Monthly Compliance Report

Cardinal Care · March 2024

Health Care Services + Integrated Care Divisions

May 21, 2024

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Contents

Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring	Final Point Balance*	Area of Violation: Finding or Concern
Aetna	11	2	0	13	**FINDINGS** REPORTING ERROR EI CLAIMS **CONCERNS** MHS SA
Anthem	2	3	0	5	**FINDINGS** REPORTING ERROR PHI BREACH INACCURATE LETTERS **CONCERNS** NONE
Molina	11	2	0	13	**FINDINGS** EI CLAIMS MLTSS **CONCERNS** NONE
Sentara	7	4	0	11	**FINDINGS** LATE SUBMISSION x3 APPEALS **CONCERNS** MHS SA
United	13	1	0	14	**FINDINGS** REPORTING ERROR **CONCERNS** MHS 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.

Summary

The Health Care Services (HCS) and Integrated Care (IC) Divisions held their third joint **Compliance Review Committee (CRC)** on May 1, 2024. The Committee reviewed compliance referrals and deliverables measuring performance for March 2024. The meeting's agenda covered all identified and referred issues of non-compliance, including: the late submission and accuracy of deliverables; untimely processing of internal member appeals; failure to meet contract thresholds related to early intervention claims and mental health service authorizations; and failure to adhere to member PHI and member communication requirements.

The joint CRC consists of five representatives from the Health Care Services Division and five representatives from the Integrated Care Division. These committee members vote on what, if any, compliance enforcement actions should be issued in response to identified compliance issues.

The CRC voted to issue fifteen (15) Notices of Non-Compliance (NONC) related to HCS and IC compliance issues. These NONCs included twelve (12) compliance points, six (6) financial sanctions, and three (3) requests for an MCO Improvement Plan (MIP).

Each MCO's compliance findings and concerns are detailed below. Information related to HCS and IC compliance activities is 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 3, 2024.

Aetna Better Health of Virginia

Findings:

- **Data Submission Error:** DMAS timely received the March 2024 MCO Call Statistics report from Aetna Better Health. Review of Aetna's submission revealed five (5) reporting errors.

  On April 17, 2024, the Department requested that Aetna validate the submitted data. On April 18, 2024, Aetna responded that they had identified errors within the initial report and submitted a corrected report on April 25, 2024.

  As described in Section 17.1.2 of the Cardinal Care contract, Aetna is required to submit accurate reporting deliverables as specified in the Cardinal Care contract and the Cardinal Managed Care Technical Manual.

  The HCS Compliance Team recommended that in response to the issue identified above, Aetna be issued a **Notice of Non-Compliance (NONC)** with **one (1) compliance point,** and a financial penalty of **$15,000**. No MIP or CAP will be required at this time. The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** with **one (1) compliance point**, and a financial penalty of **$15,000** in response to this issue. **(CES # 5953)**

- **Contract Adherence:** Aetna Better Health failed to process 212 EI clean claims within the required 14 calendar days per the March 2024 Early Intervention Services report. Aetna's overall timeliness for processing EI clean claims within 14 days for the month of March was 75.91%.

  Section 12.2.4 of the Cardinal Care contract requires that 100% of the clean claims from community mental health rehabilitation services, ARTS, and early intervention providers shall be processed within thirty (30) calendar days. The Contractor must also ensure ninety-nine percent (99%) of clean claims from these providers are adjudicated within fourteen (14) calendar days.

  According to the Cardinal Care contract, the Department may assess one (1) point for failure to timely or accurately adjudicate claims in compliance with Section 12.1, General Provider Payment Processes.

  The HCS Compliance Team recommended that in response to the issue identified above, Aetna be issued a **Notice of Non-Compliance (NONC)** with

one (1) compliance point, and a financial penalty of **$15,000**. No MIP or CAP will be required at this time. The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** with **one (1) compliance point**, and a financial penalty of **$15,000** in response to this issue. **(CES # 5962)**

Concerns:

- **Contract Adherence:** Aetna Better Health failed to process all Mental Health Services (MHS) Service Authorizations within the required timeframe. Per the March 2024 data, there was one (1) standard service authorization request that did not require supplemental information and was not processed within 14 days. Aetna's overall timeliness for processing MHS Service Authorization requests for the month of March was 99.95%.

