CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

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

Findings: NOT MET

Review ID: 10497

Region: 06 Dallas

Contract Number / Name: H5501 TENET CHOICES, INC. / PEOPLES HEALTH NETWORK

Auditing Guide Version: MA Audit Review Guide, Version 5

Auditing Element: DN05

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:

Element Accepted Date:

Element Release Date:

CAP Released Date:

Visit Start Date: 3/3/2008

Exit Conference Date: 05/07/2008

Date Report Issued: 07/25/2008

Date Report Due: 06/21/2008

CAP Accepted Date:

Audit Closed Date:

Element Projected Completion Date:09/01/2008

MCO Response Due Date: 09/08/2008

Requirement:

Involuntary Disenrollment for Non-Payment of Premium (Optional) - The MAO may involuntarily disenroll Medicare members who fail to pay monthly basic or supplementary premiums only after demonstrating to CMS that the MAO has made reasonable efforts to collect the unpaid premium amount, including notifying the individual that the premiums are delinquent, providing the individual with a grace period to pay past premiums due, and advising the individual that failure to pay will result in termination. An MAO may not disenroll members for failure to pay premiums (or notify them of impending disenrollment) in cases where the member has requested that premiums be withheld from his/her Social Securityh benefit check, or any individual considered to be in premium withhold status by CMS, as outlined in Section 50.3.1 of Manual Chapter 2. The MAO may only disenroll the Medicare member when the MAO has not received payment within a grace period of a minimum of 1 calendar month that begins on the first day of the month for which the premium was not paid. The effective date of disenrollment is the first day of the month after the grace period ends.

Deficiencies:

The MAO did not follow the proper non-pay procedure in eight cases. Eight cases were reviewed.

Corrective Action Required:

The MAO must develop a corrective action plan to ensure that it is notifying its beneficiaries in accordance with Medicare Advantage Chapter 2, Section 50.3.1. The corrective action plan should include any other actions deemed necessary to demonstrate compliance.

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Review ID: 10497

Region: 06 Dallas

Contract Number / Name: H5501 TENET CHOICES, INC. / PEOPLES HEALTH NETWORK

Auditing Guide Version: MA Audit Review Guide, Version 5

Auditing Element: OC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:

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CAP Accepted Date:

Audit Closed Date:

Element Projected Completion Date:09/01/2008

MCO Response Due Date: 09/08/2008

Requirement:

Correct Claim Determinations - The MAO must make correct claim determinations, which include developing the claim for additional information, when necessary, for: " Services obtained from a non-contracting provider when the services were authorized by a contracted provider or the MAO; " Ambulance services dispatched through 911; " Emergency services; " Urgently needed services; " Post-stabilization care services; and " Renal dialysis services that Medicare members obtain while temporarily out of the service area.

Deficiencies:

The MAO denied four (4) of the sample cases for the inappropriate reason (i.e., not a covered benefit). However, the organization offers dental services and the claims should have been forwarded to the delegated entity for processing. The MAO'S delegated entity denied three (3) of the sample cases for the inappropriae reason (i.e., No record of W9 Tax ID...)

Corrective Action Required:

The MAO must develop a corrective action plan to ensure that all claims are adjudicated in accordance with 42 CFR 422,100(a) and (b)(1), 422.132, 422.502(g)(1). The corrective action plan should include training, internal auditing, correction of any policy and procedureas and any other actions deemed necessary to demonstrate compliance. The corrective action plan must also include timeframes for providing the Regional Office with evidence of training as well as audit reports.

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Region: 06 Dallas

Contract Number / Name: H5501 TENET CHOICES, INC. / PEOPLES HEALTH NETWORK

Auditing Guide Version: MA Audit Review Guide, Version 5

Auditing Element: OC03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:

Element Accepted Date:

Element Release Date:

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CAP Accepted Date:

Audit Closed Date:

Element Projected Completion Date:09/01/2008

MCO Response Due Date: 09/08/2008

Requirement:

Timely Payment of Non-Contracting Provider Clean Claims - The MAO must pay 95 percent of "clean" claims from non-contracting providers within 30 calendar days of receipt.

