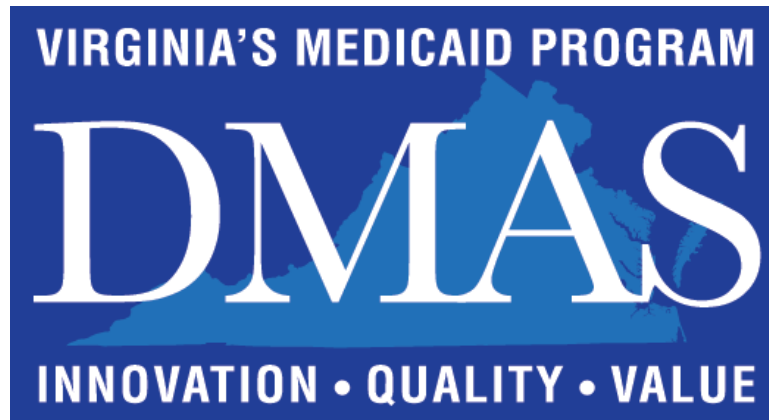


Monthly MCO Compliance Report

Medallion 4.0 October 2022 Deliverables



Health Care Services Division

November 14, 2022

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Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from September 2021	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	10	0	0	10	FINDINGS NONE CONCERNS CMHRS SA
<u>Anthem</u>	9	1	1	9	FINDINGS APPEALS & GRIEVANCES CONCERNS NONE
<u>Molina</u>	12	1	1	12	FINDINGS CMHRS SA CONCERNS NONE
<u>Optima</u>	1	1	0	2	FINDINGS APPEALS & GRIEVANCES CONCERNS CMHRS SA
<u>United</u>	6	0	1	5	FINDINGS NONE CONCERNS NONE
<u>VA Premier</u>	5	0	1	4	FINDINGS NONE CONCERNS 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 2021 (Issue date: 10/15/2021) expire on 10/15/2022 and are subtracted from the final point balance.

Summary

The **Compliance Review Committee (CRC)** met on November 2, 2022 to review deliverables measuring performance for September 2022. The meeting's agenda covered all identified and referred issues of non-compliance, including thresholds not met in the areas of service authorization reviews 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 five enforcement letters to the impacted Managed Care Organizations (MCOs). This included three Warning letters with associated compliance points and financial penalties, one of which included a request for Corrective Action Plan (CAP), as well as two Notices of Non-Compliance (NONC).

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 4, 2022.

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 Better Health failed to process all Mental Health Rehabilitation Services (CMHRS) Service Authorizations within the required timeframe. Per the September 2022 data, there were two (2) CMHRS expedited service authorization requests that did not require supplemental information and were not processed within 72 hours. Aetna's overall timeliness for processing CMHRS Service Authorization requests for the month of September was 99.8%.

The Compliance Team recommended that in response to the issue identified above, Aetna 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 # 5155)

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 2022, Aetna showed a high level of compliance. Aetna timely submitted all 18 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for the timely processing of CMHRS Service Authorization requests (as addressed above in **CES # 5155**). In summation, Aetna complied with nearly all applicable regulatory and contractual requirements.

Anthem HealthKeepers Plus

Findings:

- **Contract Adherence:** Anthem HealthKeepers Plus failed to resolve two (2) internal member appeals within 30 days. Anthem processed these appeals on day 35 and day 40.

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.

The Medallion 4.0 contract states that the Department may, at its discretion, assess one (1) point when the Contractor fails to meet an administrative and/or procedural program requirement, and the Contractor's failure, as determined by the Department represents "a threat to [the] smooth and efficient operation" of the Medicaid program.

The Compliance Team recommended that in response to the issue identified above, Anthem be issued a **Warning Letter and one (1) compliance point** with no financial penalty, MIP, or CAP. The CRC agreed with the Compliance Team's recommendation and voted to issue a **Warning Letter and one (1) compliance point** with no financial penalty, MIP, or CAP in response to this issue. **(CES # 5193)**

Concerns:

- No concerns

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- **Case # 4513:** September 2021 – Claims Payment Issue. 1 point was removed from Anthem's total by closing **CES # 4513**.

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for September 2022, Anthem showed a moderate level of compliance. Anthem timely submitted all 18 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 # 5193**). In summation, Anthem complied with most applicable regulatory and contractual requirements.

Molina Complete Care

Findings:

- **Contract Adherence:** Molina Complete Care failed to process all Mental Health Rehabilitation Services (CMHRS) Service Authorizations within the required timeframe. Per the September 2022 data, there were 28 expedited service authorization requests that did not require supplemental information and were not processed within 72 hours, and seven (7) standard service authorization requests that were not processed within 14 days without supplemental information requested. Molina's overall timeliness for processing CMHRS Service Authorization requests for the month of September was 88.22%.

