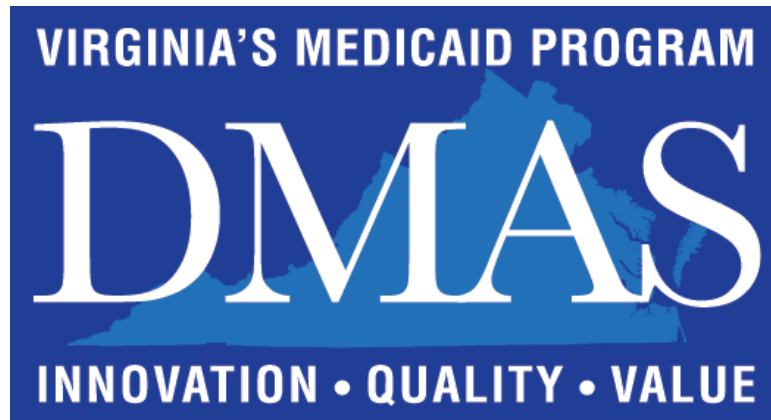


# Monthly MCO Compliance Report

## Medallion 4.0 July 2021 Deliverables



**Health Care Services Division**

October 13, 2021

# Monthly MCO Compliance Report

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## Medallion 4.0 July 2021 Deliverables

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# Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from July 2020	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	2.0	0	0	2.0	<b>FINDINGS</b> NONE <b>CONCERNS</b> CMHRS SA
<u>Anthem</u>	21.0	1	0	22.0	<b>FINDINGS</b> Appeals & Grievances <b>CONCERNS</b> CMHRS SA EI CLAIMS NETWORK ADEQUACY
<u>Molina</u>	7.0	6	5	8.0	<b>FINDINGS</b> CALL CENTER STATS X 2 <b>CONCERNS</b> CMHRS SA
<u>Optima Health</u>	20.0	1	10.0	11.0	<b>FINDINGS</b> EI Claims Report <b>CONCERNS</b> PHARMACY PA REPORT
<u>United</u>	5.0	0	0	5.0	<b>FINDINGS</b> None <b>CONCERNS</b> CMHRS SA EI Claims
<u>VA Premier</u>	30.0	0	1	29.0	<b>FINDINGS</b> None <b>CONCERNS</b> Data Submission Error

*\*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 June 2020 (Issue date: 8/15/2020) expire on 8/15/2021 and are subtracted from the final point balance.)

# Summary

The **Compliance Review Committee (CRC)** met on September 9, 2021 to review deliverables measuring performance for July 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 June's compliance issues in letters and emails issued to the MCOs on September 13, 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 July 2021 data, there were twenty four (24) expedited CMHRS request exceeding 72 hours without requiring supplemental information.

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 #4374)**

## 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 July 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 # 4374**). In summation, Aetna complied with nearly all applicable regulatory and contractual requirements.

# Anthem HealthKeepers Plus

## Findings:

- **Contract Adherence:** Anthem failed to resolve five (5) internal member appeals within 30 days. Additionally, 8 (eight) timely appeals with decision dates in June 2021 were included with July 2021 data.

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.

Anthem has accumulated 21.0 points, placing it in Level 2 on the Compliance Deficiency Identification System. As described in 10.1.D of the Medallion 4.0 contract, an MCO in Level 2 of the Compliance Deficiency Identification System is subject to a \$5,000 financial sanction.

The Compliance Team recommended that in response to the issue identified above, Anthem be issued a **Warning Letter, 1 compliance point, a \$5,000 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 \$5,000 penalty and no MIP/CAP** in response to this issue. (CES # 4358)

## Concerns:

- **Contract Adherence:** Anthem failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per July 2021 data, there were 3 (three) CMHRS standard service authorization requests that did not require supplemental information were processed past 14 days which exceeds the contract requirement to process the request in 14 days. Additionally, 125 requests that were processed in August were included with July data which exceeds the contract requirement to process the request in 14 days.

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 #4359)**

- **Contract Adherence:** Anthem timely provided DMAS with the contractually Q2/2021 submission of the Provider Network file. However, Anthem did not meet the required contract thresholds for Network Adequacy. The pediatrics requirement is 75%. Alleghany County received a score of 25%.

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, 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 # 4413)**

- **Contract Adherence:** DMAS timely received the July 2021 Early Intervention Services Report deliverable from Anthem. Upon review, the Compliance Unit discovered that the report indicated that Anthem failed to adjudicate two (2) clean claim for EI services within 14 days of its receipt in July 2021 (were processed within 17 days).

Section 5.5 of the Medallion 4.0 contract requires the MCOs to adjudicate all clean claims for EI services within 14 days of their receipt. Thus, Anthem violated the terms of the Medallion 4.0 contract in failing to adjudicate two clean claim for EI services within 14 days of its receipt.

