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
Contract Number: H3811
Audit ID: 3441
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: MR06
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Plan Responsibility for Persons Employed or Contracted to Perform Marketing - The Part D sponsor must have a compensation structure that meets CMS requirements for any person directly employed or contracted to market the plan. The Part D sponsor must utilize only state licensed, certified, or registered individuals to perform marketing on behalf of the Part D sponsor, whether as an employee or under contract directly or downstream, if a state has such a marketing requirement, and it must conduct monitoring activities to ensure that individuals marketing on behalf of the Part D sponsor comply with all applicable Part D laws, all other Federal health care laws, and CMS policies, including CMS marketing guidelines, to ensure that beneficiaries receive truthful and accurate information.

Reference:

Medicare Marketing Guidelines for MAs, MA-PDs, PDPs, and 1876 Cost Plans

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding its responsibility for and oversight of persons employed or contracted to perform marketing (MK-2 Sales Oversight Policy) and found it does not include a requirement that all persons marketing on behalf of Samaritan Advantage be state licensed, certified or registered individuals. During Staff Discussions, Samaritan Advantage stated that it conducts ongoing monitoring of all persons directly employed or contracted to perform marketing to ensure that they comply with all applicable laws and CMS policies, including CMS marketing guidelines, and that marketing licensure is checked quarterly. However, this must be included in written policies and procedures. Additionally, Samaritan Advantage does not meet this requirement because Samaritan Advantage did not provide documentation demonstrating that it has designated an individual responsible for overseeing the activities of internal and external marketing representatives, such as marketing representatives, agents and brokers. CMS reviewed 2 samples for individuals who perform marketing from a universe of 2 and found both of the samples provided were for direct employees. In both of these samples Samaritan Advantage did not demonstrate a contractual provision requiring any person employed to perform marketing on behalf of Samaritan Advantage provide a written disclosure statement to all potential enrollees prior to or at the time of enrollment. The written disclosure statement must state the following: `The person this is discussing plan options with you is either employed by or contracted with Samaritan Advantage. The person may be compensated based on your enrollment in a plan'.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding its responsibility for and oversight of persons employed or contracted to perform marketing (MK-2 Sales Oversight Policy) to include a requirement that all persons marketing on behalf of Samaritan Advantage be state licensed, certified or registered individuals. Samaritan Advantage must conduct ongoing monitoring of the marketing activities of internal and external marketing representatives. Specifically, Samaritan Advantage must demonstrate that it has designated an individual responsible for overseeing the activities of internal and external marketing representatives, such as marketing representatives, agents and brokers and provide documentation demonstrating this to CMS. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must include provisions within its marketing contracts requiring any person employed to perform marketing on behalf of Samaritan Advantage provide a written disclosure statement to all potential enrollees prior to or at the time of enrollment. The written disclosure statement must state the following: 'The person this is discussing plan options with you is either employed by or contracted with Samaritan Advantage. The person may be compensated based on your enrollment in a plan', and provide documentation demonstrating this to CMS.

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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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: TP02
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Transition Process for Residents of Long-Term Care Facilities - The Part D sponsor must have and implement an appropriate transition process in accordance with CMS requirements for addressing the unique needs of long-term care (LTC) facility residents prescribed Part D drugs that are not on its formulary or that are on its formulary but require prior authorization or step therapy.

Reference:

42 CFR § 423.120(b)(3); MA-PD Solicitation; Information for Part D Sponsors on Requirements for a Transition Process; Transition Process Requirements for Part D Sponsors

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding the transition process for residents of long-term care facilities (RX-9, LTC and Part D Medicare Disparities and RX-21, Medicare Transition Period) and found that they do not include provisions for addressing the immediate needs of LTC beneficiaries and timeframes to ensure a seamless transition for LTC facility residents. Also policies and procedures do not include a provision to abide by extensions to the transition period in accordance with CMS policy. During Staff Discussions, Samaritan Advantage stated members are granted a 31 day supply, and after this if the formulary exceptions process has not gone through yet or if Samaritan Advantage is still awaiting additional information, Samaritan Advantage will give the member an additional 30 days supply during the LTC transition period. These timeframes are not CMS compliant. Furthermore, CMS reviewed system reports regarding Samaritan Advantage's transition process utilization for LTC residents (Samaritan Advantage Transition Report-5005 Report) and found Samaritan Advantage does not have a system demonstrating that it implements the transition process for LTC residents in accordance with CMS requirements. Samaritan Advantage was also unable to demonstrate that it has and implements a transition process that covers an emergency supply or 'first-fill' of non-formulary Part D drugs.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding the transition process for residents of long-term care facilities (RX-9, LTC and Part D Medicare Disparities and RX-21, Medicare Transition Period) to include provisions for addressing the immediate needs of LTC beneficiaries and timeframes to ensure a seamless transition for LTC facility residents, and abide by extensions to the transition period in accordance with CMS policy. Samaritan Advantage must conduct training of its staff on these policies and procedures and 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. Samaritan Advantage must develop or utilize a system that is capable of tracking its enrollees that are in LTC facilities. This system must track that: -Samaritan Advantage correctly implements the transition process for LTC residents in accordance with CMS requirements, and -Samaritan Advantage has and implements a transition process that covers an emergency supply or 'first-fill' of non-formulary Part D drugs. Samaritan Advantage must submit documentation demonstrating this to CMS.

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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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD02
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
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3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Coverage Determination Policies and Procedures - The Part D sponsor must establish and maintain policies and procedures for tracking and addressing the timely review and resolution of all enrollee requests for coverage determinations (expedited and standard) regarding basic coverage and supplemental benefits, and the amount, including cost sharing, if any, that the enrollee is required to pay for a drug. These procedures must address unplanned transitions, and actions that are coverage determinations as defined in § 423.566(b). The Part D sponsor must establish and maintain efficient and convenient means for individuals (including enrollees, their appointed representatives, or their prescribing physicians) to submit oral or written requests for coverage determinations, document all oral requests in writing, and maintain the documentation in a case file. The Part D sponsor must establish and maintain policies and procedures for tracking and addressing the timely review and resolution of all enrollee requests for re-determinations, reconsiderations by the Independent Review Entity (IRE), and reviews by the Administrative Law Judge (ALJ) received both orally and in writing.

Reference:

42 CFR § 423.566(a); § 423.566(b); § 423.566(c); § 423.570(c)(1-2); MA-PD Solicitation; Reporting Requirements Section VII: Appeals Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals; Information for Part D Sponsors on Requirements for a Transition Process

Deficiencies:

CMS reviewed Samaritan Advantage's policies and procedures for receiving, tracking, addressing and maintaining records of coverage determinations (RX-2 Coverage Determinations, Exceptions, and Appeals) and found that it did define a coverage determination in accordance with § 423.566(b)(1-5). However, Staff Discussions indicated that Samaritan Advantage does not recognize a request for reimbursement for a Part D drug as a coverage determination. Samaritan Advantage staff stated that a request for reimbursement is called a 'direct member reimbursement' and is not subject to coverage determination procedures or timeframes. Samaritan Advantage provided documentation demonstrating that it has systems to track and address in a timely manner enrollee's oral and written requests for exceptions, coverage determinations, and redeterminations. However, during Staff Discussions, Samaritan Advantage indicated that the Part D Plan Sponsor does not notify the enrollee of favorable coverage determination and redetermination decisions. Samaritan Advantage notifies the prescribing physician and pharmacist, and stated that it is 'the provider's responsibility' to notify the enrollee.

