CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0013, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 8437

Region: 05 Chicago

MRT Number / Name: M0013 MRT Wellpoint

Contract Number / Name: H0540 UNICARE LIFE AND HEALTH INS. COMPANY

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: OC01

Review Type: Focused

Review Status: Confirmed

MCO Response Received Date: 04/23/2007

Element Accepted Date: 08/07/2007

Element Release Date: 10/30/2007

CAP Released Date: 10/30/2007

Visit Start Date: 02/26/2007

Exit Conference Date: 03/07/2007

Date Report Issued: 03/21/2007

Date Report Due: 04/21/2007

CAP Accepted Date: 08/07/2007

Audit Closed Date: 10/30/2007

Element Projected Completion Date:

MCO Response Due Date: 05/05/2007

Requirement:

Correct Claim Determinations - The M+CO must make correct claim determinations, which include developing the claim for additional information when necessary, for: services obtained from a non-contracting provider when the services were authorized by a contracted provider or the M+CO, ambulance services dispatched through 911, emergency services, urgently needed services, post-stabilization care services and renal dialysis services that Medicare members obtain while temporarily out of the service area.

Deficiencies:

Wellpoint informed CMS that a backlog of approximately 354,000 claims exists for its PFFS contract. This backlog, reportedly, is a result of their vendors performance as well as Wellpoint transitioning the claims processing function from the outside vendor to their own in-house processing center in December 2006. The backlog consists of clean, unclean, duplicate, and resubmitted claims that were reportedly incorrectly paid by their outside claims processing vendor. At this time, Wellpoint is unable to differentiate between clean and non-clean claims. Fifty-two percent of the claims are more than 30 days old. Furthermore, the claims backlog has also affected Wellpoints call center operations. Currently, the call center is experiencing a 27 minute average speed of answer for their members and 16 minute average speed of answer for their providers. The percentage of calls abandoned is 65% for members and 50% for providers.

Corrective Action Required:

Wellpoint must provide CMS with a plan of correction that will quickly reduce the backlog of claims. This remediation must ensure that claims determinations are made correctly, claims paid accurately, and interest is included when appropriate. Furthermore, Wellpoint must develop a process for differentiating clean and non-clean claims as well as paying each type of claim timely. Wellpoint must submit bi-weekly reports to CMS that detail current number of outstanding claims broken down by age, number of clean and non-clean claims as well as the number of claims on which interest was paid. Wellpoint must also submit a plan of correction that will adequately address the call center hold times and abandonment rates. CMS understands that the volume will decrease as the claims backlog is resolved. However Wellpoint must have a process to handle increasing call volumes regardless of the reason. Lastly, Wellpoint must submit bi-weekly reports to CMS that detail call volume for both members and providers, number of calls answered, percentage of calls answered, total number of abandoned calls, number of calls answered in 30 seconds, AHT, and ASA. Wellpoint must update CMS on any changes (positive or negative) to their plan of correction.

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Region: 05 Chicago

MRT Number / Name: M0013 MRT Wellpoint

Contract Number / Name: H0540 UNICARE LIFE AND HEALTH INS. COMPANY

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: OC03

Review Type: Focused

Review Status: Confirmed

MCO Response Received Date: 04/23/2007

Element Accepted Date: 08/07/2007

Element Release Date: 10/30/2007

CAP Released Date: 10/30/2007

Visit Start Date: 02/26/2007

Exit Conference Date: 03/07/2007

Date Report Issued: 03/21/2007

Date Report Due: 04/21/2007

CAP Accepted Date: 08/07/2007

Audit Closed Date: 10/30/2007

Element Projected Completion Date:

MCO Response Due Date: 05/05/2007

Requirement:

Timely Payment of Non-Contracting Provider Clean Claims - The M+CO must pay 95 percent of "clean" claims from all providers within 30 calendar days of receipt.

Deficiencies:

Wellpoint informed CMS that a backlog of approximately 354,000 claims exists for its PFFS contract. This backlog, reportedly, is a result of their vendors performance as well as Wellpoint transitioning the claims processing function from the outside vendor to their own in-house processing center in December 2006. The backlog consists of clean, unclean, duplicate, and resubmitted claims that were reportedly incorrectly paid by their outside claims processing vendor. At this time, Wellpoint is unable to differentiate between clean and non-clean claims. Fifty-two percent of the claims are more than 30 days old. Furthermore, the claims backlog has also affected Wellpoints call center operations. Currently, the call center is experiencing a 27 minute average speed of answer for their members and 16 minute average speed of answer for their providers. The percentage of calls abandoned is 65% for members and 50% for providers

Corrective Action Required:

Wellpoint must provide CMS with a plan of correction that will quickly reduce the backlog of claims. This remediation must ensure that claims determinations are made correctly, claims paid accurately, and interest is included when appropriate. Furthermore, Wellpoint must develop a process for differentiating clean and non-clean claims as well as paying each type of claim timely. Wellpoint must submit bi-weekly reports to CMS that detail current number of outstanding claims broken down by age, number of clean and non-clean claims as well as the number of claims on which interest was paid. Wellpoint must also submit a plan of correction that will adequately address the call center hold times and abandonment rates. CMS understands that the volume will decrease as the claims backlog is resolved. However Wellpoint must have a process to handle increasing call volumes regardless of the reason. Lastly, Wellpoint must submit bi-weekly reports to CMS that detail call volume for both members and providers, number of calls answered, percentage of calls answered, total number of abandoned calls, number of calls answered in 30 seconds, AHT, and ASA. Wellpoint must update CMS on any changes (positive or negative) to their plan of correction.