Deficiencies:

The MAO failed to processed twelve (12) of the sample cases within 30 calendar days of receipt of the clean claims. The MAO's delegated entity failed to process two (2) of the sample cases within 30 calendar days of receipt of the clean claims.

Corrective Action Required:

The MAO must develop a corrective action plan to ensure that non-contracted provider clean claims are processed in accordance with 42 CFR 422.520(a)(1), Manual Chapter 11 - Section 100.20 and Manual Chapter 13- Section 40.1. The corrective action plan must include training, internal auditing, correction of any policy and procedures and all other actions deemed necessary to demonstrate compliance. The corrective action plan must also include timeframes for providing the Regional Office with evidence of training as well as audit reports.

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Review ID: 10497

Region: 06 Dallas

Contract Number / Name: H5501 TENET CHOICES, INC. / PEOPLES HEALTH NETWORK

Auditing Guide Version: MA Audit Review Guide, Version 5

Auditing Element: OC04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:

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CAP Accepted Date:

Audit Closed Date:

Element Projected Completion Date:09/01/2008

MCO Response Due Date: 09/08/2008

Requirement:

Interest on Clean Claims Paid Late - If the MAO pays clean claims from non-contracting providers in over 30 calendar days, it must pay interest in accordance with § 1816 (c)(2)(B) and § 1842(c)(2)(B).

Deficiencies:

The MAO's delegated entity failed to pay interest on the two (2) clean claims that were not processed within 30 calendar days of receipt of the claims.

Corrective Action Required:

The MAO must develop a corrective action plan to ensrue that interest is paid for all clean claims in accordance with 42 CFR 422.520(a)(2), manual Chapter 11- Section 100.2. The corrective action plan must include training, internal auditing, correction of any policy and procedures and all other actions deemed necessary to demonstrate compliance. The corrective action plan must also include timeframes for providing the Regional Office with evidence of training as well as audit reports.

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Findings: NOT MET

Review ID: 10497

Region: 06 Dallas

Contract Number / Name: H5501 TENET CHOICES, INC. / PEOPLES HEALTH NETWORK

Auditing Guide Version: MA Audit Review Guide, Version 5

Auditing Element: OC05

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:

Element Accepted Date:

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Date Report Due: 06/21/2008

CAP Accepted Date:

Audit Closed Date:

Element Projected Completion Date:09/01/2008

MCO Response Due Date: 09/08/2008

Requirement:

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

Deficiencies:

The MAO failed to process fifteen (15) out of thirty (30) sample cases within 60 calendar days of receipt of the claims.

Corrective Action Required:

The MAO must develop a corrective action plan to ensure that non-contracted provider claims are processed in accordance with 42 CFR 422.50(A)(3), Manual Chapter 11 - Section 100.2 and Manual Chapter 13 - Section 40.1. The corrective action plan must include training, internal auditing, correction of any policy and procedures and all other actions deemed necessary to demonstrate compliance. The corrective action plan must also incude timeframes for providing the Regional Office with evidence of training as well as audit reports.

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Region: 06 Dallas

Contract Number / Name: H5501 TENET CHOICES, INC. / PEOPLES HEALTH NETWORK

Auditing Guide Version: MA Audit Review Guide, Version 5
Auditing Element: OC06
Review Type: Routine
Review Status: Confirmed
MCO Response Received Date:
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Element Release Date:
CAP Released Date:

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CAP Accepted Date:
Audit Closed Date:
Element Projected Completion Date: 09/01/2008
MCO Response Due Date: 09/08/2008

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 specific denial reason. The notice must also inform the enrollee of his or her right to a standard reconsideration and describe the appeal process.

Deficiencies:

The MAO failed to issue correct denial notices (reason for denial was inappropriate) in four (4) sample cases. The MAO's delegated entity failed to issue correct denial notices (reason for denial inappropriate) in three (3) of the sample cases.

Corrective Action Required:

The MAO must develop a corrective action plan to ensure that all denial notices comply with federal regulations provided by 42 CFR 422.568(d)(e), Manual Chapter 13 - Section 40.2.2. The corrective action plan must include training, internal auditing, correction of any policy and procedures and all other actions deemed necessary to demonstrate compliance. The corrective action plan must also include timeframes for providing the Regional office with evidence of training as well as audit reports.