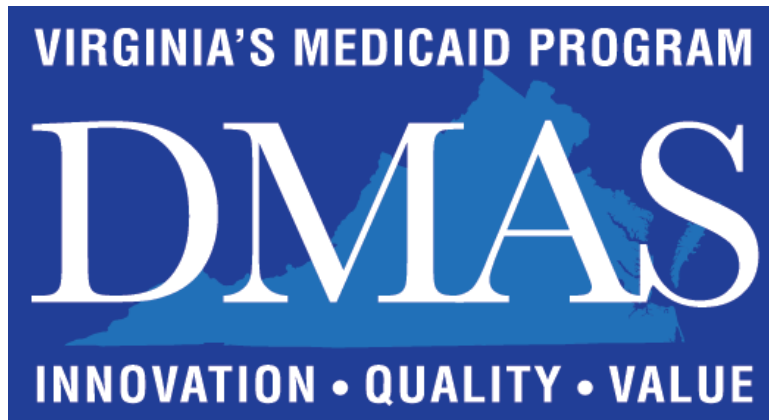


Monthly MCO Compliance Report

Medallion 4.0 July 2023 Deliverables



Health Care Services Division

August 18, 2023

Monthly MCO Compliance Report

Medallion 4.0 July 2023 Deliverables

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Compliance Points Overview

MCO	Prior Month Point Balance	Point(s) Incurred for Current Month*	Point(s) Expiring from June 2022	Final Point Balance*	Area of Violation: Finding or Concern
<u>Aetna</u>	2	0	1	1	<u>FINDINGS</u> NONE <u>CONCERNS</u> NONE
<u>Anthem</u>	5	0	1	4	<u>FINDINGS</u> NONE <u>CONCERNS</u> NONE
<u>Molina</u>	7	0	0	7	<u>FINDINGS</u> NONE <u>CONCERNS</u> NONE
<u>Optima</u>	7	1	0	8	<u>FINDINGS</u> EI CLAIMS <u>CONCERNS</u> PHARMACY PA
<u>United</u>	2	0	0	2	<u>FINDINGS</u> NONE <u>CONCERNS</u> NONE

**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 June 2022 (Issue date: 7/15/2022) expire on 7/15/2023 and are subtracted from the final point balance.

Optima Health + Virginia Premier Merger: Under the terms of the merger agreement, Virginia Premier's compliance point total ceased to exist on July 1, 2023. Going forward, Optima will be assessed any points associated with Virginia Premier's failure to meet regulatory or contractual requirements.

Summary

The **Compliance Review Committee (CRC)** met on August 2, 2023, to review deliverables measuring performance for June 2023. The meeting's agenda covered all identified and referred issues of non-compliance, including failure to meet contract thresholds related to service authorizations and Early Intervention claims adjudication.

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 two (2) enforcement letters to the impacted Managed Care Organization (MCO), consisting of one (1) Notice of Non-Compliance (NONC) and one (1) Warning Letter with an associated compliance point.

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 June's compliance issues in letters and emails issued to the MCOs on August 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:

- **Case #5061:** June 2022 – Appeals and Grievances Issue. 1 point was removed from Aetna’s total by closing **CES # 5061**.

Financial Sanctions Update:

- No outstanding sanctions

Summary:

- For deliverables measuring performance for June 2023, Aetna showed a **very high** level of compliance. Aetna submitted all 16 required monthly reporting deliverables accurately and on time. Aetna complied with all applicable regulatory and contractual requirements.

Anthem HealthKeepers Plus

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:

- **Case #5062:** June 2022 – Appeals and Grievances Issue. 1 point was removed from Anthem’s total by closing **CES # 5062**

Financial Sanctions Update:

- No outstanding sanctions

Summary:

- For deliverables measuring performance for June 2023, Anthem showed a **very high** level of compliance. Anthem submitted all 16 required monthly reporting deliverables accurately and on time. Anthem complied with all 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:

- 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 June 2023, Molina showed a **very high** level of compliance. Molina submitted all 16 required monthly reporting deliverables accurately and on time. Molina complied with all applicable regulatory and contractual requirements.

Optima Family Care

Optima Health and Virginia Premier merged into a single health plan effective July 1, 2023. As Optima Health has assumed all of Virginia Premier's rights and obligations under the terms of the merger agreement, Optima will be issued any enforcement actions related to Virginia Premier's failure to meet contractual requirements.

Findings:

- **Contract Adherence:** DMAS timely received the June 2023 Early Intervention Services report from Optima Family Care. Upon review, the Compliance Unit discovered Optima failed to process 16 clean claims within 30 calendar days.

On July 20, 2023, the Compliance Unit requested detailed claim information relating to the 16 clean claims not paid within 30 calendar days. Optima reported human error caused the delay in processing these claims. These were paper claims that were misplaced in the mailroom. Once, these claims were located they were processed immediately. One of the 16 claims was not an Early Intervention claim as the member was over the age of 3. Thus, Optima failed to process a total of 15 clean Early Intervention claims within 30 calendar days. These claims were processed on day 234.

Section 5.5 of the Medallion 4.0 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 of receipt of the clean claim.

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 # 5553)**

Concerns:

- **Contract Adherence:** Virginia Premier failed to timely process all Pharmacy Prior Authorization requests within the required timeframe. Per the June 2023 data, Virginia Premier did not provide a response to five (5) prior authorization requests within 24 hours. Virginia Premier's overall timeliness for processing Pharmacy Prior Authorization requests for the month of June was 99.86%.

As Optima Family Care has assumed all of Virginia Premier's rights and obligations under the terms of the merger agreement, the Compliance Team recommended that in response to the issues 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 # 5554)

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 June 2023, Optima Family Care and Virginia Premier showed a **moderate** level of compliance. Optima submitted all 16 required monthly reporting deliverables accurately and on time. However, Optima failed to meet contract adherence requirements for Early Intervention claims processing (as addressed above in **CES # 5553**). Virginia Premier also failed to meet Medallion 4.0 contractual requirements related to the timely processing of Pharmacy service authorizations (as addressed above in **CES # 5554**). As a result of the Optima Health and Virginia Premier merger agreement, Optima has been issued compliance enforcement actions related to both Optima and Virginia Premier's failure to comply with 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:

- 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 June 2023, UnitedHealthcare showed a **very high** level of compliance. UnitedHealthcare submitted all 16 required monthly reporting deliverables accurately and on time. UnitedHealthcare complied with all 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 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.