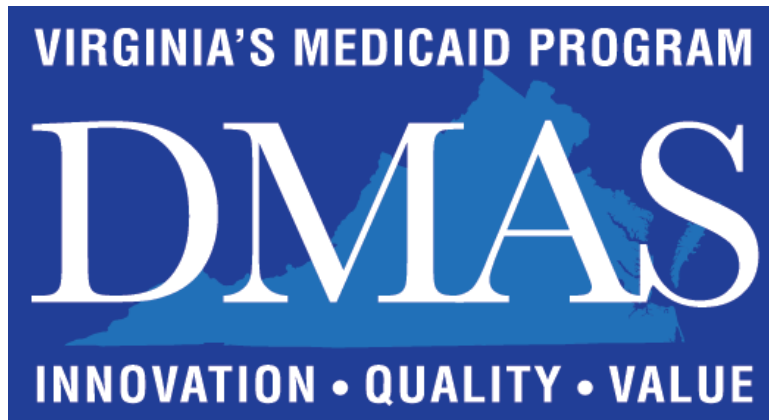


# Monthly MCO Compliance Report

**Medallion 4.0 September 2023 Deliverables**



**Health Care Services Division**

October 23, 2023

# Monthly MCO Compliance Report

---

## Medallion 4.0 September 2023 Deliverables

### Contents

Compliance Points Overview.....	2
Summary.....	3
Aetna Better Health of Virginia .....	4
Anthem Healthkeepers Plus.....	5
Molina Complete Care.....	8
Optima Family Care .....	9
UnitedHealthcare .....	11
Next Steps.....	12

# Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from August 2022	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	0	0	0	0	<b>FINDINGS</b> NONE <b>CONCERNS</b> NONE
<u>Anthem</u>	5	2	1	6	<b>FINDINGS</b> REPORTING ERRORS MARKETING SERVICES <b>CONCERNS</b> APPEALS & GRIEVANCES
<u>Molina</u>	17	0	1	16	<b>FINDINGS</b> NONE <b>CONCERNS</b> NONE
<u>Optima</u>	11	1	1	11	<b>FINDINGS</b> MEMBER CALL CENTER <b>CONCERNS</b> APPEALS & GRIEVANCES
<u>United</u>	4	0	0	4	<b>FINDINGS</b> NONE <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 August 2022 (Issue date: 9/15/2022) expire on 9/15/2023 and are subtracted from the final point balance.

# Summary

The **Compliance Review Committee (CRC)** met on October 4, 2023, to review deliverables measuring performance for August 2023. The meeting's agenda covered all identified and referred issues of non-compliance, including reporting errors, untimely processing of internal member appeals, failure to meet contract thresholds related to MCO call center statistics, and failure to adhere to contract requirements related to marketing materials.

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 (5) Notices of Non-Compliance (NONC) to the impacted MCOs, consisting of three (3) NONCs with associated compliance points, one of which also included a financial penalty and a request for an MCO Improvement Plan (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 August's compliance issues in letters and emails issued to the MCOs on October 5, 2023.

# Aetna Better Health of Virginia

## 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

## Request for Reconsideration:

- Aetna Better Health submitted a request for reconsideration regarding **CES #5593** on September 8, 2023. Aetna requested that DMAS reconsider the assessment of the Notice of Non-Compliance, advising that a submitted CMHRS report included a reporting error, which resulted in an incorrect turn-around time. The MCO submitted the updated report with corrected data, showing that the service authorization in question was processed timely. After reviewing the request, the Department has decided to rescind the Notice of Non-Compliance associated with **CES #5593**. Aetna was notified of this decision on October 6, 2023.

## Expiring Points:

- No points

## Financial Sanctions Update:

- No outstanding sanctions

## Summary:

- For deliverables measuring performance for August 2023, Aetna Better Health showed a **very high** level of compliance. Aetna submitted all 16 required monthly reporting deliverables accurately and on time. Aetna complied with all applicable regulatory and contractual requirements.

# Anthem HealthKeepers Plus

## Findings:

- **Data Submission Error:** The Department timely received the Appeals & Grievances Summary Reports from Anthem HealthKeepers Plus. Upon review, a DMAS subject matter expert discovered that both reports included a data submission error, specifically both reports contained an additional column (CASEID) under the MCO Appeals Open tab.

