



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

Steven L. Beshear
Governor

275 East Main Street, 6W-A
Frankfort, KY 40621
P: 502-564-4321
F: 502-564-0509
www.chfs.ky.gov

Audrey Tayse Haynes
Secretary

Lawrence Kissner
Commissioner

July 11, 2014

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

Re: CC2014FC-1

Dear Mr. Murphy:

Please accept this correspondence as notification from the Commonwealth of Kentucky, Department for Medicaid Services ("Department") is in receipt of the corrective action plan developed for the issue found to be out of compliance with certain material provisions of the Managed Care Contract ("Contract") between the Commonwealth of Kentucky and Coventry Health and Life Insurance Company.

Please be advised that the corrective action plan developed for implementation by your Agency, CoventryCares of Kentucky ("CoventryCares"), to address the issue identified is not accepted. Resubmission to the Department of a Corrective Action Plan within ten (10) business days following the receipt of this notification delineating the time and manner in which the deficiency cited below is to be corrected is required.

The original issue that has not been sufficiently addressed is the following:

Identifying #	Contract Section	DEFICIENCY
CC2014FC-1	35.4 Children in Foster Care	Coventry failed to give the Department and DCBS the required forty-eight (48) hour notice before denying a request for continued stay.

Between May 20 and May 28, 2014, Coventry sent six (6) notices to the Department and DCBS stating that services to eight (8) foster children in residential facilities would be discontinued. None of these notifications was within the forty-eight (48) hours required by the contract. In two (2) cases the notification was sent after the services had been discontinued and in three (3) cases notification was sent on the same day services were discontinued.

The importance of giving ample notification to the Department has been discussed in several meetings, including a May 22 meeting between Coventry, the Department and DCBS. Failure to give proper notification creates undue stress for the members and their families, who are already dealing with issues created by having a child in a residential setting. The lack of proper notice also hampers the Department's and DCBS' efforts to ensure the member receives the best possible care.

CoventryCares response dated 6/27/14 is as follows:

Please be advised that CoventryCares of Kentucky has investigated this request thoroughly and has identified the root causes. In the examples provided to CoventryCares, there is evidence to show in some of the cases the facility failed to communicate in a timely manner concerning changes in the planned discharge date, therefore it adversely effected the forty-eight hour notification period. In another scenario, the facility failed to obtain pre-authorization for the stay within the twenty-four hour timeframe. Days were covered per the administrative agreement as approved by the Department however, no other days were covered.

It also appears the notifications were being sent two days before the denial was to occur but not necessarily forty-eight hours prior to the denial. This has been addressed through education and coaching. All staff has been advised to communicate to the Department and DCBS forty-eight hours prior to a denial.

Reason Corrective Action Plan is not accepted:

Per our records since 5/28/14, the ending date of the occurrences in the original Corrective Action Plan Request) CoventryCares has the following exceptions (failure to give the Department and DCBS the required forty-eight (48) hour notice before denying a request for continued stay):

Date Email Sent from Coventry	Time Email Sent (to the Department and DCBS)	Last Covered Day
6/3/2014	8:58 AM	6/4/2014
6/3/2014	2:08 PM	6/4/2014
6/3/2014	2:08 PM	6/3/2014
6/5/2014	9:44 AM	6/6/2014
6/16/2014	8:45 AM	6/12/2014
6/17/2014	8:27 AM	6/18/2014
6/25/2014	9:15 AM	6/26/2014
6/25/2014	9:15 AM	6/25/2014
6/27/2014	9:02 AM	6/28/2014

Therefore we are unable to accept your response at this time. Again, resubmission of the Corrective Action Plan to the Department is required within ten (10) business days following the receipt of this notification. We highly recommend your Agency include an implementation date with your response and more detail regarding your plan in your resubmission (time and manner).

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

Sincerely,



Thomas McMahan
Senior Policy Advisor
Managed Care Oversight
Department for Medicaid Services

cc: Lawrence Kissner, Commissioner, Department of Medicaid Services
Lee A. Guice, Director of Policy and Operations, Department of Medicaid Services
Christina Heavrin, General Counsel, Cabinet for Health and Family Services
Elizabeth Justus, Manager, Managed Care Oversight, Department of Medicaid Services

