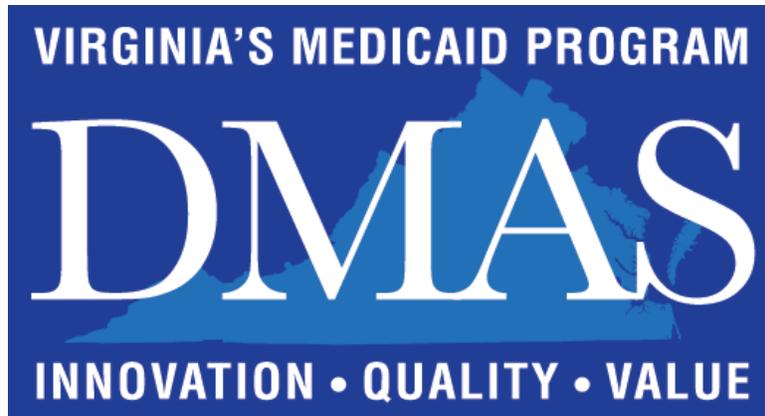


Monthly MCO Compliance Report

Medallion 4.0 March 2020 Deliverables



Health Care Services Division

July 24, 2020

Monthly MCO Compliance Report

Medallion 4.0 March 2020 Deliverables

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Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from March 2019	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	6.0	0.0	0.0	6.0	CONCERNS Data Errors Encounter Data
<u>Anthem</u>	9.0	0.0	0.0	9.0	CONCERNS Data Errors Appeals Issue EI Claims Issue Encounter Data
<u>Magellan</u>	10.0	0.0	0.0	10.0	CONCERNS Data Errors
<u>Optima Health</u>	10.0	0.0	0.0	10.0	CONCERNS Data Error EI Claims Issue Encounter Data
<u>United</u>	5.0	0.0	0.0	5.0	CONCERNS Data Error Encounter Data
<u>VA Premier</u>	19.0	0.0	0.0	19.0	CONCERNS Data Error Appeals Issue EI Claims Issue

**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 March 2019 (Issue date: 4/15/19) expire on 4/15/20 and are subtracted from the final point balance.

Summary

The **Compliance Review Committee (CRC)** met on May 6, 2020 to review deliverables measuring performance for March 2020 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.

Due to the public health emergency crisis, HCS Compliance Unit will exercise its enforcement discretion and not issue points and/or financial penalties on identified issues of non-compliance during this period, unless the identified areas of non-compliance are egregious violations. HCS Compliance unit continues to monitor and document areas of non-compliance through issuance of Notices of Non-Compliance. The Department will expect health plans to come into compliance with all aspects of the Medallion 4.0 contract prior to the end of the emergency period.

The CRC voted to issue Notices of non-compliance to managed care organizations (MCOs) for data reporting errors, untimely processing of internal appeals, untimely payment of early intervention (EI) claims, and missing encounter data certifications.

Each MCO's compliance findings and concerns are further detailed below. The Department communicated the findings of its review of March's compliance issues in letters issued to the MCOs on May 8, 2020.

Aetna Better Health of Virginia

Findings:

- No findings

Concerns:

- **Data Submission Error:** DMAS timely received the March 2020 Maternal Care Monthly Report deliverable from Aetna. Upon review, it was determined that Aetna's submission contained data errors. Specifically, High Risk members were listed as postpartum and should be marked as prenatal based upon the EDD report. Non High Risk Members were listed as prenatal and should be marked as postpartum based upon the EDD report. Non High Risk Members have not completed pregnancy risk screenings as required by Section 1.4.12.2 of the Medallion 4.0 Deliverables Technical Manual.

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, Aetna violated the terms of the Medallion 4.0 contract in the deliverable submission addressed above.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department's ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

The Compliance Team recommended 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 # 2734)**

- **Data Submission Error:** DMAS timely received the March 2020 Monies Recovered by Third Parties deliverable from Aetna. Upon review, it was determined that 50.7% of total entries in Aetna's submission contained data errors. Specifically, 50.7% of the deliverable's entries contained an error in the entry of the Medicaid ID numbers which must be valid and contain 12 bytes with leading zeros as required by Section 1.15.15.2 of the Medallion 4.0 Deliverables Technical Manual.

