CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0018, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET
Region: 06 Dallas

Review ID: 9497

MRT Number / Name: M0018 MRT Universal American Corporation
Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide
Auditing Element: GV02
Review Type: Routine
Review Status: Confirmed
MCO Response Received Date: 12/22/2007
Element Accepted Date: 06/04/2008
Element Release Date: 06/04/2008
CAP Released Date: 06/04/2008

Visit Start Date: 09/24/2007
Exit Conference Date: 09/28/2007
Date Report Issued: 11/09/2007
Date Report Due: 11/12/2007
CAP Accepted Date: 06/04/2008
Audit Closed Date: 06/04/2008
Element Projected Completion Date: 04/30/2008
MCO Response Due Date: 12/24/2007

Requirement:

Grievance Adjudication - The M+CO must adjudicate internal grievances in a manner fully consistent with the M+CO's written grievance procedure, as stated in the EOC.

Deficiencies:

MAO failed to provide the members with timely written notification in 7 of the 13 grievance cases sampled, as provided by 42 CFR 422.562(a)(1)(i). MAO failed to provide the members with correct information concerning the disposition of the grievance in 6 of the 13 cases sampled, per CFR 422.562(a)(1)(i). In two of the cases reviewed, the MAO informed the members of an incorrect date of disenrollment. One case the plan advised the member that he/she was enrolled to the plan when in reality the member was never enrolled to this plan. One case the individual was informed that he/she was disenrolled when in reality this person was never enrolled in the plan. Two cases the plan did not address the issues raised by the members.

Corrective Action Required:

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: 9497

Region: 06 Dallas

MRT Number / Name: M0018 MRT Universal American Corporation

Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: OC06

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 12/22/2007

Element Accepted Date: 02/15/2008

Element Release Date: 06/04/2008

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Date Report Issued: 11/09/2007

Date Report Due: 11/12/2007

CAP Accepted Date: 06/04/2008

Audit Closed Date: 06/04/2008

Element Projected Completion Date: 04/30/2008

MCO Response Due Date: 12/24/2007

Requirement:

Claim Denials (Notice Content) - If an M+CO 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:

The MAO, and its delegated entity, failed to use the standard denial notice for any of the sample cases.

Corrective Action Required:

The MAO must develop a corrective action plan to implement the use of the standard denial notice, as provided by 42 CFR 422.568(d) and (e), and Manual Chapter 13 - Section 40.2.2. The corrective action plan must include the development and marketing submission of the standard denial notice to the Regional Office for approval as well as training concerning appropriate completion of the form. The corrective action plan must also include internal auditing, the correction of any policies and procedures and all other actions deemed necessary to demonstrate compliance.

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Findings: NOT MET

Review ID: 9497

Region: 06 Dallas

MRT Number / Name: M0018 MRT Universal American Corporation

Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide
Auditing Element: OP01
Review Type: Routine
Review Status: Confirmed
MCO Response Received Date: 12/22/2007
Element Accepted Date: 02/15/2008
Element Release Date: 06/04/2008
CAP Released Date: 06/04/2008

Visit Start Date: 09/24/2007
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CAP Accepted Date: 06/04/2008
Audit Closed Date: 06/04/2008
Element Projected Completion Date: 04/30/2008
MCO Response Due Date: 12/24/2007

Requirement:

Standard Pre-Service Denials (Timeliness) - If the M+CO 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:

The MAO and delegated entities failed to issue the standard pre-service ¿Notice of Denial of Medical Coverage¿ or a correct modification to be issued in instances where adverse organization determinations are made in accordance with 42 CFR 422.568 (a).

Corrective Action Required:

The MAO must submit to RO for review and approval its ¿Notice of Denial of Medical Coverage¿ template and ALL other enrollee notice templates relative to this element. 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: 9497

Region: 06 Dallas

MRT Number / Name: M0018 MRT Universal American Corporation

Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: OP02

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 12/22/2007

Element Accepted Date: 02/15/2008

Element Release Date: 06/04/2008

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Date Report Due: 11/12/2007

CAP Accepted Date: 06/04/2008

Audit Closed Date: 06/04/2008

Element Projected Completion Date: 04/30/2008

MCO Response Due Date: 12/24/2007

Requirement:

Standard Pre-Service Denials (Notice Content) - If the M+CO 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:

The MAO and delegated entities failed to issue the standard pre-service ¿Notice of Denial of Medical Coverage¿ or a correct modification to be issued in instances where adverse organization determinations are made in accordance with 42 CFR 422.568 (d) and (e).