Corrective Action Required:

Samaritan Advantage must accept and process requests for reimbursement for Part D drugs in accordance with standard coverage determination procedures and timeframes and create policies and procedures to reflect this. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide notification to enrollees of both adverse and favorable coverage determination and redetermination decisions and use its systems to track and address this notification in accordance with CMS requirements.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD03
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
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3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Timely Notification of Coverage Determination Concerning Drug Benefit - In response to a drug benefit request, the Part D sponsor must notify the enrollee (and the prescribing physician involved, as appropriate) of its determination as expeditiously as the enrollee¿s health condition requires, but no later than 72 hours after receipt of the request, or, for an exceptions request, the physician¿s supporting statement. If the coverage determination was denied and the initial notification was provided orally, the Part D sponsor must send the written notice to the enrollee within 3 calendar days of the oral notice. Failure to notify the enrollee within the 72 hour timeframe constitutes an adverse coverage determination requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE.

Reference:

42 CFR § 423.568(a); § 423.568(e); § 423.578(c)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding enrollee notification of coverage determinations concerning drug benefit (RX-2 Coverage Determinations, Exceptions, and Appeals) and found it did not include a provision stating that Samaritan Advantage must notify the enrollee (and the prescribing physician involved, as appropriate) of its determination as expeditiously as the enrollee's health condition requires, but no later than 72 hours after receipt of the request, or, for an exceptions request, the physician's supporting statement. During Staff Discussions Samaritan Advantage indicated that the Samaritan Advantage does not notify the enrollee of favorable coverage determination decisions. Samaritan Advantage notifies the prescribing physician and pharmacist and stated that it is 'the provider's responsibility' to notify the enrollee. This is not compliant with CMS requirements. CMS requested Samaritan Advantage's notice template for enrollee notification when a request is forwarded to the IRE and Samaritan Advantage did not provide this notice template. CMS reviewed a sample of 10 requests for standard coverage determinations concerning benefits from a universe of 546 and found 7 out of 10 samples were not compliant. Specifically, 7 out of 10 samples did not demonstrate that the enrollees were notified of the Samaritan Advantage's standard coverage determination decision. Additionally, failure to notify the enrollee constitutes an adverse determination requiring Samaritan Advantage to forward the enrollee's request to the IRE within 24 hours of the expiration of the adjudication timeframe. Samaritan Advantage was unable to demonstrate that these cases were forwarded to the IRE.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding enrollee notification of coverage determinations concerning drug benefit (RX-2 Coverage Determinations, Exceptions, and Appeals) to include a provision stating that Samaritan Advantage must notify the enrollee (and the prescribing physician involved, as appropriate) of its determination as expeditiously as the enrollee's health condition requires, but no later than 72 hours after receipt of the request, or, for an exceptions request, the physician's supporting statement. Samaritan Advantage must provide notification to enrollees of both adverse and favorable coverage determination decisions within timeframes consistent with CMS requirements. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for when a request is forwarded to the IRE (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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. Samaritan Advantage must provide notification to the enrollee, or the appointed representative, as applicable, of its coverage determination concerning drug benefit decision in a timeframe that is compliant with CMS requirements. Additionally, Samaritan Advantage must forward untimely cases to the IRE in accordance with CMS requirements. Samaritan Advantage must provide documentation demonstrating this to CMS.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD04
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
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3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Coverage Determinations Concerning Payment - The Part D sponsor must notify the enrollee of its determination no later than 72 hours after receipt of the payment request, or, for an exceptions request, after receiving the physician's supporting statement. If the coverage determination was denied and the initial notification was provided orally, the Part D sponsor must send the written notice to the enrollee within 3 calendar days of the oral notice. For favorable determinations, the Part D sponsor must authorize payment and notify the enrollee within 72 hours after receiving the request, or, for an exceptions request, after receiving the physician's supporting statement. The Part D sponsor must also make payment (i.e., mail the payment) within 30 calendar days of the request, or, for an exceptions request, after receiving the physician's supporting statement. Failure to notify the enrollee within the 72 hour timeframe constitutes an adverse determination requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE. Note: This element also applies to out-of-network (OON) paper claims submitted by beneficiaries or their appointed representatives.

Reference:

42 CFR § 423.568(b); § 423.568(e); MA-PD Solicitation; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding enrollee notification of coverage determinations concerning payments (RX-2 Coverage Determinations, Exceptions, and Appeals) and did not find the following provisions: - Samaritan Advantage must notify the enrollee of its determination no later than 72 hours after receipt of the payment request, or, for an exceptions request, after receiving the physician's supporting statement, - Samaritan Advantage must authorize payment and notify the enrollee within 72 hours after receiving the request, or, for an exceptions request, after receiving the physician's supporting statement, - Samaritan Advantage must make payment (i.e. mail the payment) within 30 calendar days of the request or, for an exceptions request, after receiving the physician's supporting statement, and - that failure to notify the enrollee within the timeframe constitutes an adverse determination requiring the Part D sponsor to forward the enrollee's request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. During Staff Discussions Samaritan Advantage stated that the Plan does not recognize a request for reimbursement for a Part D drug as a coverage determination. Samaritan Advantage staff stated that a request for reimbursement is called a 'direct member reimbursement' and is not subject to coverage determination procedures or timeframes. CMS requested Samaritan Advantage's notice template for enrollee notification when a request is forwarded to the IRE and Samaritan Advantage did not provide this notice template.

Corrective Action Required:

Samaritan Advantage must create policies and procedures regarding enrollee notification of coverage determinations concerning payment to include the following the provisions: - Samaritan Advantage must notify the enrollee of its determination no later than 72 hours after receipt of the payment request, or, for an exceptions request, after receiving the physician's supporting statement, - Samaritan Advantage must authorize payment and notify the enrollee within 72 hours after receiving the request, or, for an exceptions request, after receiving the physician's supporting statement, - Samaritan Advantage must make payment (i.e. mail the payment) within 30 calendar days of the request or, for an exceptions request, after receiving the physician's supporting statement, and - that failure to notify the enrollee within the timeframe constitutes an adverse determination requiring the Part D sponsor to forward the enrollee's request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for when a request is forwarded to the IRE (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD05
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
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Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Denial Notice Requirements for Coverage Determinations - If the Part D sponsor makes an adverse determination, in whole or in part, it must provide the enrollee with written notification, using approved notice language that is readable and understandable, states the specific reasons for the denial, and informs the enrollee of his or her right to a redetermination.

Reference:

42 CFR § 423.568(c-d); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS requested Samaritan Advantage's notice template for notifying enrollees of an adverse coverage determination, whether in part or whole, and found the notice was consistent with the CMS-issued standard notice, Notice of Denial of Medicare Prescription Drug Coverage, however, it did not contain the required OMB control number displayed in the upper right-hand corner of the notice in accordance with CMS Marketing guidelines. CMS reviewed a sample of 10 requests for standard coverage determinations concerning benefits from a universe of 546 and found that in 5 of the 5 cases where the Plan issued an adverse decision, Samaritan Advantage did not demonstrate that enrollees were provided with a CMS-compliant denial notice. Specifically, in 3 out of the 5 cases Samaritan Advantage did not demonstrate the use of a CMS-compliant denial notice. The notices did not contain the required OMB control number displayed in the upper right-hand corner, and in the remaining 2 cases Samaritan Advantage did not provide documentation demonstrating that the enrollees were notified in writing of the adverse decision.

Corrective Action Required:

Samaritan Advantage must provide CMS with a CMS-issued standard notice, Notice of Denial of Medicare Prescription Drug Coverage that contains the required OMB control number displayed in the upper right-hand corner of the notice. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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. When Samaritan Advantage makes an adverse standard coverage determination concerning drug benefit decision, it must always notify the enrollee, or the appointed representative, as applicable, of its decision, through the use of a notice consistent with the CMS-issued standard notice, Notice of Denial of Medicare Prescription Drug Coverage, that contains the required OMB control number displayed in the upper right-hand corner of the notice

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

Findings: Not Met
Contract Number: H3811
Audit ID: 3441
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD06
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
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3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
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Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Decision to Accept or Deny Request for Expedited Coverage Determination - The Part D sponsor must promptly and correctly determine whether a complaint is a standard coverage determination or an expedited coverage determination. The Part D sponsor must have a means for issuing prompt decisions on expediting a coverage determination if it determines, based on the enrollee¿s request, or as indicated in the prescribing physician¿s request, that applying the standard timeframe for making a coverage determination may seriously jeopardize the enrollee¿s life, health, or ability to regain maximum function.