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 # 4357)**

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

- No updates

### **Appeal Decision:**

- No appeals

### **Expiring Points:**

- No points

### **Financial Sanctions Update:**

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

- June 2021 Appeals & Grievances Issue - \$5,000 (CES # 4358)

### **Summary:**

- For deliverables measuring performance for July 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. Four contract deliverables failed to meet contract adherence requirements to timely process internal member appeals, EI claims, CMHRS Service Authorizations, and network adequacy (as addressed above in CES # 4358, 4357, 4359 , & 4413). In summation, Anthem complied with most applicable regulatory and contractual requirements.



# Molina Complete Care

## Findings:

- **Call Center Statistics:** DMAS timely received the July 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 87.36% of incoming provider calls in the month of July 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 has accumulated 1.0 point, placing it 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, Molina 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 # 4377)

- **Call Center Statistics:** DMAS timely received the July 2021 MCO Member 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 member calls). Molina answered 91.02% of incoming member calls in the month of July 2021. Per Section 7.15.C.b of the Medallion 4.0 contract, in order to be compliant, Molina was required to answer at least 95% of incoming member calls. Molina failed to answer enough incoming member calls to be in compliance.

According to Section 10.1.E.b of the Medallion 4.0 contract, failures to comply with the contract that represent "a threat to the integrity of the program" or that "impair a member's or potential enrollee's ability to obtain correct information regarding services" are subject to a 5 point penalty.

The Compliance Team recommended that in response to the issue identified above, Molina be issued a **Warning Letter, 5 compliance points, no**

**financial penalty and no MIP/CAP.** The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, 5 compliance points, no financial penalty and no MIP/CAP** in response to this issue. **(CES # 4376)**

### **Concerns:**

- **Contract Adherence:** Molina failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per July 2021 data, there was one (1) standard CMHRS request that did not require supplemental information was processed past 14 days which exceeds the contract requirement to process the request in 14 days.

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 # 4375)**

### **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 July 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. One contract deliverable failed to meet contract adherence requirements for both member and provider call center abandonment rates and untimely processing of CMHRS Service Authorizations (addressed above in **CES # 4376, 4377 and 4375**). In summation, Molina complied with almost regulatory and contractual requirements.

# Optima Family Care

## Findings:

- **Contract Adherence:** The Department timely received the July and August 2021 Early Intervention Services Report from Optima Family Care. Upon review, a DMAS subject matter expert discovered that the reports indicated that Optima failed to 76 clean claims clean claims within 14 calendar days in June 2021 and three (3) clean claims with 14 calendar days in July 2021.

On July 28, 2021, the Compliance Unit requested detailed claim information relating to the 76 clean claims not paid within 14 days. Optima confirmed the claims and provided assurances that the system error has been remediated. The following justification was provided regarding the claims:

Summary of Incident - 76 EI claims processed beyond 14 days of receipt for the month of June, 2021. Root cause and Corrective Action - Internal MCO systems error. MCO migrated our current external-facing sFTP application to a new system. Incorrect logic was introduced in our new scripts that caused 837 files from our paper claims partner to be missed if received on specific days of the week. As soon as the root cause was established all the files were located and loaded in batches and the script was updated accordingly on June 17th. All missing files were loaded by June 24th and claims were processed and paid.

On August 18, 2021, the Compliance Unit requested detailed claim information relating to the 3 clean claims not paid within 14 days. Optima confirmed the claims and provided assurances that the system error has been remediated. Two of the three claims were part of the same incident with the 76 EI claims in June and the following justification was provided regarding the one remaining claim:

Summary of Incident - There was an Enhancement that was pushed to suspend any claim with HNONE, UNONE, 99997, or 69999 that tried to pass AP. These are claims that do not have a valid provider number attached to the claim. The push failed to include OHNONE. As soon as the root cause was identified IT was able to add that ID to the constant as of 8.12.2021. We should not see any additional claims try to pass through accounts payable with OHNONE.

Optima has accumulated 11.0 points, placing it in Level 2 on the Compliance Deficiency Identification System. As described in 10.1.D of the Medallion 4.0 contract, an MCO in Level 2 of the Compliance Deficiency Identification System is subject to a \$5,000 financial sanction.

The Compliance Team recommended that in response to the issue identified above, Optima 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 # 4273 & 4356)

### **Concerns:**

- **Contract Adherence:** Optima timely submitted the July Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report. However, 60 CMHRS Service Authorizations that were processed in June and August were included with July data.

