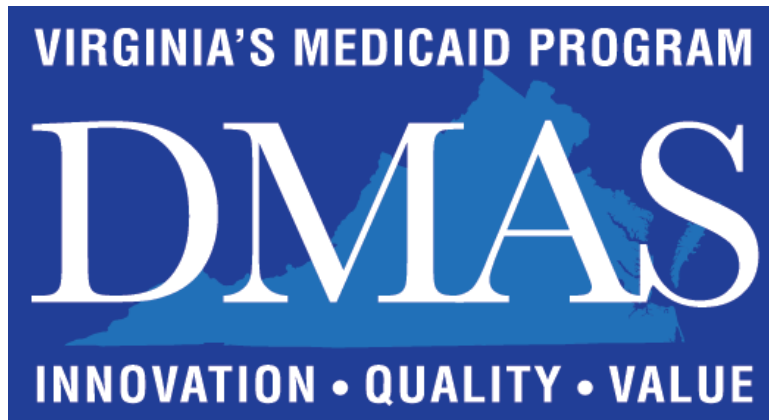


Monthly MCO Compliance Report

Medallion 4.0 August 2021 Deliverables



Health Care Services Division

October 19, 2021

Monthly MCO Compliance Report

Medallion 4.0 August 2021 Deliverables

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Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from August 2020	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	2.0	0	0	2.0	FINDINGS NONE CONCERNS CMHRS SA
<u>Anthem</u>	20.0~	1	0	21.0	FINDINGS APPEALS & GRIEVANCES CONCERNS DATA SUBMISSION ERROR PHARMACY PA CMHRS SA
<u>Molina</u>	8.0	1	0	9.0	FINDINGS PROVIDER CALL CENTER STATS CONCERNS CMHRS SA
<u>Optima Health</u>	11.0	0	0	11.0	FINDINGS NONE CONCERNS PHARMACY PA CMHRS SA
<u>United</u>	5.0	1	0	6.0	FINDINGS PHARMACY PA CONCERNS NONE
<u>VA Premier</u>	29	7	5	31	FINDINGS MEMBER & PROVIDER CALL CENTER STATS APPEALS & GRIEVANCES CONCERNS CMHRS SA

**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 2020 (Issue date: 9/15/2020) expire on 9/15/2021 and are subtracted from the final point balance.)

Summary

The **Compliance Review Committee (CRC)** met on October 5, 2021 to review deliverables measuring performance for August 2021 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.

The CRC voted to issue Warning Letters with associated compliance points and Notices of Non-Compliance to managed care organizations (MCOs) for failure to meet contractual requirements/thresholds and data submission errors.

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 8, 2021.

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 failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per August 2021 data, there were ten (10) expedited CMHRS request exceeding 72 hours without requiring supplemental information. Aetna's overall timeliness for processing CMHRS Service Authorization requests for the month of August was 98.92%.

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 **NONC** without associated compliance points or financial sanctions in response to this issue. **(CES #4444)**

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 August 2021, Aetna showed a high level of compliance. Aetna timely submitted all 24 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements to timely process CMHRS Service Authorizations (as addressed above in **CES # 4444**). In summation, Aetna complied with nearly all applicable regulatory and contractual requirements.

Anthem HealthKeepers Plus

Findings:

- **Contract Adherence:** Anthem failed to resolve one (1) internal member appeal within 30 days. Additionally, member appeals with timely decision dates in July 2021 were included with August 2021 data.

Section 12.3 of the Medallion 4.0 contract, 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.

Anthem has accumulated 20.0 points, placing it in Level 2 on the Compliance Deficiency Identification System. As described in 10.1.D of the Medallion 4.0 contract, an MCO in Level 2 of the Compliance Deficiency Identification System is subject to a \$5,000 financial sanction.

