CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 2961
Contract Number: S5993
Part D Sponsor Name: HORIZON HEALTHCARE SERVICES DBA HORIZON BCBS NJ

Audit Guide Version: PDP Sponsor Part D Audit Guide Version 1
Auditing Element: DN01
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 2/12/2008
Date Report Due: 3/28/2008
Element Accepted Date: 4/9/2008
Element Release Date: 7/1/2008
Element Projected Completion Date: 6/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 10/29/2007
Estimated Visit Start Date: 11/2/2007
Actual Visit Start Date: 10/29/2007
Actual Visit End Date: 11/16/2007
Part D Sponsor Response Received Date: 3/28/2008
Part D Sponsor Response Due Date: 3/28/2008
CAP Release Date: 7/1/2008
CAP Accepted Date: 5/9/2008

Requirement:

Voluntary Disenrollment Process ¿ Notice to Enrollee - The Part D sponsor must provide the enrollee with a notice of disenrollment that CMS approves within 7 business days of receipt of the disenrollment request from the individual, or within 7 business days of notification via the reply listing.

Reference:

42 CFR § 423.36(b)(2); PDP Guidance Eligibility, Enrollment and Disenrollment

Deficiencies:

Auditors reviewed 15 samples for DN1_D. Of these 15, one sample was misclassified. Of the remaining samples, 7 files were missing important items of documentation, such as the date of disenrollment requests, copies and dates of disenrollment notices.

Corrective Action Required:

Plan must establish a mechanism for ongoing monitoring of this area to ensure continued compliance. PLAN should conduct an internal audit each month of its disenrollment process to assure that member requests are processed according to CMS requirements. Plan should submit a summary report once a quarter to the regional office of its monthly findings until further notice beginning the fourth quarter of 2007. This report is due to the regional office within 15 days of the close of the quarter. The summary report should include: title of the auditor (s), the audit methodology, and the result of the audit.

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Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 2961
Contract Number: S5993
Part D Sponsor Name: HORIZON HEALTHCARE SERVICES DBA HORIZON BCBS NJ

Audit Guide Version: PDP Sponsor Part D Audit Guide Version 1
Auditing Element: ER04
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 2/12/2008
Date Report Due: 3/28/2008
Element Accepted Date: 4/9/2008
Element Release Date: 7/1/2008
Element Projected Completion Date: 6/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 10/29/2007
Estimated Visit Start Date: 11/2/2007
Actual Visit Start Date: 10/29/2007
Actual Visit End Date: 11/16/2007
Part D Sponsor Response Received Date: 3/28/2008
Part D Sponsor Response Due Date: 3/28/2008
CAP Release Date: 7/1/2008
CAP Accepted Date: 5/9/2008

Requirement:

Notice Acknowledging the Receipt of Completed Enrollment Election - The Part D sponsor must provide a notice acknowledging receipt of the completed enrollment request prior to the effective date of enrollment, or if late in election period within 7 business days of its receipt, unless the Part D sponsor combines the acknowledgement and confirmation notice.

Reference:

PDP Guidance Eligibility, Enrollment and Disenrollment

Deficiencies:

Auditors reviewed 30 samples for ER04. Of these, 2 files did not have documentation to show that the enrollment application was acknowledged timely.

Corrective Action Required:

Plan must establish a mechanism for ongoing monitoring of this area to ensure continued compliance. PLAN should conduct an internal audit each month of its enrollment process to assure that member requests are processed according to CMS requirements. Plan should submit a summary report once a quarter to the regional office of its monthly findings until further notice beginning the fourth quarter of 2007. This report is due to the regional office within 15 days of the close of the quarter. The summary report should include: title of the auditor (s), the audit methodology, and the result of the audit.

