



July 29, 2014

Patricia Biggs
Director of Program Quality and Outcomes
Department for Medicaid Services
275 E Main St. 6 C-C
Frankfort, KY 40621

RE: Identifying # AN2014#91Rpt-1

Dear Ms. Biggs,

Anthem Blue Cross and Blue Shield Kentucky (Anthem) is responding to the notice of corrective action dated July 22, 2014 from the Department for Medicaid Services (DMS). This corrective action was issued to Anthem by DMS pursuant to Contract Section 39.4 Requirement of Corrective Action, with a noted deficiency of failure to provide sufficient documentation for Report #91, Abortion Procedures. We respectfully submit the following information in regards to this deficiency.

Appendix K of the Medicaid Managed Care Contract between the Commonwealth of Kentucky and Anthem Health Plans of Kentucky, Inc. dba Anthem Blue Cross and Blue Shield instructs that Report #91 be submitted to DMS on a quarterly basis and provide a claim listing of abortion procedures paid by Anthem within the reported quarter. The report is to be accompanied by the claim form, pre-op and/or post-op notes, the physician certificate/consent form and the remittance advice for each listed claim.

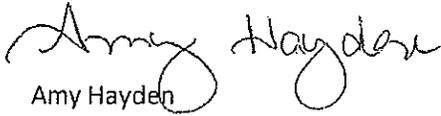
The report submitted by Anthem for the second Quarter listed three individual claims. Copies of the claims were submitted with the report but no other documentation was provided. Anthem determined that no supporting documentation was submitted with the claims by the providers and therefore could not be submitted with Report #91. However, copies of the remittance advice should have been submitted along with the claims. Anthem's failure to provide this information timely put DMS in risk of submitting their own report to the Centers for Medicare and Medicaid Services (CMS) past the deadline.

During Anthem's review of the report and search for additional documentation, it was determined that the three listed claims should not have been reported. One of the claims was for a miscarriage and the other two were for laboratory and anesthesia claims, both secondary to the actual abortion procedure. Had these claims been more closely scrutinized prior to submission of the report it would have been determined that they did not meet the report criteria. This would have eliminated the need for DMS to follow up with Anthem regarding the documentation.

To remedy these missteps, we are currently reviewing our report programming specifications to remove any procedure codes outside of the actual abortion procedure. We are also putting quality checks in place to ensure the claims are reviewed to verify they meet criteria prior to submission. Once all claims have been validated we will pull copies of the claim and remittance advice along with the consent form and physician notes. Any claims listed on the report that do not meet criteria will be removed prior to submission.

We are available to discuss any questions or concerns. We thank you for your time and consideration.

Sincerely,

A handwritten signature in black ink that reads "Amy Hayden". The signature is fluid and cursive, with the first name "Amy" and last name "Hayden" clearly legible.

Amy Hayden
Manager, Regulatory Services
Anthem Blue Cross and Blue Shield, Medicaid