CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET
Region: 09 San Francisco

Review ID: 7917

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.
Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4
Auditing Element: AA02
Review Type: Routine
Review Status: Confirmed
MCO Response Received Date:07/19/2007
Element Accepted Date: 11/26/2007
Element Release Date: 06/13/2008
CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006
Exit Conference Date: 09/07/2006
Date Report Issued: 06/04/2007
Date Report Due: 10/22/2006
CAP Accepted Date:12/14/2007
Audit Closed Date: 06/16/2008
Element Projected Completion Date:
MCO Response Due Date: 07/19/2007

Requirement:

Adequate and Appropriate Access to Care - The MAO has written standards for timeliness of access to care and member services that meet or exceed such standards as may be established by CMS, continuously monitors its provider networks' compliance with these standards, and takes corrective action as necessary. The MAO ensures that the hours of operation of its providers are convenient to and do not discriminate against members. When medically necessary, the MAO makes services available 24 hours a day, 7 days a week.

Deficiencies:

Arcadian Health Plan has not provided sufficient evidence that they are conducting Access and Availability audits as described in their policies and procedures, Access Study Policy and Procedure, HSD-034, Availability and Access to Care and Service Policy and Procedure, HSD-035. One access audit measuring answering machine information, after hours care, for 13 locations in Texas was conducted the 3rd quarter of 2006 and submitted to CMS on September 1, 2006. There is no evidence that the 1 access study went to the QI committee for tracking and trending of access and availability. This is the third request from CMS for completed access audits as described in Access Study Policy and Procedure, HSD-034.

Corrective Action Required:

Submit to CMS all access and availability audits conducted on the plan's contracted network since the initiation of the CMS contract 1/1/05 and evidence that these audits were reported to the QI committee.

CMS Medicare Managed Care Auditing Report

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Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: AA02

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 06/13/2008

CAP Released Date: 06/16/2008

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: AA02

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 06/13/2008

CAP Released Date: 06/16/2008

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: AA02

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

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CAP Accepted Date:12/14/2007

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Element Projected Completion Date:02/15/2008

MCO Response Due Date: 07/19/2007

Requirement:

Required Contract Provisions: Privacy and ConfidentialityThe MAO's written contracts with first tier and downstream entities must contain the provisions that contracting providers agree to safeguard beneficiary privacy and confidentiality and ensure accuracy of beneficiary medical, health, and enrollment information and records.

Deficiencies:

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Corrective Action Required:

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 06/13/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:02/15/2008

MCO Response Due Date: 07/19/2007

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.

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 06/13/2008

CAP Released Date: 06/16/2008

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Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

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Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 11/26/2007

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Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN06

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

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Element Projected Completion Date:02/15/2008

MCO Response Due Date: 07/19/2007

Requirement:

Required Contract Provisions: Compliance with MAO's Policies and ProceduresThe MAO's written contracts with first tier and downstream entities must specify that providers agree to comply with the MAO's policies and procedures.

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MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN06

Review Type: Routine

Review Status: Confirmed

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Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN06

Review Type: Routine

Review Status: Confirmed

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MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: CN06

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:02/15/2008

MCO Response Due Date: 07/19/2007

Requirement:

Required Contract Provisions: Compliance with MAO's Policies and ProceduresThe MAO's written contracts with first tier and downstream entities must specify that providers agree to comply with the MAO's policies and procedures.

Deficiencies:

Based on a review of 19 provider contracts, 1 contract was misclassified, the physicians name appeared in HSD Table 2 but was not contracted with AHP, from a universe of 3471, the reviewer found 4 non-compliant contracts. The 4 files were non-compliant because the downstream provider contracts did not contain the Medicare required language.

Corrective Action Required:

Describe the actions Arcadian Health Plan is taking to assure the downstream contacts between groups and their individual physicians contain the Medicare required language. The corrective action must include regular internal auditing of contracts to assure compliance and a timetable for compliance.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date: 09/30/2007

MCO Response Due Date: 07/19/2007

Requirement:

Organization Determinations and Reconsiderations Not Categorized as Grievances - The MAO must correctly distinguish between organization determinations, reconsiderations, and grievances and process them through the appropriate mechanisms.

