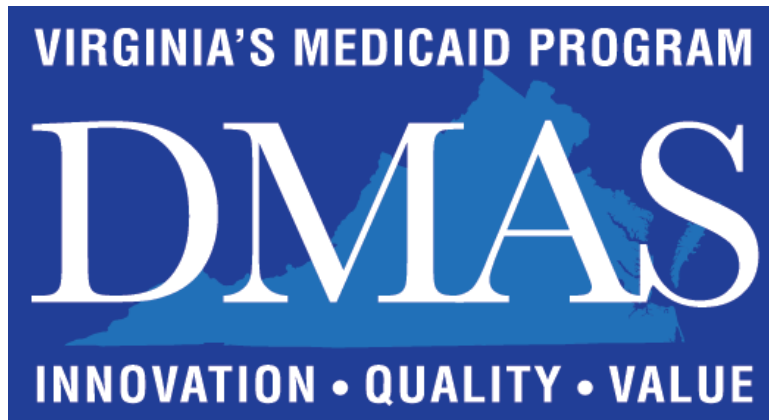


Monthly MCO Compliance Report

Medallion 4.0 February 2023 Deliverables



Health Care Services Division

March 24, 2023

Monthly MCO Compliance Report

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Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from January 2022	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	4	0	0	4	FINDINGS NONE CONCERNS NONE
<u>Anthem</u>	9	1	1	9	FINDINGS APPEALS & GRIEVANCES CONCERNS NONE
<u>Molina</u>	12	0	7	5	FINDINGS NONE CONCERNS CMHRS SA DATA SUBMISSION ERROR
<u>Optima</u>	2	0	0	2	FINDINGS NONE CONCERNS EI CLAIMS PHARMACY SA DATA SUBMISSION ERROR
<u>United</u>	4	0	1	3	FINDINGS NONE CONCERNS DATA SUBMISSION ERROR
<u>VA Premier</u>	3	5	0	8	FINDINGS CALL CENTER STATS CONCERNS PHARMACY SA 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 January 2022 (Issue date: 2/15/2022) expire on 2/15/2023 and are subtracted from the final point balance.

Summary

The **Compliance Review Committee (CRC)** met on March 1, 2023, to review deliverables measuring performance for January 2023. The meeting's agenda covered all identified and referred issues of non-compliance, including reporting errors, MCO call center statistics, untimely claims adjudication, and failure to meet contract thresholds related to service authorizations and member appeals.

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 ten enforcement letters to the impacted Managed Care Organizations (MCOs), consisting of two Warning letters with associated compliance points, as well as eight Notices of Non-Compliance (NONC).

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 January's compliance issues in letters and emails issued to the MCOs on March 3, 2023.

Aetna Better Health of Virginia

Findings:

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

Concerns:

- No concerns

MIP/CAP Update:

- No updates

Request for Reconsideration:

- No requests for reconsideration

Expiring Points:

- No points

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for January 2023, Aetna showed a high level of compliance. Aetna timely submitted all 16 required monthly reporting deliverables. In summation, Aetna complied with all regulatory and contractual requirements.

Anthem HealthKeepers Plus

Findings:

- **Contract Adherence:** Anthem HealthKeepers Plus failed to resolve two (2) internal member appeals within 30 days. Anthem processed these appeals on day 31 and day 39.

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.

The Medallion 4.0 contract states that the Department may, at its discretion, assess one (1) point when the Contractor fails to meet an administrative and/or procedural program requirement, and the Contractor's failure, as determined by the Department represents "a threat to [the] smooth and efficient operation" of the Medicaid program.

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 # 5362)**

Concerns:

- No concerns

MIP/CAP Update:

- No updates

Request for Reconsideration:

- No requests for reconsideration

Expiring Points:

- **Case #4773:** January 2022 – Appeals and Grievances Issue. 1 point was removed from Anthem's total by closing **CES # 4773**.

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for January 2023, Anthem showed a moderate level of compliance. Anthem timely submitted all 16 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for the timely processing of internal member appeals (as addressed above in **CES # 5362**). In summation, Anthem complied with most applicable regulatory and contractual requirements.

Molina Complete Care

Findings:

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

Concerns:

- **Contract Adherence:** Molina Complete Care failed to process all Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations within the required timeframe. Per the January 2023 data, there was one (1) expedited service authorization request that did not require supplemental information and was not processed within 72 hours. Molina's overall timeliness for processing CMHRS Service Authorization requests for the month of January was 99.68%.

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)**. (CES # 5356)

- **Data Submission Error:** DMAS timely received the January 2023 Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations and Registrations deliverable from Molina Complete Care. Upon review, Molina's submission included a reporting error: a column that should reflect the number of units requested displayed the duration. Molina was notified of this error and resubmitted this deliverable with corrected information.

As described in Section 10.1.E.d.b of the Medallion 4.0 Contract, Molina is required to submit all reporting deliverables in the format and with the contents specified in the Medallion 4.0 Contract, and the Medallion 4.0 Deliverables Technical Manual.

