

## MAC Binder Section 3 – Corrective Action Plans

### Table of Contents with Document Summary

Located online at <http://chfs.ky.gov/dms/mac.htm>

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#### **1 – ANT2015LOC1 re level of care\_dte012715:**

Anthem Letter of Concern regarding the failure of Anthem to submit a level of care file to DMS when a member is admitted to a psychiatric facility.

#### **2 – ANT2015LOC1 re response LOC\_dte012915:**

Anthem response to DMS letter of concern dated January 27, 2015, deficiency of failure to comply with transmitting member level of care files to DMS.

#### **3 – CC2015SP2 CAP re Supplemental Pymts to PCPs\_dte021815:**

Corrective Action Plan – Coventry failed to make timely supplemental payments for ACA enhanced reimbursement as contractually required; corrective action plan shall be submitted to DMS.

#### **4 – PHP2014ES2 LOC re AmeriHealth Encounters\_dte012715:**

Passport Letter of Concern – Regarding the implementation schedule for AmeriHealth encounter submissions; timeline not reasonable.

#### **5 – PHP2015WU1 PHP2014ES2 re PP response AmeriHealth\_dte021915:**

Passport's response to DMS letters dated 1/27/15 and 2/12/15 regarding AmeriHealth encounter submission. As attachment, Passport provided a detailed action plan.

#### **6 – PP2015ESE1 CAP re encounter data submission\_dte022515:**

Passport Corrective Action Plan – Failure to submit accurate encounter data, specifically an invalid file name; a corrective action plan shall be submitted to DMS.

#### **7 – WC2014IPRO-PI1 CAP re 2013 IPRO Compliance\_dte011315:**

Corrective Action Plan - The 2013 Medicaid Compliance Review conducted by IPRO on behalf of the Department found WellCare non-compliant in the following element: The contractor shall provide identity and cover documents and information for law enforcement investigators under cover.

## MAC Binder Section 3 – Corrective Action Plans

### Table of Contents with Document Summary

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#### **8 – WC2015MIS1 LOC re MIS access\_dte012715:**

Wellcare Letter of Concern – Insufficient progress towards providing the Department with access to their Management Information System (MIS) as contractually required.

#### **9 – WC2015MIS1 LOC re WC MIS response\_dte013015:**

Wellcare’s response to DMS letter of concern dated January 27, 2015, regarding DMS access to their MIS.

#### **10 – WC2015PS1 LOC re CareCore PA for OT & PT\_dte022515:**

Wellcare Letter of Concern – Complaints stemming from Wellcare’s recent collaboration with CareCore prior authorizations for physical and occupational therapy.



**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

January 27, 2015

Cecilia Manlove  
Anthem Health Plans of Kentucky  
13550 Triton Park Blvd,  
Louisville, KY 40223

Re: ANT2015LOC-1

Dear Ms. Manlove,

We are writing this Letter of Concern regarding the failure of Anthem to submit a Level of Care (LOC) file to DMS when a member is admitted to a psychiatric facility. Anthem was informed of the requirement to submit the Level of Care during their MCO implementation. Anthem also had their questions answered in a meeting with DMS eligibility staff on 6/11/14. It has come to our attention from OATS staff that Anthem still has not complied with the required file submission.

Appendix C states:

*Management Information System Requirements.*

*B. Processing Requirement:*

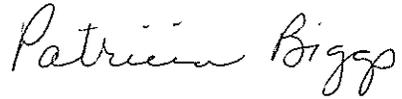
*The Recipient Data Maintenance function must include the following capabilities:*

- 1. Accept a daily/monthly member eligibility file from the Department in a specified format.*
- 2. Transmit a file of health status information to the Department in a specified format.*

In accordance with Contract Section 39.4(A), we are asking that Anthem notify us within two business days of receipt of this letter when Anthem will begin submitting a Level of Care (LOC) file to DMS. This response should include an implementation plan for future file submission and a reasonable timeline. If you prefer to respond by electronic mail, please attach a formal response to your email (with letterhead and signature). We are also asking that Anthem provide us weekly progress updates (beginning 1/30/15) via email to Cynthia Lee, Anthem Liaison, until Anthem is in compliance with this requirement.

