PASSPORT HEALTH PLAN

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April 11, 2014

Mr. Thomas McMahan
Senior Policy Advisor
Managed Care Oversight
Department for Medicaid Services
275 East Main Street 6WA
Frankfort, KY 40621

Re: PP2014ES-1: Response to Corrective Action Plan Regarding Failure to Submit Accurate Encounter Data

Dear Mr. McMahan:

In response to your letter of March 25, 2014 regarding the encounter submissions by subcontractors, I have enclosed the responses to the corrective action plans Passport issued to AmeriHealth HMO, the company that handled family planning services for our members and from Beacon Health Strategies, LLC, the company that provides behavioral health services for our members.

Let me know if you need any further information or have any questions.

Sincerely,

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

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, Managed Care Oversight, Department for Medicaid Services
Mark Carter, CEO, Passport Health Plan

Enclosures

Behavioral Health Encounter Resubmission Project Timeline

Corrective Action Plan Response 4-07-14 Project Plan *REVISED BY PASSPORT 4/10/14*

Task #	Task	Resource	Revised Target Completion Date	Completion Date	Comments
	VOID ENCOUNTER SUBMISSION REQUIREMENTS				
1	Create test file for voids and submit	Beacon/Haritha	3/5/2014	3/7/14	3/7/14 - voids passed at 90%.
2	Incorporate feedback, Generate 2nd test file *(if applicable)* and submit	Beacon/Haritha	3/31/2014	4/1/14	3/31/14 submission - voids passed at 97%. The errors on the "O" original encounter files will be corrected timely to submit original encounters once the voids have been accepted.
3	Upon approval by DMS, create files containing all voided encounters	Beacon/Haritha	4/10/2014	4/10/14	Requested approval 4/10/14 to submit production voids. If approved, Passport will request approval to submit void encounters in production on 4/15/14.
4	Submit all of voided encounters 1/2 total 4/15 & 1/2 total 4/16	Beacon/Krishna	4/16/2014		Passport will request special circumstances to submit all void encounters
5	Await Feedback	DMS/PHP	4/17/2014		Follow up with DMS is not received
6	Review 277U & correct errors as applicable	Beacon	4/22/2014		Passport will request special circumstances to resubmit errored void encounters (if applicable; if >6000 [3%] otherwise will submit on normal encounter submission day 4/27/14)
	ORIGINAL ENCOUNTER SUBMISSION REQUIREMENTS				
7	Provide Passport 837I & 837P encounter logic to review to address 145 errors	PHP/Beacon	4/17/2014		Passport will review and engage Beacon for a line item discussion to problem-solve for error 145
8	Correct program logic to resolve 145 errors	Beacon	4/30/2014		Resolution of 145 errors (including the majority provider Seven Counties)
9	Create test file for originals and submit	Beacon/Haritha	5/1/2014		
10	Await Feedback - Review 277U & correct errors as applicable	DMS/PHP	5/2/2014		Follow up with DMS is not received
11	Incorporate feedback, Generate 2nd test file and submit	Beacon/Haritha	5/8/2014		

Beacon

12	Await Feedback - Begin review 277U & correct errors as applicable	DMS/PHP	5/9/2014		Follow up with DMS is not received
13	Upon approval to submit original encounter files from previous void files into production by DMS, create files containing all original encounters	Beacon/Haritha	5/22/2014		Requested approval to submit production originals. If approved, will request approval to submit original encounters in production on 5/23/14 (will request special circumstance day of submission)
14	Await Feedback	DMS/PHP	5/23/2014		Follow up with DMS is not received
15	Review 277U & correct errors as applicable and being normal encounter processing for submission 5/30/14	Beacon	5/30/2014		
16	Submit Corrected Report 64	PHP / Beacon	6/30/2014		After the encounters are resubmitted and accepted, Passport will provide guidance by 6/2/14 on how the historical submissions should be represented in Report 64. For example, will each monthly report for 2013 and 2014 be recreated with submission information. Beacon will provide data based on Passport's guidance during the monthly report submission on 6/30/2014 in accordance with DMS Report guidelines.

Revisions to this timeline will be made upon receipt of documentation from Beacon due to a delay outside of Beacon's control. **In the event a test file fails, a 3 day extension to Beacon will be granted which may alter the timeline.

CONFIDENTIAL AND PROPRIETARY

To: Kimberly Neuman, Manager Delegation Oversight (Passport Health Plan)

From Richard Roccato, VP of Operations & Support (AmeriHealth HMO, Inc.)

Date: April 1, 2014

Re: Action Plan for DMS File Submission

Below is the response by AmeriHealth HMO to Passport Health Plan's March 25, 2014 memo.

Background:

Independence Blue Cross and its affiliates have supported Family Planning Services claim processing activities since January 1, 1997. AmeriHealth HMO, Inc. has supported the Family Planning Services claims processing activities for Passport Health Plan since September, 1997. Encounter files submitted to the Kentucky Department of Medicaid Services (DMS) are required to process timely and accurately (95% or higher pass rate). AmeriHealth HMO is dedicated to meeting this requirement.

After discovering an issue is our file submission logic, it was advised that AmeriHealth HMO provide the state with a full void file (for claims incurred in 2012, 2013 and YTD 2014) and resubmit a full claim encounter file for these dates (including corrected logic to achieve a 95% or better acceptance rate). Although AmeriHealth HMO has provided several test files to DMS, as of this date we have not received confirmation that our files will pass with the acceptable threshold. We are also required to submit a correct trading partner ID number. We feel that this correction has been made. In addition, AmeriHealth HMO inadvertently sent a void file to the production environment which failed. We are now coordinating all file submissions with AmeriHealth Caritas and copying a Passport representative to all submissions.