  The HCS Compliance Team recommended that in response to the issue identified above, Aetna be issued a **Notice of Non-Compliance (NONC)**. The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC). (CES # 5955)**

MIP/CAP Update:

- No updates

Request for Reconsideration:

- No requests for reconsideration

Expiring Points:

- No points

Financial Sanctions Update:

- On April 26, 2024, the Department requested $15,000 in outstanding financial sanctions be withheld from Aetna Better Health's upcoming capitation payment.

Summary:

- For deliverables measuring performance for March 2024, Aetna Better Health showed a **moderate** level of compliance. Aetna submitted 15 of the 16 required monthly reporting deliverables accurately and on time. However, one of the required monthly reporting deliverables was submitted inaccurately and had to be resubmitted after the designated due date (as addressed above in **CES # 5953**), for which Aetna received a Notice of Non-Compliance with one (1) compliance point and a financial penalty. Aetna also failed to meet contract requirements for Early Intervention claims processing

(as addressed above in **CES # 5962**) and received an additional Notice of Non-Compliance with one (1) compliance point and a financial penalty. Additionally, Aetna failed to meet contractual requirements related to the timely processing of MHS service authorization requests (as addressed above in **CES # 5955**) and received a third Notice of Non-Compliance. Despite these issues, Aetna complied with most applicable regulatory and contractual requirements.

Anthem HealthKeepers Plus

Findings:

- **Data Submission Error:** DMAS timely received the March 2024 MCO Call Statistics report from Anthem HealthKeepers Plus. Review of Anthem's submission revealed a reporting error.

  On April 17, 2024, the Department requested that Anthem validate the submitted data. On April 18, 2024, the corrected report was received.

  As described in Section 17.1.2 of the Cardinal Care contract, Anthem is required to submit accurate reporting deliverables as specified in the Cardinal Care contract and the Cardinal Managed Care Technical Manual.

  The HCS Compliance Team recommended that in response to the issue identified above, Anthem be issued a **Notice of Non-Compliance (NONC)** with **one (1) compliance point** with no financial penalty. No MIP or CAP will be required at this time**.** The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** with **one (1) compliance point. (CES # 5954)**

- **Contract Adherence:** Anthem HealthKeepers Plus failed to properly safeguard member Protected Health Information (PHI), including thirty-two (32) Virginia Medicaid members' names, addresses, and Medicaid ID numbers. On April 25, 2024, DMAS sent an email to all health plans regarding the upcoming Moms in Motion report deadline. On April 26, 2024, an Anthem employee replied all to that email, submitting Anthem's Moms in Motion Report to numerous individuals at DMAS and other health plans.

  Section 21.2.7 of the Cardinal Cares contract states: Contractors who utilize, access, or store personally identifiable information as part of the performance of a contract are required to safeguard this information and immediately notify the Department of any breach or suspected breach in the security of such information. Contractors shall allow the Department to both participate in the investigation of incidents and exercise control over decisions regarding external reporting.

  Section 17.1.2 of the Cardinal Care contract states that the Department may assess one (1) point when the Contractor fails to "meet any additional requirement specified in this Contract that is not specifically identified in this Section."

The HCS Compliance Team recommended that in response to the issue identified above, Anthem be issued a **Notice of Non-Compliance (NONC)** and **one (1) compliance point** with no financial penalty. The Department also recommended that Anthem submit a **MCO Improvement Plan** ("MIP") to address the MCO's failures to meet contractual requirements related to member PHI.

The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC), one (1) compliance point,** and a **MIP** in response to this issue**. (CES # 5974)**

- **Contract Adherence:** Anthem HealthKeepers Plus distributed inaccurate member communications, discovered during an audit of member letters. Two Denial of Coverage letters were identified which failed to properly inform members of a secondary review applying the EPSDT "correct or ameliorate" standard. Upon request for additional information, Anthem confirmed that both member letters were inaccurate.

