**CABINET FOR HEALTH AND FAMILY SERVICES**
**DEPARTMENT FOR MEDICAID SERVICES**

**Steven L. Beshear**
Governor

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**Audrey Tayse Haynes**
Secretary

**Lawrence Kissner**
Commissioner

August 15, 2014

Michael Murphy
Coventry Cares
9900 Corporate Campus, Ste. 1000
Louisville, KY 40223

Dear Mr. Murphy,

Please accept this correspondence as notification from the Commonwealth of Kentucky, Department for Medicaid Services ("Department") that in order to be compliant with Section 21.5 (EQR Performance) of the Managed Care Contract ("Contract") between the Commonwealth of Kentucky and Coventry Health and Life Insurance (Coventry), Coventry shall submit to the Department Corrective Action Plans for each deficiency cited below. Plans shall be submitted within 60 days following the date of this notification delineating the time and manner in which each deficiency is to be corrected. Coventry's final resolution of all potential quality concerns shall be completed within six (6) months of Coventry's notification.

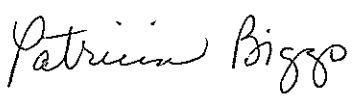
The 2013 Medicaid Compliance Review conducted by IPRO on behalf of the Department found Coventry Minimally Compliant in the following elements of Grievance System:

| Unique Identifier | Review Findings |
|---|---|
| CC2014IPRO-GS1 | The contractor shall continue the member's benefits if the following are met: The member or the service provider files a timely appeal of the Contractor action or the Member asks for a state fair hearing within 30 days from the date on the Contractor notice of action |
| CC2014IPRO-GS2 | The Contractor shall ensure that punitive action Is not taken against a Member or a service provider who requests an expedited resolution or supports a Member's expedited appeal. |

Please note that each issue is assigned a unique identifier. This must be included in the Corrective Action Plan and in any other correspondence concerning this issue. Failure to include this will result in the Plan being rejected by the Department. I look forward to receiving

Coventry's Corrective Action Plans and will be available for your questions throughout the process.

Sincerely,



Patricia Biggs
Director of Program Quality and Outcomes
Department for Medicaid Services

cc: Lawrence Kissner, Commissioner, Department for Medicaid Services
Christina Heavrin, General Counsel, Cabinet for Health and Family Services
Elizabeth Justus, Manager, Managed Care Oversight, Department for Medicaid Services