Reference:

42 CFR § 423.570(c)(3); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding decisions to accept or deny requests for expedited coverage determinations (RX-2 Coverage Determinations, Exceptions, and Appeals) and did not find a provision for making expedited decisions within the appropriate timeframe for requests received outside of normal business hours.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding decisions to accept or deny requests for expedited coverage determinations (RX-2 Coverage Determinations, Exceptions, and Appeals) to include a provision for making expedited decisions within the appropriate timeframe for requests received outside of normal business hours. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD08
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Notice Content Requirements for Decision to Deny Request for Expedited Coverage Determination - The notice for the decision to deny a request for an expedited coverage determination must provide an explanation that the Part D sponsor must process the request using the 72 hour timeframe for standard determinations; inform the enrollee of the right to file an expedited grievance; inform the enrollee of the right to resubmit a request for an expedited determination with the prescribing physician¿s support; and provide instructions about the Part D plan¿s grievance process and its timeframes.

Reference:

42 CFR § 423.570(d)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

CMS reviewed Samaritan Advantage's notice template for notifying an enrollee that a request for an expedited coverage determination is denied and found the notice was consistent with the CMS-issued model notice, Notice of Right to an Expedited Grievance. However, it did not display the contract number (and CMS approval date if it was filed under the normal marketing review submission process) in the lower left-hand corner in accordance with CMS Marketing guidelines.

Corrective Action Required:

Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for notifying an enrollee that a request for an expedited coverage determination is denied (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Right to an Expedited Grievance'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Right to an Expedited Grievance'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD09
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Timely Notification of Expedited Coverage Determination - The Part D sponsor must make its expedited coverage determination and notify the enrollee of its decision (adverse or favorable), as expeditiously as the enrollee¿s health condition requires, but no later than 24 hours after receiving the request, or, for an exceptions request, the physician¿s supporting statement. If the decision is adverse and the Part D sponsor first notifies the enrollee of the determination orally, the Part D sponsor must mail written confirmation to the enrollee within 3 calendar days of the oral notification. Failure to notify the enrollee within the 24 hour timeframe constitutes an adverse determination requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE.

Reference:

42 CFR § 423.570(e); § 423.572(a-b); § 423.572(d); § 423.578(c)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding enrollee notification following decision on expedited coverage determination (RX-2 Coverage Determinations, Exceptions, and Appeals) and found it did not include provisions stating that Samaritan Advantage: - must make its expedited coverage determination and notify the enrollee (and/or applicable party) of its decision (adverse or favorable), as expeditiously as the enrollee's health condition requires, but no later than 24 hours after receiving the request, or for an exceptions request, the physician's supporting statement, and - must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. During Staff Discussions Samaritan Advantage staff indicated that Samaritan Advantage does not notify the enrollee of favorable coverage determination decisions. Samaritan Advantage notifies the prescribing physician and pharmacist and stated that it is 'the provider's responsibility' to notify the enrollee. Additionally, during Staff Discussions, Samaritan Advantage staff indicated that it notifies the enrollee within 24 hours when the case is forwarded to the IRE: however this must be included in written policies and procedures. CMS requested Samaritan Advantage's notice template for enrollee notification when a request is forwarded to the IRE and Samaritan Advantage did not provide this notice template. CMS reviewed a sample of 3 requests for expedited coverage determinations from a universe of 3 and found that in all 3 cases Samaritan Advantage did not demonstrate that enrollees were notified of the plan's decision. Additionally, failure to notify the enrollee constitutes an adverse determination requiring Samaritan Advantage to forward the enrollee's request to the IRE within 24 hours of the expiration of the adjudication timeframe. Samaritan Advantage was unable to demonstrate that these cases were forwarded to the IRE.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding enrollee notification following decision on expedited coverage determination (RX-2 Coverage Determinations, Exceptions, and Appeals) to include the following provisions stating that Samaritan Advantage: - must make its expedited coverage determination and notify the enrollee (and/or applicable party) of its decision (adverse or favorable), as expeditiously as the enrollee's health condition requires, but no later than 24 hours after receiving the request, or for an exceptions request, the physician's supporting statement, and - must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for when a request is forwarded to the IRE (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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. Samaritan Advantage must always provide notification of expedited coverage determination decisions, both adverse and favorable, to the enrollee, or appointed representative, when applicable, within timeframes consistent with CMS requirements and provide documentation demonstrating this to CMS. Additionally, Samaritan Advantage must forward untimely cases to the IRE in accordance with CMS requirements and provide documentation demonstrating this to CMS.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD10
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Notice Content Requirements for Expedited Coverage Determination - The notice of any expedited coverage determination must state the specific reasons for the determination in understandable language. If the determination is not completely favorable, the notice must also: (i) include information concerning the enrollee¿s right to a redetermination; (ii) describe both the standard and expedited redetermination processes, including the enrollee¿s right to request, and conditions for obtaining, an expedited redetermination, and the rest of the appeals process; and (iii) comply with any other requirements specified by CMS.

Reference:

42 CFR § 423.572(c); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding enrollee notification following a decision on expedited coverage determination (RX-2 Coverage Determinations, Exceptions, and Appeals) and found it did not include provisions stating that: - if the decision is adverse, then Samaritan Advantage must use a notice consistent with the CMS-issued standard notice, Notice of Denial of Medicare Prescription Drug Coverage, and - if oral notice is provided for an adverse decision, the notices must satisfy the following requirements: - states the specific reason for the denial and take into account the enrollee's presenting medical condition, disabilities, and special language requirements, if any. - provides information regarding the right to appoint a representative to file an appeal on the enrollee's behalf. - provides a description of both the standard and expedited redetermination processes and timeframes, including conditions for obtaining an expedited redetermination, and the rest of the appeals process. CMS requested Samaritan Advantage's notice template for notifying enrollees of an adverse coverage determination, whether in part or whole, and found the notice was consistent with the CMS-issued standard notice, Notice of Denial of Medicare Prescription Drug Coverage, however, it did not contain the required OMB control number displayed in the upper right-hand corner of the notice in accordance with CMS Marketing guidelines.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding enrollee notification following decision on expedited coverage determination (RX-2 Coverage Determinations, Exceptions, and Appeals) to include provisions stating that: - if the decision is adverse, then Samaritan Advantage must use a notice consistent with the CMS-issued standard notice, Notice of Denial of Medicare Prescription Drug Coverage, and - if oral notice is provided for an adverse decision, the notices must satisfy the following requirements: - States the specific reason for the denial and take into account the enrollee's presenting medical condition, disabilities, and special language requirements, if any. - Provides information regarding the right to appoint a representative to file an appeal on the enrollee's behalf. - Provides a description of both the standard and expedited redetermination processes and timeframes, including conditions for obtaining an expedited redetermination, and the rest of the appeals process. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-issued standard notice, Notice of Denial of Medicare Prescription Drug Coverage that contains the required OMB control number displayed in the upper right-hand corner of the notice. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CE01
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Exceptions Procedures and Criteria (Tiered Cost-Sharing) - The Part D sponsor must establish and maintain reasonable and complete exceptions procedures, subject to CMS¿ approval, for exceptions requests to the Part D sponsor¿s tiered cost-sharing structure. The exceptions procedures must address situations where a formulary¿s tiering structure changes during the year, and an enrollee is using a drug affected by the change. The Part D sponsor must grant an exception for non-preferred drugs when medically necessary and consistent with the prescribing physician¿s statement that meets CMS criteria. The Part D sponsor¿s tiered cost-sharing exceptions process and exception criteria must meet CMS requirements including for unplanned transitions.