  Section 6.1.3 of the Cardinal Care contract states: Denial for services to individuals under age twenty-one (21) cannot be given until the EPSDT secondary review has been completed. The Contractor must submit its EPSDT Review Process Policy and Procedures to the Department for review and approval prior to implementation, upon a revision, or as requested. The Contractor's EPSDT Review Process Policy and Procedures must ensure that any denial notice, including for non-covered, out-of-network, and/or experimental services, explains that EPSDT criteria was applied and cites the reason the requested service was determined to not meet EPSDT criteria. The notice must reflect that a Secondary Review was performed using the EPSDT correct or ameliorate standard and explain how it was applied to the facts.

  By sending the inaccurate letters, Anthem failed to provide correct information to members regarding denial of services.

  Section 17.1.2 of the Cardinal Care contract states that the Department may assess one (1) point when the Contractor fails to "meet any additional requirement specified in this Contract that is not specifically identified in this Section."

  The HCS Compliance Team recommended that in response to the issue identified above, Anthem be issued **Notice of Non-Compliance (NONC)** and **one (1) compliance point** with no financial penalty. The Department also recommended that Anthem submit a **MCO Improvement Plan** ("MIP") to

address the MCO's failures to meet contractual requirements related to member PHI.

The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC), one (1) compliance point,** and a **MIP** in response to this issue. **(CES # 5975)**

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

Summary:

- For deliverables measuring performance for March 2024, Anthem showed a **low** level of compliance. Anthem submitted 15 of the 16 required monthly reporting deliverables accurately and on time. However, one of the required monthly reporting deliverables were submitted inaccurately and had to be resubmitted after the designated due date (as addressed above in **CES # 5954**), for which Anthem received a Notice of Non-Compliance with one (1) compliance point. Additionally, Anthem failed to meet contractual requirements related to protecting member information (as addressed above in **CES # 5974**) and providing accurate member communications (as addressed above in **CES # 5975**) and received two (2) additional Notices of Non-Compliance with compliance points and MCO Improvement Plans (MIPs). Despite these issues, Anthem complied with most applicable regulatory and contractual requirements.

Molina Healthcare

Findings:

- **Contract Adherence:** Molina Healthcare failed to process 639 EI clean claims within the required 14 calendar days per the March 2024 Early Intervention Services report. Molina's overall timeliness for processing EI clean claims within 14 days for the month of March was 66.91%.

  Section 12.2.4 of the Cardinal Care contract requires 100% of the clean claims from community mental health rehabilitation services, ARTS, and early intervention providers shall be processed within thirty (30) calendar days. The Contractor must also ensure ninety-nine percent (99%) of clean claims from these providers are adjudicated within fourteen (14) calendar days.

  According to the Cardinal Care contract, the Department may assess one (1) point for failure to timely or accurately adjudicate claims in compliance with Section 12.1, General Provider Payment Processes.

  The HCS Compliance Team recommended that in response to the issue identified above, Molina be issued a **Notice of Non-Compliance (NONC)** with **one (1) compliance point** and a financial penalty of $**15,000**. No MIP or CAP will be required at this time. The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** with **one (1) compliance point** and a financial penalty of $**15,000** in response to this issue. **(CES # 5961)**

- **Contract Adherence:** Molina Healthcare submitted a Level of Care Review Instrument (LOCERI) to DMAS review that did not meet criteria. Upon review, the completed LOCERI was submitted without the member being seen face to face.

  Section 5.12.2.2 Level of Care (LOC) Reviews states that all LOC reviews for members in CCC Plus Waiver must be conducted face-to-face. The Contractor must provide the Department with all LOC review data and results for its CCC Plus Waiver participants via the CRMS Portal within five (5) business days of completion of the LOC face-toface review. All submitted information must be accurate and complete.

  Per the Cardinal Care contract, the Department may assess one (1) point for the failure to meet any additional requirement of the contract that is not specifically identified in Section 17.1.2.

The Integrated Care Compliance Team recommended that Molina be issued a **Notice of Non-Compliance (NONC)** with **one (1) compliance point**, an **MCO Improvement Plan (MIP),** and a financial penalty of **$15,000.** The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** with **one (1) compliance point**, an **MCO Improvement Plan (MIP),** and a financial penalty of **$15,000. (CES # 5976)**

Concerns:

- No concerns

MIP/CAP Update:

- No updates

Request for Reconsideration:

- No requests for reconsideration

Expiring Points:

- No points

Financial Sanctions Update:

- On April 26, 2024, the Department requested $15,000 in outstanding financial sanctions be withheld from Molina Healthcare's upcoming capitation payment.