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, Anthem 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, Anthem be issued a **Notice of Non-Compliance (NONC)** 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 **Notice of Non-Compliance (NONC)** and **one (1) compliance point** with no financial penalty, MIP, or CAP in response to this issue. **(CES # 5677)**

- **Contract Adherence:** DMAS learned that Anthem HealthKeepers Plus had repeatedly aired an unapproved radio advertisement containing incorrect information. The advertisement deviated from the information provided by the DMAS Redetermination Toolkit – including unapproved language encouraging Medicaid members to call the Virginia Managed Care Hotline instead of CoverVA with renewal questions. As Anthem HealthKeepers Plus failed to submit the radio advertisement to DMAS for review and approval, this error was not discovered until after the advertisement had aired.

Section 7.7 of the Medallion 4.0 Contract states for all enrollment, disenrollment, and educational documents and materials made available to members by the Contractor must be submitted to the Department for its review at start-up, upon revision, and upon request unless specified elsewhere in the contract. Further, the Contractor must submit its Member materials to the Department for review and approval thirty (30) days prior to initial posting and thirty (30) days prior to any substantive changes being made.

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

**Compliance (NONC) and one (1) compliance point** with no financial penalty, MIP, or CAP in response to this issue. **(CES # 5678)**

### **Concerns:**

- **Contract Adherence:** Anthem HealthKeepers Plus failed to resolve one (1) internal member appeal within 30 days without a request for an extension. Anthem processed this appeal on day 55.

Section 12.5 of the Medallion 4.0 contract states the Contractor shall process and respond in writing to standard internal appeals as expeditiously as the member's health condition requires and shall not exceed thirty (30) calendar days from the initial date of receipt of the internal appeal.

The Department requests that Anthem HealthKeepers Plus adheres to the reporting specifications, as outlined in the Medallion 4.0 Deliverables Technical Manual under section 1.12.6.1, and MCOs should securely email [M4.0Inquiry@dmas.virginia.gov](mailto:M4.0Inquiry@dmas.virginia.gov) to request an extension from the Department, when necessary.

The Compliance Team recommended that in response to the issue identified above, Anthem 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 # 5675)**

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

- Anthem HealthKeepers Plus submitted the MCO Improvement Plan in response to **CES # 5653** regarding the MCO's self-identified failure to comply with DMAS' Hospital Readmission Policy. The MIP was approved with a request to provide a final accounting of the total number of claims impacted, the total dollar amount involved, and the final list of impacted providers. Anthem was notified of this decision on October 12, 2023.

### **Request for Reconsideration:**

- No requests for reconsideration

### **Expiring Points:**

- **Case #5139:** August 2022 – Appeals & Grievances Issue. 1 point was removed from Anthem's total by closing **CES # 5139**.

### **Financial Sanctions Update:**

- No outstanding sanctions

## Summary:

- For deliverables measuring performance for August 2023, Anthem showed a **moderate** level of compliance. Anthem submitted 14 of the 16 required monthly reporting deliverables accurately and on time. However, two of the required reporting deliverables included a submission error (as addressed above in **CES # 5677**) and received a Notice of Non-Compliance and a compliance point. Anthem also failed to meet contract adherence on Marketing services (as addressed above in **CES # 5678**) and received a Notice of Non-Compliance and a compliance point. Additionally, Anthem failed to meet contract adherence requirements for the timely processing of internal member appeals (as addressed above in **CES # 5675**) and received a Notice of Non-Compliance. Despite these issues, Anthem complied with most 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:

- No concerns

## MIP/CAP Update:

- No updates

## Request for Reconsideration:

- No requests for reconsideration

## Expiring Points:

- **Case #5138:** August 2022 – CMHRS SA Issue. 1 point was removed from Molina’s total by closing **CES # 5138**.

## Financial Sanctions Update:

**The following financial sanction has been sent to DMAS’ Fiscal Division for enforcement:**

- July 2023 CMHRS Service Authorization Issue - \$15,000 (**CES# 5595**)

## Summary:

- For deliverables measuring performance for August 2023, Molina Complete Care showed a **very high** level of compliance. Molina submitted all 16 required monthly reporting deliverables accurately and on time. Molina complied with all applicable regulatory and contractual requirements.