The Compliance Team recommended that in response to the issue identified above, Optima be issued a **Notice of Deficiency (NOD)** without any associated compliance points, financial sanctions, or corrective actions. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **NOD** without associated compliance points or financial sanctions in response to this issue. (CES #4360)

The Compliance Unit sent the following communication via email to Optima on September 13, 2021:

"Please see below the following area of concern. At this point there are no compliance enforcement actions, however, we want to take this opportunity to remind MCOs of the contractual requirements.

#### Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report (CMHRS SA MCAID.csv)

- Optima's August 2021 submission of the CMHRS\_SA\_MCAID.csv deliverable report (July 2021 data), included 60 standard service authorization requests that were processed during the months of June and August. Per the technical manual requirements, please ensure that submitted monthly data includes only CMHRS, Behavioral Therapy and MH Peer Supports Level Service Authorizations, Registrations that were approved / denied / pended during the previous calendar month.

The Department is requesting that each MCO adheres to the reporting requirements associated with the deliverables listed above. At this point, no compliance points or financial sanctions will be issued in response to the above listed areas of concern.

- **Contract Adherence:** Optima failed to timely process Pharmacy Prior Authorization requests. Per July 2021 data, there were seven (7) 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)**. 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 # 4361)**

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

- No updates

### **Appeal Decision:**

- Optima requested reconsideration of Warning Letter, 5 points and \$5,000 financial penalty (Level 2) following four (4) (May and June data) MCO claims processed beyond 365 days **(CES # 4217 & 4275)**. Based on review of additional information provided by Optima on 08/20/2021, advising that three of the four impacted claims were non-clean claims, and following further discussion with HCS Leadership, it was decided to overturn and rescind the Warning Letter for Case IDs 4217 & 4275. Additionally, it was acknowledged that the fourth claim and its adjudication delays were due to DMAS data.

### **Expiring Points:**

- **Case # 3238:** July 2020 – CAHPS Survey Report. 5 points were removed from Optima's total by closing **CES # 3238**.

### **Financial Sanctions Update:**

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

- June & July 2021 EI Services adjudication issue - \$5,000 **(CES # 4237 & 4356)**

### Summary:

- For deliverables measuring performance for July 2021, Optima showed a satisfactory level of compliance. Optima timely submitted all 24 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. Three contract deliverables failed to meet contract adherence requirements to timely process clean claims, and Pharmacy Prior Authorization requests (as addressed above in **CES # 4273 & 4361**). In summation, Optima complied with most applicable regulatory and contractual requirements.

# UnitedHealthcare

## Findings:

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

## Concerns:

- **Contract Adherence:** UnitedHealthcare timely provided DMAS with the contractually required monthly EI Services Report. However, based on the August 2021 submission of deliverables, UnitedHealthcare failed to process three (3) clean EI provider claims within fourteen (14) calendar days.

Section 5.5 of the Medallion 4.0 Contract requires that clean claims from community mental health rehabilitation services, ARTS, and early intervention providers shall be processed within fourteen (14) calendar days of receipt of the clean claim.

The Compliance Team recommended that in response to the issue identified above, UnitedHealthcare 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 # 4353)**

- **Contract Adherence:** UnitedHealthcare failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per July 2021 data, there were two (2) standard CMHRS requests exceeding 14 days without requiring supplemental information with the longest processing time being 186 days.

The Compliance Team recommended that in response to the issue identified above, UnitedHealthcare 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 # 4355)**

- **Contract Adherence:** UnitedHealthcare timely provided DMAS with the contractually Q2/2021 submission of the Provider Network file. However, UnitedHealthcare did not meet the required contract thresholds for Network Adequacy. The pediatrics requirement is 75%. Craig County received a score of 50% and Patrick County received a score of 25%.

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, United 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 # 4393)**

### **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 July 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. Three contract deliverables failed to meet contract adherence requirements to timely process Early Intervention clean claims, CMHRS Service Authorizations, and meet thresholds for Network Adequacy (as addressed above in **CES # 4353, 4355 & 4393**). In summation, United complied with most regulatory and contractual requirements.



# Virginia Premier

## Findings:

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

## Concerns:

- **Contract Adherence:** Virginia Premier timely provided DMAS with the contractually Q2/2021 submission of the Provider Network file. However, Virginia Premier did not meet the required contract thresholds for Network Adequacy. The pediatrics requirement is 75%. Dickenson county received a score of 63%.

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, Virginia Premier 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 # 4394)**

## 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 July 2021, Virginia Premier showed a high level of compliance. Virginia Premier timely submitted all 24 required monthly reporting deliverables. One monthly deliverable failed to meet contract adherence requirements for to meet the time and distance thresholds for Network Adequacy (as addressed above in **CES # 4394**). 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, Early Intervention Claims, CMHRS Requests, and Network Adequacy, 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 of 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.