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Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 2961
Contract Number: S5993
Part D Sponsor Name: HORIZON HEALTHCARE SERVICES DBA HORIZON BCBS NJ

Audit Guide Version: PDP Sponsor Part D Audit Guide Version 1
Auditing Element: ER06
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 2/12/2008
Date Report Due: 3/28/2008
Element Accepted Date: 4/9/2008
Element Release Date: 7/1/2008
Element Projected Completion Date: 6/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 10/29/2007
Estimated Visit Start Date: 11/2/2007
Actual Visit Start Date: 10/29/2007
Actual Visit End Date: 11/16/2007
Part D Sponsor Response Received Date: 3/28/2008
Part D Sponsor Response Due Date: 3/28/2008
CAP Release Date: 7/1/2008
CAP Accepted Date: 5/9/2008

Requirement:

Enrollment Notice Requirement (Timeliness) - Once the Part D sponsor receives a reply listing report from CMS indicating whether the individual¿s enrollment has been accepted or rejected, the Part D sponsor must notify the individual of CMS¿ acceptance or rejection of the enrollment within 7 business days of the availability of the of the monthly TRR, or within 5 business days of receipt of the weekly "mini" TRR if the Part D sponsor provided all information and required notices together.

Reference:

42 CFR § 423.32(d); PDP Solicitation; PDP Guidance Eligibility, Enrollment and Disenrollment

Deficiencies:

Auditors reviewed 30 samples for ER06. Of these, 22 samples were missing documentation to show that the member was notified of acceptance or rejection.

Corrective Action Required:

Plan must establish a mechanism for ongoing monitoring of this area to ensure continued compliance. PLAN should conduct an internal audit each month of its enrollment process to assure that member requests are processed according to CMS requirements. Plan should submit a summary report once a quarter to the regional office of its monthly findings until further notice beginning the fourth quarter of 2007. This report is due to the regional office within 15 days of the close of the quarter. The summary report should include: title of the auditor (s), the audit methodology, and the result of the audit.

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Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 2961
Contract Number: S5993
Part D Sponsor Name: HORIZON HEALTHCARE SERVICES DBA HORIZON BCBS NJ

Audit Guide Version: PDP Sponsor Part D Audit Guide Version 1
Auditing Element: ER07
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 2/12/2008
Date Report Due: 3/28/2008
Element Accepted Date: 4/9/2007
Element Release Date: 7/1/2008
Element Projected Completion Date: 6/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 10/29/2007
Estimated Visit Start Date: 11/2/2007
Actual Visit Start Date: 10/29/2007
Actual Visit End Date: 11/16/2007
Part D Sponsor Response Received Date: 3/28/2008
Part D Sponsor Response Due Date: 3/28/2008
CAP Release Date: 7/1/2008
CAP Accepted Date: 5/9/2008

Requirement:

Enrollment Notice Requirement (Notice Content) - The Part D sponsor must provide the individual with a notice of CMS¿ acceptance or rejection of the enrollment in a format and manner specified by CMS.

Reference:

42 CFR § 423.32(d); PDP Solicitation; PDP Guidance Eligibility, Enrollment and Disenrollment

Deficiencies:

Auditors reviewed 30 samples for ER07. Of these, 17 samples were missing documentation to show that the plan used notices that that meet CMS requirements for enrollment notification

Corrective Action Required:

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Findings: Not Met
Audit ID: 2961
Contract Number: S5993
Part D Sponsor Name: HORIZON HEALTHCARE SERVICES DBA HORIZON BCBS NJ

Audit Guide Version: PDP Sponsor Part D Audit Guide Version 1
Auditing Element: ER13
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 2/12/2008
Date Report Due: 3/28/2008
Element Accepted Date: 4/9/2008
Element Release Date: 7/1/2008
Element Projected Completion Date: 6/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 10/29/2007
Estimated Visit Start Date: 11/2/2007
Actual Visit Start Date: 10/29/2007
Actual Visit End Date: 11/16/2007
Part D Sponsor Response Received Date: 3/28/2008
Part D Sponsor Response Due Date: 3/28/2008
CAP Release Date: 7/1/2008
CAP Accepted Date: 5/9/2008

Requirement:

Confirmation of Enrollment for Members of Employer Group/Union Receiving Employer Subsidy - The Part D sponsor must meet CMS requirements for obtaining a confirmation of the intent to enroll from any individual who attempts to enroll in the Part D plan, but whose enrollment is conditionally rejected by CMS due to a detected match indicating that the beneficiary may have existing Employer or Union drug coverage.

