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: 6181
Contract Number: S5967
Part D Sponsor Name: WELLCARE PRESCRIPTION INSURANCE, INC.

Audit Guide Version: PDP Sponsor Part D Audit Guide Version 2
Auditing Element: ZZ95
Audit Type: Ad-Hoc Compliance Event
Audit Location: Desk Review
Date Report Issued: 4/1/2008
Date Report Due: 5/16/2008
Element Accepted Date: 8/13/2008
Element Release Date: 8/27/2008
Element Projected Completion Date: 8/13/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 4/1/2008
Estimated Visit Start Date: 8/7/2008
Actual Visit Start Date: 4/1/2008
Actual Visit End Date: 4/1/2008
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 5/16/2008
CAP Release Date: 8/27/2008
CAP Accepted Date: 8/27/2008

Requirement:

Ad-Hoc Compliance Event 1

Deficiencies:

Expired licensure waivers, sponsor fails to hold a license as a risk bearing entity in given states.

Corrective Action Required:

As of April 1, 2008 the records of the Centers for Medicare and Medicaid Services (CMS) indicate that WellCare Prescription Ins. Co., which operates Medicare prescription drug plan (PDP) sponsor contract S5967, does not hold a license as a risk bearing entity in the following state(s): Alabama Arkansas California Colorado Connecticut Minnesota Mississippi Montana New Hampshire North Carolina Rhode Island Wyoming In 2005, CMS issued your organization a three-year waiver (effective January 1, 2006) of the state licensure requirements for the identified state(s) in response to your application and pursuant to CMS¿ authority at 42 C.F.R. §423.410. The licensure waivers expire on December 31, 2008. Once the licensure waivers expire, unless it is licensed as a risk bearing entity in that state, your organization will no longer qualify to operate as a PDP sponsor in the states for which CMS granted the waivers. (42 C.F.R. §423.401(a)) As a result, CMS would non-renew your organization¿s contract (or reduce the contract¿s service area if your organization still has sufficient licenses or unexpired waivers to operate in at least one PDP region) pursuant to 42 C.F.R. §423.507(b)(i) and §423.509(a)(3). CMS must issue its PDP sponsor contract non-renewal notices on or before August 1, 2008 for an effective date of December 31, 2008. (42 C.F.R. §423.507(b)(2)(i)) Therefore, if your organization does not submit to CMS on or before July 31, 2008 documentation that it has obtained the required licenses, contract S5967 will be non-renewed for the 2009 contract year for any PDP regions that include states for which licensure documentation has not been received. Pursuant to 42 CFR §423.507(b)(3), this letter serves as notification that your organization may submit a corrective action plan (CAP) outlining how it will meet the state licensure requirement for the 2009 plan year by July 31, 2008. Please note that your organization should not view the CAP submission as an opportunity to seek CMS approval of an extension of the July 31, 2008 deadline for submitting licensure documentation. The CAP should be submitted by May 16, 2008 to Joseph Millstone at Joseph.Millstone@cms.hhs.gov.