We look forward to receiving Anthem's response and will be available for any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads "Patricia Biggs".

Patricia Biggs, R.N., C.P.C  
Director of Program Quality and Outcomes  
Department for Medicaid Services

cc: Lawrence Kissner, Commissioner, Department for Medicaid Services  
Lisa Lee, Deputy 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



Anthem Blue Cross and Blue Shield Medicaid  
 13550 Triton Park Boulevard  
 Louisville, KY 40223

January 29, 2015

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

RE: Identifying # ANT2015LOC-1

Dear Ms. Biggs,

Anthem Blue Cross and Blue Shield Medicaid (Anthem) is responding to the Letter of Concern (LOC) dated January 27, 2015 from the Department for Medicaid Services (DMS). The LOC was issued to Anthem by DMS pursuant to Contract Section 39.4(A) Requirement of Corrective Action, with a noted deficiency of failure to comply with the requirement of transmitting Member Level of Care files containing member health status information to DMS. This requirement is stated in Appendix C. We respectfully submit the following information in regards to this deficiency.

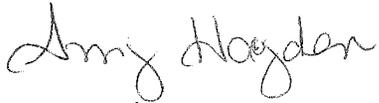
The first test file was submitted on January 28, 2015. Per guidelines, Anthem notified the DMS IT mailbox of the submission. This first file contained data history. Subsequent test files will contain delta data. Please see the following target dates for the subsequent submissions. These dates may be subject to change dependent upon the level of effort needed for any changes required by DMS.

Milestone	Target Date	Actual Date
Test File 1 – Sent to DMS	1/28/2015	1/28/2015
Test Error File 1 – Received from DMS	1/30/2015	
Test File 2 – Sent to DMS	2/6/2015	
Test Error File 2 – Received from DMS	2/10/2015	
Test File 3 – Sent to DMS	2/13/2015	
Test Error File 4 – Received from DMS	2/17/2015	
Test File 4 – Sent to DMS	2/20/2015	
Test Error File 1 – Received from DMS	2/24/2015	
State Production Approval	2/27/2015	
Production - Go Live	3/1/2015	

As requested, we will send weekly progress updates via email to Cynthia Lee beginning on January 30, 2015.

We are available to discuss any questions or concerns regarding this action plan, and thank you for your time and consideration.

Sincerely,

A handwritten signature in cursive script that reads "Amy Hayden".

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



**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

February 18, 2015

Sabrina Moore  
Michael Murphy  
9900 Corporate Campus, Ste. 1000  
Louisville, KY 40223

Re: CC2015SP-2

Dear Ms. Moore and Mr. Murphy:

Please accept this correspondence as notification from the Commonwealth of Kentucky, Department for Medicaid Services ("Department") that CoventryCares of Kentucky ("CoventryCares") is not in substantial compliance with certain material provisions of the Managed Care Contract ("Contract") between the Commonwealth of Kentucky and Coventry Health and Life Insurance Company. Pursuant to Section 39.4 of the Contract, CoventryCares shall submit to the Department a Corrective Action Plan within ten (10) business days following the date of this notification delineating the time and manner in which each deficiency cited below is to be corrected.

<b>Identifying #</b>	<b>Contract Section</b>	<b>DEFICIENCY</b>
CC2015SP-2	29.11 Supplemental Payments to PCPs	Coventry failed to make timely supplemental payments for ACA enhanced reimbursement.

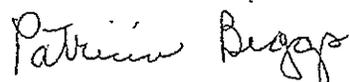
Through Lee Guice, Director Policy and Operations, DMS, it has come to our attention that a provider has had difficulty receiving supplemental payment as outlined in Section 29.11 of the contract, which states, *"The Contractor shall pass on the full benefit of the payment increase to Eligible Providers..."* and the provider has made multiple email attempts to receive this payment beginning in May 20, 2014. A list of the email chain is available upon request but Ms. Moore facilitated the payment on December 22, 2014.