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)**. (CES # 5357)

MIP/CAP Update:

- In January 2023, Molina Complete Care began submitting weekly updates and milestones met to ensure a successful implementation of the proposed plan in response to **CES # 5173** Corrective Action Plan (CAP) regarding the CMHRS Service Authorization issue. The Compliance Unit continues to review Molina's weekly updates regarding their CAP concerning untimely processing of CMHRS Service Authorizations (SA).

Request for Reconsideration:

- No requests for reconsideration

Expiring Points:

- **Case #4673:** January 2022 – Member Call Center Stats Issue. 5 points were removed from Molina’s total by closing **CES # 4673**.
- **Case #4674:** January 2022 – Provider Call Center Stats Issue. 1 point was removed from Molina’s total by closing **CES # 4674**.
- **Case #4754:** January 2022 – Member Communications Issue. 1 point was removed from Molina’s total by closing **CES # 4754**.

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for January 2023, Molina showed a moderate level of compliance. Molina timely submitted all 16 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for the timely processing of CMHRS Service Authorizations and included a reporting error (as addressed above in **CES # 5356 & 5357**). In summation, Molina complied with most applicable 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 Family Care failed to timely process all Early Intervention Services within the required timeframe. Per the January 2023 data, there was one (1) clean claim that was not processed within 14 calendar days. The overall timeliness of adjudicated clean claims was 99.96 % for the month of January 2023.

On February 16, 2023, the Compliance Unit requested detailed claim information relating to the one (1) clean claim not paid within 14 days. Optima reported that the claim was routed to an incorrect queue by a claims processor when it came into the system causing it to miss the required 14 day turnaround time. This claim was processed on day 21.

Section 5.5 of the Medallion 4.0 Contract requires that clean claims from community mental health rehabilitation services, ARTS, and early intervention providers shall be processed within fourteen (14) calendar days of receipt of the clean claim. 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)**. (CES # 5354)

- **Contract Adherence:** Optima Family Care failed to timely process all Pharmacy Prior Authorization requests within the required timeframe. Per the January 2023 data, there were three (3) Pharmacy Prior Authorization requests processed past 24 hours. The overall timeliness of Pharmacy Prior Authorizations processing was 99.93%.

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)**. (CES # 5358)

- **Data Submission Error:** DMAS timely received the January 2023 Pharmacy Prior Authorization deliverable from Optima. Upon review, Optima's submission included errors with initial submission: the file contained prior authorization data that was duplicative data also reported in Virginia Premier's submission of processed prior authorizations. It appears that Optima and Virginia Premier's data on processed Pharmacy prior authorizations were combined and submitted to DMAS in the MCOs' respective data sets containing January 2023 Pharmacy prior authorizations. Optima was notified of this error and resubmitted this deliverable with corrected information.

As described in Section 10.1.E.d.b of the Medallion 4.0 Contract, Optima is required to submit all reporting deliverables in the format and with the contents specified in the Medallion 4.0 Contract, and the Medallion 4.0 Deliverables Technical Manual.

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)**. (CES # 5359)

MIP/CAP Update:

- No updates

Request for Reconsideration:

- On March 7, Optima requested reconsideration of a NONC letter associated with CES #5354. Optima stated that the 2022-2023 Medallion 4.0 contract requires 99% of clean claims to be processed within 14 days. Optima processed a total of 2,615 EI claims during January with 1 processing over 14 days, so the overall rate is above 99%. After completion of internal review, HCS leadership has rescinded the NONC Letter associated with CES #5354.

Expiring Points:

- No points

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for January 2023, Optima showed a moderate level of compliance. Optima timely submitted all 16 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for the timely processing of Pharmacy Service Authorizations and included a reporting error (as addressed above in **CES # 5358 & 5359**). One contract deliverable failed to meet contract adherence requirements for the timely processing of an Early Intervention claim (as addressed above in **CES # 5354**). 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:

- **Data Submission Error:** DMAS timely received the January 2023 Foster Care Barrier deliverable from UnitedHealthcare. Upon review, UnitedHealthcare's submission included data for the month of December 2022. This deliverable should only contain the data for the current reporting month.

As described in Section 10.1.E.d.b of the Medallion 4.0 Contract, UnitedHealthcare is required to submit all reporting deliverables in the format and with the contents specified in the Medallion 4.0 Contract, and the Medallion 4.0 Deliverables Technical Manual.

The Compliance Team recommended that in response to the issue identified above, UnitedHealthcare 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)**. (CES # 5360)

MIP/CAP Update:

- No updates

Request for Reconsideration:

- No requests for reconsideration

Expiring Points:

- **Case #4793:** January 2022 – Appeals and Grievances Issue. 1 point was removed from UnitedHealthcare's total by closing **CES # 4793**.

