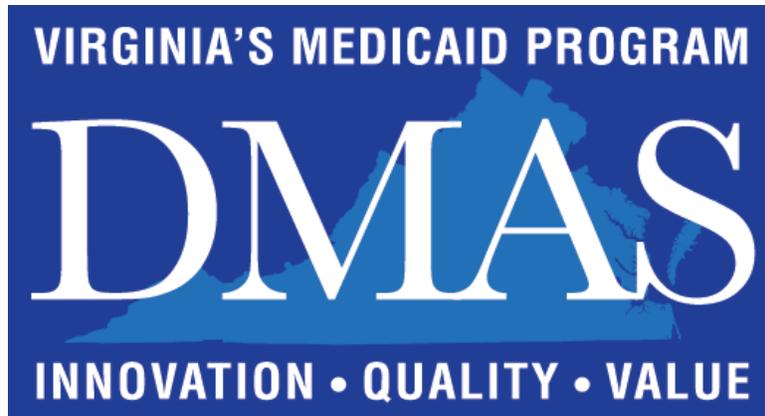


Monthly MCO Compliance Report

Medallion 4.0 March 2022 Deliverables



Health Care Services Division

May 13, 2022

Monthly MCO Compliance Report

Medallion 4.0 March 2022 Deliverables

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Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from March 2021	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	6	0	0	6	FINDINGS NONE CONCERNS MEMBER THIRD PARTY LIABILITY
<u>Anthem</u>	9	2	1	10	FINDINGS CMHRS SA APPEALS & GRIEVANCES CONCERNS INTERPRETER SERVICES MEMBER THIRD PARTY LIABILITY
<u>Molina</u>	16	1	0	17	FINDINGS CMHRS SA CONCERNS INTERPRETER SERVICES LATE SUBMISSION
<u>Optima</u>	5	0	0	5	FINDINGS NONE CONCERNS LATE SUBMISSION EI CLAIMS
<u>United</u>	8	0	1	7	FINDINGS NONE CONCERNS EI CLAIMS
<u>VA Premier</u>	18	0	1	17	FINDINGS NONE CONCERNS EI CLAIMS

**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 2021 (Issue date: 4/15/2021) expire on 4/15/2022 and are subtracted from the final point balance.

Summary

The **Compliance Review Committee (CRC)** met on May 4, 2022 to review deliverables measuring performance for March 2022 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 should be taken in response to identified compliance issues.

The CRC voted to issue three Warning Letters with associated compliance points and financial penalties, as well as Notices of Non-Compliance and requests for MCO Improvement Plans, to Managed Care Organizations (MCOs) for failure to meet contractual requirements or thresholds.

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 March's compliance issues in letters and emails issued to the MCOs on May 6, 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 meet the contractual requirements related to member third party liability.

The Office of the Attorney General has notified DMAS of a recent issue involving the recovery of medical benefits paid on behalf of an Aetna Better Health member. In a letter dated February 24, 2022, Aetna Better Health's subcontractor, Equian, provided incorrect information regarding the status of a member's account to the member's attorney. The letter prepared and sent by Equian stated that no claims had been paid by Aetna Better Health, no reimbursement would be sought, and that the file had been closed. However, the DMAS records indicate that Aetna Better Health had actually paid claims totaling \$83,225.48 related to the incident and the lien remained outstanding. Equian's letter also failed to refer the member's attorney to the DMAS Financial Recovery Unit responsible for recovering all member third party liability liens.

Section 2.3.D of the Medallion 4.0 Contract states the Department retains the responsibility to pursue, collect, and retain all non-health insurance resources such as casualty, liability, estates, child support, and personal injury claims. The Contractor is not permitted to seek recovery of any non-health insurance funds.

The Compliance Team recommended that 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 **Notice of Non-Compliance (NONC)** without any associated compliance points, financial sanctions, or corrective actions. **(CES # 4915)**

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 March 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 member third party liability (as addressed above in **CES # 4915**). In summation, Aetna complied with most applicable regulatory and contractual requirements.