Please note this is a similar issue as CC2014SP-1 that was accepted in June 2014 therefore your response should include a detailed plan to ensure future compliance and an implementation date. Please note future issues of this nature may result in further action.



This deficiency has been assigned a unique identifier. Include this number with any correspondence concerning this issue. Failure to do so will result in your submission being rejected. I look forward to receiving Coventry's Corrective Action Plan and will be available for your questions throughout the process.

Sincerely,

A handwritten signature in cursive script that reads "Patricia Biggs".

Patricia Biggs, R.N., C.P.C.  
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 of Medicaid Services



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**Audrey Tayse Haynes**  
Secretary

**Lawrence Kissner**  
Commissioner

January 27, 2015

Mark Carter  
Passport Health Plan  
5100 Commerce Crossing Drive  
Louisville, KY 40229

Re: PHP2014ES-2

Dear Mr. Carter,

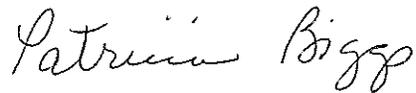
We recently received your implementation schedule for encounter submissions from David Henley as part of the acceptance requirement for the Letter of Concern issued for AmeriHealth, a subcontractor for Passport. As stated in the original letter, AmeriHealth is a subcontractor for your MCO and Contract Section 4.3 states, "The Contractor shall oversee and remain accountable for any functions and responsibilities that it delegates to any Subcontractor." Section 17.1 states, "All Subcontracts with Providers or other vendors of service must have provisions requiring that Encounter Record is reported/submitted in an accurate and timely fashion."

In the conditional acceptance letter from Patricia Biggs (dated 10/22/14) regarding PHP2014ES-2, the requirement from Passport was "to produce a detailed report on the plan's implementation schedule, including a reasonable timeline." This conditional acceptance was based upon the response from Passport (dated 10/9/14) that stated, "We are optimistic that in the next few weeks we will be able to successfully submit files including voids to the Department".

In reviewing the timeline, we have found that 5/25/15 for implementation is not reasonable; therefore, the detailed report is not accepted. We are asking that Passport go back to providing us weekly implementation updates via email (beginning 1/30/15) to Debbie Salleng, Passport Liaison. In addition, Passport is to produce a revised detailed report on the plan's implementation schedule with a reasonable timeline. We are asking for the detailed report within ten (10) business days of receipt of this letter.

Once the report is received and accepted, the Weekly Updates shall continue to ensure implementation (and adherence to the timeline). Failure to meet the revised implementation schedule (and timeline) and supply Weekly Updates may result in further action. We look forward to receiving Passport's response and will be available for any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads "Patricia Biggs".

Patricia Biggs, R.N., C.P.C  
Director of Program Quality and Outcomes  
Department for Medicaid Services

cc: Lawrence Kissner, Commissioner, Department for Medicaid Services  
Lisa Lee, Deputy 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

February 19, 2015

Patricia G. Biggs, RN CPC, CPMA  
Division Director  
Program Quality and Outcomes  
Cabinet for Health and Family Services  
Department for Medicaid Services  
275 East Main Street, 6C-C  
Frankfort, KY 40621

**RE: PHP2015WU-1 – Encounter Submissions with AmeriHealth**

Dear Ms. Biggs:

This is Passport Health Plan's (Passport) letter in response to the Department for Medicaid Service's (Department) letter dated February 12, 2015. As we indicated to Mr. McNally on our call February 18, 2015, the fact that we did not respond to the Department's January 27, 2015 letter in a timely manner was an oversight. Passport strives to respond to the Department in a timely and complete manner and is committed to doing so in the future.

We have attached to this letter Passport's Action Plan related to family planning encounter submissions by our previous business partner, AmeriHealth HMO. The Action Plan has been updated for a number of reasons.

A vital component of the Action Plan is the validation of encounters against the original 837, 277U and 999 files, which the Department began transferring to Passport in mid-December. In January when the Action Plan was previously drafted, we were awaiting the transfer of most of these files and were uncertain how long the process would take. As of today most of the files have been received from the Department and we are confident our business partner has the data needed to execute on this Plan. Accordingly, the target dates have been updated with realistic dates and completion of April 15, 2015.