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, Aetna violated the terms of the Medallion 4.0 contract in the deliverable submission addressed above.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department's ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

The Compliance Team recommended 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 # 2750)

- **Data Submission Error:** DMAS timely received the Appeals & Grievances Summary and the FAMIS Appeals & Grievances Summary deliverables from Aetna. Upon review, it was determined that Aetna submitted these deliverables with data quality errors. Specifically, these deliverables were missing Medicaid ID numbers and incorrectly reported one member appeal that was actually a provider appeal as required by Sections 1.12.6.2 and 1.12.7.2 of the Medallion 4.0 Deliverables Technical Manual.

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, Aetna violated the terms of the Medallion 4.0 contract in the deliverable submission addressed above.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department's ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

The Compliance Team recommended 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 # 2729)

- **Encounter Data Certification:** Aetna failed to certify 3 encounter data files as required by section 14.4 of the M4.0 contract which states "all encounter data must be certified by an authorized agent of the Contractor in accordance with

42 CFR §436.606” and section 13.5.A of the M4.0 contract which states “all data submissions are required to be certified. Data certification forms shall be signed by the Contractor’s Chief Financial Officer, Chief Executive Officer, or a person who reports directly to and who is authorized to sign on behalf of the Chief Financial Officer or Chief Executive Officer of the Contractor. The Contractor shall keep track of every record submitted to the Department or its designee and the tracking number assigned to each. At the end of each calendar month, the Contractor shall report this data to the Department with the required certification.”

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, Aetna violated the terms of the Medallion 4.0 contract in the deliverable submission addressed above.

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.

The Compliance Team recommended 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 # 2794)

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- No expiring points

Financial Sanctions Update:

- No outstanding sanctions at this time

Summary:

- For deliverables measuring performance for March 2020, Aetna showed a moderate level of compliance. Aetna timely submitted all 23 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. Three reporting deliverables contained minor data errors (addressed above in CES # 2729, 2734 & 2750). Aetna also failed to

certify all encounter data files (addressed above in **CES # 2794**). In summation, Aetna complied with most applicable regulatory and contractual requirement.

Anthem HealthKeepers Plus

Findings:

- No findings

Concerns:

- **Data Submission Error:** DMAS timely received the March 2020 Maternal Care Monthly Report deliverable from Anthem. Upon review, it was determined that Anthem's submission contained data errors. Specifically, Anthem incorrectly listed High Risk and Non High Risk members. High Risk and Non High Risk members must be submitted on two separate tables in this deliverable as required by Section 1.4.12.2 of the Medallion 4.0 Deliverables Technical Manual.

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.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department's ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

The Compliance Team recommended 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 # 2732)**

- **Data Submission Error:** The Department timely received the March 2020 Pharmacy Prior Authorization Report deliverable from Anthem. Upon review, the Compliance Unit discovered that 100% of total entries in Anthem's submission contained data errors. Specifically, Anthem included two unnecessary columns of data. The report contained 14 columns of data instead of 12 columns as required by Section 1.8.45.1 of the Medallion 4.0 Deliverables Technical Manual.

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.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department's ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

The Compliance Team recommended 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 # 2714)**

- **Data Submission Error:** The Department timely received the April 6, 2020 Enrollment Broker File deliverable from Anthem. Upon review, the Compliance Unit discovered an incorrect file naming convention in Anthem's submission of this weekly file. Specifically, Anthem submitted this file with the Medallion 3.0 file naming convention of MCO_ANT rather than the Medallion 4.0 naming convention of MCO_1045 as required by Section 1.1.1 of the Medallion 4.0 Deliverables Technical Manual.

