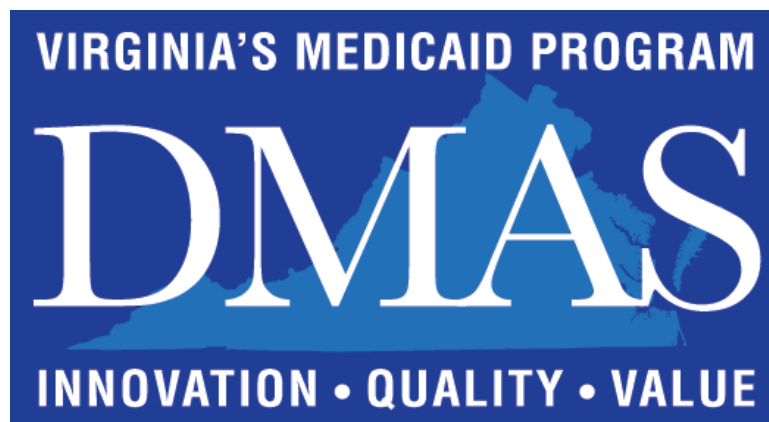


Monthly MCO Compliance Report

Medallion 4.0 April 2021 Deliverables



Health Care Services Division

June 23, 2021

Monthly MCO Compliance Report

Medallion 4.0 April 2021 Deliverables

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Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from April 2020	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	2.0	0	0	2.0	FINDINGS NONE CONCERNS CMHRS SA Report
<u>Anthem</u>	18.0	1	0	19.0	FINDINGS Pharmacy PA Report CONCERNS Late Data Submissions Data Submission Error
<u>Magellan</u>	1.0	0	0	1.0	FINDINGS NONE CONCERNS CMHRS SA
<u>Optima Health</u>	16.0	2	0	18.0	FINDINGS EI Claims Appeals & Grievances Report CONCERNS CMHRS SA Report
<u>United</u>	3.0	1	0	4.0	FINDINGS EI Claims CONCERNS Late Data Submission CMHRS SA Report
<u>VA Premier</u>	22	6	0	28	FINDINGS Pharmacy PA Report Claims Paid over 365 days CONCERNS Late Data Submission CMHRS SA Report

**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 April 2020 (Issue date: 5/15/2020) expire on 5/15/2021 and are subtracted from the final point balance.

Summary

The **Compliance Review Committee (CRC)** met on June 4, 2021 to review deliverables measuring performance for April 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 late data submissions.

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 April's compliance issues in letters and emails issued to the MCOs on June 7, 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 timely submitted the April Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report. However, per April 2021 data Aetna failed to timely process 40 expedited CMHRS Service Authorizations within the allowable processing timeframe.

The Compliance Team recommended that in response to the issue identified above, Aetna be issued a **Notice of Deficiency (NOD)** without any associated compliance points, financial sanctions, or corrective actions. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **NOD without associated compliance points or financial sanctions** in response to this issue. **(CES #4077)**

The Compliance Unit sent the following communication via email to Aetna on June 7, 2021

"Please see below the following areas of concern. At this point, there are no compliance enforcement actions, however, we want to take this opportunity to remind MCOs of the contractual requirements.

Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report (CMHRS SA MCAID.csv): Aetna's report reflects forty (40) expedited service authorization requests were not processed within 72 hours without requiring supplemental information to process the request.

- Section 8.1.D of the Medallion 4.0 Contract states for standard authorization decisions, the Contractor shall provide the decision notice as expeditiously as the member's health condition requires, not to exceed fourteen (14) calendar days following receipt of the request for service, with a possible extension of up to fourteen (14) additional calendar days if (1) the member or the provider requests extension or (2) the Contractor justifies to the Department upon request that the need for additional information per 42 CFR §438.210(d)(1)(ii) is in the

member's interest. For cases in which a provider indicates, or the Contractor determines, that following the standard timeframe could seriously jeopardize the member's life, physical or mental health, or ability to attain, maintain, or regain maximum function, the Contractor must make an expedited authorization decision and provide notice as expeditiously as the member's health condition requires and no later than seventy-two (72) hours after receipt of the request for service. The Contractor may extend the seventy-two (72) hour time period by up to fourteen (14) calendar days if the member requests an extension or the Contractor justifies to the Department a need for additional information and how the extension is in the member's interest.

The Department is requesting that each MCO adheres to the reporting requirements associated with the deliverables listed above. At this point, no compliance points or financial sanctions will be issued in response to the above listed areas of concern."