Financial Sanctions Update:

- No outstanding sanctions at this time

Summary:

For deliverables measuring performance for January 2023, UnitedHealthcare showed a moderate level of compliance. UnitedHealthcare timely submitted all 16 required monthly reporting deliverables. One contract deliverable included a data submission error (as addressed above in **CES # 5360**). In summation, UnitedHealthcare complied with most applicable regulatory and contractual requirements.

Virginia Premier

Findings:

- **Call Center Statistics:** DMAS timely received the January 2023 MCO Member Call Center Statistics report from Virginia Premier. Upon review, the Compliance Unit discovered that Virginia Premier's combined call center data for the Medallion 4.0 and CCC Plus populations did not meet the required contract thresholds for call center statistics (did not answer 95% of incoming member calls). Virginia Premier answered 93.11% of incoming member calls in the month of January 2023.

Section 7.15.C.b of the Medallion 4.0 contract and section 11.1.9 of the CCC Plus contract requires that the MCO's Member call abandonment rates shall be less than five percent (5%) for all incoming calls each month. Virginia Premier failed to answer at least 95% of the incoming member calls to be in compliance with the Medallion 4.0 and the CCC Plus contracts.

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 five-point penalty.

The HCS Compliance Team coordinated with the Integrated Care Division on mutual enforcement actions under both contracts, Medallion 4.0 and CCC Plus, and recommended that in response to the issue identified above, Virginia Premier be issued a **Warning Letter, five (5) compliance points** with no financial penalty, MIP, or CAP.

The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, five (5) compliance points** with no financial penalty, MIP, or CAP in response to this issue. **(CES # 5353)**

Concerns:

- **Contract Adherence:** Virginia Premier failed to timely process all Early Intervention Services within the required timeframe. Per the January 2023 data, there were twenty-five (25) clean claims that were not processed within 14 calendar days. The overall timeliness of adjudicated clean claims was 99.22% for the month of January 2023.

On February 16, 2023, the Compliance Unit requested detailed claim information relating to the twenty-five (25) clean s not paid within 14 days. Virginia Premier reported that twenty-two (22) claims paid on day 19 and three (3) claims paid on day 14, and "Check run Void" and "Payment run

incomplete" were listed as the reason for the delay. The overall timeliness of adjudicated clean claims was 99.22% for the month of January 2023.

Section 5.5 of the Medallion 4.0 Contract requires that clean claims from community mental health rehabilitation services, ARTS, and early intervention providers shall be processed within fourteen (14) calendar days of receipt of the clean claim. Thus, Virginia Premier 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, 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)**. (CES # 5355)

- **Contract Adherence:** Virginia Premier failed to timely process all Pharmacy Prior Authorization requests within the required timeframe. Per the January 2023 data, there were three (3) Pharmacy Prior Authorization requests processed past 24 hours. The overall timeliness of Pharmacy Prior Authorizations processing was 99.89%.

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, Virginia Premier 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, 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)**. (CES # 5361)

MIP/CAP Update:

- No updates

Request for Reconsideration:

- On March 3, Virginia Premier requested reconsideration of a NONC letter associated with CES #5355. Virginia Premier stated that Section 5.5 of the Medallion 4 contract (Provider Payment Processing) states that the contractor must ensure 99% of clean EI claims are processed within 14 days and 100% are processed within 30 days. Virginia Premier processed 2,886 EI claims and had 25 processed after 14 days. There were zero claims processed at 30 or more days. Virginia Premier processed 99.2% within 14 days, which meets the

contract requirements. After completion of internal review, HCS leadership has rescinded the NONC Letter associated with **CES #5355**.

Expiring Points:

- No points

Financial Sanctions Update:

- No outstanding sanctions at this time.

Summary:

- For deliverables measuring performance for January 2023, Virginia Premier showed a moderate level of compliance. Virginia Premier timely submitted all 16 required monthly reporting deliverables. Two contract deliverables failed to meet contract adherence requirements for the timely processing of Early Intervention claims and Pharmacy Service Authorizations (as addressed above in **CES # 5355 & 5361**). One contract deliverable failed to meet contract adherence requirements for member call center statistics (as addressed above in **CES # 5353**). In summation, Virginia Premier complied with most applicable regulatory and contractual requirements.

Next Steps

The Health Care Services Compliance Unit will continue to host monthly Compliance Review Committee meetings, track and monitor compliance issues and points, and communicate with the MCOs regarding identified issues. The HCS Compliance Unit will also continue to collaborate with other DMAS units and divisions to investigate and resolve potential compliance issues.

The Compliance Unit will continue its enforcement efforts to ensure the timely processing of internal member appeals, service authorizations and claims. The Compliance Unit will also remain focused on overall compliance with Medallion 4.0 contractual requirements - especially those with an impact on members and providers.

Where appropriate, the HCS Compliance Unit will work closely with the Integrated Care Compliance Unit to align enforcement actions between the two contracts.