Reference:

42 CFR § 423.578(a)(1-2); § 423.578(a)(4); MA-PD Solicitation and EP Attestation Addendum; Reporting Requirements for Section VI: Prior Authorization, Step Edits, Non-Formulary Exceptions, and Tier Exceptions; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals; Information for Part D Sponsors on Requirements for a Transition Process

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding processing requests for exceptions to its tiered cost-sharing structure (RX-2 Coverage Determinations, Exceptions, and Appeals and Formulary Tier Exception) and found they did not include the following provisions stating that: -if Samaritan Advantage requires a written statement from the enrollee's prescribing physician it must do so immediately, -if Samaritan Advantage makes a request for additional supporting medical documentation, then it must clearly identify the type of information that must be submitted, -Samaritan Advantage must not keep an exceptions request open indefinitely when a physician does not submit a supporting statement, -if Samaritan Advantage is waiting on a physician's statement in support of a tiering exception request, Samaritan Advantage must wait a minimum of 96 hours after receiving a standard request or a minimum of 48 hours after receiving an expedited request before issuing its determination on the tiering exception, and -a Part D sponsor must grant a tiering exception when it determines that the preferred drug for treatment of the enrollee's condition would not be as effective for the enrollee as the requested drug and/or would have adverse effects. During Staff Discussions, Samaritan Advantage staff stated that Samaritan Advantage waits 72 hours after receiving a standard request and 24 hours after receiving an expedited request before issuing its determination on a tiering exception: not a minimum of 96 hours after receiving a standard request or a minimum of 48 hours after receiving an expedited request, as required by CMS. CMS reviewed Samaritan Advantage's notice template for requesting additional information from the enrollee's prescribing physician and found the notice was consistent with the CMS-issued model notice, Request for Additional Information. However, it did not display the contract number (and CMS approval date if it was filed under the normal marketing review submission process) in the lower left -hand corner in accordance with CMS Marketing guidelines.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding processing requests for exceptions to its tiered cost-sharing structure (RX-2 Coverage Determinations, Exceptions, and Appeals and Formulary Tier Exception) to include the following provisions stating that: -if Samaritan Advantage requires a written statement from the enrollee's prescribing physician it must do so immediately, -if Samaritan Advantage makes a request for additional supporting medical documentation, then it must clearly identify the type of information that must be submitted, -Samaritan Advantage must not keep an exceptions request open indefinitely when a physician does not submit a supporting statement, -if Samaritan Advantage is waiting on a physician's statement in support of a tiering exception request, Samaritan Advantage must wait a minimum of 96 hours after receiving a standard request or a minimum of 48 hours after receiving an expedited request before issuing its determination on the tiering exception, and -a Part D sponsor must grant a tiering exception when it determines that the preferred drug for treatment of the enrollee's condition would not be as effective for the enrollee as the requested drug and/or would have adverse effects. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for requesting additional information from the enrollee's prescribing physician (i.e., a notice consistent with the CMS-issued model notice, 'Request for Additional Information'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Request for Additional Information'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CE02
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Exceptions Procedures and Criteria (Non-Formulary Drugs) - The Part D sponsor must establish and maintain exceptions procedures, subject to CMS¿ approval, for receipt of an off-formulary drug. The Part D sponsor must grant an exception for a non-formulary Part D drug whenever it determines that the drug is medically necessary, consistent with the prescribing physicians¿ statement that meets CMS criteria, and that the drug would be covered but for the fact that it is an off-formulary drug. The Part D sponsor¿s formulary exceptions process and exception criteria must meet CMS requirements including for unplanned transitions.

Reference:

42 CFR § 423.578(b); § 423.578(b)(1); § 423.578(b)(2); § 423.578(b)(5); MA-PD Solicitation and EP Attestation Addendum; Reporting Requirements for Section VI: Prior Authorization, Step Edits, Non-Formulary Exceptions, and Tier Exceptions; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals; Information for Part D Sponsors on Requirements for a Transition Process

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding processing requests for exceptions for non-formulary drugs (RX-2 Coverage Determinations, Exceptions, and Appeals) and found it did not include stating that: - the prescribing physician's statement must indicate that the requested drug is medically required and other on-formulary drugs and dosage limits will not be effective because: (1) All covered Part D drugs on any tier of a Part D sponsor's formulary would not be as effective for the enrollee as the non-formulary drug, and/or would have adverse effects, (2) The number of doses available under a dose restriction for the prescription drug: (a) Has been ineffective in the treatment of the enrollee's disease or medical condition or, (b) Based on both sound clinical evidence and medical and scientific evidence, the known relevant physical or mental characteristics of the enrollee, and known characteristics of the drug regimen, is likely to be ineffective or adversely affect the drug's effectiveness or patient compliance, or (3) The prescription drug alternative(s) listed on the formulary or required to be used in accordance with step therapy requirements: (a) Has been ineffective in the treatment of the enrollee's disease or medical condition or, based on both sound clinical evidence and medical and scientific evidence, the known relevant physical or mental characteristics of the enrollee, and known characteristics of the drug regimen, is likely to be ineffective or adversely affect the drug's effectiveness or patient compliance, or (b) Has caused or, based on sound clinical evidence and medical and scientific evidence, is likely to cause an adverse reaction or other harm to the enrollee. - the Part D sponsor must grant a formulary exception when it determines that one of the three factors discussed above has been demonstrated, and the drug would be covered but for the fact that it is an off-formulary drug, - if Samaritan Advantage makes a request for additional supporting medical documentation, then it must clearly identify the type of information that must be submitted, -Samaritan Advantage must not keep an exceptions request open indefinitely when a physician does not submit a supporting statement, and -if Samaritan Advantage is waiting on a physician's statement in support of a formulary exception request, Samaritan Advantage must wait a minimum of 96 hours after receiving a standard request or a minimum of 48 hours after receiving an expedited request before issuing its determination on the formulary exception. During Staff Discussions, Samaritan Advantage staff stated that Samaritan Advantage waits 72 hours after receiving a standard request and 24 hours after receiving an expedited request before issuing its determination on the formulary exception: not a minimum of 96 hours after receiving a standard request or a minimum of 48 hours after receiving an expedited request, as required by CMS. CMS reviewed Samaritan Advantage's notice template for requesting additional information from the enrollee's prescribing physician and found the notice was consistent with the CMS-issued model notice, Request for Additional Information. However, it did not display the contract number (and CMS approval date if it was filed under the normal marketing review submission process) in the lower left -hand corner in accordance with CMS Marketing guidelines.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding processing requests for exceptions for non-formulary drugs (RX-2 Coverage Determinations, Exceptions, and Appeals) to include the following provisions stating that: - the prescribing physician's statement must indicate that the requested drug is medically required and other on-formulary drugs and dosage limits will not be effective because: (1) All covered Part D drugs on any tier of a Part D sponsor's formulary would not be as effective for the enrollee as the non-formulary drug, and/or would have adverse effects, (2) The number of doses available under a dose restriction for the prescription drug: (a) Has been ineffective in the treatment of the enrollee's disease or medical condition or, (b) Based on both sound clinical evidence and medical and scientific evidence, the known relevant physical or mental characteristics of the enrollee, and known characteristics of the drug regimen, is likely to be ineffective or adversely affect the drug's effectiveness or patient compliance, or (3) The prescription drug alternative(s) listed on the formulary or required to be used in accordance with step therapy requirements: (a) Has been ineffective in the treatment of the enrollee's disease or medical condition or, based on both sound clinical evidence and medical and scientific evidence, the known relevant physical or mental characteristics of the enrollee, and known characteristics of the drug regimen, is likely to be ineffective or adversely affect the drug's effectiveness or patient compliance, or (b) Has caused or, based on sound clinical evidence and medical and scientific evidence, is likely to cause an adverse reaction or other harm to the enrollee. - the Part D sponsor must grant a formulary exception when it determines that one of the three factors discussed above has been demonstrated, and the drug would be covered but for the fact that it is an off-formulary drug, - if Samaritan Advantage makes a request for additional supporting medical documentation, then it must clearly identify the type of information that must be submitted, -Samaritan Advantage must not keep an exceptions request open indefinitely when a physician does not submit a supporting statement, and -if Samaritan Advantage is waiting on a physician's statement in support of a formulary exception request, Samaritan Advantage must wait a minimum of 96 hours after receiving a standard request or a minimum of 48 hours after receiving an expedited request before issuing its determination on the formulary exception. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for requesting additional information from the enrollee's prescribing physician (i.e., a notice consistent with the CMS-issued model notice, 'Request for Additional Information'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Request for Additional Information'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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.