The Compliance Team recommended that in response to the issue identified above, Anthem be issued a **Warning Letter, 1 compliance point, a \$5,000 penalty and no MIP/CAP**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, 1 compliance point, a \$5,000 penalty and no MIP/CAP** in response to this issue. (CES # 4453)

Concerns:

- **Contract Adherence:** Anthem failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per August 2021 data, there was one (1) CMHRS standard service authorization request that did not require supplemental information processed past 14 days. This request was processed in 22 days which exceeds the contract requirement to process the request in 14 days. Anthem's overall timeliness for processing CMHRS Service Authorization requests for the month of August was 99.82%.

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 **NONC** without associated compliance points or financial sanctions in response to this issue. (CES #4437)

- **Contract Adherence:** Anthem failed to timely process Pharmacy Prior Authorization requests. Per August 2021 data, there was one (1) Pharmacy Prior Authorization Request processed past 24 hours. This request was processed in 42 hours. The overall timeliness of Pharmacy Prior Authorizations processing was 99.98%.

Section 8.7.N of the Medallion 4.0 contract requires the MCOs to provide a response by telephone or other telecommunication within 24 hours of a service authorization request. If the Contractor denies a request for service authorization, the Contractor must issue a Notice of Action within twenty-four (24) hours of the denial to the prescriber and the member. 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)** 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 #4440)**

- **Data Submission Error:** DMAS timely received the August 2021 MCO Claims Report deliverable from Anthem. Upon review, the Compliance Unit discovered that the number of paid claims and the number of denied claims did not equal the total claims processed.

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 **NONC** without associated compliance points or financial sanctions in response to this issue. **(CES # 4441)**

MIP/CAP Update:

- No updates

Appeal Decision:

- ~Anthem requested reconsideration of Warning Letter, 1 point and \$5,000 financial penalty (Level 2) following the untimely processing of 5 member appeals. **(CES # 4358)**. The five (5) member appeals reported in the July 2021 Appeals & Grievances monthly report were actually State Fair Hearing appeal and resolution dates. The original internal member appeal dates were processed timely. The State Fair Hearing process is not expected to be resolved

within 30 days. HCS Leadership decided to rescind the Warning Letter for Case ID 4358, including its point and financial penalties.

Expiring Points:

- No Points

Financial Sanctions Update:

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

- August 2021 Appeals & Grievances Issue - \$5,000 (CES # 4453)

Summary:

- For deliverables measuring performance for August 2021, Anthem showed a moderate level of compliance. Anthem timely submitted all 24 required monthly reporting deliverables and those deliverables did not expose any programmatic issues. Three contract deliverables failed to meet contract adherence requirements to timely process internal member appeals, process CMHRS Service Authorizations, and process Pharmacy Prior Authorizations (as addressed above in CES # 4453, 4437 & 4440). One deliverable included a data submission error (as addressed above in CES # 4441). In summation, Anthem complied with most applicable regulatory and contractual requirements.

Molina Complete Care

Findings:

- **Call Center Statistics:** DMAS timely received the August 2021 MCO Provider Call Center Statistics report from Molina. Upon review, the Compliance Unit discovered that the report indicated that Molina did not meet the required contract thresholds for call center statistics (did not answer 95% of incoming provider calls). Molina answered 88.98% of incoming provider calls in the month of August 2021.

Section 5.9 of the Medallion 4.0 contract requires that the MCOs Provider call abandonment rates shall average less than five percent (5%) each month. Molina failed to answer at least 95% of the incoming provider calls as required to be in compliance with 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. Molina has accumulated 8.0 points, placing it in Level 1 on the Compliance Deficiency Identification System. Thus, a financial sanction will not be issued in response to this issue.