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- No expiring points

Financial Sanctions Update:

- No outstanding sanctions at this time

Summary:

- For deliverables measuring performance for April 2021, Aetna showed an outstanding level of compliance. Aetna timely submitted all 24 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. Aetna had one area of concern, CMHRS Service Authorizations, and the plan was notified with a Notice of Deficiency (NOD) via email. In summation, Aetna was an outstanding performer in April 2021, and complied with almost regulatory and contractual requirements.

Anthem HealthKeepers Plus

Findings:

- **Contract Adherence:** Anthem failed to timely process Pharmacy Prior Authorization requests. Per April 2021 data, there were 14 Pharmacy Prior Authorization Request processed past 24 hours.

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 **Warning Letter, 1 compliance point, a \$5,000 penalty (Level 2) 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 (Level 2) and no MIP/CAP** in response to this issue. (CES # 4033)

Concerns:

- **Untimely Deliverable Submission:** Anthem failed to timely submit its quarterly Providers Failing Accreditation/Credentialing & Terminations Report. This report was due on April 30, 2021 and it was received on May 05, 2021.

Section 10.1.E.d.b of the Medallion 4.0 contract requires the MCOs to submit reporting deliverables timely, with accurate data, and in the format and layout specified by DMAS. 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 # 4114)

- **Untimely Deliverable Submission:** Anthem failed to timely submit its weekly Enrollment Broker report. This report was due on May 24, 2021. **(CES #4118)**

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 # 4118)**

- **Data Submission Error:** Anthem failed to utilize current reporting specifications for the Community Mental Health Rehabilitation Services (CMHRS) Report.

Section 10.1.E.d.b of the Medallion 4.0 contract requires the MCOs to submit reporting deliverables timely, with accurate data, and in the format and layout specified by DMAS. 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 # 4115)**

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- No expiring points

Financial Sanctions Update:

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

- April 2021 Pharmacy Prior Authorizations Request Issue - \$5,000 **(CES # 4033)**

Summary:

- For deliverables measuring performance for Anthem 2021, Anthem showed a moderate level of compliance. Anthem timely submitted the 24 required monthly reporting deliverables and those deliverables did not expose any programmatic issues. Three monthly deliverables failed to meet contract adherence requirements to timely submit a weekly and a quarterly report and utilize the correct reporting specifications (addressed above in **CES # 4114 , 4115, & 4118**). In summation, Anthem complied with most applicable regulatory and contractual requirements.

Magellan Complete Care

Findings:

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

Concerns:

- **Contract Adherence:** Magellan timely submitted the April Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report. However, per April 2021 data Magellan failed to timely process 29 standard CMHRS Service Authorizations within the allowable processing timeframe.

The Compliance Team recommended that in response to the issue identified above, Magellan be issued a **Notice of Deficiency (NOD)** without any associated compliance points, financial sanctions, or corrective actions. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **NOD without associated compliance points or financial sanctions** in response to this issue. **(CES #4076)**

The Compliance Unit sent the following communication via email to Magellan on June 7, 2021

"Please see below the following areas of concern. At this point, there are no compliance enforcement actions, however, we want to take this opportunity to remind MCOs of the contractual requirements.

Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report (CMHRS SA MCAID.csv): Magellan's report reflects twenty-nine (29) standard service authorization requests were not processed within 14 days.

- Section 8.1.D of the Medallion 4.0 Contract states for standard authorization decisions, the Contractor shall provide the decision notice as expeditiously as the member's health condition requires, not to exceed fourteen (14) calendar days following receipt of the request for service, with a possible extension of up to fourteen (14) additional calendar days if (1) the member or the provider requests extension or (2) the Contractor justifies to the Department upon request that the need for additional information per 42 CFR §438.210(d)(1)(ii) is in the member's interest. For cases in which a provider indicates, or the Contractor determines, that following the standard timeframe could

seriously jeopardize the member’s life, physical or mental health, or ability to attain, maintain, or regain maximum function, the Contractor must make an expedited authorization decision and provide notice as expeditiously as the member’s health condition requires and no later than seventy-two (72) hours after receipt of the request for service. The Contractor may extend the seventy-two (72) hour time period by up to fourteen (14) calendar days if the member requests an extension or the Contractor justifies to the Department a need for additional information and how the extension is in the member’s interest.

The Department is requesting that each MCO adheres to the reporting requirements associated with the deliverables listed above. At this point, no compliance points or financial sanctions will be issued in response to the above listed areas of concern.”