# Optima Family Care

Optima Health and Virginia Premier merged into a single health plan effective July 1, 2023. As Optima Health has assumed all of Virginia Premier's rights and obligations under the terms of the merger agreement, Optima will be issued any enforcement actions related to Virginia Premier's failure to meet contractual requirements.

## Findings:

- **Call Center Statistics:** DMAS timely received the August 2023 MCO Member Call Center Statistics report from Optima Family Care. Upon review, the Compliance Unit discovered that Optima did not meet the required contract thresholds for member call center statistics.

Section 7.16.C.b of the Medallion 4.0 contract requires that the MCOs Member call abandonment rates shall average less than five percent (5%) each month. Optima Family Care failed to answer at least 95% of the incoming member calls as required by the Medallion 4.0 contract. Optima answered only 94% of all incoming member calls in the month of August 2023.

The Compliance Team recommended that in response to the issue identified above, Optima be issued a **Notice of Non-Compliance (NONC)**, with **one (1) compliance point** and a **\$15,000 financial penalty**. The team also recommended that Optima submit an **MCO Improvement Plan ("MIP")** to explain how the MCO plans to ensure that Member 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 **Notice of Non-Compliance (NONC)**, including **one (1) compliance point**, a **\$15,000 financial penalty**, and a **MIP** in response to this issue. **(CES # 5673)**

## Concerns:

- **Contract Adherence:** Optima Family Care failed to resolve one (1) internal member appeal within 30 days without a request for an extension. Optima processed this appeal on day 32.

Section 12.5 of the Medallion 4.0 contract states the Contractor shall process and respond in writing to standard internal appeals as expeditiously as the member's health condition requires and shall not exceed thirty (30) calendar days from the initial date of receipt of the internal appeal.

The Department requests that Optima Family Care adheres to the reporting specifications, as outlined in the Medallion 4.0 Deliverables Technical Manual under section 1.12.6.1, and MCOs should securely email [M4.0Inquiry@dmas.virginia.gov](mailto:M4.0Inquiry@dmas.virginia.gov) to request an extension from the Department, when necessary.

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 # 5674)

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

- No updates

### **Request for Reconsideration:**

- No requests for reconsideration

### **Expiring Points:**

- **Case #5140:** August 2022 – Appeals & Grievances Issue. 1 point was removed from Optima's total by closing **CES # 5140**.

### **Financial Sanctions Update:**

**The following financial sanction has been sent to DMAS' Fiscal Division for enforcement:**

- July 2023 Call Center Statistics Issue - \$15,000 (CES# 5573)

### **Summary:**

- For deliverables measuring performance for August 2023, Optima Family Care showed a **moderate** level of compliance. Optima submitted all 16 required monthly reporting deliverables accurately and on time. However, Optima failed to meet the required contract thresholds for member call center statistics. This failure (as addressed above in **CES # 5673**) resulted in the assessment of a Notice of Non-Compliance, a compliance point with \$15,000 financial penalty, and a request for a MIP. Additionally, Optima failed to meet contract adherence requirements for the timely processing of internal member appeals (as addressed above in **CES # 5674**) and received a Notice of Non-Compliance. Despite these issues, 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:

- No concerns

## MIP/CAP Update:

- No updates

## Request for Reconsideration:

- UnitedHealthcare submitted a request for reconsideration regarding **CES #5613 & 5614** on September 8, 2023. The MCO was issued two (2) separate Notices of Non-Compliance, a compliance point associated with each case, and a CAP due to UnitedHealthcare vendor's offshore request to access the EPS Portal. UnitedHealthcare stated that access to the EPS Portal was not gained from an offshore location, and there were no two separate incidents. After careful consideration, the Department has decided to uphold the Notice of Non-Compliance and two (2) points associated with **CES #5613 & 5614**. The Department requested that UnitedHealthcare submit a CAP by no later than October 20, 2023. UnitedHealthcare was notified of this decision on October 6, 2023.

## Expiring Points:

- No points

## Financial Sanctions Update:

- No outstanding sanctions

## Summary:

- For deliverables measuring performance for August 2023, UnitedHealthcare showed a **very high** level of compliance. UnitedHealthcare submitted all 16 required monthly reporting deliverables accurately and on time. UnitedHealthcare complied with all applicable 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.