Corrective Action Required:

The MAO must submit to RO for review and approval its ¿Notice of Denial of Medical Coverage¿ template and ALL other enrollee notice templates relative to this element. 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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Region: 06 Dallas

MRT Number / Name: M0018 MRT Universal American Corporation

Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide
Auditing Element: OP06
Review Type: Routine
Review Status: Confirmed
MCO Response Received Date: 12/22/2007
Element Accepted Date: 02/15/2008
Element Release Date: 06/04/2008
CAP Released Date: 06/04/2008

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Audit Closed Date: 06/04/2008
Element Projected Completion Date: 04/30/2008
MCO Response Due Date: 12/24/2007

Requirement:

Organization Determination Extensions (Notice Content) - If an extension is taken on an organization determination, the written notice to the member must include the reasons for the delay, and inform the member of the right to file a grievance if he or she disagrees with the decision to grant an extension.

Deficiencies:

The MAO and delegated entities failed to issue a correct ¿Notice of Organization Determination Extension¿ to be issued in instances where organization determination extensions are granted in accordance with 42 CFR 422.568 (a) and 422.572 (b). One (1) out of ten (10) case files reviewed included evidence that MAO failed to make a timely organization determination and also issue a Notice granting an extension.

Corrective Action Required:

The MAO must submit to RO for review and approval its ¿Notice of Organization Determination Extension¿ template and ALL other enrollee notice templates relative to this element. 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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MRT Number: M0018, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 9497

Region: 06 Dallas

MRT Number / Name: M0018 MRT Universal American Corporation

Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide
Auditing Element: OP07
Review Type: Routine
Review Status: Confirmed
MCO Response Received Date: 12/22/2007
Element Accepted Date: 02/15/2008
Element Release Date: 06/04/2008
CAP Released Date: 06/04/2008

Visit Start Date: 09/24/2007
Exit Conference Date: 09/28/2007
Date Report Issued: 11/09/2007
Date Report Due: 11/12/2007
CAP Accepted Date: 06/04/2008
Audit Closed Date: 06/04/2008
Element Projected Completion Date: 04/30/2008
MCO Response Due Date: 12/24/2007

Requirement:

Decision Not to Expedite an Organization Determination (Notice Content) - If the M+CO decides not to expedite an organization determination, the notice to the member of the decision not to expedite must explain that the M+CO will process the request using the 14-day standard timeframe, inform the member of the right to file a grievance if he or she disagrees with the decision not to expedite, inform the member of the right to resubmit a request for an expedited determination with any physician's support, and provide instructions about the M+CO grievance process and its timeframes

Deficiencies:

The MAO and delegated entities failed to issue a correct ¿Notice Not to Expedite an Organization Determination¿ to be issued in instances where requests for expedited organization determinations are not granted in accordance with 42 CFR 422.570 (d) (2).

Corrective Action Required:

The MAO must submit to RO for review and approval its ¿Notice Not to Expedite an Organization Determination¿ template and ALL other enrollee notice templates relative to this element. 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: 9497

Region: 06 Dallas

MRT Number / Name: M0018 MRT Universal American Corporation

Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: OP09

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 12/22/2007

Element Accepted Date: 02/15/2008

Element Release Date: 06/04/2008

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Date Report Due: 11/12/2007

CAP Accepted Date: 06/04/2008

Audit Closed Date: 06/04/2008

Element Projected Completion Date: 04/30/2008

MCO Response Due Date: 12/24/2007

Requirement:

Standard Pre-Service Approvals (Timeliness) - (if applicable) - If the M+CO makes a favorable standard pre-service organization determination, it must notify the member of its determination 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:

The MAO and delegated entities did not provide Reviewer with a correct ¿Notice of Favorable Standard Pre-Service Organization Determination¿ to be issued in instances where favorable pre-service organization determinations are made in accordance with 42 CFR 422.568(a).

Corrective Action Required:

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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MRT Number: M0018, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 9497

Region: 06 Dallas

MRT Number / Name: M0018 MRT Universal American Corporation

Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: QY01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 12/22/2007

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CAP Accepted Date: 06/04/2008

Audit Closed Date: 06/04/2008

Element Projected Completion Date: 04/30/2008

MCO Response Due Date: 12/24/2007

Requirement:

QAPI Program Evaluated Annually - The M+C PFFS plan must have an ongoing quality assessment and performance improvement (QAPI) program.

Deficiencies:

The MAO does not have a formal process to provide oversite, and ongoing communications/collaboration among the policymaking body and other functional areas of the organization.