Anthem HealthKeepers Plus

Findings:

- **Contract Adherence:** Anthem HealthKeepers Plus failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per the March 2022 data, there were six (6) expedited CMHRS requests processed past 72 hours, and three (3) standard service authorization requests processed past 14 days without supplemental information requested. The overall timeliness of processing CMHRS SA requests was 98.84%.

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, 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 # 4879)**

- **Contract Adherence:** Anthem HealthKeepers Plus failed to resolve three (3) internal member appeals within 30 days. Anthem processed these appeals in 36, 37, and 39 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, 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 # 4893)**

Concerns:

- **Contract Adherence:** Anthem HealthKeepers Plus failed to meet the contractual requirements related to interpreter services.

On April 13, 2022, the Health Care Services Compliance Unit was informed of ongoing issues related to requests for “in-person” interpreter services by Anthem HealthKeepers Plus Network Providers. Upon further research and review, the Compliance Unit has identified several areas of concern related to member and provider access to interpreter services.

DMAS’ Maternal and Child Health Unit has received reports from several providers, outlining various issues related to scheduling MCO interpreter assistance services. In multiple cases, providers have been unable to reach designated Anthem representatives to obtain additional information or confirm scheduled interpreter services. As a result, between February and April 2022, there have been at least five “no show” incidents where an assigned interpreter has failed to attend a member’s appointment as requested or scheduled. Anthem’s failure to provide interpreters as requested negatively impacts both members and providers – limiting members’ understanding of the treatment they receive and providers’ ability to effectively treat their patients.

Section 10.1.F.d of the Medallion 4.0 contract states that the Department may, at its discretion, require an MCO to submit an MCO Improvement Plan (MIP) to address minor compliance violations, failures, and deficiencies.

The Compliance Team recommended that in response to the issue identified above, Anthem be required to prepare and submit an **MCO Improvement Plan (MIP)**. The MIP should address Anthem’s root cause analysis and plan to improve member and provider interpretation/translation services and availability. The CRC agreed with the Compliance Team’s recommendation, and voted for Anthem to submit a **MIP** without any associated compliance points, financial sanctions, or corrective actions. **(CES # 4913)**

- **Contract Adherence:** Anthem HealthKeepers Plus failed to meet the contractual requirements related to member third party liability.

The Office of the Attorney General has notified DMAS of a recent issue involving the recovery of medical benefits paid on behalf of an Anthem HealthKeepers Plus member. On June 9, 2021, Anthem HealthKeepers Plus’ subcontractor, Meridian, sent a letter to a member’s attorney attempting to collect \$648.26 in medical benefits paid on behalf of the member. Additional

research found that Meridian also sent a letter to the third party liability insurer in this case.

Section 2.3.D of the Medallion 4.0 Contract states the Department retains the responsibility to pursue, collect, and retain all non-health insurance resources such as casualty, liability, estates, child support, and personal injury claims. The Contractor is not permitted to seek recovery of any non-health insurance funds.

The Compliance Team recommended that 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 **Notice of Non-Compliance (NONC)** without any associated compliance points, financial sanctions, or corrective actions. **(CES # 4916)**

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- **Case # 3995:** March 2021 – Appeals & Grievances Issue. 1 point was removed from Anthem's total by closing **CES # 3995**.

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for March 2022, Anthem showed a moderate level of compliance. Anthem timely submitted all 23 required monthly reporting deliverables. Two contract deliverables failed to meet contract adherence requirements for timely processing of internal member appeals, and CMHRS service authorizations (as addressed above in **CES # 4893 & 4879**). Two contract deliverables failed to meet contract adherence requirements for member third party liability, and interpreter services (as addressed above in **CES # 4913 & 4916**). In summation, Anthem complied with most applicable regulatory and contractual requirements.