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
Contract Number: H3811
Audit ID: 3441
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CE03
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Approval of Tiering and Non-Formulary Exceptions Requests - Following approval of a request for a tiering or a non-formulary exception, the Part D sponsor cannot require an approval for a refill or a new prescription following the initial prescription, provided that (i) the enrollee¿s prescribing physician continues to prescribe the drug; (ii) the drug continues to be considered safe for treating the enrollee¿s disease or medical condition; and (iii) the enrollment period has not expired. For tiering exceptions, the Part D sponsor must permit enrollees to obtain an approved non-preferred drug at the more favorable cost-sharing terms applicable to drugs in the preferred tier. For approved non-formulary exceptions, the Part D sponsor has the flexibility to determine what level of cost-sharing applies to all non-formulary drugs approved under the exceptions process, so long as the designated level is one of its existing cost-sharing tiers.

Reference:

42 CFR § 423.578(c)(3); § 423.578(c)(4)(i-ii); EP Attestation Addendum; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding determining cost-sharing for approved exceptions (RX-2 Coverage Determinations, Exceptions, and Appeals and Formulary Tier Exception) and found they did not include provisions stating that: - coverage is provided for approved tiering exceptions at the same cost-sharing level as preferred drugs, - enrollees are not required to request an approval following the initial prescription for the remainder of the plan year, and - all approved non-formulary drugs must be placed in existing cost-sharing tier(s). During Staff Discussions, Samaritan Advantage staff stated: - that coverage is provided for approved tiering exceptions at the preferred drug tier level, - that enrollees are not required to request an approval following the initial prescription for remainder of the plan year and sometimes for life, and - that all approved non-formulary drugs are placed in existing cost-sharing tiers. However these provisions must be included in written policies and procedures.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding determining cost-sharing for approved exceptions (RX-2 Coverage Determinations, Exceptions, and Appeals and Formulary Tier Exception) to include provisions stating that: - coverage is provided for approved tiering exceptions at the same cost-sharing level as preferred drugs, - enrollees are not required to request an approval following the initial prescription for the remainder of the plan year, and - all approved non-formulary drugs must be placed in existing cost-sharing tier(s). Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: GV01
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Complaint Categorization (Grievances vs. Coverage Determinations) - The Part D sponsor must promptly and correctly determine and inform the enrollee whether a complaint is subject to its grievance procedures or its coverage determination procedures.

Reference:

42 CFR § 423.564(b); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding the categorization of complaints as inquiries, grievances, or coverage determinations/appeals (Policy RX-7 Grievances, Policy RX-2 Coverage Determinations, Exceptions, and Appeals, and Distinguishing Complaints) and found they do not include provisions for promptly and correctly categorizing complaints as inquiries, grievances, or coverage determinations/appeals. Specifically, none of the policies define grievances, coverage determinations, inquiries, or appeals. In addition, CMS requested Samaritan Advantage's notice template for informing enrollees about inquiries involving excluded drugs and Samaritan Advantage did not provide this notice template. Samaritan Advantage stated on 11/9/07 that it 'notifies members verbally that they have requested an excluded drug.' CMS reviewed a sample of 15 standard grievances from a universe of 27. Auditors then reduced the sample size by 1, as one case was misclassified due to sample being a grievance from a member who was on a conventional plan that does not include Part D. CMS reviewed the 14 samples and found 14 were non compliant. Specifically, in 3 samples Samaritan Advantage did not demonstrate the enrollees were not informed their complaint was subject to grievance procedures. Additionally, 11 samples were incorrectly categorized, as many were not Part D grievances but rather Part C grievances, and the enrollees were not informed their complaints were subject to grievance procedures.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding the categorization of complaints as inquiries, grievances, or coverage determinations/appeals (Policy RX-7, Grievances, Policy RX-2 Coverage Determinations, Exceptions, and Appeals, and Distinguishing Complaints) to include provisions for promptly and correctly categorizing complaints as inquiries, grievances, or coverage determinations/appeals. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved notice for informing enrollees about inquiries involving excluded drugs (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Inquiry Regarding an Excluded Drug'). If Samaritan Advantage does not have a notice template that has been approved by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Inquiry Regarding an Excluded Drug'), then it must submit one for CMS approval through the normal marketing review submission process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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. Samaritan Advantage must correctly categorize all requests that are specific to its Part D benefit as inquiries, grievances, coverage determinations or appeals and submit documentation demonstrating this to CMS. Samaritan Advantage must notify the enrollee, or the appointed representative, as applicable, that a request is subject to either grievance or coverage determination procedures. Samaritan Advantage must submit documentation demonstrating this to CMS.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: GV02
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Grievance Policies and Procedures - The Part D sponsor must establish and maintain policies and procedures for tracking and addressing the timely hearing and resolution of all oral and written enrollee grievances including but not limited to the following: fraud and abuse, enrollment/disenrollment, benefit package, pharmacy access/network, marketing, customer service, confidentiality/privacy, and quality of care. The Part D sponsor must also maintain records of such grievances.

Reference:

42 CFR § 423.562(a)(1)(i); § 423.564(a-b); § 423.564(g); MA-PD Solicitation; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals; Reporting Requirements for Section V: Grievances

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding tracking, addressing, and maintaining records of grievances (RX-7 Grievances) and found it did not include: -a provision requiring prompt, appropriate action, including a full investigation of the complaint if necessary, and -a provision for tracking and maintaining, at a minimum, the date of receipt, disposition of the grievance, and the date that the enrollee was notified of the disposition.

Corrective Action Required:

Samaritan Advantage must revise its grievance policies and procedures regarding tracking, addressing, and maintaining records of grievances (RX-7, Grievances) to include: -a provision requiring prompt, appropriate action, including a full investigation of the complaint if necessary, and -a provision for tracking and maintaining, at a minimum, the date of receipt, disposition of the grievance, and the date that the enrollee was notified of the disposition. Samaritan Advantage must conduct training of its staff on these policies and procedures and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: GV04
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

