

# Monthly MCO Compliance Report

**Medallion 4.0 September 2021 Deliverables**



**Health Care Services Division**

December 3, 2021

# Monthly MCO Compliance Report

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## Medallion 4.0 September 2021 Deliverables

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# Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from September 2020	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	2.0	0	1	1.0	<b>FINDINGS</b> NONE <b>CONCERNS</b> CMHRS SA
<u>Anthem</u>	21.0	1	6	16.0	<b>FINDINGS</b> EI CLAIMS <b>CONCERNS</b> CMHRS SA
<u>Molina</u>	9.0	1	0	10.0	<b>FINDINGS</b> PROVIDER CALL CENTER STATS <b>CONCERNS</b> Provider Network
<u>Optima Health</u>	11.0	0	1	10.0	<b>FINDINGS</b> NONE <b>CONCERNS</b> PHARMACY PA CMHRS SA
<u>United</u>	6.0	1	0	7.0	<b>FINDINGS</b> CMHRS SA <b>CONCERNS</b> NONE
<u>VA Premier</u>	31	1	2	30	<b>FINDINGS</b> APPEALS & GRIEVANCES <b>CONCERNS</b> NONE

*\*All listed point infractions are pending until the expiration of the 15-day comment period.*

Notes:

-**Findings**- Area(s) of violation; point(s) issued.

-**Concerns**- Area(s) of concern that could lead to potential findings; **no** points issued.

-**Expired Points**- Compliance points expire 365 days after issuance. Thus, all points issued in September 2020 (Issue date: 10/15/2020) expire on 10/15/2021 and are subtracted from the final point balance.)

# Summary

The **Compliance Review Committee (CRC)** met on November 8, 2021 to review deliverables measuring performance for September 2021 as well as other reported program issues. The CRC consists of five managers and supervisors from the Health Care Services division who vote on what, if any, compliance enforcement actions to take in response to identified issues of potential non-compliance.

The CRC voted to issue Warning Letters with associated compliance points and Notices of Non-Compliance to managed care organizations (MCOs) for failure to meet contractual requirements/thresholds and data submission errors.

Each MCO's compliance findings and concerns are further detailed below. Data related to the Health Care Services Division's compliance activities are also included. The Department communicated the findings of its review of September's compliance issues in letters and emails issued to the MCOs on November 10, 2021.

# Aetna Better Health of Virginia

## Findings:

- No findings (*i.e.*, no compliance issues severe enough to necessitate the issuance of compliance points)

## Concerns:

- **Contract Adherence:** Aetna failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per September 2021 data, there were five (5) expedited CMHRS request exceeding 72 hours without requiring supplemental information. Aetna's overall timeliness for processing CMHRS Service Authorization requests for the month of September was 99.51%.

The Compliance Team recommended that in response to the issue identified above, Aetna be issued a **Notice of Non-Compliance (NONC)** without any associated compliance points, financial sanctions, or corrective actions. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **NONC** without associated compliance points or financial sanctions in response to this issue. **(CES #4475)**

## MIP/CAP Update:

- No updates

## Appeal Decision:

- No appeals

## Expiring Points:

- **Case # 3253:** September 2020 – Early Intervention Claims Payment. 1 point was removed from Aetna's total by closing **CES # 3253**.

## Financial Sanctions Update:

- No outstanding sanctions at this time

## Summary:

- For deliverables measuring performance for September 2021, Aetna showed a high level of compliance. Aetna timely submitted all 24 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements to timely process CMHRS Service Authorizations (as addressed above in **CES # 4475**). In summation, Aetna complied with nearly all applicable regulatory and contractual requirements.

# Anthem HealthKeepers Plus

## Findings:

- **Contract Adherence:** The Department timely received the September 2021 Early Intervention Services Report from Anthem. Upon review, a DMAS subject matter expert discovered that the reports indicated that Anthem failed to process 121 clean claims within 14 calendar days.