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.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department's ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

The Compliance Team recommended 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 # 2770)**

- **Appeals Issue:** The Department timely received the March 2020 Appeals & Grievances Summary and FAMIS Appeals & Grievances Summary deliverables from Anthem. Upon review, a DMAS subject matter expert discovered that the reports indicated that Anthem failed to adjudicate one (1) internal appeal within 30 days of their filing as required by law and the Medallion 4.0 contract.

Section 12.3 of the Medallion 4.0 contract and the Code of Federal Regulations at 42 C.F.R. §438.408(b) require the MCOs to adjudicate internal appeals within 30 days of their receipt in the absence of an extension request. Anthem's March 2020 Appeals & Grievances Summary and FAMIS Appeals & Grievances Summary deliverables showed that Anthem failed to adjudicate one (1) internal appeal within 30 days of their filing, and Anthem did not request an extension for those appeals. Thus, Anthem violated the terms of 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.

The Compliance Team recommended 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 # 2731)**

- **Untimely Payment of EI Claims:** DMAS timely received the March 2020 Early Intervention Services Report deliverable from Anthem. Upon review, the Compliance Unit discovered that the report indicated that Anthem failed to adjudicate one (1) clean claim for EI services within 14 days of their receipt in March 2020.

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 one (1) clean claim for EI services within 14 days of their receipt.

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.

The Compliance Team recommended 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 # 2791)**

- **Encounter Data Certification:** Anthem failed to certify 158 encounter data files as required by section 14.4 of the M4.0 contract which states "all

encounter data must be certified by an authorized agent of the Contractor in accordance with 42 CFR §436.606” and section 13.5.A of the M4.0 contract which states “all data submissions are required to be certified. Data certification forms shall be signed by the Contractor’s Chief Financial Officer, Chief Executive Officer, or a person who reports directly to and who is authorized to sign on behalf of the Chief Financial Officer or Chief Executive Officer of the Contractor. The Contractor shall keep track of every record submitted to the Department or its designee and the tracking number assigned to each. At the end of each calendar month, the Contractor shall report this data to the Department with the required certification.”

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.

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.

The Compliance Team recommended in response to the issues 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 # 2795)**

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- No expiring points

Financial Sanctions Update:

- No outstanding sanctions at this time

Summary:

- For deliverables measuring performance for March 2020, Anthem showed a moderate level of compliance. Anthem timely submitted all 23 required monthly reporting deliverables, and those deliverables did not expose any

programmatic issues. Three monthly deliverables contained reporting errors (addressed above in **CES # 2714, 2732 & 2770**). Two monthly deliverables failed to meet contract adherence requirements for timely resolution of internal appeals within 30 days and EI claims adjudication within 14 days (addressed above in **CES # 2731 & 2791**). Anthem, also failed to certify all encounter data files (addressed above in **CES # 2795**). In summation, Anthem complied with most applicable regulatory and contractual requirement.

Magellan Complete Care

Findings:

- No findings

Concerns:

- **Data Submission Error:** DMAS timely received the March 2020 Foster Care and Adoption Assistance Member Care Coordination Report deliverable from Magellan. Upon review, it was determined that Magellan's report contained blank data fields. Specifically, Magellan's submitted report included blank cells listed under the "Assessment date" under the Foster Care tab. According to Section 1.2.9.2 of the Medallion 4.0 Deliverables Technical Manual, "All foster care and adoption assistance members regardless of services, care coordination and/or assessments rendered shall be included in this report and there shall be no blank fields."

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, Magellan violated the terms of the Medallion 4.0 contract in the deliverable submission addressed above.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department's ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

- The Compliance Team recommended in response to the issue identified above, Magellan 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 # 2733)**
- **Data Submission Error:** DMAS timely received the March 2020 Family Planning and Well Woman Summary Report deliverable from Magellan. Upon review, it was determined that Magellan's report contained a data submission error. Specifically, Magellan's submitted report was missing data for tab number 2. According to Section 1.8.12.2 of the Medallion 4.0 Deliverables Technical Manual, Tab number 2 should "report frequency by procedure code for any *additional* reproductive health and family planning services procedure

codes that the MCO may utilize to reflect and reimburse for these services beyond the codes listed.”

