



COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

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DIRECTOR

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August 09, 2019

Linda Hines, CEO
Virginia Premier Health Plan
600 E. Broad Street, 4th Floor
Richmond, VA 23219

Re: Commonwealth Coordinated Care Plus (CCC Plus) Program – Skilled Nursing Facility (SNF) Part A and B Nursing Facility Crossover Claims Processing Issues

Dear Ms. Hines,

The Department of Medical Assistance Services (DMAS) monitors the timeliness and accuracy of claims processing to determine compliance with contractual standards. The Coordination of Benefits (COB) crossover claims associated with Skilled Nursing Facility (SNF) Part A and B are an area of concern as identified by ongoing claims issues. Additionally, the CCC Plus contract addresses the exceptional processing and payment rules for timely and accurate adjudication of Nursing Facilities, Long Term Care Services and Supports (LTSS), Early and Periodic Screening, Diagnostic, and Treatment (EPSDT), Addiction Recovery and Treatment Services (ARTS), and Early Intervention (EI) claim types as stated below in contract section 12.4.2.

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.

Virginia Premier Health Plan (Premier) was issued a Corrective Action Plan (CAP) on May 04, 2018 based on the plan's non-compliance with contractual standards for claims processing. During the CAP period, weekly meetings were held with Premier to address late payment of Nursing Facility claims. Premier demonstrated compliance with contractual standards based on self-reported data and the CAP was closed December 21, 2018. Since the closure of the CAP, DMAS has conducted bi-weekly conference calls to address accurate payment processing of SNF Part A and Part B crossover claims which include DMAS staff, Premier's staff and the Virginia Health Care Association (VHCA) representatives. Additionally, on December 18, 2018, February 15, 2019 and May 21, 2019, DMAS provided payment processing training and guidance for SNF Part

A and B crossover claims. Despite efforts to reconcile claims issues, Premier continues to inaccurately process SNF Part A and B crossover claims. Currently, Premier has five (5) outstanding SNF Part A and B claims issues dating back to March 2018.

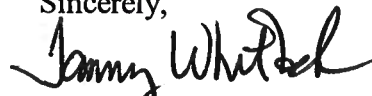
In addition to the above noted inaccuracies with SNF Part A and B crossover claims, Premier continues to have ongoing issues with the remittance advice (RA). RAs communicate payment information to providers and must meet contract compliance according to accurate and timely payments as stated in the CCC Plus contract section 12.4.1 *General Processing and Payment Rules*. To date, Premier has three (3) outstanding RA issues dating back to March 2018.

Premier will be issued a point violation 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 DMAS regarding the point issuance.

As a result of the critical errors in processing SNF Part A and B crossover claims identified above, Premier must document and implement a CAP that addresses how they will adhere to the claim adjudication timeframes outlined in the contract and shall include steps that will be taken to come into compliance with these requirements. Please ensure that the CAP includes a project plan or list of deliverables, milestones, due dates, and percentage complete that address the root cause(s) for the lack of compliance. A weekly update to this project plan to DMAS will be required for monitoring progress. 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 cccpluscompliance@dmas.virginia.gov.

Sincerely,



Tammy Whitlock, MSHA

Deputy Director of Complex Care and Services

Exhibit 1 – Premier – 2019 Point Schedule

<u>MCO</u>	<u>Area(s) of Violation</u>	<u>Previous Balance</u>	<u>Point(s) Expired</u>	<u>Point(s) Incurred</u>	<u>Current Balance</u>	<u>Sanctions pursuant to 18.2.2</u>
Virginia Premier Health Plan	12.4.2	0	0	5	5	\$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.

Virginia Premier Health Plan

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

Linda Hines (Signature & Date)