



COMMONWEALTH of VIRGINIA
Department of Medical Assistance Services

JENNIFER S. LEE, M.D.
DIRECTOR

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December 26, 2018

Charles Wayland, Executive Director
United Healthcare
9020 Stony Point Pkwy, Suite 400
Richmond, VA 23235

Dear Mr. Wayland,

DMAS issued a Managed Care Improvement Plan (MIP) on November 11, 2018 to United Healthcare based on the plan's performance not meeting contractual standards as stated in Section 12.4.2 Exceptional Processing and Payment Rules for Nursing Facility, LTSS, ARTS, CMHRS and Early Intervention.

1. The Contractor shall ensure clean claims from Nursing Facilities, LTSS (including when LTSS services are covered under EPSDT), ARTS, CMHRS and Early Intervention providers are processed within fourteen (14) calendar days of receipt of the clean claim, as clean claim is defined in this contract, for covered services rendered to covered Members who are enrolled with the Contractor at the time the service was delivered.

As stated in the MIP, United Healthcare's self-reported dashboards for 9/24/2018-10/23/2018 identify an average of 547 paid clean claims that are greater than 14 days to resolution for CMHRS services. Since issuing the MIP, the most recent dashboard for claims processed 11/24/2018-11/30/2018 identified 16 paid clean claims greater than 14 days to resolution for ARTS and 627 paid clean claims greater than 14 days to resolution for CMHRS.

In the November 26, 2018 MIP response by United Healthcare, it was stated that,

"DMAS's weekly dashboard is inclusive of claim adjustments, which are not currently part of Section 12.4.2 requirements. As a result, it is anticipated that DMAS may continue to observe metrics showing claims greater than 14 days unless DMAS's report criteria is altered to distinguish clean claims from adjustments."

According to Sections 1816(c)(2)(B) and 1842(c)(2)(B) of the Social Security Act, a clean claim is defined as a claim that has no defect or impropriety (including any lack of any required substantiating documentation) or particular circumstance requiring special treatment that prevents

UnitedHealth Care
December 26, 2018

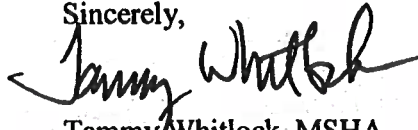
timely payments from being made on the claim under this title. The claims that are represented in the "paid clean claims" are those that meet this definition. It is a contractual requirement that United Healthcare submit complete, timely, reasonable, and accurate data to the Department.

As a result of the critical error in timely processing of ARTS and CMHRS claims identified above, United Healthcare will be required to submit a corrective action plan (CAP) and issued point violations pursuant to Section 18.0 of the CCC Plus Contract. Assessment of these points are pending. If you have additional information and/or documentation that will affect this determination, please provide this information to Jason A. Rachel, Ph.D., Division Director, within 15 calendar days from the date of this letter ("Comment Period").

Point violations will be finalized upon the expiration of the Comment Period. After this time, no additional communication will be provided by the Department regarding the point issuance. United Healthcare's written response to the CAP for the issues listed in this letter must be provided to the Department for approval no later than 30 calendar days from the date of this letter. Failure to comply with the approved CAP will result in additional sanctions.

If you have any questions regarding these concerns, contract standards or CAP requirements, please contact Joshua Walker at 804-418-4464. Please sign, date and return acknowledging receipt to Joshua.Walker@dmas.virginia.gov.

Sincerely,



Tammy Whitlock, MSHA

Deputy Director of Complex Care and Services

Exhibit 1 – United HealthCare – December 2018 Point Schedule

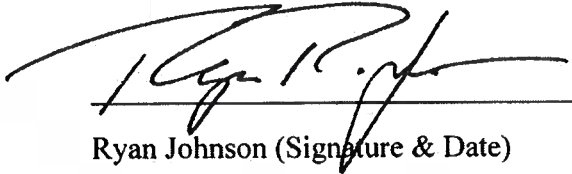
MCO	Area(s) of Violation	Prior Month Balance	Point(s) Expired	Point(s) Incurred	Point Accumulation Total	Sanctions pursuant to 18.2.2
United Health Care	2018-UHC-002: Billing/Claims	0	0	5	10	\$1,000

18.2.3.2 Five (5) Point Violations

Noncompliance with Claims Adjudication Requirements - If the Department finds that the Contractor is unable to (1) electronically accept and adjudicate claims to final status, or (2) notify providers of the status of their submitted claims, the Contractor may be assessed 5 points per incident of noncompliance. If the Department has identified specific instances where a Contractor has failed to take the necessary steps to comply with the requirements specified in this Contract by (1) failing to notify non-contracting providers of procedures for claims submissions when requested or (2) failing to notify contracting and non-contracting providers of the status of their submitted claims, the Contractor may be assessed 5 points per incident of noncompliance.

United Healthcare
January 11, 2019

Acknowledge agreement via signature below to address the Corrective Action Plan (CAP) within the attached letter.

 1/25/19

Ryan Johnson (Signature & Date)