COMMONWEALTH of VIRGINIA

KAREN KIMSEY
DIRECTOR

Department of Medical Assistance Services

SUITE 1300
600 EAST BROAD STREET
RICHMOND, VA 23219
804/786-7933
800/343-0634 (TDD)
www.dmas.virginia.gov

May 19, 2020

Jennie Reynolds, President
Anthem HealthKeepers Plus
2015 Staples Mill Rd
Richmond, VA 23230

Re: CCC Plus Program –Corrective Action Plan (CAP)-Durable Medical Equipment (DME) Claims

Dear Ms. Reynolds,

The Department of Medical Assistance Services (DMAS) monitors the accuracy and timely payment of all Commonwealth Coordinated Care Plus **(**CCC Plus) provider claims as identified in the CCC Plus MCO Contract for Managed Long Term Services and Supports. Section 12.4.1 of the Contract addresses General Processing and Payment Rules, "In accordance with Section 1932(f) of the Social Security Act (42 USC § 1396a-2), the Contractor shall pay all in and out-of-network providers (including Native American Health Care Providers) on a timely basis, consistent with the claims payment procedure described in 42 CFR § 447.45 and 42 CFR § 447.46 and Section 1902 (a)(37), upon receipt of all clean claims, as defined in the contract, for covered services rendered to covered Members who are enrolled with the Contractor at the time the service was delivered."

Anthem HealthKeepers Plus was issued a Managed Care Improvement Plan (MIP) on October 25, 2019 based on the MCO's non-compliance with contractual standards for DME claims processing. During the MIP period, DMAS has received updates from Anthem along with continued inquiries regarding the process for Commercial and Medicare requirements for coordination of benefits. Despite repeated outreach by DMAS staff over the last year, including onsite training, conference call training and multiple emails, this is still an outstanding issue for Anthem. The coordination of benefits process is as follows:

Commercial Coordination of Benefits:

-The amount identified as coinsurance or deductible for commercial payers is not considered in the amount to be paid by MCO. The MCO is to reduce the amount paid by the commercial payer and pay the difference of the FFS or the contracted rate.

Medicare Coordination of Benefits:

· ***Medicare/Medicaid unit match****: The Medicare patient responsibility (coinsurance and deductible) does apply. When the MCO is determining reimbursement, the MCO is to pay up to the allowable or the coinsurance and deductible, whichever is less. This applies when Medicare paid less than the allowable.*

· ***Medicare/Medicaid unit different****: The MCO must reimburse the full coinsurance and deductible identified by Medicare without any calculation.*

Anthem 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 DME claims identified above, Anthem must document and implement a CAP that addresses how and when 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 plan and a due date identifying when all outstanding claims have been appropriately adjudicated and going forward that the coordination of benefits claims are processing correctly. A weekly update to DMAS will be required for monitoring progress. DMAS expects this issue to be resolved in 30 days. 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 – Anthem – 2020 Point Schedule

MCO	Area(s) of Violation	Previous Balance	Point(s) Expired	Point(s) Incurred	Current Balance	Sanctions pursuant to 18.2.2
Anthem	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.

,

Acknowledge agreement via signature below to address the outstanding CCC Plus Waiver DME claim issues noted within the attached CAP letter.

_____

Jennie Reynolds /Date