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- No expiring points

Financial Sanctions Update:

- No outstanding sanctions at this time

Summary:

For deliverables measuring performance for April 2021, Magellan showed an outstanding level of compliance. Magellan timely submitted all 24 required monthly reporting deliverables, and those deliverables did not expose any programmatic issues. Magellan had one area of concern, CMHRS Service Authorizations, and the plan was notified with a Notice of Deficiency (NOD) via email. In summation, Magellan was an outstanding performer in April 2021, and complied with almost all regulatory and contractual requirements.

Optima Family Care

Findings:

- **Untimely Payment of EI Claims:** DMAS timely received the April 2021 Early Intervention Services Report deliverable from Optima. Upon review, the Compliance Unit discovered that the report indicated that Optima failed to adjudicate two (2) clean claims for EI services within 14 days of its receipt in April 2021.

Section 5.5 of the Medallion 4.0 contract requires the MCOs to adjudicate all clean claims for EI services within 14 days of their receipt. Thus, Optima violated the terms of the Medallion 4.0 contract in failing to adjudicate one clean claim for EI services within 14 days of its receipt.

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. As a result, the CRC voted to assess Optima a **one (1) point violation** due to its failure to adjudicate a clean claim within 14 days of its receipt.

Optima has accumulated 18.0 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 sanctions. The CRC voted not to require Optima to submit a corrective action plan (CAP). **(CES # 4053)**

- **Contract Adherence:** Optima failed to resolve 1 internal member appeal within 30 days. The appeal was marked as extended however, the extension request was not sent in to DMAS.

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 point penalty. As a result, the CRC voted to assess Optima a **one (1) point violation** due to its failure to process the internal member appeal within 30 days of its receipt.

Optima has accumulated 18.0 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 sanctions. The CRC voted not to require Optima to submit a corrective action plan (CAP). **(CES #4117)**

Concerns:

- **Contract Adherence:** Optima timely submitted the April Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report. However, per April 2021 data Optima failed to timely process five (5) CMHRS Service Authorizations. There were three (3) standard and two (2) expedited CMHRS Service Authorization requests exceeding the allowable processing timeframes.

The Compliance Team recommended that in response to the issue identified above, Optima be issued a **Notice of Deficiency (NOD)** without any associated compliance points, financial sanctions, or corrective actions. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **NOD without associated compliance points or financial sanctions** in response to this issue. **(CES #4113)**

The Compliance Unit sent the following communication via email to Optima on June 7, 2021

"Please see below the following areas of concern. At this point, there are no compliance enforcement actions, however, we want to take this opportunity to remind MCOs of the contractual requirements.

Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report (CMHRS SA MCAID.csv): Optima Family Care's report reflects five (5) total service authorization requests were not processed within 14 days.

- Section 8.1.D of the Medallion 4.0 Contract states for standard authorization decisions, the Contractor shall provide the decision notice as expeditiously as the member's health condition requires, not to exceed fourteen (14) calendar days following receipt of the request for service, with a possible extension of up to fourteen (14) additional calendar days if (1) the member or the provider requests extension or (2) the Contractor justifies to the Department upon request that the need for additional information per 42 CFR §438.210(d)(1)(ii) is in the member's interest. For cases in which a provider indicates, or the Contractor determines, that following the standard timeframe could seriously jeopardize the member's life, physical or mental health, or ability to attain, maintain, or regain maximum function, the Contractor must make an expedited authorization decision and provide notice as

expeditiously as the member's health condition requires and no later than seventy-two (72) hours after receipt of the request for service. The Contractor may extend the seventy-two (72) hour time period by up to fourteen (14) calendar days if the member requests an extension or the Contractor justifies to the Department a need for additional information and how the extension is in the member's interest.

The Department is requesting that each MCO adheres to the reporting requirements associated with the deliverables listed above. At this point, no compliance points or financial sanctions will be issued in response to the above listed areas of concern."

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- No expiring points

Financial Sanctions Update:

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

- April 2021 EI Claims Adjudication Issue - \$5,000 **(CES # 4053)**
- April 2021 Appeals & Grievances Report Issue - \$5,000 **(CES # 4117)**

Summary:

- For deliverables measuring performance for April 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. Three monthly deliverables failed to meet contract adherence requirements for the timely processing of Early Intervention Claims, timely processing of internal appeals, and timely processing CMHRS service authorizations (as address above in **CES # 4053, 4117 4113**). In summation, Optima complied with most applicable regulatory and contractual requirements.