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); MA-PD Solicitation; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding enrollee notification of grievance disposition (RX-7 Grievances) and found it did not include provisions stating that: -'all concerned parties must be notified of grievance disposition as expeditiously as the enrollee's case requires, based on the enrollee's health status', but not later than 30 days after Samaritan Advantage receives the oral or written grievance, -the 30 day timeframe may be extended by 14 days or less 'if the enrollee requests the extension or if Samaritan Advantage justifies a need for additional information and documents how the delay is in the interest of the enrollee', and -'the enrollee must immediately be notified in writing when Samaritan Advantage extends the deadline'. Specifically, the language in quotation marks was not found. During Staff Discussions Samaritan Advantage stated they would extend the deadline for a grievance 'up to 14 days when it is in the best interest of the member,'however they did not state that the deadline for a grievance decision may be extended if the enrollee requests the extension or if the Plan justifies a need for additional information and documents how the delay is in the enrollees interest. Additionally, Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's notice template for informing enrollees of grievance deadline extension and found the notice was consistent with CMS-issued model notice, Notice of Plan's Decision to Extend the Deadline for Making a Decision Regarding a Grievance, however, it did not display the contract number (and CMS approval date if it was filed under the normal marketing review submission process) in the lower left-hand corner in accordance with CMS Marketing guidelines. CMS reviewed a sample of 15 standard grievances from a universe of 27. Auditors reduced the sample size by 1, as one case was misclassified, and made the sample size 14. Of the 14 samples remaining 10 were noncompliant. Specifically, in 2 of the 10 samples Samaritan Advantage did not demonstrate that the enrollee was notified timely. Additionally, in 8 out of 10 samples Samaritan Advantage did not demonstrate that the issue was resolved and that the enrollee was notified timely of the grievance resolution.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding enrollee notification of grievance disposition (RX-7, Grievances) to include provisions stating that: -all concerned parties must be notified of grievance disposition as expeditiously as the enrollee's case requires, based on the enrollee's health status, but not later than 30 days after Samaritan Advantage receives the oral or written grievance, -30 day timeframe may be extended by 14 days or less if the enrollee requests the extension or if Samaritan Advantage justifies a need for additional information and documents how the delay is in the interest of the enrollee, and -the enrollee must immediately be notified in writing when Samaritan Advantage extends the deadline. Samaritan Advantage must conduct training of its staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for informing enrollees of grievance deadline extension (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Plan's Decision to Extend the Deadline for Making a Decision Regarding a Grievance'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Plan's Decision to Extend the Deadline for Making a Decision Regarding a Grievance'), then it must submit one for CMS approval through the normal marketing review submission process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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. Samaritan Advantage must provide documentation to CMS that demonstrates it notifies enrollees of its standard grievance decision within the CMS-approved timeframe, and that it documents the resolutions to enrollees' grievances.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: GV05
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Method of Grievance Response - The Part D sponsor must respond to all written grievances in writing (including facsimile). If the enrollee orally submits a grievance and requests a written response, the Part D sponsor must respond in writing.

Reference:

42 CFR § 423.564(e)(3)(i-ii); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding method of grievance responses (RX-7 Grievances) and found that it did not include a provision stating that grievances submitted orally may be responded to either orally or 'in writing, unless the enrollee requests a written response.' Specifically, the language in quotation marks was not found. Additionally, CMS reviewed Samaritan Advantage's notice template for notification of grievance disposition and found the notice was consistent with CMS-issued model notice, Notice of Plan's Decision Regarding a Grievance, however, it did not display the contract number (and CMS approval date if it was filed under the normal marketing review submission process) in the lower left-hand corner in accordance with CMS Marketing guidelines. CMS reviewed a sample of 15 standard grievances from a universe of 27. Auditors reduced the sample size by 1, as one case was misclassified, and made the sample size 14. CMS reviewed the 14 samples and found 9 were noncompliant. Since Samaritan Advantage was unable to demonstrate for these 9 samples that the enrollee was informed of grievance resolution, CMS could not verify if the method of response was correct.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding method of grievance responses (RX-7 Grievances) to include a provision stating that grievances submitted orally may be responded to either orally or in writing, unless the enrollee requests a written response. Samaritan Advantage must conduct training of its staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for notification of grievance disposition (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Plan's Decision Regarding a Grievance'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Plan's Decision Regarding a Grievance'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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. Samaritan Advantage must provide documentation to CMS that demonstrates it notifies enrollees of its standard grievance resolution using methods that are CMS compliant.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: GV06
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Grievance Response ¿ Quality of Care - The Part D sponsor must respond in writing to all grievances related to the quality of care. The response must include a description of the enrollee¿s right to file a written complaint with the Quality Improvement Organization (QIO). If a complaint is submitted to the QIO, the Part D sponsor must cooperate with the QIO in resolving the complaint.

Reference:

42 CFR § 423.564(e)(3)(iii); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's notice template for notification of grievance disposition and found the notice was consistent with CMS-issued model notice, Notice of Plan's Decision Regarding a Grievance, however, it did not display the contract number (and CMS approval date if it was filed under the normal marketing review submission process) in the lower left-hand corner in accordance with CMS Marketing guidelines. Additionally, Samaritan Advantage does not meet this requirement because CMS reviewed examples of actual responses to quality of care grievances and found Samaritan Advantage did not respond to quality of care grievances in writing and therefore, did not have a description of the enrollee's right to file a written complaint with the QIO in a written response. Furthermore, Samaritan Advantage submitted the following statements: Per email on 11/8/07 'While reviewing the CMS requirements for processing QOC Grievances it was found that Samaritan Advantage did not distinguish QOC Grievances from Standard Grievances,' and upon re-request on 11/9/07 'While reviewing the requirements for this request Samaritan Advantage found that we do not have the documentation to thoroughly support compliance for this request.'

Corrective Action Required:

Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for informing enrollees of grievance deadline extension (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Plan's Decision Regarding a Grievance'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Plan's Decision Regarding a Grievance'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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. Samaritan Advantage must provide documentation to CMS that demonstrates it has developed and implemented procedures for responding to quality of care grievances in writing and that it is including a description of the enrollee's right to file a written complaint with the QIO in its written response. Samaritan Advantage must also develop and implement procedures for distinguishing between QOC Grievances and Standard Grievances. Samaritan Advantage must conduct training of appropriate staff on these procedures and 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

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE01
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Request for Redeterminations (Standard) - The Part D sponsor must have policies, procedures, and systems in place that allow it to accept written requests for standard redeterminations of coverage determinations filed within 60 calendar days of the notice of the coverage determination. The Part D sponsor must provide the enrollee or the prescribing physician with a reasonable opportunity to hand-deliver or present in writing, evidence and allegations of fact or law related to the issue in dispute.

Reference:

42 CFR § 423.582(a-b); § 423.586; MA-PD Solicitation; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures for accepting requests for standard redeterminations (RX-2 Coverage Determinations, Exceptions, and Appeals) and found it did not include provisions for: - accepting written requests for standard redeterminations of coverage determinations filed by enrollees within 60 calendar days of the notice of the coverage determination, and - providing reasonable opportunity to received evidence and allegations of law and fact, in person or in writing, related to the disputed issue. During Staff Discussions, Samaritan Advantage staff stated that Samaritan Advantage accepts redetermination requests from enrollees within 60 days of the coverage determination denial. However this provision must be included in written policies and procedures.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures for accepting requests for standard redeterminations (RX-2 Coverage Determinations, Exceptions, and Appeals) to include provisions for: - accepting written requests for standard redeterminations of coverage determinations filed by enrollees within 60 calendar days of the notice of the coverage determination, and - providing reasonable opportunity to received evidence and allegations of law and fact, in person or in writing, related to the disputed issue. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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.

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
Contract Number: H3811
Audit ID: 3441
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE02
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Request for Redeterminations (Expedited) - The Part D sponsor must establish and maintain an efficient and convenient means for an enrollee or a prescribing physician acting on behalf of an enrollee to submit oral or written requests for expedited redeterminations, document all oral requests in writing, and maintain the documentation in a case file. The Part D sponsor must provide the enrollee or the prescribing physician with a reasonable opportunity to present in person or in writing evidence and allegations of fact or law related to the issue in dispute. Since the opportunity to submit evidence is limited, the Part D sponsor must inform the enrollee or the prescribing physician of the conditions for submitting such evidence.

Reference:

42 CFR § 423.584(c)(1); § 423.586; MA-PD Solicitation; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures for accepting and addressing requests for expedited redeterminations (RX-2 Coverage Determinations, Exceptions and Appeals) and did not find that it included a provision for documenting all oral requests in writing.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures for accepting and addressing requests for expedited redeterminations (RX-2 Coverage Determinations, Exceptions and Appeals) to include a provision for documenting all oral requests in writing. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE03
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Decision to Accept or Deny Request for Expedited Redetermination - The Part D sponsor must promptly decide whether to expedite the redetermination if it determines, based on the enrollee¿s request, or as indicated in the prescribing physician¿s request, that applying the standard timeframe for making a redetermination may seriously jeopardize the enrollee¿s life, health, or ability to regain maximum function.

