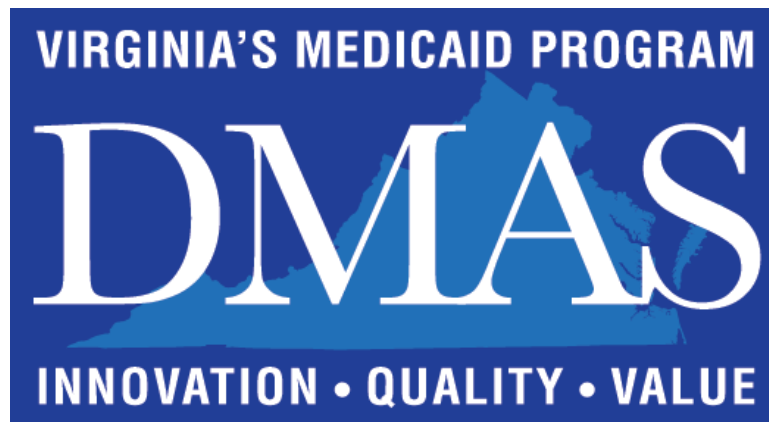


Monthly MCO Compliance Report

Medallion 4.0 August 2022 Deliverables



Health Care Services Division

September 14, 2022

Monthly MCO Compliance Report

Medallion 4.0 August 2022 Deliverables

Contents

| | |
|---------------------------------------|----|
| Compliance Points Overview..... | 2 |
| Summary..... | 3 |
| Aetna Better Health of Virginia | 4 |
| Anthem Healthkeepers Plus..... | 6 |
| Molina Complete Care..... | 7 |
| Optima Family Care | 9 |
| UnitedHealthcare | 11 |
| Virginia Premier | 13 |
| Next Steps..... | 16 |

Compliance Points Overview

| MCO | Prior Month Point Balance | Point(s) Incurred for Current Month* | Point(s) Expiring from July 2021 | Final Point Balance* | Area of Violation: Finding or Concern |
|-------------------|---------------------------|--------------------------------------|----------------------------------|----------------------|---|
| <u>Aetna</u> | 9 | 1 | 0 | 10 | FINDINGS APPEALS & GRIEVANCES CONCERNS NONE |
| <u>Anthem</u> | 9 | 0 | 0 | 9 | FINDINGS NONE CONCERNS NONE |
| <u>Molina</u> | 18 | 0 | 6 | 12 | FINDINGS NONE CONCERNS CMHRS SA |
| <u>Optima</u> | 0 | 0 | 0 | 0 | FINDINGS NONE CONCERNS PHARMACY SA |
| <u>United</u> | 6 | 1 | 0 | 7 | FINDINGS EI CLAIMS CONCERNS UNTIMELY SUBMISSION |
| <u>VA Premier</u> | 11 | 1 | 0 | 12 | FINDINGS PROVIDER CALL CENTER CONCERNS EI CLAIMS CMHRS SA |

**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 July 2021 (Issue date: 8/15/2021) expire on 8/15/2022 and are subtracted from the final point balance.

Summary

The **Compliance Review Committee (CRC)** met on September 7, 2022 to review deliverables measuring performance for July 2022. The meeting's agenda covered all identified and referred issues of non-compliance, including reporting deliverables timeliness and accuracy, call center stats, and thresholds not met in the areas of prior authorization reviews, specialty claims adjudication, and MCO appeals resolution.

The CRC consists of five managers and supervisors from the Health Care Services division who vote on what, if any, compliance enforcement actions should be taken in response to identified compliance issues.

The CRC voted to issue eight enforcement letters to the impacted Managed Care Organizations (MCOs), including three Warning Letters with associated compliance points and financial penalties and five Notices of Non-Compliance (NONC). Additionally, one Warning Letter included a request for a Corrective Action Plan (CAP), two Warning Letters included requests for MCO Improvement Plans (MIPs), and one NONC included a request for MIP.

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 July's compliance issues in letters and emails issued to the MCOs on September 8, 2022.

Aetna Better Health of Virginia

Findings:

- **Contract Adherence:** Aetna Better Health failed to resolve three (3) internal member appeals within 30 days. Aetna processed these appeals in 40 to 42 days.

Section 12.3 of the Medallion 4.0 contract, states 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.

The Compliance Team recommended that in response to the issue identified above, Aetna be issued a **Warning Letter and one (1) compliance point** with no financial penalty.

Additionally, the Compliance Team recommended that Aetna submit an **MCO Improvement Plan (MIP)**. The MIP should be submitted to the department no later than 15 calendar days from the date of the enforcement letter. In the MIP, Aetna Better Health should address its plan to ensure that the required contract thresholds for appeals processing time are met.