On October 26, 2021, the Compliance Unit requested detailed claim information relating to the 121 clean claims not paid within 14 days. Anthem confirmed the claims and provided the following justification these claims:

“The timeliness of claims in September were impacted by the SPS and ACMP implementations. Anthem went through two major system changes in August related to our authorization and provider systems. With any major system migration however, there were some temporary post implementation discoveries led to some downstream impacts to our authorization TAT. Anthem acknowledges the extremely high volume of claims paid over 14 days and missing SLA TAT. Claims paid over 14 days is due to implementation of the new provider data maintenance system. Claims were pending (not denying) due to a mismatch in provider information between the authorization and claim. The large volume of pended claims caused a significant backlog and impacted timely adjudication. As of October, claims are processing timelier. “

On October 26, 2021, the Compliance Unit requested detailed claim information relating to the 121 clean claims not paid within 14 days. Upon review of the detailed report, it was discovered that those 121 clean claims were processed within 15-22 days.

The Compliance Team recommended that in response to the issue identified above, Anthem be issued a **Warning Letter, one (1) compliance point and a \$5,000 penalty, no MIP/CAP**. The CRC agreed with the Compliance Team’s recommendation, and voted to issue a **Warning Letter, 1 compliance point and a \$5,000 penalty, no MIP/CAP** in response to this issue. **(CES # 4513)**

## Concerns:

- **Contract Adherence:** Anthem failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per September 2021 data, there were three (3) CMHRS standard service authorization request that did not require supplemental information processed past 14 days. The max processing time for these 3 requests was 23 days, which exceeds the contract requirement to process the request in 14

days. Anthem's overall timeliness for processing CMHRS Service Authorization requests for the month of September was 99.45%.

The Compliance Team recommended that in response to the issue identified above, Anthem be issued a **Notice of Non-Compliance (NONC)** without any associated compliance points, financial sanctions, or corrective actions. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **NONC** without associated compliance points or financial sanctions in response to this issue. **(CES #4476)**

### **MIP/CAP Update:**

- No updates

### **Appeal Decision:**

- No appeals

### **Expiring Points:**

- **Case # 3275:** September 2020 – Missing Data Submission Issue. 5 points were removed from Anthem's total by closing **CES # 3275**.
- **Case # 3313:** September 2020 – Appeals & Grievances Issue. 1 point was removed from Anthem's total by closing **CES # 3313**.

### **Financial Sanctions Update:**

**The following financial sanctions will be sent to DMAS' Fiscal Division for enforcement:**

- September 2021 Early Intervention Claims Payment Issue - \$5,000 **(CES # 4513)**

### **Summary:**

- For deliverables measuring performance for September 2021, Anthem showed a moderate level of compliance. Anthem timely submitted all 24 required monthly reporting deliverables and those deliverables did not expose any programmatic issues. Two contract deliverables failed to meet contract adherence requirements to timely adjudication of Early Intervention claims, and process CMHRS Service Authorizations (as addressed above in **CES # 4513 & 4476**). In summation, Anthem complied with most applicable regulatory and contractual requirements.

# Molina Complete Care

## Findings:

- **Call Center Statistics:** DMAS timely received the September 2021 MCO Provider Call Center Statistics report from Molina. Upon review, the Compliance Unit discovered that the report indicated that Molina did not meet the required contract thresholds for call center statistics (did not answer 95% of incoming provider calls). Molina answered 89.33% of incoming provider calls in the month of September 2021.

Section 5.9 of the Medallion 4.0 contract requires that the MCOs Provider call abandonment rates shall average less than five percent (5%) each month. Molina failed to answer at least 95% of the incoming provider calls as required to be in compliance with the Medallion 4.0 contract.

According to Section 10.1.E.a of the Medallion 4.0 contract, a failure to comply with the contract that "represents a threat to [the] smooth and efficient operation" of the Medallion 4.0 program is subject to a one point penalty. Molina is placed in Level 1 on the Compliance Deficiency Identification System. Thus, a financial sanction will not be issued in response to this issue. However, the Department is requesting that Molina Complete Care submits a MCO Improvement Plan.

The MIP should address Molina Complete Care's plan to uphold contract requirements. In addition, Molina Complete Care should describe the root cause resulting in unsatisfactory call center statistics being reported to the Department.

The Compliance Team recommended that in response to the issue identified above, Molina be issued a **Warning Letter, 1 compliance point, no financial penalty and MIP**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, 1 compliance point, no financial penalty and MIP** in response to this issue. **(CES # 4474)**

## Concerns:

- **Contract Adherence:** Molina timely provided DMAS with the contractually Q2/2021 submission of the Provider Network file. However, Molina did not meet the required contract thresholds for Network Adequacy: pediatrics requirement is 75% (Alleghany county received a score of 25%, Craig 50%, Dickenson 13%). Bedford county received a score of 67%, where pediatrics requirement is 80%.