Corrective Action Required:

The corrective action plan must include the implementation of a formal process for providing oversite of the Quality Improvement Program. The corrective action plan should include (but is not limited to)Quality Assurance Committee Meetings, production of meeting notes and documentation concerning the method in which the Quality Improvement program is evaluated and information disseminated througout the organization. The Organization should develop and implement all other actions, deemed necessary, to demonstrate compliance.

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Findings: NOT MET

Review ID: 9497

Region: 06 Dallas

MRT Number / Name: M0018 MRT Universal American Corporation

Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: RC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 12/22/2007

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CAP Accepted Date: 06/04/2008

Audit Closed Date: 06/04/2008

Element Projected Completion Date: 04/30/2008

MCO Response Due Date: 12/24/2007

Requirement:

Favorable Claims Reconsiderations (Timeliness) - If the M+CO 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:

MAO failed to issue a timely reconsideration determination in 5 of the 10 cases sampled, per 42 CFR 422.590(b)(1).

Corrective Action Required:

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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MRT Number: M0018, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 9497

Region: 06 Dallas

MRT Number / Name: M0018 MRT Universal American Corporation

Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: RC02

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 12/22/2007

Element Accepted Date: 06/04/2008

Element Release Date: 06/04/2008

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Date Report Issued: 11/09/2007

Date Report Due: 11/12/2007

CAP Accepted Date: 06/04/2008

Audit Closed Date: 06/04/2008

Element Projected Completion Date: 04/30/2008

MCO Response Due Date: 12/24/2007

Requirement:

Adverse Claims Reconsiderations (Timeliness) - If the M+CO affirms, in whole or in part, its adverse organization determination, or fails to provide the member with a reconsideration determination within 60 days of receipt of the request (which constitutes an affirmation of its adverse organization determination), it must forward the case to CMS's independent review entity no later than 60 calendar days after receiving the reconsideration request. The M+CO concurrently notifies the member that it has forwarded the case to CMS's independent review entity

Deficiencies:

This element was NOT MET because 1 out of the 2 cases was misclassified and the number of misclassified cases exceeded the acceptable 30 percent threshold for reviewing the sampled cases. The MAO included a case for which no reconsideration determination was made. There were only 2 cases in the universe and the misclassified case resulted in a 50% misclassification rate. This sample exceeded the 30% threshold for misclassified cases resulting in a not met for the entire sample. Additionally, the MAO did not follow the appropriate policy when determining that the appeal had not been filed timely in the misclassified case. There is no documentation to show when the member was notified that the services were denied (or issued appeal rights). Refer to the Medicare Managed Care Manual (Chapter 13, Section 70.3) regarding circumstances where good cause may exist.

Corrective Action Required:

The corrective action plan must include training, internal auditing, correction of any policy and procedures (including determination of good cause for late filings of an appeal) 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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MRT Number: M0018, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 9497

Region: 06 Dallas

MRT Number / Name: M0018 MRT Universal American Corporation

Contract Number / Name: H3333 AMERICAN PROGRESSIVE LIFE/HLTH INS.

Auditing Guide Version: PFFS Monitoring Guide

Auditing Element: RC03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 12/22/2007

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Element Release Date: 06/04/2008

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CAP Accepted Date: 06/04/2008

Audit Closed Date: 06/04/2008

Element Projected Completion Date: 04/30/2008

MCO Response Due Date: 12/24/2007

Requirement:

Effectuation of Third Party Claims Reconsideration Reversals - If the M+CO's determination is reversed in whole or in part by the independent review entity, the M+CO must pay for the service no later than 30 calendar days from the date it receives the notice reversing the organization determination. The M+CO must also inform the independent review entity that the organization has effectuated the decision. If the determination of the M+CO is reversed in whole or in part by an ALJ, or at a higher level of appeal, the M+CO must pay the claim under dispute no later than 60 days from the date it received notice of the reversal.

Deficiencies:

This element was NOT MET because 1 out of the 2 cases was misclassified and the number of misclassified cases exceeded the acceptable 30 percent threshold for reviewing the sampled cases. The MAO included a case for which no reconsideration determination was made. There were only 2 cases in the universe and the misclassified case resulted in a 50% misclassification rate. This sample exceeded the 30% threshold for misclassified cases resulting in a not met for the entire sample. Additionally, the MAO did not follow the appropriate policy when determining that the appeal had not been filed timely in the misclassified case. There is no documentation to show when the member was notified that the services were denied (or issued appeal rights). Refer to the Medicare Managed Care Manual (Chapter 13, Section 70.3) regarding circumstances where good cause may exist.

Corrective Action Required:

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.