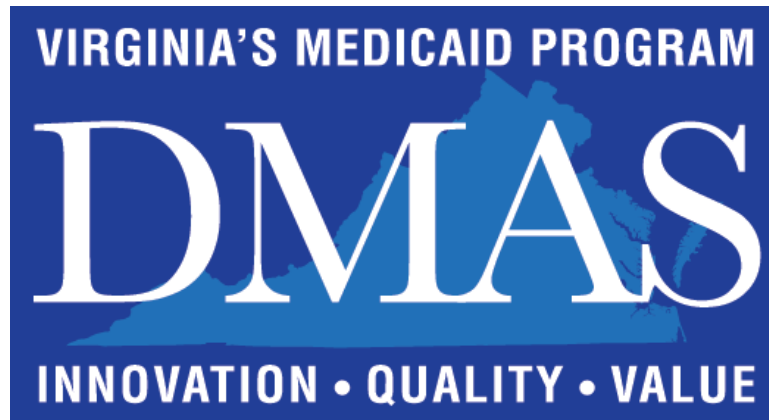


# Monthly MCO Compliance Report

**Medallion 4.0 September 2022 Deliverables**



**Health Care Services Division**

October 14, 2022

# Monthly MCO Compliance Report

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## Medallion 4.0 September 2022 Deliverables

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# Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from August 2021	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	10	0	0	10	<b>FINDINGS</b> NONE <b>CONCERNS</b> CMHRS SA
<u>Anthem</u>	9	1	1	9	<b>FINDINGS</b> APPEALS & GRIEVANCES <b>CONCERNS</b> CMHRS SA
<u>Molina</u>	12	1	1	12	<b>FINDINGS</b> CMHRS SA <b>CONCERNS</b> NONE
<u>Optima</u>	0	6	0	6	<b>FINDINGS</b> APPEALS & GRIEVANCES MCO CLAIMS <b>CONCERNS</b> CMHRS SA
<u>United</u>	7	0	1	6	<b>FINDINGS</b> NONE <b>CONCERNS</b> NONE
<u>VA Premier</u>	12	0	7	5	<b>FINDINGS</b> NONE <b>CONCERNS</b> CALL CENTER STATS

*\*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 2021 (Issue date: 9/15/2021) expire on 9/15/2022 and are subtracted from the final point balance.

# Summary

The **Compliance Review Committee (CRC)** met on October 5, 2022 to review deliverables measuring performance for August 2022. The meeting's agenda covered all identified and referred issues of non-compliance, including call center stats, and thresholds not met in the areas of service authorization reviews, claims adjudication, and MCO appeals resolution.

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 eight enforcement letters to the impacted Managed Care Organizations (MCOs), consisting of four Warning Letters with associated compliance points and financial penalties, as well as four 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 August's compliance issues in letters and emails issued to the MCOs on October 7, 2022.

# 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 Better Health timely provided the Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per the August 2022 data, there were two (2) CMHRS expedited service authorization requests that did not require supplemental information and were not processed within 72 hours. Aetna's overall timeliness for processing CMHRS Service Authorization requests for the month of August was 99.84%.

The 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 Compliance Team's recommendation, and voted to issue a **Notice of Non-Compliance (NONC)**. (CES # 5136)

## MIP/CAP Update:

- Aetna Better Health submitted the MCO Improvement Plan response to CES # 5113 regarding the Appeals & Grievances issue. The Department reviewed the provided MIP and found that it adequately addresses the Appeals & Grievances issue identified by DMAS. Aetna's MCO Improvement Plan is now approved.

## Appeal Decision:

- No appeals

## Expiring Points:

- No points

## Financial Sanctions Update:

- No outstanding sanctions at this time.

## Summary:

- For deliverables measuring performance for August 2022, Aetna showed a high level of compliance. Aetna timely submitted all 18 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for the timely processing of CMHRS Service Authorization requests (as addressed above in CES # 5136). In summation,

Aetna complied with nearly all applicable 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 63.