Deficiencies:

Arcadian Health Plan, Inc. (Arcadian) does not meet the CMS compliance standard for this element based on the following findings. 1.) The sample was not valid. CMS reviewed 15 cases from a universe of 17 cases and found 9 cases were misclassified. Since the number of misclassified cases exceeded CMS's compliance limit, of 30% of the sample, this element is not met. Of the 9 misclassified cases, 1 case was received on July 2006 which was after the January - June 2006 sample selection period and the remaining 8 cases contained Part D issues. Part D issues were not being reviewed during this audit. 2.) A discussion with staff and review of member inquiry log disclosed Arcadian did not have a well established process to identify, assign and process grievances and reconsiderations according to CMS requirements. We found 2 member inquiries that should have been processed as grievances. One of the 2 member inquiries had been processed as a disenrollment request rather a grievance. We also found 2 claim denial inquiries where we could not find documentation that members were informed of their right to file a written appeal by member service staff. One of the complaints for denial of out-of-network labortory services was resolved within 3 weeks in the members favor. For the second complaint, it was unclear as to what was done to resolve claim denial for out-of-network inguinal hernia surgery received by the member.

Corrective Action Required:

Arcadian Health Plan, Inc. (Arcadian) must establish and maintain effective oversight and control of grievance and reconsideration operations to ensure Arcadian staff identify and process grievances and reconsiderations, timely and appropriately. The corrective action plan (CAP) must describe the types of oversight activities Arcadian will implement. The CAP should, at a minimum, include the following: -Arcadian must develop and implement a policy and procedure to effectively monitor the receipt and processing of standard and expedited grievances and reconsiderations. --Arcadian must conduct training to staff on its policies and procedures to ensure grievances and reconsiderations are identified and processed timely and appropriately. Submit documentation to the Regional Office that details the nature of the training, including (1) the date(s) of the training, (2) materials used in the training, (3) the individuals conducting the training, and (4) individuals being trained. -Arcadian must be able to produce valid universe listings for grievances and reconsiderations so that CMS can select another review sample for a focused review to occur later during the year. --Arcadian must conduct an audit each month to evaluate accurate selection of the grievance and reconsideration universes and to ensure compliance with CMS grievance and reconsideration monitoring elements. Arcadian should submit a summary report each quarter to the CMS Regional Office, of monthly audit findings, until further notified by CMS. The summary report should include: name and title of the auditor(s), the audit methodology and the audit findings. If problem areas are identified, please provide CMS with a copy of the CAP implemented by Arcadian in order to resolve the problem(s).

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date: 09/30/2007

MCO Response Due Date: 07/19/2007

Requirement:

Organization Determinations and Reconsiderations Not Categorized as Grievances - The MAO must correctly distinguish between organization determinations, reconsiderations, and grievances and process them through the appropriate mechanisms.

Deficiencies:

Arcadian Health Plan, Inc. (Arcadian) does not meet the CMS compliance standard for this element based on the following findings. 1.) The sample was not valid. CMS reviewed 15 cases from a universe of 17 cases and found 9 cases were misclassified. Since the number of misclassified cases exceeded CMS's compliance limit, of 30% of the sample, this element is not met. Of the 9 misclassified cases, 1 case was received on July 2006 which was after the January - June 2006 sample selection period and the remaining 8 cases contained Part D issues. Part D issues were not being reviewed during this audit. 2.) A discussion with staff and review of member inquiry log disclosed Arcadian did not have a well established process to identify, assign and process grievances and reconsiderations according to CMS requirements. We found 2 member inquiries that should have been processed as grievances. One of the 2 member inquiries had been processed as a disenrollment request rather a grievance. We also found 2 claim denial inquiries where we could not find documentation that members were informed of their right to file a written appeal by member service staff. One of the complaints for denial of out-of-network labortory services was resolved within 3 weeks in the members favor. For the second complaint, it was unclear as to what was done to resolve claim denial for out-of-network inguinal hernia surgery received by the member.