Reference:

PDP Guidance Eligibility, Enrollment and Disenrollment

Deficiencies:

Auditors reviewed 10 samples for ER13. Of these, all 10 samples were missing one or more items of documentation to show that the plan followed CMS requirements for enrollment of employer group/union members..

Corrective Action Required:

Plan must establish a mechanism for ongoing monitoring of this area to ensure continued compliance. PLAN should conduct an internal audit each month of its enrollment process to assure that member requests are processed according to CMS requirements. Plan should submit a summary report once a quarter to the regional office of its monthly findings until further notice beginning the fourth quarter of 2007. This report is due to the regional office within 15 days of the close of the quarter. The summary report should include: title of the auditor (s), the audit methodology, and the result of the audit.

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Findings: Not Met
Audit ID: 2961
Contract Number: S5993
Part D Sponsor Name: HORIZON HEALTHCARE SERVICES DBA HORIZON BCBS NJ

Audit Guide Version: PDP Sponsor Part D Audit Guide Version 1
Auditing Element: GV04
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 2/12/2008
Date Report Due: 3/28/2008
Element Accepted Date: 4/28/2008
Element Release Date: 7/1/2008
Element Projected Completion Date: 12/31/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 10/29/2007
Estimated Visit Start Date: 11/2/2007
Actual Visit Start Date: 10/29/2007
Actual Visit End Date: 11/16/2007
Part D Sponsor Response Received Date: 3/28/2008
Part D Sponsor Response Due Date: 3/28/2008
CAP Release Date: 7/1/2008
CAP Accepted Date: 5/9/2008

Requirement:

Timely Notification of Grievance Disposition - The Part D sponsor must notify the enrollee of its decision as expeditiously as the case requires, based on the enrollee¿s health status, but no later than 30 days after the date the Part D sponsor receives the oral or written grievance (or an additional 14 days if an extension is requested by the enrollee or justified by the Part D sponsor). If the Part D sponsor extends the deadline, it must immediately notify the enrollee in writing of the reason(s) for the delay.

Reference:

42 CFR § 423.564(e)(1-2); PDP Solicitation; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Auditors reviewed grievance case files provided for the 15 samples selected for WS-GV1_D. In 4 of these 15 samples, there was no documentation to show that the plan notified the member of its decision within the required 30 day timeframe.

Corrective Action Required:

Horizon must conduct training of appropriate staff on the grievance and coverage determination processes and the necessity to maintain appropriated documentation of these processes. Please submit documentation to CMS that details the nature of this training, including: the materials used in the training, the individuals conducting the training, and the individuals being trained.

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Contract Number: S5993
Part D Sponsor Name: HORIZON HEALTHCARE SERVICES DBA HORIZON BCBS NJ

Audit Guide Version: PDP Sponsor Part D Audit Guide Version 1
Auditing Element: RV01
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 2/12/2008
Date Report Due: 3/28/2008
Element Accepted Date: 4/28/2008
Element Release Date: 7/1/2008
Element Projected Completion Date: 12/31/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
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CAP Accepted Date: 5/9/2008

Requirement:

Effectuation of Third Party Reversals ¿ Benefits (Standard) - If, on appeal of a request for benefit, the Part D sponsor 's determination is reversed in whole or in part by the Independent Review Entity (IRE), or at a higher level of appeal, the Part D sponsor must authorize or provide the benefit under dispute as expeditiously as the enrollee¿s health requires but no later than 72 hours after the date it receives notice reversing the determination. The Part D sponsor must also inform the IRE that the organization has effectuated the decision.

Reference:

42 CFR § 423.636(b)(1); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Of the 10 samples reviewed for RE1_D, two were forwarded for review to the IRE. Of these two, one case was overturned by the IRE and the plan failed to meet required timeframes for authorizing the benefit and providing notication to the IRE.

Corrective Action Required: