CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0012, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET
Region: 04 Atlanta

Review ID: 8697

MRT Number / Name: M0012 MRT Wellcare
Contract Number / Name: H1032 WELL CARE OF FLORIDA, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4
Auditing Element: CN04
Review Type: Routine
Review Status: Confirmed
MCO Response Received Date:09/24/2007
Element Accepted Date: 10/18/2007
Element Release Date: 05/09/2008
CAP Released Date:07/02/2008

Visit Start Date: 06/26/2007
Exit Conference Date: 06/28/2007
Date Report Issued: 08/09/2007
Date Report Due: 08/12/2007
CAP Accepted Date:10/31/2007
Audit Closed Date: 07/02/2008
Element Projected Completion Date:
MCO Response Due Date: 09/23/2007

Requirement:

Required Contract Provisions: Abide by Federal RequirementsThe MAO's written contracts with first tier and downstream entities must contain a provision to show that the contracting entity will: comply with Medicare laws, regulations, reporting requirements, and CMS instructions; agree to audits and inspection by CMS and/or its designees; cooperate, assist, and provide information as requested; and maintain records a minimum of 10 years.

Deficiencies:

Based on the review of WS CN1- Provider Contracts, Wellcare does not meet the CMS 95% compliance standard for element CN04. CMS audited 20 cases from a universe of 250 and found 19 cases failed to correctly abide by Federal Requirements which state that contracts must include a provision with the required language regarding maintenance of records for a minimum of 10 years [42 C.F.R. 422.504(e)(4).

Corrective Action Required:

Wellcare must revise its provider agreements to include language that will ensure that the element, CN04 - Abides by Federal Requirements provision, be included in all contracts and/or amendments accordingly. Wellcare must revise its policies and procedures to ensure that element CN04 is in compliance. Wellcare must conduct training of appropriate staff on these policies and procedures and submit documentation to the regional office that details the nature of this training, including but not limited to: the materials used in the training, the individuals conducting the training, and the individuals being trained. WellCare must also provide a quarterly status report to CMS for the next 6 months as to the progress of this matter. Status report should include, but not limited to, the process in which the MAO intends to implement the amended language into the current provider contracts, timeline for said project, completion dates, responsible staff for each of the tasks that will be included during this process. Provider Contract Templates should be submitted for all types of MAO contracts (i.e., Direct and Downstream, etc.).

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0012, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET
Region: 04 Atlanta
MRT Number / Name: M0012 MRT Wellcare
Contract Number / Name: H1032 WELL CARE OF FLORIDA, INC.

Review ID: 8697

Auditing Guide Version: MA Audit Review Guide, Version 4
Auditing Element: MR05
Review Type: Routine
Review Status: Confirmed
MCO Response Received Date: 09/24/2007
Element Accepted Date: 10/22/2007
Element Release Date: 05/09/2008
CAP Released Date: 07/02/2008

Visit Start Date: 06/26/2007
Exit Conference Date: 06/28/2007
Date Report Issued: 08/09/2007
Date Report Due: 08/12/2007
CAP Accepted Date: 10/31/2007
Audit Closed Date: 07/02/2008
Element Projected Completion Date:
MCO Response Due Date: 09/23/2007

Requirement:

Marketing Materials: Enrollment and Understanding of Plan Rules - The MAO establishes and maintains a system for confirming that enrolled members are enrolled in an MA plan and that they understand the rules applicable under the plan.

Deficiencies:

The Regional Office, local SHIPs and Congressional Offices have received numerous complaints from beneficiaries requesting retro-active disenrollments due to deceptive enrollment tactics by Wellcare Marketing agents. Four out of the nine marketing agent files reviewed had high rapid disenrollment rates as well, two of which were in the South Florida market which is a predominantly Spanish-speaking population.