Corrective Action Required:

Arcadian Health Plan, Inc. (Arcadian) must establish and maintain effective oversight and control of grievance and reconsideration operations to ensure Arcadian staff identify and process grievances and reconsiderations, timely and appropriately. The corrective action plan (CAP) must describe the types of oversight activities Arcadian will implement. The CAP should, at a minimum, include the following: -Arcadian must develop and implement a policy and procedure to effectively monitor the receipt and processing of standard and expedited grievances and reconsiderations. --Arcadian must conduct training to staff on its policies and procedures to ensure grievances and reconsiderations are identified and processed timely and appropriately. Submit documentation to the Regional Office that details the nature of the training, including (1) the date(s) of the training, (2) materials used in the training, (3) the individuals conducting the training, and (4) individuals being trained. -Arcadian must be able to produce valid universe listings for grievances and reconsiderations so that CMS can select another review sample for a focused review to occur later during the year. --Arcadian must conduct an audit each month to evaluate accurate selection of the grievance and reconsideration universes and to ensure compliance with CMS grievance and reconsideration monitoring elements. Arcadian should submit a summary report each quarter to the CMS Regional Office, of monthly audit findings, until further notified by CMS. The summary report should include: name and title of the auditor(s), the audit methodology and the audit findings. If problem areas are identified, please provide CMS with a copy of the CAP implemented by Arcadian in order to resolve the problem(s).

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:09/30/2007

MCO Response Due Date: 07/19/2007

Requirement:

Organization Determinations and Reconsiderations Not Categorized as Grievances - The MAO must correctly distinguish between organization determinations, reconsiderations, and grievances and process them through the appropriate mechanisms.

Deficiencies:

Arcadian Health Plan, Inc. (Arcadian) does not meet the CMS compliance standard for this element based on the following findings. 1.) The sample was not valid. CMS reviewed 15 cases from a universe of 17 cases and found 9 cases were misclassified. Since the number of misclassified cases exceeded CMS's compliance limit, of 30% of the sample, this element is not met. Of the 9 misclassified cases, 1 case was received on July 2006 which was after the January - June 2006 sample selection period and the remaining 8 cases contained Part D issues. Part D issues were not being reviewed during this audit. 2.) A discussion with staff and review of member inquiry log disclosed Arcadian did not have a well established process to identify, assign and process grievances and reconsiderations according to CMS requirements. We found 2 member inquiries that should have been processed as grievances. One of the 2 member inquiries had been processed as a disenrollment request rather a grievance. We also found 2 claim denial inquiries where we could not find documentation that members were informed of their right to file a written appeal by member service staff. One of the complaints for denial of out-of-network labortory services was resolved within 3 weeks in the members favor. For the second complaint, it was unclear as to what was done to resolve claim denial for out-of-network inguinal hernia surgery received by the member.

Corrective Action Required:

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:09/30/2007

MCO Response Due Date: 07/19/2007

Requirement:

Organization Determinations and Reconsiderations Not Categorized as Grievances - The MAO must correctly distinguish between organization determinations, reconsiderations, and grievances and process them through the appropriate mechanisms.

Deficiencies:

Arcadian Health Plan, Inc. (Arcadian) does not meet the CMS compliance standard for this element based on the following findings. 1.) The sample was not valid. CMS reviewed 15 cases from a universe of 17 cases and found 9 cases were misclassified. Since the number of misclassified cases exceeded CMS's compliance limit, of 30% of the sample, this element is not met. Of the 9 misclassified cases, 1 case was received on July 2006 which was after the January - June 2006 sample selection period and the remaining 8 cases contained Part D issues. Part D issues were not being reviewed during this audit. 2.) A discussion with staff and review of member inquiry log disclosed Arcadian did not have a well established process to identify, assign and process grievances and reconsiderations according to CMS requirements. We found 2 member inquiries that should have been processed as grievances. One of the 2 member inquiries had been processed as a disenrollment request rather a grievance. We also found 2 claim denial inquiries where we could not find documentation that members were informed of their right to file a written appeal by member service staff. One of the complaints for denial of out-of-network labortory services was resolved within 3 weeks in the members favor. For the second complaint, it was unclear as to what was done to resolve claim denial for out-of-network inguinal hernia surgery received by the member.

Corrective Action Required:

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date: 08/31/2007

MCO Response Due Date: 07/19/2007

Requirement:

Grievance Decision Notification (Timeliness) The MAO must notify the member of its decisions as expeditiously as the case requires based on the member's health status but no later than 30 days after the receipt date of the oral or written grievance. If the compliant involves an MAO's decision to invoke an extension relating to an organization determination or reconsideration, or the compliant involves an MAO's refusal to grant an enrollee's request for an expedited organization determination or expedited reconsideration, the MAO must respond to an enrollee's grievance within 24 hours. Exception: If the member requests an extension, or if the MAO justifies the need for information and documents that the delay is in the interest of the member, the MAO may extend the 30-day timeframe up to an additional 14 days. In this case, the MAO must immediately notify the member in writing of the reasons for the delay.

Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required for element GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

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MCO Response Due Date: 07/19/2007

Requirement:

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Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required for element GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

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MCO Response Due Date: 07/19/2007

Requirement:

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Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required for element GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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MCO Response Due Date: 07/19/2007

Requirement:

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Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required for element GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:09/30/2007

MCO Response Due Date: 07/19/2007

Requirement:

Grievance Decision Notification (Notice Content) The MAO must inform the member of the disposition of the grievance. For quality of care issues, the MAO must also include a description of the member's right to file a written compliant with the QIO.

Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required in element GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:09/30/2007

MCO Response Due Date: 07/19/2007

Requirement:

Grievance Decision Notification (Notice Content) The MAO must inform the member of the disposition of the grievance. For quality of care issues, the MAO must also include a description of the member's right to file a written compliant with the QIO.

Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required in element GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

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Requirement:

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Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required in element GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

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Corrective Action Required:

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CMS Medicare Managed Care Auditing Report

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV05

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:09/30/2007

MCO Response Due Date: 07/19/2007

Requirement:

Method of Grievance Decision Notification The MAO just respond to written grievances in writing. The MAO must respond to oral grievances either orally or in writing, unless the member requests a written response. The MAO must respond to all grievances related to quality of care in writing, regardless of how the grievance was submitted.

Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required in GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV05

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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MCO Response Due Date: 07/19/2007

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Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required in GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV05

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

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CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:09/30/2007

MCO Response Due Date: 07/19/2007

Requirement:

Method of Grievance Decision Notification The MAO just respond to written grievances in writing. The MAO must respond to oral grievances either orally or in writing, unless the member requests a written response. The MAO must respond to all grievances related to quality of care in writing, regardless of how the grievance was submitted.

Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required in GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: GV05

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

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Audit Closed Date: 06/16/2008

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MCO Response Due Date: 07/19/2007

Requirement:

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Deficiencies:

See explanation of deficiency in element GV01.

Corrective Action Required:

See Corrective Action Required in GV01.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

Information Provided to Beneficiaries Upon Request - An MAO must provide the information required by CMS upon the request of a beneficiary.

Deficiencies:

Arcadian's EOC contains information to members regarding their right to get information about Arcadian Health Plan, Inc, plan providers and costs. The CMS auditor could not find documentation demonstrating Arcadian provides the following information to beneficiaries upon request. - Quality and performance indicators under the MA plan, - The number and disposition in aggregate of appeals and grievances in the manner and form required by CMS, - A summary description of the method of compensation for physicians, - Financial condition of the MAO, including the most recently audited information.

Corrective Action Required:

Arcadian must develop and provide documentation to CMS that the above mentioned items will be available to beneficiaries upon request.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

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Corrective Action Required:

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CMS Medicare Managed Care Auditing Report

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

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Element Projected Completion Date:

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CMS Medicare Managed Care Auditing Report

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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CMS Medicare Managed Care Auditing Report

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Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR05

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/27/2007

Element Release Date: 11/27/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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MCO Response Due Date: 07/19/2007

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 CMS auditor could not determine if Arcadian's Welcome Call Policy and Procedure MEM-038 provided all the necessary information regarding the MA organization rules and member's rights and responsibilities because only one of two welcome scripts were submitted to the Regional Office. The missing script is used when the member does not receive their welcome packet prior to the effective date of enrollment. We could not determine if the policy and procedure is complete and complies with the requirements of the Medicare Managed Care Manual Chapter 2, Sections 40.4.1 Information Provided to Member prior to Effective Date of Coverage and 40.4.2 Information Provided to Member After the Effective Date of Coverage. Arcadian's Welcome Call Policy states all members are to receive a welcome call prior to their effective date with the health plan. Arcadian's internal audit disclosed welcome calls were not done during the first quarter of 2006 for health plan contracts located in Arkansas, Texas and Washington. We did not receive an audit report for Arcadian Health Plan in Arizona. The internal auditor recommended the MA organizations conduct welcome calls prior to the effective date of coverage or at a minimum within the first 30 days. For members that have not received their welcome package prior to their effective date, the welcome call provides the member with their effective date, information to access benefits and an explanation of MA organization rules. For these members, CMS strongly encourages the MA organization to call the member as soon as possible, but preferably no later than 1 business day after the effective date.