Molina Complete Care

Findings:

- **Contract Adherence:** Molina Complete Care failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per the March 2022 data, there were three (3) expedited CMHRS service authorization requests that did not require supplemental information processed past 72 hours which exceeds the contract requirement. The overall timeliness of processing CMHRS SA requests was 98.83%.

The Compliance Team recommended that in response to the issue identified above, Molina be issued a **Warning Letter, one (1) compliance point, and a \$5,000 financial penalty**, with no MIP or CAP required. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, one (1) compliance point, and a \$5,000 financial penalty** in response to this issue. (CES # 4878)

Concerns:

- **Untimely Deliverable Submission:** Molina Complete Care failed to timely submit its MCO Data Inventory Report. Molina failed to submit their biannual report by the due date of March 31, 2022. The Compliance Unit reached out on April 1 with a new deadline of April 8, 2022. Molina submitted the missing report to the Department on April 7, 2022.

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, Molina 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, Molina 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 # 4877)

- **Contract Adherence:** Molina failed to meet the contractual requirements related to interpreter services.

On April 13, 2022, the Health Care Services Compliance Unit was informed of ongoing issues related to requests for "in-person" interpreter services by

Molina Complete Care Network Providers. Upon further research and review, the Compliance Unit has identified several areas of concern related to member and provider access to interpreter services.

DMAS' Maternal and Child Health Unit has received reports from several providers, outlining various issues related to scheduling MCO interpreter assistance services. In multiple cases, providers have been unable to reach designated Molina representatives to obtain additional information or confirm scheduled interpreter services. As a result, between February and April 2022, there have been at least three "no show" incidents where an assigned interpreter has failed to attend a member's appointment as requested or scheduled. Molina's failure to provide interpreters as requested negatively impacts both members and providers – limiting members' understanding of the treatment they receive and providers' ability to effectively treat their patients.

Section 10.1.F.d of the Medallion 4.0 contract states that the Department may, at its discretion, require an MCO to submit an MCO Improvement Plan (MIP) to address minor compliance violations, failures, and deficiencies.

The Compliance Team recommended that in response to the issue identified above, Molina be required to prepare and submit an **MCO Improvement Plan (MIP)**. The MIP should address Molina's root cause analysis and plan to improve member and provider interpretation/translation services and availability. The CRC agreed with the Compliance Team's recommendation, and voted for Molina to submit a **MIP** without any associated compliance points, financial sanctions, or corrective actions. **(CES # 4914)**

MIP/CAP Update:

- Regarding CES cases 4673 and 4674, Molina's submitted combined Corrective Action Plan (CAP) regarding reoccurring issue of non-compliance with both Member and Provider Call Center Stats has been approved by HCS leadership. Molina remains under a Corrective Action Plan for both member and provider call center requirements, so DMAS will continue to closely monitor Molina's performance in these areas.

Appeal Decision:

- Molina requested reconsideration of a Notice of Non-Compliance (NONC) associated with CES #4834 due to Member Call Center Answer Rate of 94.79%. The request asked that DMAS consider rounding the answer rate to 95% to place Molina within the performance benchmark for member services call center requirements. In light of MCC's ongoing efforts to improve call center answer rates, HCS Leadership has decided to rescind the Notice of Non-Compliance on April 15, 2022.

Expiring Points:

- No points

Financial Sanctions Update:

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

- March 2022 CMHRS Service Authorizations Issue - \$5,000 (**CES# 4878**)

Summary:

- For deliverables measuring performance for March 2022, Molina showed a moderate level of compliance. Molina timely submitted all 23 required monthly reporting deliverables. One biannual contract deliverable was submitted untimely (as addressed above in **CES # 4877**). Two deliverables failed to meet contract adherence requirements for interpreter services, and the timely processing of CMHRS Service Authorizations (as addressed above in **CES # 4914 & 4878**). In summation, Molina complied with most 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:

- **Untimely Deliverable Submission:** Optima failed to timely submit its MCO Data Inventory Report. Optima failed to submit their biannual report by the due date of March 31, 2022. The Compliance Unit reached out on April 1 with a new deadline of April 8, 2022. Optima submitted the missing report to the Department on April 8, 2022.