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, one (1) compliance point** with no financial penalty, MIP, or CAP in response to this issue. **(CES # 5139)**

## Concerns:

- **Contract Adherence:** Anthem HealthKeepers Plus timely provided the Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per the August 2022 data, there was one (1) CMHRS standard service authorization request that did not require supplemental information and was not processed within 14 days. Anthem's overall timeliness for processing CMHRS Service Authorization requests for the month of August was 99.85%.

The Compliance Team recommended that in response to the issue identified above, Anthem 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 # 5137)**

### **MIP/CAP Update:**

- No updates

### **Appeal Decision:**

- No appeals

### **Expiring Points:**

- **Case # 4453:** August 2021 – Appeals & Grievances Issue. 1 point was removed from Anthem’s total by closing **CES # 4453**.

### **Financial Sanctions Update:**

- No outstanding sanctions at this time.

### **Summary:**

- For deliverables measuring performance for August 2022, Anthem showed a moderate level of compliance. Anthem timely submitted all 18 required monthly reporting deliverables. Two deliverables failed to meet contract adherence requirements for the timely processing of internal member appeals and CMHRS Service Authorization requests (as addressed above in **CES # 5139 & 5137**). In summation, Anthem complied with most applicable regulatory and contractual requirements.



# Molina Complete Care

## Findings:

- **Contract Adherence:** Molina Complete Care timely provided the Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per the August 2022 data, there were six (6) CMHRS expedited service authorization requests that did not require supplemental information and were not processed within 72 hours. Molina's overall timeliness for processing CMHRS Service Authorization requests for the month of August was 97.53%.

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.

Molina is placed in Level 2 on the Compliance Deficiency Identification System. As described in 10.1.A of the Medallion 4.0 contract, an MCO in Level 2 of the Compliance Deficiency Identification System is subject to a \$15,000 financial sanction.

The Compliance Team recommended that in response to the issue identified above, Molina be issued a **Warning Letter, one (1) compliance point, and a \$15,000 financial penalty**. The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Warning Letter, one (1) compliance point, and a \$15,000 financial penalty** in response to this issue. (CES # 5138)

## Concerns:

- No concerns

## MIP/CAP Update:

- Molina Complete Care submitted the MCO Improvement Plan response to **CES # 5019** regarding the CMHRS Service Authorizations and Registrations issues. The Department reviewed the provided MIP and found that it adequately addresses the CMHRS SAs adjudication issues identified by DMAS. Molina's MCO Improvement Plan is now approved.

## Appeal Decision:

- No appeals

### **Expiring Points:**

- **Case # 4442:** August 2021 – Provider Call Center Statistics Issue. 1 point was removed from Molina’s total by closing **CES # 4442**.

### **Financial Sanctions Update:**

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

- August 2022 CMHRS Service Authorization Issue - \$15,000 (**CES# 5138**)

### **Summary:**

- For deliverables measuring performance for August 2022, Molina showed a high level of compliance. Molina timely submitted all 18 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for the timely processing of CMHRS Service Authorizations (as addressed above in **CES # 5138**). In summation, Molina complied with nearly all regulatory and contractual requirements.

# Optima Family Care

## Findings:

- **Contract Adherence:** Optima Family Care failed to resolve one (1) internal member appeal within 30 days. Optima processed this appeal on day 31.

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, Optima 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 # 5140)**

- **Contract Adherence:** Optima Family Care reported failing to timely pay one (1) clean claim within 365 days on the August 2022 MCO Claims report.

On September 16, 2022, the Department requested additional documentation relating to Optima's MCO Claims Report submission for August 2022. Optima provided the requested information detailing the impacted claim on September 23, 2022. Optima reported this claim was placed in the wrong queue/location for payment. This claim was not processed until the provider called Optima to inquire about the claim. Upon the review, the Department confirmed the identified claim was adjudicated untimely.

According to 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 five points.

