare and Institutions Code 14124.1 requires providers to maintain medical records for services rendered to Medi-Cal beneficiaries for a period of 10 years from the final date of the contract period between the provider and HPSM, from the date of completion of any audit, or from the date the service was rendered, whichever is later.

3.4 HPSM's Medi-Cal Contract requires that HPSM maintain all records for a minimum of 10 years from the final date of the Phaseout Period or from the date of completion of any audit, whichever is later, in accordance with 42 CFR 438.3(h) and (u) and 438.230(c). HPSM must also, upon request from DHCS, timely gather, preserve, and provide, in the form and manner specified by DHCS, any information, subject to any lawful privileges, in the possession of Contractor or its Subcontractors, Downstream Subcontractors, or Network Providers, relating to threatened or pending litigation by or against DHCS.

3.5 The contract also requires HPSM to maintain such books and records that are necessary to show how HPSM discharged its obligations under the Medi-Cal program and disclose the quantity of services provided, the quality of those services, the manner and amount of payment for those services, the members eligible to receive covered services, how HPSM administered its daily business, and the cost of administering the health plan.

3.6 HPSM Provider contracts specify the appropriate handling, development, and maintenance of medical records.

4.0 Record Retention under HealthWorx, ACE.

4.1 Knox Keene Act and Regulations specified under section 3.1 of this policy also apply to HealthWorx.

4.2 California Business and Professions Code 2266 requires providers to maintain medical records for a period of no less than seven (7) years.

4.3 There are no document retention laws that apply specifically to ACE.

4.4 To maintain consistency in the application of this policy, HPSM will therefore apply the 10-year retention requirement to have a uniform standard for all our lines of business.

5.0 Record Retention Format Preference

5.1 To facilitate compliance with this policy and procedure all staff are encouraged to as much as possible retain documents in electronic files and not keep paper documents.

6.0 Destruction of Documents

6.1 Notwithstanding how old medical or financial records in staff possession might be, no employee shall destroy any records without taking precaution to protect the confidentiality of the information. It is a violation of law to negligently dispose of, abandon, or destroy medical records in a manner which fails to preserve their confidentiality.

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|---|---|---|---|
| Revision: 7 | Last Reviewed /Revised: 08/04/2025 | Dept: Compliance | Page 5 of 5 |

6.2 Staff shall follow the requirements of HP.PR-12 on the Safeguarding of Sensitive Information regarding the handling of sensitive records in paper, electronic, and oral formats.

## Related Documentation

- CP.000 Compliance Program
- HP.012 Safeguarding of Sensitive Information

## Attachments

- None

| Log of Revisions | |
|---|---|
| Revision Number | Revision Date |
| 0 | 08/05/2011 |
| 1 | 09/07/2012 |
| 2 | 09/30/2013 |
| 3 | 01/06/2015 |
| 4 | 02/08/2016 |
| 5 | 02/08/2017 |
| 6 | 09/17/2024 |
| 7 | 08/04/2025 |