CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET
Region: 04 Atlanta
Contract Number / Name: H4461 CARITEN HEALTH PLAN IN

Review ID: 10777

Auditing Guide Version: MA Audit Review Guide, Version 5
Auditing Element: ZZ91
Review Type: Ad-Hoc Compliance Event
Review Status: Confirmed
MCO Response Received Date:
Element Accepted Date: 05/01/2008
Element Release Date: 05/01/2008
CAP Released Date:05/01/2008

Visit Start Date: 2/28/2008
Exit Conference Date: 02/28/2008
Date Report Issued: 02/28/2008
Date Report Due: 04/13/2008
CAP Accepted Date:05/01/2008
Audit Closed Date: 05/01/2008
Element Projected Completion Date:05/01/2008
MCO Response Due Date: 04/13/2008

Requirement:

Ad-Hoc Compliance Event

Deficiencies:

Cariten Senior Health Plan, Inc (Cariten) submitted its 2008 Plan Benefit Package (PBP) for H4461-011 to include a Part B drug copay ($0- $150). In 2007, Cariten had no copay for Part B drugs. The Centers for Medicare & Medicaid Services (CMS) has determined that Cariten neglected to research with the State or with CMS how the 2008 bid change would affect the low-income beneficiaries enrolled in this plan. According to 42 CFR § 423.782 (Cost-sharing subsidy), institutionalized full duals have no cost-sharing and full subsidy eligible¿s, including full duals, who have reached the out-of-pocket threshold have no cost-sharing. On December 31, 2007 Cariten disenrolled 350 members from plan H4461-011 due to loss of Medicaid eligibility. As a result of this action, the following need to be addressed: The MAO used CMS Low Income Subsidy (LIS) status to determine State Medicaid eligibility. According to Medicare Advantage enrollment guidance Section 20.11, MAOs may not use Medicaid flags or CMS LIS status as a proxy for State determined Medicaid eligibility. The notice issued to the members by the MAO did not provide the required information regarding the impact of the loss of Medicaid status and their options. The notice failed to provide information regarding the period of deemed continued eligibility, and it failed to provide information regarding Special Election Periods for individuals who lose special need status. The notice was submitted to the Health Plan Management System (HPMS) as a model under the File & Use system; however there is no CMS model template for this notice. CMS has received an increased number of complaints regarding requests for retroactive enrollments and disenrollments and a large volume of reconciliation cases from Cariten. An increase in volume of these requests is typically indicative of the failure of the MAO to perform timely reconciliation of the CMS transaction reply reports as required in the Plan Communication User Guide.

Corrective Action Required:

No later than March 10, 2008, Cariten must submit a letter to CMS for approval which will be mailed to all beneficiaries in the identified plan informing them of the copayment error. This letter must clearly state that Cariten incorrectly identified a $150 copayment for Part B drugs. This letter must also inform these beneficiaries that they have a Special Election Period through March 31, 2008 during which time they may make a change in their Medicare Advantage coverage. Cariten must also specifically state in this letter that members must enroll in another Medicare Advantage plan with Part D coverage (MA-PD) or revert to Original Medicare and elect a stand alone Prescription Drug Plan (PDP). This letter must be submitted through the marketing module of HPMS for approval by the Atlanta Regional Office. No later than 2 business days after approval, Cariten must mail this letter to all affected beneficiaries and attest to CMS that the mailing has been completed. Cariten must ensure that printed Summary of Benefits (SB) materials include an errata sheet which includes the appropriate correction in the Part B drug copayment language. Cariten must submit a revised low income subsidy rider and corrections to the EOC for approval in HPMS. Cariten must update its Website to include a copy of the approved letter to the member. Cariten must also notify its contracted providers that an error has been identified, and provide training and educational materials for processing Full Dual Eligible member claims. The MAO must submit a copy of the training materials to the Atlanta Regional Office for our files. Cariten must submit policies and procedures for educating providers on processing claims for Full Dual Eligible plan members as well as a process for monitoring the providers to include the training schedule and sign-in sheet. Cariten is required to attend the upcoming Bid training in CMS¿ Central Office in Baltimore on April 10, 2008 as well as the PBP training in Atlanta on April 24 and 25, 2008. Information on registering for these trainings will be available on HPMS shortly. Cariten H4461-011 must notify beneficiaries disenrolled for loss of eligibility that, upon involuntary disenrollment, CMS will grant the beneficiary a Special Election Period (SEP) in order that s/he may enroll in another MA plan or obtain coverage to supplement Original Medicare. Cariten must also specifically state in this letter that members must retain the Part D drug coverage they presently have, either by enrolling in another Medicare Advantage plan with Part D coverage (MA-PD) or revert to Original Medicare and elect a stand alone Prescription Drug Plan (PDP). This letter must be filed in the marketing module of HPMS for approval by the Atlanta Regional Office. Cariten must verify eligibility via the state Medicaid agency on all beneficiaries disenrolled for loss of eligibility. Cariten must develop a tracking tool to monitor the status of all beneficiaries disenrolled for loss of eligibility to determine if they were disenrolled correctly, identify any coverage gaps, and ensure all claims are processed according to Medicare Guidelines. Cariten must pull all open and closed Complaint Tracking Module cases in HPMS related to H4461 PBP 011 to verify that each beneficiary has been contacted and their issue or concerns have been resolved. Dire need cases should be processed as priority. Cariten must submit their policies and procedures for Transaction Reply Report review to the Atlanta Regional Office. Cariten must respond to this corrective action request with a formal corrective action plan in HPMS as requested by March 10, 2008.