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Region: 05 Chicago

MRT Number / Name: M0013 MRT Wellpoint

Contract Number / Name: H0540 UNICARE LIFE AND HEALTH INS. COMPANY

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: OC05

Review Type: Focused

Review Status: Confirmed

MCO Response Received Date: 04/23/2007

Element Accepted Date: 08/07/2007

Element Release Date: 10/30/2007

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Visit Start Date: 02/26/2007

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Date Report Issued: 03/21/2007

Date Report Due: 04/21/2007

CAP Accepted Date: 08/07/2007

Audit Closed Date: 10/30/2007

Element Projected Completion Date:

MCO Response Due Date: 05/05/2007

Requirement:

Timely Adjudication of Non-Clean Claims - The M+CO must pay or deny all claims that do not meet the definition of "clean claims" within 60 calendar days of receipt.

Deficiencies:

Wellpoint has informed CMS that a backlog of approximately 354,000 claims exists for its PFFS contract. This backlog is a result of their vendor's performance (TMG) as well as Wellpoint transitioning the claims processing function from TMG to their own in-house processing center in December 2006. The backlog consists of clean, unclean, duplicate, and resubmitted claims that were incorrectly paid by TMG. At this time, Wellpoint is unable to differentiate between clean and non-clean claims. Fifty-two percent of the claims are more than 30 days old. Furthermore, the claims backlog has also affected Wellpoint's call center operations. Currently, the call center is experiencing a 27 minute average speed of answer for their members and 16 minute average speed of answer for their providers. The percentage of calls abandoned is 65% for members and 50% for providers.

Corrective Action Required:

Wellpoint must provide CMS with a plan of correction that will quickly reduce the backlog of claims. This remediation must ensure that claims determinations are made correctly, claims paid accurately, and interest is included when appropriate. Furthermore, Wellpoint must develop a process for differentiating clean and non-clean claims as well as paying each type of claim timely. Wellpoint must submit bi-weekly reports to CMS that detail current number of outstanding claims broken down by age, number of clean and non-clean claims as well as the number of claims on which interest was paid. Wellpoint must also submit a plan of correction that will adequately address the call center hold times and abandonment rates. CMS understands that the volume will decrease as the claims backlog is resolved. However Wellpoint must have a process to handle increasing call volumes regardless of the reason. Lastly, Wellpoint must submit bi-weekly reports to CMS that detail call volume for both members and providers, number of calls answered, percentage of calls answered, total number of abandoned calls, number of calls answered in 30 seconds, AHT, and ASA. Wellpoint must update CMS on any changes (positive or negative) to their plan of correction.

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Region: 05 Chicago

MRT Number / Name: M0013 MRT Wellpoint

Contract Number / Name: H0540 UNICARE LIFE AND HEALTH INS. COMPANY

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: OC201

Review Type: Focused

Review Status: Confirmed

MCO Response Received Date: 04/23/2007

Element Accepted Date: 08/07/2007

Element Release Date: 10/30/2007

CAP Released Date: 10/30/2007

Visit Start Date: 02/26/2007

Exit Conference Date: 03/07/2007

Date Report Issued: 03/21/2007

Date Report Due: 04/21/2007

CAP Accepted Date: 08/07/2007

Audit Closed Date: 10/30/2007

Element Projected Completion Date:

MCO Response Due Date: 05/05/2007

Requirement:

Payment rates under PFFS plan - M+CO must demonstrate to CMS that it has payment rates that are not less than the rates that apply under original Medicare for the provider in question.

Deficiencies:

Wellpoint informed CMS that a backlog of approximately 354,000 claims exists for its PFFS contract. This backlog, reportedly, is a result of their vvendors performance as well as Wellpoint transitioning the claims processing function from the outside vendor to their own in-house processing center in December 2006. The backlog consists of clean, unclean, duplicate, and resubmitted claims that were reportedly incorrectly paid by their outside claims processing vendor. At this time, Wellpoint is unable to differentiate between clean and non-clean claims. Fifty-two percent of the claims are more than 30 days old. Furthermore, the claims backlog has also affected Wellpoints call center operations. Currently, the call center is experiencing a 27 minute average speed of answer for their members and 16 minute average speed of answer for their providers. The percentage of calls abandoned is 65% for members and 50% for providers

Corrective Action Required:

Wellpoint must provide CMS with a plan of correction that will quickly reduce the backlog of claims. This remediation must ensure that claims determinations are made correctly, claims paid accurately, and interest is included when appropriate. Furthermore, Wellpoint must develop a process for differentiating clean and non-clean claims as well as paying each type of claim timely. Wellpoint must submit bi-weekly reports to CMS that detail current number of outstanding claims broken down by age, number of clean and non-clean claims as well as the number of claims on which interest was paid. Wellpoint must also submit a plan of correction that will adequately address the call center hold times and abandonment rates. CMS understands that the volume will decrease as the claims backlog is resolved. However Wellpoint must have a process to handle increasing call volumes regardless of the reason. Lastly, Wellpoint must submit bi-weekly reports to CMS that detail call volume for both members and providers, number of calls answered, percentage of calls answered, total number of abandoned calls, number of calls answered in 30 seconds, AHT, and ASA. Wellpoint must update CMS on any changes (positive or negative) to their plan of correction.