Section 4.1 of the Medallion 4.0 Contract states the Contractor's network shall meet or exceed Federal standards in 42 CFR §438.68 and 42 CFR §438.206, as



well as the full scope of access standards described in Section 4.6, Access to Care Standards. The Contractor shall regularly assess and certify through submission of quarterly reports to the Department the adequacy of its provider network and notify the Department of any major initiatives or changes to program design (e.g., expanded benefits).

The Compliance Team recommended that in response to the issue identified above, Molina be issued a **Notice of Non-Compliance (NONC)**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Notice of Non-Compliance (NONC)** without any associated compliance points, financial sanctions, or corrective actions. **(CES # 4473)**

### **MIP/CAP Update:**

- No updates

### **Appeal Decision:**

- No appeals

### **Expiring Points:**

- No points

### **Financial Sanctions Update:**

- No outstanding sanctions at this time

### **Summary:**

- For deliverables measuring performance for September 2021, Molina showed a moderate level of compliance. Molina timely submitted all 24 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. Two contract deliverable failed to meet contract adherence requirements for provider call center abandonment rates and the required contract thresholds for Network Adequacy (addressed above in **CES # 4474 and 4473**). In summation, Molina complied with almost regulatory and contractual requirements.

# Optima Family Care

## Findings:

- No findings (*i.e.*, no compliance issues severe enough to necessitate the issuance of compliance points)

## Concerns:

- **Contract Adherence:** Optima failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per September 2021 data, there was one (1) standard CMHRS request that did not require supplemental information processed past 14 days which exceeds the contract requirement to process the request in 14 days. This request was processed in 18 days and the overall timeliness of processing CMHRS SA requests was 99.95%. Additionally, a data error was identified: a service authorization request was received and processed on 9/16/2021, however, the total processing time was listed as 480 hours and 55 seconds.

The Compliance Team recommended that in response to the issue identified above, Optima be issued a **Notice of Non-Compliance (NONC)** without any associated compliance points, financial sanctions, or corrective actions. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Notice of Non-Compliance (NONC)** without any associated compliance points, financial sanctions, or corrective actions. **(CES # 4493)**

- **Contract Adherence:** Optima failed to timely process Pharmacy Prior Authorization requests. Per September 2021 data, there was one (1) Pharmacy Prior Authorization Request processed past 24 hours.

Section 8.7.N of the Medallion 4.0 contract requires the MCOs to provide a response by telephone or other telecommunication within 24 hours of a service authorization request. If the Contractor denies a request for service authorization, the Contractor must issue a Notice of Action within twenty-four (24) hours of the denial to the prescriber and the member. Thus, Optima violated the terms of the Medallion 4.0 contract in the deliverable submission addressed above.

The Compliance Team recommended that in response to the issue identified above, Optima be issued a **Notice of Non-Compliance (NONC)** without any associated compliance points, financial sanctions, or corrective actions. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Notice of Non-Compliance (NONC)** without any associated compliance points, financial sanctions, or corrective actions. **(CES # 4495)**

### **MIP/CAP Update:**

- No updates

### **Appeal Decision:**

- Optima requested reconsideration of a Notice of Non-Compliance (NONC) due to reporting one Pharmacy Prior Authorization (PA) as being processed past 24 hours (**CES # 4439**). Optima researched the PA and identified that the PA was processed timely, but misreported: PA received on 8/12/2021 09:30am, Optima response was sent same day. Optima refaxed notice to provider on 8/13/2021. DMAS Subject Matter Experts and HCS Leadership decided to rescind NONC on 10/27/2021.

### **Expiring Points:**

- **Case # 3255:** September 2020 – Call Center Statistics Issue. 1 point was removed from Optima’s total by closing **CES # 3255**.

### **Financial Sanctions Update:**

- No outstanding sanctions at this time

### **Summary:**

- For deliverables measuring performance for September 2021, Optima showed a moderate level of compliance. Optima timely submitted all 24 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. Two contract deliverables failed to meet contract adherence requirements to timely process CMHRS Service Authorizations and Pharmacy Prior Authorization requests (as addressed above in **CES # 4493 & 4495**). In summation, Optima complied with most applicable regulatory and contractual requirements.