The Action Plan now documents every file type that will be submitted to both the Department Test and Production environments over the next eight weeks. This additional detail was added to allow for more thorough tracking and reporting against the Plan.

We will provide a weekly update to Department each Monday that reflects the previous week's activity.

Please let me know if you have questions or concerns regarding the Action Plan.

Sincerely,



David Henley, JD, CCEP, CHIE, FLMI  
Vice President and Chief Compliance Officer

cc: Lisa Lee, Commissioner, Department for Medicaid Services  
Christina Heavrin, General Counsel, Cabinet for Health and Family Services  
Elizabeth Justus, Director of Policy and Operations, Department for Medicaid Services  
Mark Carter, CEO, Passport Health Plan  
Christie Spencer, VP, Operations, Passport Health Plan

# Action Plan for Submission of Family Planning Encounters

Update: February 17, 2015

Item #	Deliverable	Responsible Party	Target Date*	Status/Next Steps
1.	Create 2013 Void Test Encounter file from DMS Extract Production file <ul style="list-style-type: none"> <li>Void encounters submitted with the incorrect trading partner ID</li> <li>Correct previous threshold errors: <i>035-Claim/Encounter Not Found</i></li> <li>Submit to DMS TEST environment</li> </ul>	FP- A/H – PHP – DMS teams	Wednesday 2/18/15	Submit test file wait for 277U response file from DMS
2.	Create 2013 Original Test file <ul style="list-style-type: none"> <li>Resubmit with the correct trading partner ID</li> <li>Correct previous errors: <i>562-Entity's NPI, 109-Entity Not Eligible, 026-Entity Not Found</i></li> <li>Submit to DMS TEST environment</li> </ul>	FP- A/H – PHP – DMS teams	Monday 2/23/15	Submit test file wait for 277U response file from DMS
3.	Create 2014 Original Test Encounter files for encounters not previously submitted <ul style="list-style-type: none"> <li>Submit to DMS TEST environment</li> </ul>	FP- A/H – PHP – DMS teams	Monday 2/23/15	1-2 day response from DMS for 277U – 4 days to fix errors
4.	Request permission from DMS for Family Planning to move back into Production environment. <ul style="list-style-type: none"> <li>Begin with 2012 Void Encounters previously successful in TEST environment</li> </ul>	Sean Pleasant	Monday 2/23/15	Authorization will come from DMS
5.	Create 2013 Resubmission Test Encounter files for remaining encounters not previously accepted <ul style="list-style-type: none"> <li>Resubmit with the correct trading partner ID</li> <li>Correct previous errors: <i>562-Entity's NPI, 109-Entity Not Eligible, 026-Entity Not Found</i></li> <li>Submit to DMS TEST environment</li> </ul>	FP- A/H – PHP – DMS teams	Thursday 2/26/15	Submit test file wait for 277U response file from DMS
6.	Create 2014 Test Resubmission Encounter files that receive any threshold errors <ul style="list-style-type: none"> <li>Submit to DMS TEST environment</li> </ul>	FP- A/H – PHP teams	Thursday 2/26/15	1-2 day response from DMS for 277U – 4 days to fix errors
7.	Submit 2012 Void Encounter Files to Production	FP – A/H –	Friday	Notify FP of