Internal Action Steps to Provide an Acceptable File:

Associates from our Family Planning area, Business Technology and Solutions (BTS) area (Information Services) worked with AmeriHealth Caritas associates who support Passport Health Plan to evaluate results from previously submitted test files. Through these reviews, we discovered four (4) error codes which were causing the files to process below the acceptable rate. On March 27, AmeriHealth HMO provided DMS with several test files which included various corrections. On Monday March 31, we confirmed that DMS did not receive the March 27 files (AmeriHealth Caritas was also unaware that the files were not received by the state). These files were resubmitted.

Results from these test files should be available no later than April 2. Once the results are received, we will either send void and full encounter test files or correct any remaining error codes (which must be corrected and then retested). Our BTS area is on notice to expedite any coding necessary to correct and to issue follow-up test files. We are hopeful that the resubmitted files (on March 31) will be acceptable. As our current plan shows, once these test files are accepted, we will then send void and encounter test files. Once these test files are accepted, we will send full production ready void and encounter files.

Below is our current project plan. We will update the plan and share it with you as test file results are received. Our current goal is to provide void and encounter test files before April 4 (if the March 31 resubmitted files are accepted).

Below is a high-level plan for providing accurate files:

Date	**Event**
March 31	March 27 test files are resubmitted.
April 2	March 31 test files results are provided.
Below dates are dependent on test file results:	
April 4	Void and encounter test files submitted.
April 8	Test file results are provided.
April 10	Full void and encounter files for 2012-2014 are submitted.
April 15	Fall out results (goal is 5% or less) are provided. Fallout is worked.
April 17	Regular weekly files sent to DMS incorporating corrected logic

We have also included a response to the questions provided by Passport on the last pages of this memo.

Please let us know if you have any questions regarding our response.

Addendum – Detailed Response to Passport Health Plan's March 25, 2014 memo

- Successfully submit 2 test files through DMS test encounter process by **4/4/14.**
  - **Please see testing and delivery plan on page two (2) of this document.**
- All files need to be accepted at or above 95%.
  - **We reviewed response files from March 4th, March 11th, March 18th and March 25th to identify the causes for not meeting 95%**
  - **System logic was modified to increase the acceptance rate. Logic updated through multiple test files sent on March 27 (resubmitted on March 31).**
- Copy Chris Wagner or designee as assigned by Passport on file names sent in order to notify DMS and to track status and accuracy.
  - **We send our outbound files to AmeriHealth Caritas every Thursday and will also send a confirmation email to Chris Wagner or the appropriate Passport contact along with a copy of our outbound encounter file. We will also advise Chris or the designated associate of any issues incurred during the transition or if there is a delay.**
- All rejected encounters need to be corrected and resubmitted within 10 days. If AmeriHealth HMO is unable to resubmit any encounter rejected within the 10 days, Passport must be notified, with the 837P, the 277U, the ICN and the results of AmeriHealth's internal research to resolve.
  - **Completion of the weekly fallout report results will be logged in our inventory control report and reviewed along with other open inventories. Also, a confirmation email will be sent to the VP of Operations when fallout is completed and updated in the log for record retention.**
- Provide dates when test files will be submitted.
  - **We submitted 4 "original encounter test files" on March 27, 2014 (resubmitted on March 31). In turn we advised Chris Wagner that the files were submitted to Kentucky DMS. As noted on March 31, we confirmed that the state did not receive these test files. The files were resent on March 31. We have developed an action plan with timeline dates for evaluating test results, incorporating additional logic to correct (if acceptance rate is less than 95%) and eventually full void and encounter files. The end result is to successfully void all original encounters and replace.**
- Implementation date of current Encounter fix.
  - **Please see testing and delivery plan on page two (2) of this document.**

- Revised procedural document to use the 13 digit ICN for voids. Quality check all encounter-related files to ensure the ICN does not exceed 13 digits.
    - **We have updated our procedural document to use the 13 digit ICN for voids which was submitted to Passport on March 25, 2014.**

    - **Originally Family Planning was mapping the 2300 REF segment loop to Family Planning's DCN (document control number). On March 20th, 2014, we made software changes to our system to match Kentucky's companion guide requiring us to use MMIS Original Claim ICN 13 digit number in loop 2300 REF when sending void submissions.**
- Implement and validate the submission of correct trading partner ID.
    - **We validated with AmeriHealth Caritas to use the following trading partner ID numbers:**

        - **REF01 = 'FY' and value 31 in REF02 when claim has date of service 01/01/2013 to current along with Trading Partner ID(9900005019)**

        - **REF01 = 'FY' and value 03 in REF02 when claim has date of service prior 01/01/2013 along with Trading Partner ID (9900000697)**

- Provide resubmission date of void files, encounter (resubmitted) with correct trading partner ID.
    - **Please see testing and delivery plan on page two (2) of this document.**

- Provide resubmission date of the Original encounters following successful voids.
    - **Please see testing and delivery plan on page two (2) of this document.**

- Provide volumes associated with file submission for void resubmission.
    - **We will provide Passport summary volumes of the full void and encounter files when we submit to the state.**

- Quality Review minimally 5% of an encounter or void file (validate formatting, data etc)

    - **For HIPAA compliance check of generated 837 transactions - we are using IBM Websphere Transformation Extender (WTX) that performs level 4 compliance check validation.**