Summary:

- For deliverables measuring performance for March 2024, Molina Healthcare showed a **moderate** level of compliance. Molina submitted all 16 required monthly reporting deliverables accurately and on time. However, Molina failed to meet contract requirements related to the timely processing of Early Intervention claims (as addressed above in **CES # 5961**) and received a Notice of Non-Compliance with one (1) compliance point and a financial penalty. Molina also failed to meet LOCERI requirements (as addressed in **CES # 5976**) and received an additional Notice of Non-Compliance with one (1) compliance point, an MCO Improvement Plan, and a financial penalty. Despite these issues, Molina complied with most applicable regulatory and contractual requirements.

Sentara Community Plan

Findings:

- **Untimely Deliverable Submission:** Sentara Community Plan failed to timely submit the Appeals and Grievance Summary report for the month of March 2024. On April 16, 2024, the HCS Compliance team reached out to Sentara, and the report was submitted on the same day.

  As described in Section 1.4.1.2 of the Cardinal Managed Care Technical Manual, Sentara is required to submit all reporting within the timeframes specified in the Cardinal Care Contract and the Cardinal Care Deliverables Technical Manual.

  The HCS Compliance Team recommended that in response to the issue identified above, Sentara be issued a **Notice of Non-Compliance (NONC)** with **one (1) compliance point**. No MIP or CAP will be required at this time**.** The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** with **one (1) compliance point**. **(CES # 5956)**

- **Untimely Deliverable Submission:** Sentara Community Plan failed to timely submit the Maternal Care Monthly Frequency report for the month of March 2024. The report was submitted on April 16, 2024.

  As described in Section 1.4.1.2 of the Cardinal Managed Care Technical Manual, Sentara is required to submit all reporting within the timeframes specified in the Cardinal Care Contract and the Cardinal Care Deliverables Technical Manual.

  The HCS Compliance Team recommended that in response to the issue identified above, Sentara be issued a **Notice of Non-Compliance (NONC)** with **one (1) compliance point**. No MIP or CAP will be required at this time**.** The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** with **one (1) compliance point**. **(CES # 5957)**

- **Untimely Deliverable Submission:** Sentara Community Plan failed to timely submit the Maternal Care Monthly report for the month of March 2024. The report was submitted on April 16, 2024.

  As described in Section 1.4.1.2 of the Cardinal Managed Care Technical Manual, Sentara is required to submit all reporting within the timeframes

specified in the Cardinal Care Contract and the Cardinal Care Deliverables Technical Manual.

The HCS Compliance Team recommended that in response to the issue identified above, Sentara be issued a **Notice of Non-Compliance (NONC)** with **one (1) compliance point**. No MIP or CAP will be required at this time. The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** with **one (1) compliance point**. **(CES # 5958)**

- **Contract Adherence:** DMAS timely received the March 2024 Appeals and Grievance Summary report from Sentara Community Plan. Upon review, Sentara failed to process two (2) internal appeals within the required timeframe without a request for an extension.

  According to Section 9.6 of the Cardinal Care contract, the Contractor shall process and must respond in writing to standard internal appeals as expeditiously as the Member's health condition requires and must not exceed thirty (30) calendar days from the initial date of receipt of the internal appeal.

  By processing the appeals on day thirty-two (32), Sentara failed to timely meet the contract standard.

  With the issuance of this violation, Sentara now falls within **Level 2** of the Compliance Deficiency Identification System. The HCS Compliance Team recommended that in response to the issue identified above, Sentara be issued a **Notice of Non-Compliance (NONC)** with **one (1) compliance point,** and a financial penalty of **$15,000**. No MIP or CAP will be required at this time. The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** with **one (1) compliance point,** and a financial penalty of **$15,000** in response to this issue. **(CES # 5973)**

Concerns:

- **Contract Adherence:** Sentara Community Plan failed to process all Mental Health Services (MHS) Service Authorizations within the required timeframe. Per the March data, Sentara failed to process five (5) standard service authorization requests that did not require supplemental information and were not processed within 14 days. Sentara's overall timeliness for processing MHS Service Authorization requests for the month of March was 99.85%.