The CRC agreed with the Compliance Team's recommendation and voted to issue a **Warning Letter, one (1) compliance point**, and request a **MIP** in response to this issue. **(CES # 5133)**

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 July 2022, Aetna showed a high level of compliance. Aetna timely submitted all 23 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for the timely processing of internal member appeals (as addressed above in **CES # 5133**). In summation, Aetna complied with nearly all applicable regulatory and contractual requirements.

Anthem HealthKeepers Plus

Findings:

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

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 July 2022, Anthem showed a very high level of compliance. Anthem timely submitted all 23 required monthly reporting deliverables. In summation, Anthem complied with all applicable regulatory and contractual requirements.

Molina Complete Care

Findings:

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

Concerns:

- **Contract Adherence:** Molina Complete Care timely provided the Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per the July 2022 data, there was one (1) CMHRS standard service authorization request that did not require supplemental information and was not processed within 14 days. Molina's overall timeliness for processing CMHRS Service Authorization requests for the month of July was 99.43%.

Molina is currently under an MCO Improvement Plan due to failing to meet the required turnaround requirements for CMHRS Service Authorizations in January 2022, February 2022, March 2022, April 2022 and May 2022.

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)**. (CES # 5093)

MIP/CAP Update:

- Molina Complete Care submitted the MCO Improvement Plan response to **CES # 5019** regarding the CMHRS Service Authorizations and Registrations issues. The Department reviewed the provided MIP and found that it adequately addresses the CMHRS SAs adjudication issues identified by DMAS. Molina's MCO Improvement Plan is now approved.

Appeal Decision:

- No appeals

Expiring Points:

- **Case # 4377:** July 2022 – Provider Call Center Statistics Issue. 1 point was removed from Molina's total by closing **CES # 4377**.
- **Case # 4376:** July 2022 – Member Call Center Statistics Issues. 5 points were removed from Molina's total by closing **CES # 4376**.

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for July 2022, Molina showed a high level of compliance. Molina timely submitted all 23 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for the timely processing of CMHRS Service Authorizations (as addressed above in **CES # 5093**). In summation, Molina complied with nearly all 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 Pharmacy Prior Authorization requests. Per July 2022 data, there were two (2) Pharmacy Prior Authorization Requests processed past 24 hours, the maximum time to process these requests was 39 hours. The overall timeliness of Pharmacy Prior Authorizations processing was 99.94%.

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 # 5077)**

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 2022, Optima showed a high level of compliance. Optima timely submitted all 23 required monthly reporting deliverables. One deliverable failed to meet contract adherence requirements for the timely processing of Pharmacy Prior Authorization requests (as addressed above in **CES # 5077**). In summation, Optima complied with most applicable regulatory and contractual requirements.

UnitedHealthcare

Findings:

- **Contract Adherence:** The Department timely received the July 2022 Early Intervention Services Report from UnitedHealthcare. Upon review, a DMAS subject matter expert discovered the report indicated UnitedHealthcare failed to process 10 clean claims within 14 calendar days.

On August 16, 2022, the Compliance Unit requested detailed claim information relating to the 10 clean claims not paid within 14 days. UnitedHealthcare reported that the Regional Mail Office vendor had a system outage which resulted in the delay of paper claims being submitted for processing. The overall timeliness of adjudicated clean claims was 98.16 % for the month of July 2022. Claims were processed between day 15 and day 33.

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.

The Compliance Team recommended that in response to the issue identified above, UnitedHealthcare be issued a **Warning Letter and one (1) compliance point** with no financial penalty.

Additionally, the Compliance Team recommended that UnitedHealthcare submit a **Corrective Action Plan (CAP)** to address the MCO's ongoing failure to meet the contract requirement to adjudicate Early Intervention claims within 14 days.

The Corrective Action Plan must be submitted to the Department within thirty (30) calendar days from the enforcement letter. The CAP must provide a detailed analysis and action plan for each identified issue, including appropriate improvement benchmarks and an anticipated date of resolution. After the CAP is reviewed and approved, UnitedHealthcare must also provide the Department with regular updates at each improvement benchmark and upon resolution of each identified issue.

The CRC agreed with the Compliance Team's recommendation and voted to issue a **Warning Letter, one (1) compliance point**, and request a **CAP** in response to this issue. **(CES # 5073)**

Concerns:

- **Untimely Deliverable Submission:** UnitedHealthcare failed to timely submit the Pharmacy Claims, Authorizations, and Appeals Report (RXDashboard). UnitedHealthcare failed to submit their monthly report by the due date of

August 10, 2022. UnitedHealthcare submitted the missing report to the Department on August 12 following an email from the Compliance Unit.