Corrective Action Required:

Wellcare must improve the rapid disenrollment rate tracking process and develop a policy and procedure describing how this information is collected, tracked and monitored. Wellcare must set a standard for an unacceptable disenrollment rate and develop a process on how agents will be disciplined when their rapid disenrollment rates reach an unsatisfactory level. Wellcare must provide CMS with: 1. An overview of the rapid disenrollment rate tracking process 2. Policy and procedure for collecting, tracking and monitoring rapid disenrollment rate data 3. Rapid disenrollment rate standard 4. Agent disciplinary action procedure pertaining to unsatisfactory rapid disenrollment rates

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0012, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 8697

Region: 04 Atlanta

MRT Number / Name: M0012 MRT Wellcare

Contract Number / Name: H1032 WELL CARE OF FLORIDA, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR08

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:09/24/2007

Element Accepted Date: 10/22/2007

Element Release Date: 05/09/2008

CAP Released Date:07/02/2008

Visit Start Date: 06/26/2007

Exit Conference Date: 06/28/2007

Date Report Issued: 08/09/2007

Date Report Due: 08/12/2007

CAP Accepted Date:10/31/2007

Audit Closed Date: 07/02/2008

Element Projected Completion Date:

MCO Response Due Date: 09/23/2007

Requirement:

No Engagement in Activities which Mislead, Confuse or Misrepresent the MAO - The MAO does not engage in activities which materially mislead, confuse, or misrepresent the MAO. The MAO may not: Claim recommendation or endorsement by CMS or Medicare or the Department of Health and Human Services, or that CMS, Medicare, or the Department of Health and Human Services recommend that beneficiaries enroll in the plan; · Make erroneous written or oral statements including any statement, claim, or promise that conflicts with, materially alters, or erroneously expands upon the information contained in CMS-approved materials; · Use providers or provider groups to distribute printed information comparing benefits of different health plans, unless the materials have the concurrence of all MAO's involved and unless the materials have received prior approval from CMS; · Accept plan applications in provider offices or other places where health care is delivered;· Employ MA plan names which suggest that a plan is not available to all Medicare beneficiaries (Does not apply to plan names in effect on or before July 31, 2000);· Offer gifts or payment as an inducement to enroll in the organization;·Engage in any discriminatory marketing practice, such as attempting to enroll individuals from higher income areas, without a similar effort in lower income areas; or · Conduct door-to-door solicitation of Medicare beneficiaries.

Deficiencies:

Wellcare did not provide reviewers with adequate follow up information on one agent file who had serious allegations brought against him by a beneficiary. The rapid disenrollment rate tracking process was not comprehensive and did not include a standard to determine when the rapid disenrollment rates were unacceptable and required management intervention. Product specific information was briefly described in the Marketing / Sales training materials, but more comprehensive Wellcare benefit information was not found in the training materials. Agent tests did not include Wellcare benefit information.

Corrective Action Required:

Wellcare must provide a policy and procedure on the oversight and management controls they have over all agents who sell MAO plans, including marketing representatives, agents and brokers. The procedure must include how Wellcare collects, monitors and stores documentation and how appropriate disciplinary actions are administered. Wellcare must develop a policy and procedure describing how rapid disenrollment rate information is collected, tracked and monitored. Wellcare must set a standard for an unacceptable disenrollment rate and develop a process for discipling agents with unacceptable rapid disenrollment rates. Wellcare must expand their Marketing / Sales training to include more comprehensive product and benefit specific information specific to Wellcare. Additionally, Wellcare must include product and benefit specific information on the agent tests to ensure that they are very familiar with the Wellcare products and benefits and are able to address all beneficiary questions.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0012, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET
Region: 04 Atlanta
MRT Number / Name: M0012 MRT Wellcare
Contract Number / Name: H1032 WELL CARE OF FLORIDA, INC.

Review ID: 8697

Auditing Guide Version: MA Audit Review Guide, Version 4
Auditing Element: OC06
Review Type: Routine
Review Status: Confirmed
MCO Response Received Date: 09/24/2007
Element Accepted Date: 10/31/2007
Element Release Date: 05/08/2008
CAP Released Date: 07/02/2008

Visit Start Date: 06/26/2007
Exit Conference Date: 06/28/2007
Date Report Issued: 08/09/2007
Date Report Due: 08/12/2007
CAP Accepted Date: 10/31/2007
Audit Closed Date: 07/02/2008
Element Projected Completion Date:
MCO Response Due Date: 09/23/2007

Requirement:

Claim Denials (Notice Content) - If an MAO denies payment, the written denial notice (CMS-10003-Notice of Denial of Payment (NDP)), or an RO-approved modification of the NDP, must be sent to the member. The written denial must clearly state the service denied and the denial reason.