Reference:

42 CFR § 423.584(c)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding decisions to accept or deny requests for expedited redeterminations (RX-2 Coverage Determinations, Exceptions and Appeals) and found it did not include a provision stating that any additional medical information Samaritan Advantage requires, must be requested within 24 hours of receiving the initial request for an expedited redetermination.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding decisions to accept or deny requests for expedited redeterminations (RX-2 Coverage Determinations, Exceptions and Appeals) to include a provision stating that any additional medical information Samaritan Advantage requires, must be requested within 24 hours of receiving the initial request for an expedited redetermination. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE04
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Actions Following Decision to Deny Request for Expedited Redetermination - If the Part D sponsor denies a request for an expedited redetermination, it must automatically transfer the request to the standard redetermination timeframe, provide prompt oral notice to the enrollee, according to CMS requirements, and provide equivalent written notice within 3 calendar days of the oral notice.

Reference:

42 CFR § 423.584(d-e); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's notice template for notifying an enrollee that a request for an expedited redetermination is denied and found the notice was consistent with CMS-issued model notice, Notice of Right to an Expedited Grievance, however, it did not display the contract number (and CMS approval date if it was filed under the normal marketing review submission process) in the lower left-hand corner in accordance with CMS Marketing guidelines.

Corrective Action Required:

Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for notifying an enrollee that a request for an expedited redetermination is denied (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Right to an Expedited Grievance'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Right to an Expedited Grievance'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must conduct training of appropriate staff on the use of this notice template and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE05
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Timely Notification and Effectuation of Standard Redetermination Concerning Covered Drug Benefit - If the Part D sponsor makes a redetermination that is favorable for the enrollee, or affirms in whole or in part its original adverse coverage determination, it must notify the enrollee in writing of its redetermination as expeditiously as the enrollee¿s health condition requires, but no later than 7 calendar days from the date it received the request for a standard redetermination, meeting CMS requirements. For favorable redeterminations for the enrollee, the Part D sponsor must effectuate it as expeditiously as the enrollee¿s health condition requires, but no later than 7 calendar days from the date it receives the request. Failure to notify the enrollee within the timeframe constitutes an adverse redetermination decision requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE.

Reference:

42 CFR § 423.590(a)(1-2); § 423.590(c); § 423.590(g)(1-4); § 423.636(a)(1); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding timely notification and effectuation of standard redeterminations concerning covered drug benefit (RX-2 Coverage Determinations, Exceptions, and Appeals) and found it did not include a provision stating that the Part D sponsor must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. During Staff Discussions, Samaritan Advantage staff stated that Samaritan Advantage notifies the enrollee within 24 hours when the case is forwarded to the IRE. However this provision must be included in written policies and procedures. CMS reviewed Samaritan Advantage's notice template for notifying enrollees of an adverse standard redetermination and found the notice was consistent with the CMS-issued model notice, Notice of Redetermination. However, it did not display the contract number (and CMS approval date if it was filed under the normal marketing review submission process) in the lower left-hand corner in accordance with CMS Marketing guidelines. CMS requested Samaritan Advantage's notice template for requesting a reconsideration and Samaritan Advantage did not provide this notice template.During Staff Discussions, Samaritan Advantage stated that when issuing a denial for a redetermination request, Samaritan Advantage only provides the enrollee with a Notice of Redetermination. Per CMS requirements Samaritan Advantage must provide enrollees with the Request for Reconsideration notice as well. CMS requested Samaritan Advantage's notice template for enrollee notification when a request is forwarded to the IRE and Samaritan Advantage did not provide this notice template. Over 30% of samples provided for WS-RE1_D, Requests for Standard Redeterminations Concerning Drug Benefits, were misclassified. The universe provided by Samaritan Advantage is not representative of samples that CMS requested, and is therefore inadequate for determining compliance.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding timely notification and effectuation of standard redeterminations concerning covered drug benefit (RX-2 Coverage Determinations, Exceptions, and Appeals) to include a provision stating that the Part D sponsor must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for notifying enrollees of an adverse standard redetermination (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Redetermination'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Redetermination'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for requesting a reconsideration (i.e., a notice consistent with the CMS-issued model notice, 'Request for Reconsideration'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Request for Reconsideration'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for when a request is forwarded to the IRE (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, `Notice of Case Status'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Additionally, Samaritan Advantage must conduct training of appropriate staff on the use of these notice templates and 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. Samaritan Advantage must provide CMS with an analysis and explanation of why the universe submitted for WS-RE1_D, Requests for Standard Redeterminations Concerning Drug Benefits, contained misclassified samples. Based on the analysis, Samaritan Advantage must provide to CMS the root cause as well as a detailed corrective action plan.

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
Contract Number: H3811
Audit ID: 3441
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE06
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Timely Notification and Effectuation of Standard Redetermination Concerning Payment - If the Part D sponsor makes a redetermination that is favorable for the enrollee, or affirms in whole or in part its adverse coverage determination, it must issue its redetermination (in writing for the adverse redeterminations) no later than 7 calendar days from the date it received the request, meeting CMS requirements. For favorable redeterminations for the enrollee, the Part D sponsor must authorize the payment within 7 calendar days from the date it receives the request for redetermination. It must then make the payment no later than 30 calendar days after the date it receives the request for redetermination. Failure to notify the enrollee within the timeframe constitutes an adverse redetermination decision requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE.

Reference:

42 CFR § 423.590(b-c); § 423.590(g)(1-4); § 423.636(a)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding timely notification and effectuation of standard redeterminations concerning payment (RX-2 Coverage Determinations, Exceptions, and Appeals) and found it did not include a provision stating that the Part D sponsor must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. CMS reviewed Samaritan Advantage's notice template for notifying enrollees of an adverse standard redetermination and found the notice was consistent with the CMS-issued model notice, Notice of Redetermination. However, it did not display the contract number (and CMS approval date if it was filed under the normal marketing review submission process) in the lower left-hand corner in accordance with CMS Marketing guidelines. CMS requested Samaritan Advantage's notice template for requesting a reconsideration and Samaritan Advantage did not provide this notice template. During Staff Discussions, Samaritan Advantage stated that when issuing a denial for a redetermination request, Samaritan Advantage only provides the enrollee with a Notice of Redetermination. Per CMS requirements Samaritan Advantage must provide enrollees with the Request for Reconsideration notice as well. CMS requested Samaritan Advantage's notice template for enrollee notification when a request is forwarded to the IRE and Samaritan Advantage did not provide this notice template. Over 30% of samples provided for WS-RE2_D, Requests for Standard Redeterminations Concerning Payment, were misclassified. The universe provided by Samaritan Advantage is not representative of samples that CMS requested, and is therefore inadequate for determining compliance.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding timely notification and effectuation of standard redeterminations concerning payment (RX-2 Coverage Determinations, Exceptions, and Appeals) to include a provision stating that the Part D sponsor must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for notifying enrollees of an adverse standard redetermination (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Redetermination'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Redetermination'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for requesting a reconsideration (i.e., a notice consistent with the CMS-issued model notice, 'Request for Reconsideration'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Request for Reconsideration'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for when a request is forwarded to the IRE (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Additionally, Samaritan Advantage must conduct training of appropriate staff on the use of these notice templates and 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. Samaritan Advantage must provide CMS with an analysis and explanation of why the universe submitted for WS-RE2_D, Requests for Standard Redeterminations Concerning Payment, contained misclassified samples. Based on the analysis, Samaritan Advantage must provide to CMS the root cause as well as a detailed corrective action plan

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE07
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Timely Notification of Expedited Redetermination and Request for Medical Information - If a Part D sponsor grants a request for expedited redetermination, it must complete its redetermination and give the enrollee (and the prescribing physician involved, as appropriate), notice of its decision as expeditiously as the enrollee¿s health condition requires but no later than 72 hours after receiving the request. If medical information is necessary, the Part D sponsor must make the request within 24 hours of receiving the initial request for an expedited redetermination. Failure to notify the enrollee within the timeframe constitutes an adverse redetermination decision requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE.