UnitedHealthcare

Findings:

- **Untimely Payment of EI Claims:** DMAS timely received the April 2021 Early Intervention Services Report deliverable from United. Upon review, the Compliance Unit discovered that the report indicated that United failed to adjudicate one (1) clean claim for EI services within 14 days of its receipt in April 2021.

Section 5.5 of the Medallion 4.0 contract requires the MCOs to adjudicate all clean claims for EI services within 14 days of their receipt. Thus, United violated the terms of the Medallion 4.0 contract in failing to adjudicate one clean claim for EI services within 14 days of its receipt.

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. As a result, the CRC voted to assess United a **one (1) point violation** due to its failure to adjudicate a clean claim within 14 days of its receipt.

United has accumulated 4.0 points, placing it in Level 1 on the Compliance Deficiency Identification System. As described in 10.1.D of the Medallion 4.0 contract, an MCO in Level 1 of the Compliance Deficiency Identification System is not subject to a financial sanction. The CRC voted not to require United to submit a corrective action plan (CAP). **(CES # 4034)**

Concerns:

- **Untimely Deliverable Submission:** United failed to timely submit the quarterly Reinsurance Report that was due on April 30, 2021. After request, this report was submitted to DMAS on May 03, 2021.

Section 10.1.E.d.b of the Medallion 4.0 contract requires the MCOs to submit reporting deliverables timely, with accurate data, and in the format and layout specified by DMAS. Thus, United 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, United 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 # 4036)**

- **Contract Adherence:** United timely submitted the April Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report. However, per April 2021 data United failed to timely process two (2) standard CMHRS Service Authorization requests within the allowable processing timeframe.

The Compliance Team recommended that in response to the issue identified above, United be issued a **Notice of Deficiency (NOD)** without any associated compliance points, financial sanctions, or corrective actions. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **NOD without associated compliance points or financial sanctions** in response to this issue. **(CES #4075)**

The Compliance Unit sent the following communication via email to United on June 7, 2021

"Please see below the following areas of concern. At this point, there are no compliance enforcement actions, however, we want to take this opportunity to remind MCOs of the contractual requirements.

Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report (CMHRS SA MCAID.csv): United's report reflects two (2) standard service authorization requests were not processed within 14 days.

- Section 8.1.D of the Medallion 4.0 Contract states for standard authorization decisions, the Contractor shall provide the decision notice as expeditiously as the member's health condition requires, not to exceed fourteen (14) calendar days following receipt of the request for service, with a possible extension of up to fourteen (14) additional calendar days if (1) the member or the provider requests extension or (2) the Contractor justifies to the Department upon request that the need for additional information per 42 CFR §438.210(d)(1)(ii) is in the member's interest. For cases in which a provider indicates, or the Contractor determines, that following the standard timeframe could seriously jeopardize the member's life, physical or mental health, or ability to attain, maintain, or regain maximum function, the Contractor must make an expedited authorization decision and provide notice as expeditiously as the member's health condition requires and no later than seventy-two (72) hours after receipt of the request for service. The Contractor may extend the seventy-two (72) hour time period by up to fourteen (14) calendar days if the member requests an extension or the Contractor justifies to the Department a need for additional information and how the extension is in the member's interest.

The Department is requesting that each MCO adheres to the reporting requirements associated with the deliverables listed above. At this point, no compliance points or financial sanctions will be issued in response to the above listed areas of concern.”

MIP/CAP Update:

- No updates

Appeal Decision:

- No appeals

Expiring Points:

- No expiring points

Financial Sanctions Update:

- No outstanding sanctions at this time

Summary:

- For deliverables measuring performance for April 2021, United showed a moderate level of compliance. United timely submitted all of the 24 required monthly reporting deliverables but failed to timely submit a required quarterly Reinsurance Report (as addressed above in **CES # 4036**). One monthly deliverable failed to meet contract adherence requirements for the EI claims adjudication within 14 days (as addressed above in **CES # 4034**). One monthly deliverable failed to timely process CMHRS service authorizations (as addressed above in **CES # 4075**). In summation, United complied with most applicable regulatory and contractual requirements.

Virginia Premier

Findings:

- **Contract Adherence:** Virginia Premier failed to timely process Pharmacy Prior Authorization requests. Per April 2021 data, there were 5 Pharmacy Prior Authorization Requests processed past 24 hours.

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.

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.