Deficiencies:

Based on the regulation found at 42 CFR 422.568(d) and (e) and the guidance found in the Medicare Advantage Manual Chapter 13, Section 40.2.2, If an Medicare Advantage Organization chooses to deny payment on a claim, the organization is required to provide a written denial notice. The organization may use either the CMS-10003-Notice of Denial of Payment (NDP)), or an RO-approved modification of the NDP. The written denial must clearly state the service denied and provide an explanation of the denial reason. Upon review of a sample of 30 denied claims, it was determined that the MAO failed to provide the proper beneficiary notice in 8 out of 30 cases reviewed. The reviewer reviewed the following cases (#6, #9, #12, #15, #17, #25, #27 and #29) and determined that the MA organization did not send a denial notice and appeals language to the appropriate member.

Corrective Action Required:

The MA organization must conduct appropriate staff training to ensure that denial notices are sent to member when a claim is denied either partially or in full. Provide CMS with copies of the training material in addition to attendance rosters reflecting the date and subject matter of the training for the staff involved. Additionally, the MA organization must conduct quarterly self audits and provide CMS with the results of the audit for a period not to exceed six months.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0012, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 8697

Region: 04 Atlanta

MRT Number / Name: M0012 MRT Wellcare

Contract Number / Name: H1032 WELL CARE OF FLORIDA, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 09/24/2007

Element Accepted Date: 10/15/2007

Element Release Date: 07/01/2008

CAP Released Date: 07/02/2008

Visit Start Date: 06/26/2007

Exit Conference Date: 06/28/2007

Date Report Issued: 08/09/2007

Date Report Due: 08/12/2007

CAP Accepted Date: 10/31/2007

Audit Closed Date: 07/02/2008

Element Projected Completion Date:

MCO Response Due Date: 09/23/2007

Requirement:

Standard Pre-Service Denials (Timeliness) - If the MAO makes an adverse standard pre-service organization determination, it must notify the member in writing using the CMS-10003-NDMC (Notice of Denial of Medical Coverage), or an RO-approved modification of the NDMC, of its decision as expeditiously as the member's health condition requires, but no later than 14 calendar days after receiving the request (or an additional 14 days if an extension is justified).

Deficiencies:

Based on the review of the submitted records, the reviewer found that although the notices were issued timely, the beneficiaries did not receive the proper denial notice as required. The notices submitted were addressed to the providers and referenced a denial of services. Only one out of 10 sample cases contained the appropriate denial notice to the beneficiary.

Corrective Action Required:

The MA organization must conduct appropriate staff training to ensure that denial notices are sent to the member when a standard Service is denied. Provide CMS with copies of the training material in addition to attendance rosters reflecting the date and subject matter of the training for the staff involved. Additionally, the MA organization must conduct monthly self audits for one quarter and then quarterly thereafter for one year. Please provide CMS with the results of these audits 30 days after completion.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0012, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 8697

Region: 04 Atlanta

MRT Number / Name: M0012 MRT Wellcare

Contract Number / Name: H1032 WELL CARE OF FLORIDA, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP02

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 09/24/2007

Element Accepted Date: 10/15/2007

Element Release Date: 07/01/2008

CAP Released Date: 07/02/2008

Visit Start Date: 06/26/2007

Exit Conference Date: 06/28/2007

Date Report Issued: 08/09/2007

Date Report Due: 08/12/2007

CAP Accepted Date: 10/31/2007

Audit Closed Date: 07/02/2008

Element Projected Completion Date:

MCO Response Due Date: 09/23/2007

Requirement:

Standard Pre-Service Denials (Notice Content) - If the MAO makes an adverse standard pre-service organization determination, the written CMS-10003-NDMC (Notice of Denial of Medical Coverage), or an RO-approved modification of the NDMC, must be sent to the member and must clearly state the service denied and denial reason.

Deficiencies:

Based on the review of the submitted files, the reviewer found that the beneficiaries did not receive the proper denial notice as required. The notices submitted were addressed to the providers and referenced a denial of services. Only one out of 10 samples cases contained the appropriate denial notice to a beneficiary.