The Compliance Team recommended that in response to the issue identified above, Optima be issued a **Warning Letter and 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 and five (5) compliance points** with no financial penalty, MIP, or CAP in response to this issue. **(CES # 5133)**

### **Concerns:**

- **Contract Adherence:** Optima Family Care timely provided the Community Mental Health Rehabilitation Services (CMHRS) Service Authorizations. Per the August 2022 data, there was one (1) CMHRS standard service authorization request that did not require supplemental information and was not processed within 14 days. Optima's overall timeliness for processing CMHRS Service Authorization requests for the month of August was 99.93%.

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 # 5135)**

### **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 2022, Optima showed a moderate level of compliance. Optima timely submitted all 18 required monthly reporting deliverables. However, three deliverables failed to meet contract adherence requirements for the timely processing of internal member appeals, MCO claims, and CMHRS Service Authorization requests (as addressed above in **CES # 5140, 5133, & 5135**). In summation, Optima complied with many of the applicable regulatory and contractual requirements.

# UnitedHealthcare

## Findings:

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

## Concerns:

- No concerns

## MIP/CAP Update:

- UnitedHealthcare submitted the Corrective Action Plan in response to **CES # 5073** regarding the Early Intervention claims adjudication issue. The CAP is currently under review by the Department.

## Appeal Decision:

- No appeals

## Expiring Points:

- **Case # 4435:** August 2021 – CMHRS Service Authorization Issue. 1 point was removed from UnitedHealthcare’s total by closing **CES # 4435**.

## Financial Sanctions Update:

- No outstanding sanctions at this time.

## Summary:

- For deliverables measuring performance for August 2022, UnitedHealthcare showed a very high level of compliance. UnitedHealthcare timely submitted all 18 required monthly reporting deliverables. In summation, UnitedHealthcare complied with all regulatory and contractual requirements.

# Virginia Premier

## Findings:

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

## Concerns:

- **Call Center Statistics:** DMAS timely received the August 2022 MCO Provider Call Center Statistics report from Virginia Premier. Upon review, the Compliance Unit discovered 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 82.47% of incoming provider calls in the month of August 2022.

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 to be in compliance with the Medallion 4.0 contract.

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, or financial sanctions since Virginia Premier is currently under an MCO Improvement Plan. No compliance points or financial sanctions will be issued in response to this identified issue. However, the Department may proceed with issuance of points or financial sanctions for failing to meet call center reporting requirements in the future.

The CRC agreed with the Compliance Team's recommendation, and voted to issue a **Notice of Non-Compliance (NONC)** without associated compliance points or financial sanctions in response to this issue. **(CES # 5134)**

## MIP/CAP Update:

- Virginia Premier submitted the MCO Improvement Plan response to **CES # 5075** regarding the Provider Call Center Statistics issue. The Department reviewed the provided MIP and found that it adequately addresses the Provider Call Center Statistics issue identified by DMAS. Virginia Premier's MCO Improvement Plan is now approved.
- Virginia Premier submitted the MCO Improvement Plan response to **CES # 5074** regarding the Early Intervention claims adjudication issue. The Department reviewed the provided MIP and found that it adequately addresses the Early Intervention claims adjudication issue identified by DMAS. Virginia Premier's MCO Improvement Plan is now approved.

### Appeal Decision:

- No appeals

### Expiring Points:

- **Case # 4454:** August 2021 – Appeals & Grievances Issue. 1 point was removed from Virginia Premier’s total by closing **CES # 4454**.
- **Case # 4434:** August 2021 – Provider Call Center Statistics Issue. 1 point was removed from Virginia Premier’s total by closing **CES # 4434**.
- **Case # 4433:** August 2021 – Member Call Center Statistics Issue. 5 points were removed from Virginia Premier’s total by closing **CES # 4433**.

### Financial Sanctions Update:

- No outstanding sanctions at this time.

### Summary:

- For deliverables measuring performance for August 2022, Virginia Premier showed a high level of compliance. Virginia Premier timely submitted all 18 required monthly reporting deliverables. One contract deliverable failed to meet contract adherence requirements for provider call center statistics (as addressed above in **CES # 5134**). In summation, Virginia Premier complied with most 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 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.