Section 10.1.E.d.b of the Medallion 4.0 contract requires the MCOs to submit reporting deliverables timely, with accurate data, and in the format and layout specified by DMAS. Thus, UnitedHealthcare 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, UnitedHealthcare 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 associated compliance points or financial sanctions in response to this issue. **(CES # 5076)**

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 2022, UnitedHealthcare showed a moderate level of compliance. UnitedHealthcare timely submitted all 23 required monthly reporting deliverables, with the exception of the RXDashboard (as addressed above in **CES # 5076**). One contract deliverable failed to meet contract adherence requirements for timely processing of Early Intervention claims (as addressed above in **CES # 5073**). In summation, UnitedHealthcare complied with most regulatory and contractual requirements.

Virginia Premier

Findings:

- **Call Center Statistics:** DMAS timely received the July 2022 MCO Provider Call Center Statistics report from Virginia Premier. Upon review, the Compliance Unit discovered that Virginia Premier did not meet the required contract thresholds for call center statistics (did not answer 95% of incoming provider calls). Virginia Premier answered 89.03% of incoming provider calls in the month of July 2022.

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. Virginia Premier failed to answer at least 95% of the incoming provider calls 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.

Virginia Premier is currently placed 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, Virginia Premier be issued a **Warning Letter, one (1) compliance point, and a \$5,000 financial penalty.**

Additionally, the Compliance Team recommended that Virginia Premier submit an **MCO Improvement Plan (MIP)**. The MIP should be submitted to the department no later than 15 calendar days from the date of the enforcement letter. In the MIP, Virginia Premier should address its plan to ensure that Provider call abandonment rates average less than five percent (5%) each month.

The CRC agreed with the Compliance Team's recommendation and voted to issue a **Warning Letter, one (1) compliance point, a \$5,000 financial penalty, and request a MIP** in response to this issue. **(CES # 5075)**

Concerns:

- **Contract Adherence:** The Department timely received the July 2022 Early Intervention Services Report from Virginia Premier. Upon review, a DMAS

subject matter expert discovered the report indicated Virginia Premier failed to process 2 clean claims within 14 calendar days.

On August 16, 2022, the Compliance Unit requested detailed claim information relating to the 2 clean claims not paid within 14 days. Virginia Premier reported 2 claims untimely due to Availity File issues (VPH claim file processing issue resulting in the delay of loading two files in a timely manner). Both claims were processed on day 35. The overall timeliness of adjudicated clean claims was 99.94 % for the month of July 2022.

Virginia Premier also failed to meet the required contract thresholds for Early Intervention claims adjudication in May 2022 and June 2022.

The Compliance Team recommended that in response to the issue identified above, Virginia Premier be issued a **Notice of Non-Compliance (NONC)**.

Additionally, the Compliance Team recommended that Virginia Premier complete an **MCO Improvement Plan (MIP)**. The MIP should be submitted to the department no later than 15 calendar days from the date of the enforcement letter. In the MIP, Virginia Premier should address its plan to improve the timely processing of Early Intervention clean claims.

The CRC agreed with the Compliance Team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** and request a **MIP. (CES # 5074)**

- **Contract Adherence:** Virginia Premier timely provided the Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per the July 2022 data, there were three (3) CMHRS standard service authorization requests that did not require supplemental information and were not processed within 14 days. The maximum time to process these requests was 111 days. Virginia Premier's overall timeliness for processing CMHRS Service Authorization requests for the month of July was 99.57%.

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 **Notice of Non-Compliance (NONC)** without associated compliance points or financial sanctions in response to this issue. **(CES #5078)**

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 2022, Virginia Premier showed a low level of compliance. Virginia Premier timely submitted all 23 required monthly reporting deliverables. Two contract deliverables failed to meet contract adherence requirements for timely processing of Early Intervention claims and CMHRS service authorizations (as addressed above in **CES # 5074 & 5078**). One contract deliverable failed to meet contract adherence requirements for provider call center statistics (as addressed above in **CES # 5075**). In summation, Virginia Premier complied with most regulatory and contractual requirements.

Next Steps

The Health Care Services Compliance Unit will continue to host monthly Compliance Review Committee meetings, track and monitor compliance issues and points, and communicate with the MCOs regarding identified issues. The HCS Compliance Unit will also continue to collaborate with other DMAS units and divisions to investigate and resolve potential compliance issues.

The Compliance Unit will continue its enforcement efforts to ensure the timely processing of service authorizations and claims. The Compliance Unit will also remain focused on overall compliance with Medallion 4.0 contractual requirements - especially those with an impact on members and providers.

Where appropriate, the HCS Compliance Unit will work closely with the Integrated Care Compliance Unit to align enforcement actions between the two contracts.