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: 3861
Contract Number: H3336
Part D Sponsor Name: NEIGHBORHOOD HEALTH PROVIDERS LLC

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 2
Auditing Element: ER13
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 5/13/2008
Date Report Due: 6/27/2008
Element Accepted Date: 7/21/2008
Element Release Date: 9/15/2008
Element Projected Completion Date: 7/25/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 3/3/2008
Estimated Visit Start Date: 3/7/2008
Actual Visit Start Date: 3/3/2008
Actual Visit End Date: 4/3/2008
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 6/27/2008
CAP Release Date:
CAP Accepted Date: 7/22/2008

Requirement:

Confirmation of Enrollment for Members of Employer/Union Group Receiving Employer Subsidy - The Part D sponsor must meet CMS requirements for obtaining a confirmation of the intent to enroll from any individual who attempts to enroll in the Part D plan, but whose enrollment is conditionally rejected by CMS due to a detected match indicating that the beneficiary may have existing employer or union drug coverage.

Reference:

Medicare Managed Care Manual Chapter 2

Deficiencies:

Neighborhood Health Providers does not meet the CMS compliance standard because CMS audited 2 cases from a universe of 2 and found 2 cases where NHP did not obtain confirmation of the beneficiaries intent to enroll within the allotted 10 day timeframe.

Corrective Action Required:

Neighborhood Health Providers must conduct training of appropriate staff on obtaining a confirmation of the intent to enroll from any individual who attempts to enroll in the MAPD plan(s), but whose enrollment is conditionally rejected by CMS, due to a detacted match indicating that the beneficiary may have existing employer or union drug coverage. NHP must submit this documentation to the regional office that details the nature of this training inlcuding: 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: 3861
Contract Number: H3336
Part D Sponsor Name: NEIGHBORHOOD HEALTH PROVIDERS LLC

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 2
Auditing Element: MR09
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 5/13/2008
Date Report Due: 6/27/2008
Element Accepted Date: 7/21/2008
Element Release Date: 7/21/2008
Element Projected Completion Date: 6/23/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 3/3/2008
Estimated Visit Start Date: 3/7/2008
Actual Visit Start Date: 3/3/2008
Actual Visit End Date: 4/3/2008
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 6/27/2008
CAP Release Date:
CAP Accepted Date: 7/22/2008

Requirement:

Provision of Notices Regarding Formulary Changes - Prior to removing a covered Part D drug from its formulary or making any negative changes to utilization management or to the preferred or tiered cost-sharing status of a covered Part D drug, the Part D sponsor must provide a written notice to affected enrollees at least 60 days prior to the date the change becomes effective, or provide such enrollee with a 60 day supply of the Part D drug under the same terms as previously allowed, and written notice of the negative formulary change at the time an affected enrollee requests a refill of the Part D drug. If the change involves immediate removal of a Part D drug deemed unsafe by the Food and Drug Administration (FDA) or removed from the market by the manufacturer, the Part D sponsor must provide retrospective notice to the affected enrollees.

Reference:

42 CFR § 423.120(b)(5)(i-iii), § 423.120(b)(7), § 423.578(d), Medicare Marketing Guidelines for MAs, MA-PDs, PDPs, and 1876 Cost Plans

Deficiencies:

Neighborhood Health Providers does not meet the CMS compliance standard because CMS audited 10 cases from a universe of 123 and found 3 cases which showed evidence that formulary change notices were not sent to beneficiaries within the required 30 day timeframe.

Corrective Action Required:

Neighborhood Health Providers must conduct training of appropriate staff to the adherence of Medicare formulary change requirements. Prior to removing a covered Part D drug, NHP must provide a written notice to affected enrollees at least 60 days prior to the date the change becomes effective, or provide such enrollee with a 60 day supply of the Part D drug under the same terms as previously allowed, and written notice of the negative formulary change at the time an affected enrollee requests a refill of the Part D drug. If the change involves immediate removal of a Part D drug deemed unsafe by the FDA or removed from the market by the manufacturer, NHP must provide retrospective notice to the affected enrollees. NHP must submit documentation to the RO 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: 3861
Contract Number: H3336
Part D Sponsor Name: NEIGHBORHOOD HEALTH PROVIDERS LLC

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 2
Auditing Element: CN04
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 5/13/2008
Date Report Due: 6/27/2008
Element Accepted Date: 7/21/2008
Element Release Date:
Element Projected Completion Date: 7/2/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 3/3/2008
Estimated Visit Start Date: 3/7/2008
Actual Visit Start Date: 3/3/2008
Actual Visit End Date: 4/3/2008
Part D Sponsor Response Received Date:
Part D Sponsor Response Due Date: 6/27/2008
CAP Release Date:
CAP Accepted Date: 7/22/2008

Requirement:

Required Contract Provisions: Other First Tier and Downstream Entities - The Part D sponsor¿s written contracts with other first tier and downstream entities must comply with all CMS requirements. Note: The public disclosure of price differential part of this element (§ 423.132) is waived for I/T/U network pharmacies and for network pharmacies located in any of the U.S. territories.

Reference:

42 CFR § 423.120(a)(8)(ii), § 423.132, § 423.505(e)(2), § 423.505(g)(1)(i), § 423.505(i)(2-5), MA-PD Solicitation

Deficiencies:

Neighborhood Health Plans does not meet the CMS compliance standard because out of a universe of 25 cases that were audited and 19 cases were found not met due to lack of required documentation. Although the majority of the cases reviewed contained a provider agreement and Part D addendum, it was found that in some instances, the provider agreement was signed but the Part D addendum detailing the vendor¿s responsibilities under the Part D program was not signed. It appeared that the signed provider agreement was faxed to Delegated Entity 1 but the Part D addendum did not to appear to be faxed neither did it have a signature page. Thus, it was difficult to determine if the vendor actually received or reviewed the addendum. In some cases both the provider agreement and the Part D addendum were not signed.For the Part D addendums that were signed, the Senior Vice President of Delegated Entity 1 signed the document but did not include a date whereas the other vendor signed and dated the document. Without a date indicated, it is difficult to determine when the Senior Vice President signed the document.

Corrective Action Required:

Neighborhood Health Providers (NHP) must revise its oversight of its delegated entities by ensuring that contracts (both the Provider Agreement and the Part D Addendum) are signed and dated by vendors. NHP must develop policies and procedures that specifically address this matter by stating that staff must ensure that both contacts are received by NHP, signed, and dated. NHP 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: the materials used in the training, the individuals conducting the training, and the individuals being trained.