	<ul style="list-style-type: none"> <li>Void encounters submitted with the incorrect trading partner ID. <ul style="list-style-type: none"> <li>Creating the 2012 Void production file will take minimal time. FP will take the Void test files and convert to production.</li> </ul> </li> <li><i>This file will be submitted to DMS on 3/01/15, beginning of the Amnesty period.</i></li> </ul>	PHP teams	2/27/15 (will be submitted to DMS on 3/1)	authorization
8.	<p>Create and submit 2012 Original Encounter Files to Production</p> <ul style="list-style-type: none"> <li>Correct trading partner ID</li> </ul>	FP – A/H – PHP teams	Thursday 3/05/15	1-2 day response from DMS for 277U – Fix threshold errors
9.	<p>Create and submit 2012 Resubmission File</p> <ul style="list-style-type: none"> <li>2012 Resubmission Files (If necessary for any Threshold Errors received in the 2012 Original File)</li> </ul>	FP – A/H – PHP teams	Thursday 3/12/15	1-2 day response from DMS for 277U – Fix threshold errors
10.	<p>Submit 2013 Void Files to Production</p> <ul style="list-style-type: none"> <li>2013 Void encounters submitted with the incorrect trading partner ID. <ul style="list-style-type: none"> <li>Creating the 2013 Void production file will take minimal time. FP will take the Void test files and convert to production.</li> </ul> </li> </ul>	FP – A/H – PHP teams	Tuesday 3/18/15	1-2 day response from DMS for 277U – Fix threshold errors
11.	<p>Create and Submit 2013 Original Encounter Files to Production</p> <ul style="list-style-type: none"> <li>2013 Original Files with correct trading partner id for all accepted 2013 Voids</li> </ul>	FP – A/H – PHP teams	Tuesday 3/24/15	1-2 day response from DMS for 277U – Fix threshold errors
12.	<p>Create and submit 2013 Resubmission File to Production</p> <ul style="list-style-type: none"> <li>2013 Resubmission Files (If necessary for any Threshold Errors received in the 2013 Original File)</li> </ul>	FP – A/H – PHP teams	Wednesday 4/01/15	1-2 day response from DMS for 277U – Fix threshold errors
13.	<p>Submit 2014 Original Files to Production</p>	FP – A/H – PHP teams	Thursday 4/09/15	1-2 day response from DMS for 277U – Fix threshold errors
14.	<p>Create and Submit 2014 Resubmission Files to Production</p> <ul style="list-style-type: none"> <li>2014 Resubmission Files (If necessary for any Threshold Errors received in the 2014 Original File)</li> </ul>	FP – A/H – PHP teams	Wednesday 4/15/15	1-2 day response from DMS for 277U – Fix threshold errors

**Notes and Assumptions:**

- Target Dates are contingent on receipt of response files within one day of X12 submission.
- IBC is validating FP encounters against the X12, 277U and 999 files received from DMS
- IBC is using the 277U response files to validate acceptance and rejection codes
- IBC is using 999 files to validate header information
- There were 380 encounters for 2013 that received error code *402-Amount paid missing or not greater than zero*. Passport has directed Family Planning to hold encounters with 402 error code until DMS provides direction. We believe DMS plans to remove this edit as capitated claims are being rejected.

- General Optometry Services:
  - (a) Transport distance will be the usual and customary, not to exceed 30 miles, except in rural areas where community standards and documentation shall apply.
  - (b) Appointment/Waiting Times: Usual and customary not to exceed 3 weeks for regular appointments and 48 hours for urgent care. Waiting times shall not exceed 45 minutes.
- All other services not specified here shall meet the usual and customary standards for the community as determined by TENNCARE.

TENNCARE will evaluate the need for further action when the above standards are not met. At its sole discretion TENNCARE may elect one of three options: (1) TENNCARE may request a Corrective Action Plan (CAP), (2) a Request for Information (RFI), (3) or an On Request Report (ORR) depending on the severity of the deficiency.

The requested CAP, RFI or ORR response shall detail the CONTRACTOR's network adequacy considering any alternate measures, documentation of unique market conditions and/or its plan for correction. If TENNCARE determines the CONTRACTOR's response demonstrates existence of alternate measures or unique market conditions, TENNCARE may elect to request periodic updates from the CONTRACTOR regarding efforts to address such conditions.



**CABINET FOR HEALTH AND FAMILY SERVICES  
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**Audrey Tayse Haynes**  
Secretary

**Lisa D. Lee**  
Commissioner

February 25, 2015

Mark Carter  
Passport Health Plan  
5100 Commerce Crossing Drive  
Louisville, KY 40229

Re: PP2015ESE-1

Dear Mr. Carter,

Please accept this correspondence as notification from the Commonwealth of Kentucky, Department for Medicaid Services ("Department") that Passport Health Plan is not in substantial compliance with certain material provisions of the Managed Care Contract ("Contract") between the Commonwealth of Kentucky and Passport Health Plan. Pursuant to Section 39.4 of the Contract, Passport Health Plan shall submit to the Department a Corrective Action Plan within ten (10) business days following the date of this notification delineating the time and manner in which each deficiency cited below is to be corrected.