Corrective Action Required:

The MA organization must conduct appropriate staff training to ensure that denial notices are sent to the member when a standard Service is denied. Provide CMS with copies of the training material in addition to attendance rosters reflecting the date and subject matter of the training for the staff involved. Additionally, the MA organization must conduct monthly self audits for one quarter and then quarterly thereafter for one year. Please provide CMS with the results of these audits 30 days after completion.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0012, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 8697

Region: 04 Atlanta

MRT Number / Name: M0012 MRT Wellcare

Contract Number / Name: H1032 WELL CARE OF FLORIDA, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 09/24/2007

Element Accepted Date: 10/15/2007

Element Release Date: 07/02/2008

CAP Released Date: 07/02/2008

Visit Start Date: 06/26/2007

Exit Conference Date: 06/28/2007

Date Report Issued: 08/09/2007

Date Report Due: 08/12/2007

CAP Accepted Date: 10/31/2007

Audit Closed Date: 07/02/2008

Element Projected Completion Date: 05/01/2008

MCO Response Due Date: 09/23/2007

Requirement:

Requests for Expedited Organization Determinations (Timeliness) - The MAO must promptly decide whether to expedite an organization determination based on regulatory requirements. If the MAO decides not to expedite an organization determination, it must automatically transfer the request to the standard timeframe, provide oral notice to the member of the decision not to expedite within 72 hours of receipt of the request for an expedited organization determination, and provide written notice within 3 calendar days of the oral notice. If the MAO makes an expedited organization determination (favorable or adverse), it must notify the member in writing as expeditiously as the member's health requires, but no later than 72 hours after receiving the request (or an additional 14 calendar days if an extension is justified). If the MAO first notifies the member of its expedited determination orally, it must mail written confirmation to the member within 3 calendar days of the oral notification.

Deficiencies:

Based on the review of sample the cases, the time and the date that the member was notified was not available verbally or in writing as required.

Corrective Action Required:

The MA organization must conduct appropriate staff training to ensure that denial notices are sent to members when an expedited decision is rendered. Provide CMS with copies of the training material in addition to attendance rosters reflecting the date and subject matter of the training for the staff involved. Additionally, the MA organization must conduct monthly self audits for one quarter and then quarterly thereafter for one year. Please provide CMS with the results of these audits 30 days after completion.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0012, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 8697

Region: 04 Atlanta

MRT Number / Name: M0012 MRT Wellcare

Contract Number / Name: H1032 WELL CARE OF FLORIDA, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: RC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:09/24/2007

Element Accepted Date: 10/18/2007

Element Release Date: 05/09/2008

CAP Released Date:07/02/2008

Visit Start Date: 06/26/2007

Exit Conference Date: 06/28/2007

Date Report Issued: 08/09/2007

Date Report Due: 08/12/2007

CAP Accepted Date:10/31/2007

Audit Closed Date: 07/02/2008

Element Projected Completion Date:

MCO Response Due Date: 09/23/2007

Requirement:

Favorable Claims Reconsiderations (Timeliness) - If the MAO makes a reconsidered determination on a request for payment that is completely favorable to the member, it must issue written notice of its reconsidered determination to the member and pay the claim no later than 60 calendar days after receiving the reconsideration request.

Deficiencies:

If the MAO makes a reconsidered determination on a request for payment that is completely favorable to the member, it must issue written notice of its reconsidered determination to the member and pay the claim no later than 60 calendar days after receiving the reconsideration request[42CFR 422.590(b)(1)]. In 4 of 10 samples reviewed, the payment was not made within 60 days. Samples 2,7,9 and 10 are out of compliance.

Corrective Action Required:

The MAO must ensure that favorable reconsiderations are processed timely. Although policy number C7AG-013 (Medicare Non-QIO Review/Non Part Dprescription Appeals Procedure) addresses the timeliness of processing reconsiderations, 40% of the samples reviewed did not meet the 60 day requirement. Training must be provided to staff responsible for processing appeals. Please provide CMS with a copy of the training materials and a list of attendees. Monthly audits of favorable claims reconsiderations must be conducted, and the MAO is required to provide CMS with quarterly updates of its audit results for a six month period.