  The HCS Compliance Team recommended that in response to the issue identified above, Sentara be issued a **Notice of Non-Compliance (NONC)**.

The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)**. **(CES # 5963)**

MIP/CAP Update:

- Sentara Community Plan's MIP related to PHI breach was received on April 22. 2024 (**CES # 5893**) and approved by the Department on May 6, 2024.

Request for Reconsideration:

- No requests for reconsideration

Expiring Points:

- No points

Financial Sanctions Update:

- No outstanding sanctions

Summary:

- For deliverables measuring performance for March 2024, Sentara Community Plan showed a **low** level of compliance. Sentara submitted 13 of the 16 required monthly reporting deliverables accurately and on time. However, three of the required monthly reporting deliverables were submitted after the designated due date (as addressed above in **CES # 5956, CES # 5957, & CES # 5958**), for which Sentara received three (3) Notices of Non-Compliance with three (3) total compliance points. Sentara also failed to meet contractual requirements related to the timely processing of MHS service authorization requests (as addressed above in **CES # 5963**) and received a fourth Notice of Non-Compliance. Additionally, Sentara failed to meet the required contract thresholds for the timely processing of internal member appeals (as addressed above in **CES # 5973**) and received a fifth Notice of Non-Compliance with one (1) compliance point and a financial penalty. Despite these issues, Sentara complied with many applicable regulatory and contractual requirements.

UnitedHealthcare

Findings:

- **Data Submission Error:** DMAS timely received the March 2024 Maternal Care Monthly report from UnitedHealthcare. Review of UnitedHealthcare's submission showed 100% errors with the report.

  As described in Section 17.1.2 of the Cardinal Care contract, UnitedHealthcare is required to submit accurate reporting deliverables as specified in the Cardinal Care contract and the Cardinal Managed Care Technical Manual.

  The HCS Compliance Team recommended that in response to the issue identified above, UnitedHealthcare be issued a **Notice of Non-Compliance (NONC)** with **one (1) compliance point,** and a financial penalty of **$15,000**. No MIP or CAP will be required at this time. The CRC agreed with the team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)** with **one (1) compliance point,** and a financial penalty of **$15,000** in response to this issue. **(CES # 5960)**

Concerns:

- **Contract Adherence:** UnitedHealthcare failed to process all Mental Health Services (MHS) Service Authorizations within the required timeframe. Per the March data, there was one (1) standard service authorization request that did not require supplemental information and was not processed within 14 days. UnitedHealthcare's overall timeliness for processing MHS Service Authorization requests for the month of March was 99.92%.

  The HCS 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 team's recommendation and voted to issue a **Notice of Non-Compliance (NONC)**. **(CES # 5964)**

MIP/CAP Update:

- No update

Request for Reconsideration:

- No requests for reconsideration

Expiring Points:

- No points

Financial Sanctions Update:

- On April 26, 2024, the Department requested $45,000 in outstanding financial sanctions be withheld from UnitedHealthcare's upcoming capitation payment.

Summary:

- For deliverables measuring performance for March 2024, UnitedHealthcare showed a **moderate** level of compliance. UnitedHealthcare submitted 15 of the 16 required monthly reporting deliverables accurately and on time. However, one (1) of the required monthly reporting deliverables was submitted inaccurately (as addressed above in **CES # 5960)**, for which UnitedHealthcare received a Notice of Non-Compliance with a compliance point. Additionally, UnitedHealthcare failed to meet contractual requirements related to the timely processing of MHS service authorizations (as addressed above in **CES # 5964**) and received an additional Notice of Non-Compliance. Despite these issues, UnitedHealthcare complied with many applicable regulatory and contractual requirements.

Next Steps

The Health Care Services and Integrated Care Compliance Teams will continue to host joint Compliance Review Committee meetings at regular intervals. The HCS and IC Compliance Teams will collaborate closely to track, monitor, and communicate with the MCOs regarding identified compliance issues. Both Compliance Units will continue to work with other DMAS units and divisions to investigate and address potential compliance issues.