The Compliance Team recommended that in response to the issue identified above, Molina be issued a **Warning Letter, 1 compliance point, no financial penalty and no MIP/CAP**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, 1 compliance point, no financial penalty and no MIP/CAP** in response to this issue. **(CES # 4442)**

Concerns:

- **Contract Adherence:** Molina failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per August 2021 data, there was one (1) standard CMHRS request that did not require supplemental information processed past 14 days which exceeds the contract requirement to process the request in 14 days. This request was processed in 15 days and the overall timeliness of processing CMHRS SA requests was 99.43%

The Compliance Team recommended that in response to the issue identified above, Molina 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)** without any associated compliance points, financial sanctions, or corrective actions. **(CES # 4443)**

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 August 2021, Molina showed a moderate level of compliance. Molina timely submitted all 24 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. One contract deliverable failed to meet contract adherence requirements for provider call center abandonment rates and an area of concern was the timely processing of CMHRS Service Authorizations (addressed above in **CES # 4442 and 4443**). In summation, Molina complied with almost 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:

- **Contract Adherence:** Optima failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per August 2021 data, there was one (1) standard CMHRS request that did not require supplemental information processed past 14 days which exceeds the contract requirement to process the request in 14 days. This request was processed in 17 days and the overall timeliness of processing CMHRS SA requests was 99.94%.

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)** without any associated compliance points, financial sanctions, or corrective actions. **(CES # 4438)**

- **Contract Adherence:** Optima failed to timely process Pharmacy Prior Authorization requests. Per August 2021 data, there was one (1) Pharmacy Prior Authorization Request processed past 24 hours. This request was processed in 26 hours. The overall timeliness of Pharmacy Prior Authorizations processing was 99.96%.

Section 8.7.N of the Medallion 4.0 contract requires the MCOs to provide a response by telephone or other telecommunication within 24 hours of a service authorization request. If the Contractor denies a request for service authorization, the Contractor must issue a Notice of Action within twenty-four (24) hours of the denial to the prescriber and the member. 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)**. 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 # 4439)**

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 August 2021, Optima showed a moderate level of compliance. Optima timely submitted all 24 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. Two contract deliverables failed to meet contract adherence requirements to timely process CMHRS Service Authorizations and Pharmacy Prior Authorization requests (as addressed above in **CES # 4438 & 4439**). In summation, Optima complied with most applicable regulatory and contractual requirements.

UnitedHealthcare

Findings:

- **Contract Adherence:** UnitedHealthcare failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per August 2021 data, there were eleven (11) standard CMHRS requests exceeding 14 days without requiring supplemental information. The max processing time for these eleven requests was 28 days and the overall timeliness of processing CMHRS SA requests was 95.25%

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. UnitedHealthcare has accumulated 4.0 points, placing it in Level 1 on the Compliance Deficiency Identification System. Thus, a financial sanction will not be issued in response to this issue.

The Compliance Team recommended that in response to the issue identified above, United be issued a **Warning Letter, 1 compliance point, no financial penalty and no MIP/CAP**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, 1 compliance point, no financial penalty and no MIP/CAP** in response to this issue. (CES # 4435)

Concerns:

- No concerns

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 August 2021, United showed a high level of compliance. United timely submitted all 24 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. One contract deliverables failed to meet contract adherence requirements to timely process CMHRS Service Authorizations (as addressed above in **CES # 4435**). In summation, United complied with nearly all regulatory and contractual requirements.

Virginia Premier

Findings:

- **Contract Adherence:** Virginia Premier failed to resolve two (2) internal member appeals within 30 days. The appeals were processed in 32 days without a request for an extension.

Section 12.3 of the Medallion 4.0 contract, 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.

Virginia Premier has accumulated 25.0 points, placing it in Level 2 on the Compliance Deficiency Identification System. As described in 10.1.D of the Medallion 4.0 contract, an MCO in Level 2 of the Compliance Deficiency Identification System is subject to a \$5,000 financial sanction.

The Compliance Team recommended that in response to the issue identified above, Virginia Premier be issued a **Warning Letter, 1 compliance point, a \$5,000 penalty and no MIP/CAP**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, 1 compliance point, a \$5,000 penalty and no MIP/CAP** in response to this issue. (CES # 4454)

- **Call Center Statistics:** DMAS timely received the August 2021 MCO Provider Call Center Statistics report from Virginia Premier. Upon review, the Compliance Unit discovered that the report indicated that Virginia Premier did not meet the required contract thresholds for call center statistics (did not answer 95% of incoming provider calls). Virginia Premier answered 94.30% of incoming provider calls in the month of August 2021.