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, Magellan violated the terms of the Medallion 4.0 contract in the deliverable submission addressed above.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department’s ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

The Compliance Team recommended that in response to the issue identified above, Magellan 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 # 2735)**

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- No expiring points

Financial Sanctions Update:

- No outstanding sanctions at this time

Summary:

- For deliverables measuring performance in March 2020, Magellan showed a very high level of compliance. Magellan timely submitted all 23 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. Two monthly deliverables contained reporting errors (addressed above in **CES # 2733 and 2735**). Magellan’s member and provider call centers complied with abandonment ratio requirements, and Magellan complied with all applicable provider payment timeliness requirements. In summation, Magellan complied with almost every applicable regulatory and contractual requirement.

Optima Health

Findings:

- No findings

Concerns:

- **Data Submission Error:** DMAS timely received the March 2020 Maternal Care Monthly Report deliverable from Optima. Upon review, it was determined that Optima's report contained data submission errors. Specifically, High Risk and Non High Risk members were incorrectly listed on this report as required by Section 1.4.12.2 of the Medallion 4.0 Deliverables Technical Manual.

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, Magellan violated the terms of the Medallion 4.0 contract in the deliverable submission addressed above.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department's ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

- The Compliance Team recommended 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 **NONC without associated compliance points or financial sanctions** in response to this issue. **(CES # 2751)**
- **Untimely Payment of EI Claims:** DMAS timely received the March 2020 Early Intervention Services Report deliverable from Optima. Upon review, the Compliance Unit discovered that the report indicated that Optima failed to adjudicate seven (7) clean claims for EI services within 14 days of their receipt in March 2020.

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, Optima violated the terms of the Medallion 4.0 contract in failing to adjudicate seven (7) clean claims for EI services within 14 days of their receipt.

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.

The Compliance Team recommended 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 **NONC without associated compliance points or financial sanctions** in response to this issue. **(CES # 2792)**

- **Encounter Data Certification:** Optima failed to certify 90 encounter data files as required by section 14.4 of the M4.0 contract which states "all encounter data must be certified by an authorized agent of the Contractor in accordance with 42 CFR §436.606" and section 13.5.A of the M4.0 contract which states "all data submissions are required to be certified. Data certification forms shall be signed by the Contractor's Chief Financial Officer, Chief Executive Officer, or a person who reports directly to and who is authorized to sign on behalf of the Chief Financial Officer or Chief Executive Officer of the Contractor. The Contractor shall keep track of every record submitted to the Department or its designee and the tracking number assigned to each. At the end of each calendar month, the Contractor shall report this data to the Department with the required certification."

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, Optima violated the terms of the Medallion 4.0 contract in the deliverable submission addressed above.

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.

The Compliance Team recommended in response to the issues 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 **NONC without associated compliance points or financial sanctions** in response to this issue. **(CES # 2796)**

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- **CES # 2081:** May 2019 – Call Center Statistics. 5 points will be removed from Optima’s total by closing **CES # 2081**

Financial Sanctions Update:

- No outstanding sanctions at this time

Summary:

- For deliverables measuring performance in March 2020, Optima showed a moderate level of compliance. Optima timely submitted all 23 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. One monthly deliverable contained a reporting error (addressed above in **CES # 2751**). One monthly deliverables failed to meet contract adherence requirements for EI claims adjudication within 14 days (addressed above in **CES # 2792**). Optima, also failed to certify all encounter data files (addressed above in **CES # 2796**). Optima’s member and provider call centers complied with abandonment ratio requirements. In summation, Optima complied with most applicable regulatory and contractual requirement.