The Medallion 4.0 contract states that the Department may, at its discretion, assess one (1) point when the Contractor fails to meet an administrative and/or procedural program requirement, and the Contractor's failure, as determined by the Department represents "a threat to [the] smooth and efficient operation" of the Medicaid program.

Molina is placed in Level 2 on the Compliance Deficiency Identification System. As described in 10.1.A of the Medallion 4.0 contract, an MCO in Level 2 of the Compliance Deficiency Identification System is subject to a \$15,000 financial sanction.

The Compliance Team recommended that in response to the issue identified above, Molina be issued a **Warning Letter, one (1) compliance point, and a \$15,000 financial penalty.**

Additionally, the Compliance Team recommended that Molina Complete Care submit a **Corrective Action Plan (CAP)** to address the MCO's ongoing failure to meet to the required contract thresholds for Community Mental Health Rehabilitation Services (CMHRS) Service Authorization requests.

The CAP must provide a detailed analysis and action plan for each identified – including appropriate improvement benchmarks and an anticipated date of resolution. After the CAP is reviewed and approved, Molina Complete Care 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, a \$15,000 financial penalty, and a CAP** in response to this issue. (CES # 5173)

Concerns:

- No concerns

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- **Case # 4474:** September 2021 – Provider Call Center Statistics Issue. 1 point was removed from Molina’s total by closing **CES # 4474**.

Financial Sanctions Update:

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

- September 2022 CMHRS Service Authorization Issue - \$15,000 (**CES# 5173**)

Summary:

- For deliverables measuring performance for September 2022, Molina showed a moderate level of compliance. Molina timely submitted all 18 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 # 5173**). In summation, Molina complied with nearly all regulatory and contractual requirements.

Optima Family Care

Findings:

- **Contract Adherence:** Optima Family Care failed to resolve two (2) internal member appeals within 30 days. Optima processed these appeals on day 31 and day 32.

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.

The Medallion 4.0 contract states that the Department may, at its discretion, assess one (1) point when the Contractor fails to meet an administrative and/or procedural program requirement, and the Contractor's failure, as determined by the Department represents "a threat to [the] smooth and efficient operation" of the Medicaid program.

The Compliance Team recommended that in response to the issue identified above, Optima be issued a **Warning Letter and one (1) compliance point** with no financial penalty, MIP or CAP. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter and one (1) compliance point** with no financial penalty, MIP, or CAP in response to this issue. **(CES # 5194)**

Concerns:

- **Contract Adherence:** Optima Family Care failed to process all Mental Health Rehabilitation Services (CMHRS) Service Authorizations within the required timeframe. Per the September 2022 data, there was one (1) CMHRS standard service authorization request that did not require supplemental information and was not processed within 14 days. Optima's overall timeliness for processing CMHRS Service Authorization requests for the month of September was 99.92%.

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)**. **(CES # 5154)**

MIP/CAP Update:

- No updates

Appeal Decision:

- Optima requested reconsideration of a Warning Letter and 5 points with no liquidated damages associated (CES #5133). Optima stated the original claim was rejected on 7/30/2021 due to the provider's failure to follow Optima's process. When the provider requested the claim be reprocessed on 8/3/2022, the claims processor incorrectly entered the reprocess date in the system as 7/30/2021, instead of the correct date of 8/3/2022. As a result, the claim incorrectly appeared to have exceeded the 30-day processing timeframe. Since the claim was actually processed timely, HCS Leadership has rescinded the Warning Letter associated with Case ID # 5133, including the issuance of the five (5) points per the Medallion 4.0 Compliance Monitoring Process.

Expiring Points:

- No points

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for September 2022, Optima showed a moderate level of compliance. Optima timely submitted all 18 required monthly reporting deliverables. However, two contract deliverables failed to meet contract adherence requirements for the timely processing of internal member appeals, and CMHRS Service Authorization requests (as addressed above in **CES # 5194 & 5154**). In summation, Optima complied with many of the applicable regulatory and contractual requirements.

UnitedHealthcare

Findings:

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

Concerns:

- No concerns

MIP/CAP Update:

- UnitedHealthcare submitted the Corrective Action Plan in response to **CES # 5073** regarding the Early Intervention claims adjudication issue. The CAP was approved on 11/2/2022.

Appeal Decision:

- No appeals

Expiring Points:

- **Case # 4494:** September 2021 – CMHRS Service Authorization Issue. 1 point was removed from UnitedHealthcare’s total by closing **CES # 4494**.

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for September 2022, UnitedHealthcare showed a very high level of compliance. UnitedHealthcare timely submitted all 18 required monthly reporting deliverables. In summation, UnitedHealthcare complied with all regulatory and contractual requirements.

Virginia Premier

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:

- **Case # 4496:** September 2021 – Appeals & Grievances Issue. 1 point was removed from Virginia Premier’s total by closing **CES # 4496**.

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for September 2022, Virginia Premier showed a high level of compliance. Virginia Premier timely submitted all 18 required monthly reporting deliverables. In summation, Virginia Premier complied with all 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.