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.

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 associated compliance points or financial sanctions in response to this issue. **(CES # 4876)**

- **Contract Adherence:** The Department timely received the March 2022 Early Intervention Services Report from Optima. Upon review, a DMAS subject matter expert discovered the report indicated Optima failed to process six (6) clean claims within 14 calendar days.

On April 20, 2022, the Compliance Unit requested detailed claim information relating to the six (6) clean claims not paid within 14 days. Optima processed these claims in 24 – 42 days.

The overall timeliness of adjudicated clean claims was 99.93% for the month of March 2022.

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 associated compliance points or financial sanctions in response to this issue. **(CES # 4873)**

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 March 2022, Optima showed a moderate level of compliance. Optima timely submitted all 23 required monthly reporting deliverables. One biannual contract deliverable was submitted untimely (as addressed above in **CES # 4876**). One contract deliverable failed to meet contract adherence requirements for timely processing of Early Intervention claims (as addressed above in **CES # 4873**). In summation, 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:

- **Contract Adherence:** The Department timely received the March 2022 Early Intervention Services Report from UnitedHealthcare. Upon review, a DMAS subject matter expert discovered the report indicated UnitedHealthcare failed to process one (1) clean claim within 14 calendar days.

On April 20, 2022, the Compliance Unit requested detailed claim information relating to the one (1) clean claim not paid within 14 days. UnitedHealthcare reported paying this claim on day 30.

The overall timeliness of adjudicated clean claims was 99.85% for the month of March 2022.

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 any associated compliance points, financial sanctions, or corrective actions. **(CES # 4874)**

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- **Case # 3955:** March 2021 – EI Claims Issue. 1 point was removed from UnitedHealthcare's total by closing **CES # 3955**.

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for March 2022, UnitedHealthcare showed a moderate level of compliance. UnitedHealthcare timely submitted all 23 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for timely processing of EI claims (as addressed above in **CES # 4874**). In summation, UnitedHealthcare complied with most regulatory and contractual requirements.

Virginia Premier

Findings:

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

Concerns:

- **Contract Adherence:** The Department timely received the March 2022 Early Intervention Services Report from Virginia Premier. Upon review, a DMAS subject matter expert discovered the report indicated Virginia Premier failed to process twenty four (24) clean claims within 14 calendar days.

On April 20, 2022, the Compliance Unit requested detailed claim information relating to the twenty four (24) clean claims not paid within 14 days. Virginia Premier processed these claims in 15 - 20 days.

The overall timeliness of adjudicated clean claims was 99.44% for the month of March 2022.

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 any associated compliance points, financial sanctions, or corrective actions. **(CES # 4875)**

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- **Case # 3993:** March 2021 - Appeals & Grievances Issue. 1 point was removed from Virginia Premier's total by closing **CES # 3993**.

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for March 2022, Virginia Premier showed a moderate level of compliance. Virginia Premier timely submitted all 23 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for timely processing of EI claims (as addressed above in **CES # 4875**). In summation, Virginia Premier complied with most regulatory and contractual requirements.

Next Steps

At this time, the Compliance Unit continues to host monthly Compliance Review Committee meetings, follow up on recurring issues, and communicate with the MCOs regarding identified issues. The Compliance Unit is also 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 continued its enforcement efforts to ensure the timely submission of deliverables and timely processing of service authorizations and member appeals. The Compliance Unit also remains focused on overall compliance with contractual requirements – especially those with an impact on members and providers. The MCOs have been notified of their non-compliance in these areas. The Compliance Unit has also requested adherence to the Medallion 4.0 contract and issued points as appropriate.

The HCS Compliance Unit continues to coordinate with the IC Compliance Unit to align enforcement actions as applicable between the two contracts.