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 (Level 2) 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 (Level 2) and no MIP/CAP** in response to this issue. (CES # 4037)

- **Contract Adherence:** Virginia Premier failed to timely pay 2 claims within 365 days.

According to Section 10.1.E.b of the Medallion 4 Contract, failures to comply with the Contract that represent "a threat to the integrity of the program" or that "infringe on the rights of a member or potential enrollee" should receive 5 points.

The Compliance Team recommended that in response to the issue identified above, Virginia Premier be issued a **Warning Letter, 5 compliance point, a \$10,000 penalty (Level 3) and a MIP**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, 5 compliance points, a \$10,000 penalty (Level 3) and a MIP** in response to this issue. (CES # 4035)

Concerns:

- **Untimely Deliverable Submission:** Virginia Premier failed to timely submit the quarterly Program Integrity Activities Report. An extension was given to all MCOs until May 14, 2021. Virginia Premier submitted their report on May 17, 2021.

Section 10.1.E.d.b of the Medallion 4.0 contract requires the MCOs to submit reporting deliverables timely, with accurate data, and in the format and layout specified by DMAS. 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)** 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 # 4093)**

- **Contract Adherence:** Virginia Premier timely submitted the April Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report. However, per April 2021 data Virginia Premier failed to timely process five (5) standard CMHRS Service Authorization requests within the allowable processing timeframe.

The Compliance Team recommended that in response to the issue identified above, Virginia Premier be issued a **Notice of Deficiency (NOD)** without any associated compliance points, financial sanctions, or corrective actions. The CRC agreed with the Compliance Team’s recommendation, and voted to issue a **NOD without associated compliance points or financial sanctions** in response to this issue. **(CES #4074)**

The Compliance Unit sent the following communication via email to Virginia Premier on June 7, 2021

“Please see below the following areas of concern. At this point, there are no compliance enforcement actions, however, we want to take this opportunity to remind MCOs of the contractual requirements.

Community Mental Health Rehabilitation Services (CMHRS) Service Authorization and Registrations Report (CMHRS SA MCAID.csv): Virginia Premier’s report reflects five (5) standard service authorization requests were not processed within 14 days.

- Section 8.1.D of the Medallion 4.0 Contract states for standard authorization decisions, the Contractor shall provide the decision

notice as expeditiously as the member's health condition requires, not to exceed fourteen (14) calendar days following receipt of the request for service, with a possible extension of up to fourteen (14) additional calendar days if (1) the member or the provider requests extension or (2) the Contractor justifies to the Department upon request that the need for additional information per 42 CFR §438.210(d)(1)(ii) is in the member's interest. For cases in which a provider indicates, or the Contractor determines, that following the standard timeframe could seriously jeopardize the member's life, physical or mental health, or ability to attain, maintain, or regain maximum function, the Contractor must make an expedited authorization decision and provide notice as expeditiously as the member's health condition requires and no later than seventy-two (72) hours after receipt of the request for service. The Contractor may extend the seventy-two (72) hour time period by up to fourteen (14) calendar days if the member requests an extension or the Contractor justifies to the Department a need for additional information and how the extension is in the member's interest.

The Department is requesting that each MCO adheres to the reporting requirements associated with the deliverables listed above. At this point, no compliance points or financial sanctions will be issued in response to the above listed areas of concern."

MIP/CAP Update:

- A MCO Improvement Plan (MIP) has been requested for CES # 4035, as described above.

Appeal Decision:

- No appeals

Expiring Points:

- No points

Financial Sanctions Update:

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

- April 2021 Pharmacy Prior Authorizations Request Issue - \$5,000 (CES# 4037)
- April 2021 Claims Payment Issue - \$10,000 (CES # 4035)

Summary:

- For deliverables measuring performance for April 2021, Virginia Premier showed a moderate level of compliance. Virginia Premier timely submitted 24

required monthly reporting deliverables. One monthly deliverable failed to meet contract adherence requirements for Pharmacy Prior Authorization requests (as addressed above in **CES # 4037**). One contract requirement was not met requiring the MCO to pay claims within 365 days (as addressed above in **CES # 4035**). One contract requirement was not met requiring the MCO to timely process CMHRS service authorizations (as described above in **CES #4074**). 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 Appeals & Grievances, Early Intervention Claims, and Pharmacy Prior Authorization turnaround times. The MCOs were notified of their non-compliance with these issues. The Compliance Unit requested adherence to the Medallion 4.0 contract and issued of 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.