<b>Identifying #</b>	<b>Contract Section</b>	<b>DEFICIENCY</b>
PP2015ESE-1	17.1 Encounter Data Submission	Failure to submit accurate Encounter Data

On Monday, 2/16/15, Passport submitted KYW837P\_9900005018\_0\_20150212\_124521.txt. that contained a 16 digit member ID on the encounter file. The whole file failed (only 10 characters are allocated for member ID's) and caused HP's Encounter splitter to core-dump.

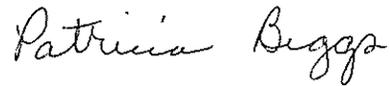
As Passport is aware Section 17.1 Encounter Data Submission, of the Contract states that the: Encounter Record must follow the format, data elements and method of transmission specified by the Department. Therefore we are requesting a detailed plan with reasonable timeframe to ensure this type of error does not occur in the future.

Please note this deficiency has been assigned a unique identifier. Include this number with any correspondence concerning this issue. Failure to do so will result in your submission being rejected.



We look forward to receiving Passport's Corrective Action Plan and will be available for your questions throughout the process.

Sincerely,

A handwritten signature in cursive script that reads "Patricia Biggs".

Patricia Biggs, R.N., C.P.C.  
Director of Program Quality and Outcomes  
Department for Medicaid Services

cc: Lisa D. Lee, 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



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**Audrey Tayse Haynes**  
Secretary

**Lawrence Kissner**  
Commissioner

January 13, 2015

Kelly Munson  
WellCare of Kentucky  
13551 Triton Park Boulevard  
Suite 1800  
Louisville, KY 40223

Dear Ms. Munson,

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 WellCare of Kentucky ("WellCare") 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. WellCare's final resolution of all potential quality concerns shall be completed within six (6) months of WellCare's notification.

The 2013 Medicaid Compliance Review conducted by IPRO on behalf of the Department found WellCare Non-Compliant in the following element:

**Program Integrity**

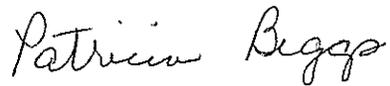
Unique Identifier	Review Findings
WC2014IPRO-PI1	The Contractor shall provide identity and cover documents and information for law enforcement investigators under cover.

We received WellCare's documentation regarding this issue dated August 28, 2014 supplanted by a December 30, 2014 email from Rebecca Randall, Wellcare (which is incorporated into this response). The Corrective Action Plan has been submitted to IPRO, upon IPRO's recommendation, DMS will accept that plan and we encourage you to follow it in order to become fully compliant with the Contract and Federal Regulations. In order to track WellCare's progress in this area, we are asking that WellCare give a report on the plan's progress at the Quarterly Quality Meetings.



Please note that each issue is assigned a unique identifier. This must be included in in any other correspondence concerning this issue. I look forward to receiving WellCare's Quarterly Progress Reports and will be available for your questions throughout the process.

Sincerely,

A handwritten signature in cursive script that reads "Patricia Biggs".

Patricia Biggs, R.N., C.P.C.  
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



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

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January 27, 2015

Ms. Kelly Munson  
WellCare of Kentucky  
13551 Triton Park Boulevard  
Suite 1800  
Louisville, KY 40223

Re: WC2015MIS-1

Dear Ms. Munson:

We are writing this Letter of Concern regarding the progress of WellCare to get DMS Access to their Management Information System (MIS). The Contract States in Section 16.12:

***Access to Contractor's MIS***

*The Contractor shall provide the Department with access to its eligibility files, Claims and prior authorization attached to a Claim, provider enrollment and other mutually-agreed upon information as necessary via an online real time connection; provided, however, that all such access shall be during normal business hours and that the parties mutually agree upon which individual Department staff will be granted access. Additionally, before receiving remote access, the Department must satisfy the Contractor that such access is compliant with all applicable privacy and security laws and regulations, including, but not limited to, HIPAA. The Department shall work with the Contractor on the most expedient way to provide this access.*

Timeline:

**On the WellCare IT meeting Agenda for 12/15/14:**

**DMS Access**

12/1/14 WellCare received a list from DMS of people to receive system access. WellCare IT and Compliance is reviewing.