UnitedHealthcare

Findings:

- No findings

Concerns:

- **Data Submission Error:** DMAS timely received the March 2020 Foster Care and Adoption Assistance Member Care Coordination Report deliverable from UnitedHealthcare. Upon review, it was determined that UnitedHealthcare's report contained data submission errors. Specifically, this report contained blank data in the Assessment date field as required by Section 1.2.9.2 of the Medallion 4.0 Deliverables Technical Manual.

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.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department's ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

The Compliance Team recommended 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 **NONC without associated compliance points or financial sanctions** in response to this issue. **(CES # 2730)**

- **Encounter Data Certification:** UnitedHealthcare failed to certify 324 encounter data files as required by section 14.4 of the M4.0 contract which states "all encounter data must be certified by an authorized agent of the Contractor in accordance with 42 CFR §436.606" and section 13.5.A of the M4.0 contract which states "all data submissions are required to be certified. Data certification forms shall be signed by the Contractor's Chief Financial Officer, Chief Executive Officer, or a person who reports directly to and who is authorized to sign on behalf of the Chief Financial Officer or Chief Executive Officer of the Contractor. The Contractor shall keep track of every record submitted to the Department or its designee and the tracking number assigned

to each. At the end of each calendar month, the Contractor shall report this data to the Department with the required certification.”

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.

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.

The Compliance Team recommended 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 **NONC without associated compliance points or financial sanctions** in response to this issue. **(CES # 2793)**

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- **CES # 2082:** May 2019 – Claims Payment. 1 point will be removed from United’s total by closing **CES # 2082**

Financial Sanctions Update:

- No outstanding sanctions at this time

Summary:

- For deliverables measuring performance for March 2020, United showed a very high level of compliance. United timely submitted all 23 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. One monthly deliverable contained a reporting error (addressed above in **CES # 2730**). United, also failed to certify all encounter data files (addressed above in **CES # 2796**) United’s member and provider call centers complied with abandonment ratio requirements, and United complied with all applicable provider payment timeliness requirements. In summation, United complied with almost every applicable regulatory and contractual requirement.

Virginia Premier

Findings:

- No findings

Concerns:

- **Data Submission Error:** DMAS timely received the March 2020 MCO Claims Report deliverable from Virginia Premier. Upon review, it was determined that Virginia Premier's report reflected three (3) claims exceeding 365 days. The Compliance Unit contacted Virginia Premier with the following email on April 21, 2020.

The Compliance Unit received and reviewed Virginia Premier's submission of the March 2020 MCO Claims Report. In our review, we identified VAP's volume of "Paid claims greater than 365 days of receipt" listing three (3) claims not processed within 365 days of claim receipt.

Based on Section 5.5 of the Medallion 4.0 contract requirements, and the requirements of the Code of Federal Regulations as present at 42 C.F.R. §447.45, it appears that Virginia Premier is out of compliance with these requirements.

Please verify Virginia Premier's reporting on the March 2020 MCO Claims Report [MCO_1049_20200414084149_MCO_RPT.csv], and confirm reported data to be accurate by COB of April 27, 2020.

Virginia Premier responded to the Compliance Unit with the following email on April 22, 2020.

In regards to the MCO Claims Report, this was a report validation error and should not have been reported as late. A revised report has been placed on the M4.0 DMAS secure FTP site.

Virginia Premier's initial submission of the MCO Claims Report contained data submission errors. Specifically, this report contained a validation error that resulted in 3 claims appearing to have exceed the maximum of 365 days to adjudicate as required by Section 1.5.14.2 of the Medallion 4.0 Deliverables Technical Manual.

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, Virginia Premier violated the terms of the Medallion 4.0 contract in the deliverable submission addressed above.

According to Section 10.1.E.a of the Medallion 4.0 contract, failures to comply with the contract that "[i]mpair[] the Department's ability to properly oversee and/or analyze Contractor performance, including but not limited to reporting errors" are subject to a one point penalty.

The Compliance Team recommended 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 # 2709)**

- **Untimely Payment of EI Claims:** DMAS timely received the March 2020 Early Intervention Services Report deliverable from Virginia Premier. Upon review, the Compliance Unit discovered that the report indicated that Optima failed to adjudicate 344 clean claims for EI services within 14 days of their receipt in March 2020.