# UnitedHealthcare

## Findings:

- **Contract Adherence:** UnitedHealthcare failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per September 2021 data, there were four (4) standard CMHRS requests exceeding 14 days without requiring supplemental information. The max processing time for these four requests was 184 days and the overall timeliness of processing CMHRS SA requests was 98.4%

According to Section 10.1.E.a of the Medallion 4.0 contract, a failure to comply with the contract that "represents a threat to [the] smooth and efficient operation" of the Medallion 4.0 program is subject to a one point penalty. UnitedHealthcare is placed in Level 1 on the Compliance Deficiency Identification System. Thus, a financial sanction will not be issued in response to this issue.

The Compliance Team recommended that in response to the issue identified above, United be issued a **Warning Letter, 1 compliance point, no financial penalty and no MIP/CAP**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, 1 compliance point, no financial penalty and no MIP/CAP** in response to this issue. (CES # 4494)

## Concerns:

- No concerns

## MIP/CAP Update:

- No updates

## Appeal Decision:

- No appeals

## Expiring Points:

- No points

## Financial Sanctions Update:

- No outstanding sanctions at this time

## Summary:

- For deliverables measuring performance for September 2021, United showed a moderate level of compliance. United timely submitted all 24 required monthly reporting deliverables, and those deliverables did not expose any

programmatic issues. One contract deliverables failed to meet contract adherence requirements to timely process CMHRS Service Authorizations (as addressed above in **CES # 4494**). In summation, United complied with nearly all regulatory and contractual requirements.

# Virginia Premier

## Findings:

- **Contract Adherence:** Virginia Premier failed to resolve one (1) internal member appeals within 30 days.

Section 12.3 of the Medallion 4.0 contract, the Contractor shall process, resolve, and provide notice to each appeal as expeditiously as the Member's health condition requires and shall not exceed 30 calendar days from the initial date of receipt of the appeal.

According to Section 10.1.E.a of the Medallion 4.0 contract, a failure to comply with the contract that "represents a threat to [the] smooth and efficient operation" of the Medallion 4.0 program is subject to a one (1) point penalty.

Virginia Premier is placed in Level 3 on the Compliance Deficiency Identification System. As described in 10.1.D of the Medallion 4.0 contract, an MCO in Level 3 of the Compliance Deficiency Identification System is subject to a \$10,000 financial sanction.

The Compliance Team recommended that in response to the issue identified above, Virginia Premier be issued a **Warning Letter, 1 compliance point, a \$10,000 penalty and no MIP/CAP**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, 1 compliance point, a \$10,000 penalty and no MIP/CAP** in response to this issue. (CES # 4496)

## Concerns:

- No concerns

## MIP/CAP Update:

- No updates

## Appeal Decision:

- No appeals

## Expiring Points:

- **Case # 3273:** September 2020 – EI Claims Payment. 1 point was removed from Virginia Premier's total by closing **CES # 3273**.
- **Case # 3293:** September 2020 – Appeals & Grievances Issue. 1 point was removed from Virginia Premier's total by closing **CES # 3293**

## **Financial Sanctions Update:**

**The following financial sanctions will be sent to DMAS' Fiscal Division for enforcement:**

- September 2021 Appeals & Grievances Issue - \$10,000 (CES # 4496)

## **Summary:**

- For deliverables measuring performance for September 2021, Virginia Premier showed a moderate level of compliance. Virginia Premier timely submitted all 24 required monthly reporting deliverables. Virginia Premier failed to meet contract adherence requirements for the timely processing of internal Member Appeals (as addressed above in CES # 4496). In summation, Virginia Premier complied with most applicable regulatory and contractual requirements.

# Next Steps

At this time, the Compliance Unit is continuing monthly Compliance Review Committee meetings, following up on reoccurring issues, and communicating with the MCOs regarding identified issues. The Compliance Unit is in the process of expanding the types of compliance issues it investigates, and involving itself with programmatic issues as well as technical deliverable issues.

The Compliance Unit continued its enforcement efforts in the area of the timely processing of Internal Member Appeals, Pharmacy Prior Authorization and CMHRS Service Authorization Requests, as well as compliance with contract requirements for call center abandonment rates for member and provider helplines. The MCOs were notified of their non-compliance with these issues. The Compliance Unit requested adherence to the Medallion 4.0 contract and issued points as well as financial sanctions as appropriate.

The HCS Compliance Unit is also coordinating with the IC Compliance Unit to align enforcement actions as applicable between the two contracts.