Reference:

42 CFR § 423.584(e); § 423.590(d-e); § 423.638(a); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures regarding enrollee notification following a decision on expedited redetermination and requesting medical information required for making a decision on an expedited redetermination (RX-2 Coverage Determinations, Exceptions and Appeals) and found it did not include the following provisions: - the Part D sponsor must notify the enrollee (and the prescribing physician involved, as appropriate) of its redetermination as expeditiously as the enrollee's health condition requires, but not later than 72 hours after it received the request for an expedited redetermination, - initial notification of an adverse decision may be made orally, so long as a follow-up written decision is mailed within 3 calendar days of the oral notification, - medical information must be requested within 24 hours of the enrollee's initial request, and - Samaritan Advantage must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. During Staff Discussions, Samaritan Advantage stated that when the decision for an expedited redetermination is favorable, only the provider and the pharmacy are notified of the decision. Samaritan Advantage indicated it is the 'responsibility of the provider' to notify the patient of the decision. Additionally, during Staff Discussions, Samaritan Advantage stated that it notifies the enrollee within 24 hours when the case is forwarded to the IRE. However this provision must be included in written policies and procedures. CMS reviewed Samaritan Advantage's notice template for notifying enrollees of an adverse standard redetermination and found the notice was consistent with the CMS-issued model notice, Notice of Redetermination, however, it did not display the contract number (and CMS approval date if it was filed under the normal marketing review submission process) in the lower left-hand corner in accordance with CMS Marketing guidelines. CMS requested Samaritan Advantage's notice template for requesting a reconsideration and Samaritan Advantage did not provide this notice template. During Staff Discussions, Samaritan Advantage stated that when issuing a denial for a redetermination request, Samaritan Advantage only provides the enrollee with a Notice of Redetermination. Per CMS requirements Samaritan Advantage must provide enrollees with the Request for Reconsideration notice as well. CMS requested Samaritan Advantage's notice template for enrollee notification when a request is forwarded to the IRE and Samaritan Advantage did not provide this notice template.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures regarding enrollee notification following decision on expedited redetermination and requesting medical information required for making a decision on an expedited redetermination (RX-2 Coverage Determinations, Exceptions, and Appeals) to include the following provisions: - the Part D sponsor must notify the enrollee (and the prescribing physician involved, as appropriate) of its redetermination as expeditiously as the enrollee's health condition requires, but not later than 72 hours after it received the request for an expedited redetermination, - initial notification of an adverse decision may be made orally, so long as a follow-up written decision is mailed within 3 calendar days of the oral notification, - medical information must be requested within 24 hours of the enrollee's initial request, and - Samaritan Advantage must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for notifying enrollees of an adverse standard redetermination (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Redetermination'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Redetermination'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for requesting a reconsideration (i.e., a notice consistent with the CMS-issued model notice, 'Request for Reconsideration'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Request for Reconsideration'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Samaritan Advantage must provide CMS with a CMS-approved or accepted notice for when a request is forwarded to the IRE (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'). If Samaritan Advantage does not have a notice template that has been approved or accepted by CMS (i.e., a notice consistent with the CMS-issued model notice, 'Notice of Case Status'), then it must submit one for CMS approval through the normal marketing review submission process or through the File and Use process, and provide evidence that it has done this for the purpose of this audit. Additionally, Samaritan Advantage must conduct training of appropriate staff on the use of these notice templates and 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.

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE10
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Timely Transfer to IRE Upon Reconsideration Request - In cases where an enrollee has filed a reconsideration request and the IRE has requested the enrollee's file, the Part D sponsor must transfer the case file to the IRE within 24 hours (expedited requests) or 48 hours (standard requests) from the time it receives the IRE¿s request for the case file.

Reference:

Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Samaritan Advantage does not meet this requirement because CMS reviewed Samaritan Advantage's policies and procedures for forwarding case files to the IRE upon the IRE's request in a timely manner (RX-2 Coverage Determinations, Exceptions, and Appeals) and found it did not state that a hard copy of the case file must be delivered to the IRE by overnight delivery at its designated address, or by fax at its designated fax number. During Staff Discussions, Samaritan Advantage stated that it faxes the IRE within a timeframe consistent with CMS requirements. However, this must be included in the written policies and procedures. Additionally, over 30% of the samples provided for WS-RE1_D, Requests for Standard Redeterminations concerning Drug Benefits, and WS-RE2_D, Requests for Standard Redeterminations concerning Payments, were misclassified. The universes provided by Samaritan Advantage are not representative of samples that CMS requested, and are therefore inadequate for determining compliance.

Corrective Action Required:

Samaritan Advantage must revise its policies and procedures for forwarding case files to the IRE upon the IRE's request in a timely manner (RX-2 Coverage Determinations, Exceptions, and Appeals) to state that a hard copy of the case file must be delivered to the IRE by overnight delivery at its designated address, or by fax at its designated fax number. Samaritan Advantage must conduct training of appropriate staff on these policies and procedures and 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. Samaritan Advantage must provide CMS with an analysis and explanation of why the universe submitted for WS-RE1_D, Requests for Standard Redeterminations concerning Drug Benefits, and WS-RE2_D, Requests for Standard Redeterminations concerning Payments, contained misclassified samples. Based on the analysis, Samaritan Advantage must provide to CMS the root cause as well as a detailed corrective action plan

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: 3441
Contract Number: H3811
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RV01
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

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:

Over 30% of the samples submitted for WS-RE1_D, Requests for Standard Redeterminations concerning Drug Benefits, were misclassified. The universe provided by Samaritan Advantage is not representative of samples that CMS requested, and is therefore inadequate for determining compliance.

Corrective Action Required:

Samaritan Advantage must provide CMS with an analysis and explanation of why the universe submitted for WS-RE1_D, Requests for Standard Redeterminations concerning Drug Benefits, contained misclassified samples. Based on the analysis, Samaritan Advantage must provide to CMS the root cause as well as a detailed corrective action plan.

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
Contract Number: H3811
Audit ID: 3441
Part D Sponsor Name: SAMARITAN HEALTH PLANS, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RV02
Audit Type: Routine
Audit Location: Desk Review
Date Report Issued: 2/4/2008
Date Report Due: 3/20/2008
Element Accepted Date: 4/7/2008
Element Release Date: 5/19/2008
Element Projected Completion Date: 4/30/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 11/5/2007
Estimated Visit Start Date: 11/9/2007
Actual Visit Start Date: 11/5/2007
Actual Visit End Date: 11/9/2007
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 3/20/2008
CAP Release Date: 5/19/2008
CAP Accepted Date: 4/9/2008

Requirement:

Effectuation of Third Party Reversals ¿ Payment (Standard) - If, on appeal of a request for payment, 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 the payment within 72 hours, but make payment no later than 30 calendar days from the date it receives notice reversing the coverage determination. The Part D sponsor must also inform the IRE that the organization has effectuated the decision.

Reference:

42 CFR § 423.636(b)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Over 30% of the samples submitted for WS-RE2_D, Requests for Standard Redeterminations concerning Payments, were misclassified. The universe provided by Samaritan Advantage is not representative of samples that CMS requested, and is therefore inadequate for determining compliance.

Corrective Action Required:

Samaritan Advantage must provide CMS with an analysis and explanation of why the universe submitted for WS-RE2_D, Requests for Standard Redeterminations concerning Payments, contained misclassified samples. Based on the analysis, Samaritan Advantage must provide to CMS the root cause as well as a detailed corrective action plan.