Section 5.9 of the Medallion 4.0 contract requires that the MCOs Provider call abandonment rates shall average less than five percent (5%) each month. Virginia Premier failed to answer at least 95% of the incoming provider calls as required to be in compliance with 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.

Virginia Premier has accumulated 26.0 points, placing it in Level 3 on the Compliance Deficiency Identification System. As described in 10.1.D of the Medallion 4.0 contract, an MCO in Level 3 of the Compliance Deficiency Identification System is subject to a \$10,000 financial sanction.

The Compliance Team recommended that in response to the issue identified above, Virginia Premier be issued a **Warning Letter with one (1) compliance point and a \$10,000 financial penalty, no MIP/CAP**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter with one (1) compliance point and a \$10,000 financial penalty, no MIP/CAP** in response to this issue. (CES # 4434)

- **Call Center Statistics:** DMAS timely received the August 2021 MCO Member Call Center Statistics report from Virginia Premier. Upon review, the Compliance Unit discovered that the report indicated that Virginia Premier did not meet the required contract thresholds for call center statistics (did not answer 95% of incoming member calls). Virginia Premier answered 93.04% of incoming member calls in the month of August 2021.

Per Section 7.15.C.b of the Medallion 4.0 contract, in order to be compliant, Virginia Premier was required to answer at least 95% of incoming member calls. Virginia Premier failed to answer enough incoming member calls to be in compliance.

According to Section 10.1.E.b of the Medallion 4.0 contract, failures to comply with the contract that represent "a threat to the integrity of the program" or that "impair a member's or potential enrollee's ability to obtain correct information regarding services" are subject to a 5 point penalty.

Virginia Premier has accumulated 31.0 points, placing it in Level 3 on the Compliance Deficiency Identification System. As described in 10.1.D of the Medallion 4.0 contract, an MCO in Level 3 of the Compliance Deficiency Identification System is subject to a \$10,000 financial sanction

The Compliance Team recommended that in response to the issue identified above, Virginia Premier be issued a **Warning Letter with five (5) compliance points and a \$10,000 financial penalty, no MIP/CAP**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter with five (5) compliance points and a \$10,000 financial penalty, no MIP/CAP** in response to this issue. (CES # 4433)

Concerns:

- **Contract Adherence:** Virginia Premier timely failed to timely process Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per August 2021 data, there were two (2) CMHRS Service

Authorization Requests processed past 14 days without requiring supplemental information. The max processing time for these requests was 75 days.

The Compliance Team recommended that in response to the issue identified above, Virginia Premier 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)** without any associated compliance points, financial sanctions, or corrective actions. **(CES # 4436)**

MIP/CAP Update:

- No updates.

Appeal Decision:

- No appeals.

Expiring Points:

- **Case # 3396:** August 2020 – Member Communication. 5 points were removed from Virginia Premier's total by closing **CES # 3396**.

Financial Sanctions Update:

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

- August 2021 Appeals & Grievances Issue - \$10,000 **(CES# 4254)**

Summary:

- For deliverables measuring performance for August 2021, Virginia Premier showed a moderate level of compliance. Virginia Premier timely submitted all 24 required monthly reporting deliverables. Virginia Premier failed to meet contract adherence requirements for the timely processing of internal Member Appeals, Member and Provider Call Center requirements, and the timely processing of CMHRS Service Authorization requests (as addressed above in **CES # 4454, 4433, 4434, & 4436**). 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 continued its enforcement efforts in the area of the timely processing of Internal Member Appeals, Pharmacy Prior Authorization and CMHRS Service Authorization Requests, as well as compliance with contract requirements for call center abandonment rates for member and provider helplines. The MCOs were notified of their non-compliance with these issues. The Compliance Unit requested adherence to the Medallion 4.0 contract and issued points as well as financial sanctions as appropriate.

The HCS Compliance Unit is also coordinating with the IC Compliance Unit to align enforcement actions as applicable between the two contracts.