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, Virginia Premier violated the terms of the Medallion 4.0 contract in failing to adjudicate 344 clean claims for EI services within 14 days of their receipt.

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.

- The Compliance Team recommended 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 # 2790)**
- **Appeals Issue:** The Department timely received the March 2020 Appeals & Grievances Summary and FAMIS Appeals & Grievances Summary deliverables from Virginia Premier. Upon review, a DMAS subject matter expert discovered that the reports indicated that Virginia Premier failed to adjudicate six (6) internal appeals within 30 days of their filing as required by law and the Medallion 4.0 contract.

Section 12.3 of the Medallion 4.0 contract and the Code of Federal Regulations at 42 C.F.R. §438.408(b) require the MCOs to adjudicate internal appeals within 30 days of their receipt in the absence of an extension request. Virginia Premier's March 2020 Appeals & Grievances Summary and FAMIS Appeals &

Grievances Summary deliverables showed that Virginia Premier failed to adjudicate one (1) internal appeal within 30 days of their filing, and Virginia Premier did not request an extension for those appeals. Virginia Premier also incorrectly listed one member appeal as a provider appeal thus also having a reporting error on this deliverable. Thus, Virginia Premier violated the terms of 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.

The Compliance Team recommended 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 # 2710)**

MIP/CAP Update:

- **CES # 2531:** The Department required Virginia Premier to submit an MCO Improvement Plan (MIP) in response to repeated failures to answer at least 95% of incoming calls to its provider call center. The due date for submission of the MIP was February 13, 2020. The MIP was received on February 14, 2020. The Compliance Unit provided the following response on February 18, 2020 to the submitted MIP.

The Department is in receipt of Virginia Premier's MCO Improvement Plan submitted on 2/14/20. The Department has the following concerns after reviewing the submitted MIP.

- 1. The response was not submitted on the required form. The required form was referenced in the Compliance Letter for case #2531 and attached to the email sent to Virginia Premier on 1/14/20.*
- 2. The response references the cause of the non-compliance in November as an isolated incident resulting from a systems issue with the Pharmacy Benefit Manager (PBM) functioning as an external call center. Additionally, the response indicates a Corrective Action Plan was received from the PBM on 12/18/19 to address this issue however there was no mention of the action steps taken to ensure future compliance from the PBM. The response cites the provider call abandonment rates to be an isolated incident however Virginia Premier's provider call abandonment rates for the months of August, September, and December also exceeded the allowable threshold.*

The Department is requesting Virginia Premier to resubmit the MCO Improvement Plan on the correct form. Please ensure the MIP addresses the action steps the MCO has taken to address the issues identified to ensure future compliance. Additionally, ensure section III of the MIP is completed with signature and title of the MCO representative and the date. Please resubmit the completed MIP within 3 business days.

Virginia Premier resubmitted their MIP with the following statement on February 22, 2020.

Attached you will find the signed MIP with action steps to address the November 2019 non-compliance with MCO Provider Call Center Statistics. Additionally, the issues reported on August, September and December were the result of internal call center rather than subcontractor/PBM issues.

Appeal Decision:

- No appeals

Expiring Points:

- No expiring points

Financial Sanctions Update:

- No outstanding sanctions at this time

Summary:

- For deliverables measuring performance in March 2020, Virginia Premier showed a moderate level of compliance. Virginia Premier timely submitted all 23 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. One monthly deliverable contained a serious reporting error (addressed above in **CES # 2709**). Two monthly deliverables failed to meet contract adherence requirements for timely resolution of internal appeals within 30 days and EI claims adjudication within 14 days (addressed above in **CES # 2710 & 2790**). Virginia Premier complied with all applicable provider payment timeliness requirements. 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 recently expanded its enforcement efforts into the area of encounter data certifications. The Compliance Unit is also looking for feedback from invited attendees to enhance the meetings in a virtual setting.