*On 12/29/14 an email was sent to WellCare from David McAnally requesting any questions prior to the meeting 12/30/14 meeting. No information was received from WellCare.*

**On the WellCare IT meeting Agenda for 12/30/14:**

**DMS Access**

12/1/14 WellCare received a list from DMS of people to receive system access. WellCare IT and Compliance is reviewing.

**On the WellCare IT meeting Agenda for 1/13/15:**

**DMS Access**

12/1/14 WellCare received a list from DMS of people to receive system access. 12/30/14- WellCare IT and Compliance is reviewing.

*On 1/13/15 after the IT meeting David McAnally requested an estimate on when the review would be completed and received no response.*

**On the WellCare IT meeting Agenda for 1/27/15:**

**DMS Access**

12/1/14 WellCare received a list from DMS of people to receive system access. 1/13/15- WellCare IT and Compliance is reviewing. WellCare to provide target date for questions to DMS.

This is not sufficient progress toward meeting the contractual requirement.

In accordance with Contract Section 39.4(A), we are asking that WellCare notify us within two business days of receipt of this letter WellCare's progress in meeting this contractual requirement with DMS (including timeline) through 1/27/15. If you prefer to respond by electronic mail, please attach a formal response to your email (with letterhead and signature).

Additionally within ten (10) business days DMS is requesting an implementation plan for this contractual requirement and a timeline that includes system access on or before 3/1/15 and to ensure training is available to MCO staff no later than 3/15/15.

We look forward to receiving the requested information and will be available for your questions throughout the process.

Sincerely,



Patricia Biggs, R.N., C.P.C.  
Director of Program Quality and Outcomes  
Department for Medicaid Services

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



**Rebecca Randall**  
Director, Regulatory Affairs

Patricia Biggs  
Director of Program Quality and Outcomes  
Department of Medicaid Services  
275 E. Main St. 6W-A  
Frankfort, Kentucky 40621

January 30, 2015

RE: Letter of Concern: DMS Access to WellCare Management Information System (MIS)

Dear Ms. Biggs:

On behalf of WellCare of Kentucky, Inc., ("WellCare") I am acknowledging receipt of your letter received via email on January 28, 2015 in which you expressed concern regarding complete and timely access of the Kentucky Department of Medicaid Services (DMS) to WellCare's Management Information Systems (MIS).

WellCare is carefully reviewing the concerns raised in your letter. The issue of DMS MIS access has been an on-going internal discussion since DMS first raised questions regarding MIS access in 2013 and most recently during its standing information technology (IT) meetings with WellCare. Our current contract language states:

***Access to Contractor's MIS:***

*The Contractor shall provide the Department with access to its eligibility files, Claims and prior authorization attached to a Claim, provider enrollment and other mutually-agreed upon information as necessary via an online real time connection; provided, however, that all such access shall be during normal business hours and that the parties mutually agree upon which individual Department staff will be granted access. Additionally, before receiving remote access, the Department must satisfy the Contractor that such access is compliant with all applicable privacy and security laws and regulations, including, but not limited to, HIPAA. The Department shall work with the Contractor on the most expedient way to provide this access.*

WellCare is very troubled by this Letter based on discussions that took place during our contract negotiation process in late 2013. A significant amount of discussions have occurred internally with our legal department, HIPAA Compliance Officer and Internet Security and Compliance Officer to review this requirement. A timeline of our internal discussions and actions to date are referenced below:

