



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

**Steven L. Beshear**  
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**Audrey Tayse Haynes**  
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September 22, 2014

Chad Pendleton  
Humana CareSource Health Plan  
101 South 5<sup>th</sup> Street  
Louisville, KY 40202

Dear Mr. Pendleton,

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 Humana Health Plan (Humana), 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. Humana’s final resolution of all potential quality concerns shall be completed within six (6) months of Humana’s notification.

The 2013 Medicaid Compliance Review conducted by IPRO on behalf of the Department found Humana Minimally Compliant in the following areas of Quality Assessment and Performance Improvement: Measurement and Improvement:

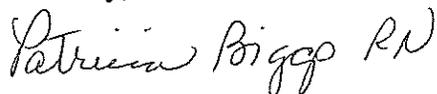
| Unique Identifier | Requirements  |
|-------------------|---|
| HCS2014IPRO-MI-1  | As the Contractor will provide Behavioral Health services, the Contractor shall integrate Behavioral Health indicators into its QAPI program and include a systematic, ongoing process for monitoring, evaluating, and improving the quality and appropriateness of Behavioral Health Services provided to Members. |
| HCS2014IPRO-MI-2  | The Contractor shall collect data, and monitor and evaluate for improvements to physical health outcomes resulting from behavioral health integration into the Member’s overall care.   |

| Unique Identifier | Requirements  |
|-------------------|---|
| HCS2014IPRO-MI-3  | The Contractor, through the QAPI program, shall monitor and evaluate the quality of clinical care on an ongoing basis. Health care needs such as acute or chronic physical or behavioral conditions, high volume, and high risk, special needs populations, preventive care, and behavioral health shall be studied and prioritized for performance measurement, performance improvement and/or development of practice guidelines. Standardized quality indicators shall be used to assess improvement, assure achievement of at least minimum performance levels, monitor adherence to guidelines and identify patterns of over- and under-utilization. The measurement of quality indicators selected by the Contractor must be supported by valid data collection and analysis methods and shall be used to improve clinical care and services. |

I am aware that Humana may have submitted Corrective Action Plans to IPRO in an effort to correct these deficiencies. Upon IPRO's recommendation, DMS will accept those plans and I encourage you to implement them in order to become fully compliant with the Contract and Federal Regulations. In order to track Humana's progress in this area, I am asking that Humana 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 any other correspondence concerning these issues. I look forward to receiving Humana's Quarterly Progress Reports 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