- 11-4-14 - DMS requested WellCare to review MIS Access requirement



**Rebecca Randall**

Director, Regulatory Affairs

- 11-18 thru 11-25-14 – WellCare referred DMS’s request to legal, HIPAA Compliance Officer, and Internet Security and Compliance Officer for review
- 12-1-14 - WellCare received a list of eighteen names from DMS of individuals who the Department deemed as necessary for system access. No intended purpose for access was included.
- 1-13-15 - DMS requested a target date and a list of questions that may be preventing us from moving forward
- 1-27-15 – After numerous internal discussions, WellCare proposed during the IT meeting that the original intent of the contract language was to provide “supervised” access to the MIS system and that the original intent was not unilateral remote access. DMS staff communicated that they did not agree and further indicated that remote access would be required
- 1-30-15 – Questions submitted to the Department via the IT Workgroup mailbox

In light of these differences, WellCare respectfully requests a meeting with Department leadership to further discuss this concern.

We understand our obligation to respond formally no later than February 10, 2015. We look forward to discussing this matter further at the Department’s earliest convenience.

Sincerely,

A handwritten signature in black ink that reads "Rebecca Randall".

Rebecca Randall  
Director  
Regulatory Affairs

Cc: Kelly Munson, Senior Vice President, Division President and Product  
Ben Orris, COO Kentucky  
Lawrence Kissner, Commissioner, Department for Medicaid Services  
Lisa Lee, Deputy 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  
Donald Speer, Executive Director, Kentucky Finance Cabinet



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

**Steven L. Beshear**  
Governor

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**Audrey Tayse Haynes**  
Secretary

**Lisa D. Lee**  
Commissioner

February 25, 2015

Ms. Kelly Munson  
WellCare of Kentucky  
13551 Triton Park Boulevard  
Suite 1800  
Louisville, KY 40223

Re: WC2015PS-1

Dear Ms. Munson:

We are writing this Letter of Concern regarding complaints stemming from WellCare's recent collaboration with CareCore prior authorizations for Physical Therapy and Occupational Therapy. Section 27.1 Provider Services requires assistance (by MCO's) to providers in coordination of care for child and adult members with complex and/or chronic conditions (as well as assisting providers with prior authorization and referral procedures for these members).

On 1/30/15, DMS had a conference call with WellCare regarding their collaboration with CareCore to facilitate prior authorizations for Physical Therapy and Occupational Therapy. The meeting request resulted from provider and member complaints received about CareCore and WellCare regarding Home Health. An update was requested on 2/10/15 along with a written follow-up by close of business (the written follow-up was not received until 2/13/15).

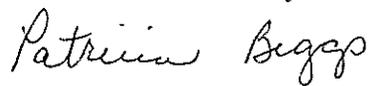
From the information given, providers were notified of the transition by WellCare (effective 12/1/14), but WellCare failed to notify (or educate) the providers that WellCare and CareCore systems would not communicate historical data regarding the members. This information was conveyed to DMS in the Operations Meeting by WellCare (and by a provider to DMS from a conversation with a CareCore representative). This lack of historical information made CareCore view prior authorization requests as initial requests.

The finding from the information received from WellCare was they failed to assist providers in coordination of care for child and adult members with complex and/or chronic conditions (as well as assisting providers with prior authorization and referral procedures for these members, Section 27.1 of the contract). We are aware, WellCare has now agreed to extend the authorization recertification period from once a month to once per quarter and conduct additional future training.

In accordance with Contract Section 39.4(A), we are asking that WellCare notify us within two business days of receipt of this letter with a plan to ensure future collaborations will assist Providers in coordination of care for child and adult members with complex and/or chronic conditions (beyond just a notification).

This deficiency has been assigned a unique identifier. Include this number with any correspondence concerning this issue. Failure to do so will result in your submission being rejected. I look forward to receiving WellCare's response and will be available for your questions throughout the process.

Sincerely,

A handwritten signature in cursive script that reads "Patricia Biggs".

Patricia Biggs, R.N., C.P.C.  
Director of Program Quality and Outcomes  
Department for Medicaid Services

cc: Lisa D. Lee, Commissioner, Department for Medicaid Services  
Christina Heavrin, General Counsel, Cabinet for Health and Family Services  
Elizabeth Justus, Manager, Managed Care Oversight, Department of Medicaid Services