Corrective Action Required:

Arcadian must review its welcome call policy and scripts to ensure it complies with CMS requirements and that this policy is implemented in all market areas. A copy of the welcome call policy must be submitted to our office for review. Also, forward a copy of any follow up activity to the internal audit for this element, including ongoing monitoring reports for each market area to ensure compliance with this element.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR05

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/27/2007

Element Release Date: 11/27/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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Corrective Action Required:

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR05

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/27/2007

Element Release Date: 11/27/2007

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MCO Response Due Date: 07/19/2007

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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.

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR05

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/27/2007

Element Release Date: 11/27/2007

CAP Released Date: 06/16/2008

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MCO Response Due Date: 07/19/2007

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.

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Corrective Action Required:

Arcadian must review its welcome call policy and scripts to ensure it complies with CMS requirements and that this policy is implemented in all market areas. A copy of the welcome call policy must be submitted to our office for review. Also, forward a copy of any follow up activity to the internal audit for this element, including ongoing monitoring reports for each market area to ensure compliance with this element.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR08

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

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Visit Start Date: 08/21/2006

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Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:09/30/2007

MCO Response Due Date: 07/19/2007

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:

Worksheet MR-1 disclosed that performance data was present in all marketing representative files however, for 3 of 4 sales brokers, sales data to monitor rapid disenrollments was not included in the broker personnel files. Also, it was unclear if all marketing representatives and brokers received the same level of training. Arcadian marketing representatives files contained documentation for annual training for 4 of the 5 cases selected and all Arcadian representatives received supplemental marketing training. Four broker files contained documentation supporting an annual training, but no subsequent trainings. Arcadian's internal audit conducted in April 2006, disclosed rapid disenrollments were higher than plan standards for health plan contracts in 2 of its 4 contract areas. The internal auditor recommendations included ensuring chargebacks are implemented on a constant basis for rapid disenrollments. Provide counseling, retraining and other assistance as needed to brokers and reps with disenrollments higher than the plan standard on a monthly basis. All marketing actions should be documented in marketing representative or broker files.

Corrective Action Required:

Arcadian must ensure its marketing representatives and brokers receive the same level of training on the MA product. Arcadian must also ensure marketing oversight is consistent between its marketing representatives and brokers, and that all files are updated accordingly. In addition, we also recommend Arcadian develop a more formal process to effectively train and to monitor marketing representative and broker performance for all market areas especially where rapid disenrollment statistics are higher than Plan standards. This process may include: - All marketing representatives and brokers and agents to sign a MA Sales Code of Coduct on an annual basis. This document would clearly state code of conduct violations regarding enrollment applications, HIPAA Guidelines, Events and Giveaways, Prohibited Solicitation, and other applicable information from Chapter 2 Enrollment and Chapter 3 Marketing Guides. - All sales representatives and brokers/agents receive compliance training on Medicare Part D Fraud, Waste and Abuse at time of employment and annually thereafter. A signed compliance statement of attestation and certification after completion of the training should be included in all sales personnel files. - All sales representatives sign a Medicare Prescription Drug Plan Marketing Compliance Requirement document that clearly states critical information that the sales representative agrees to comply with for Medicare Part D sales, along with the CMS Marketing Guidelines. - A database to monitor performance and identify issues and areas where additional training updates can improve overall performance. A database should be developed for all sales personnel that will allow Arcadian to profile by market area, issue, sales representative, broker or agent, and by overall volume of complaints. The corrective action plan must describe the types of oversight activities and process improvements Arcadian will implement to effectively monitor the sales operations. Also include a schedule of training and submit a copy of traning materials that will be used.

CMS Medicare Managed Care Auditing Report

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Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR08

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

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MCO Response Due Date: 07/19/2007

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:

Worksheet MR-1 disclosed that performance data was present in all marketing representative files however, for 3 of 4 sales brokers, sales data to monitor rapid disenrollments was not included in the broker personnel files. Also, it was unclear if all marketing representatives and brokers received the same level of training. Arcadian marketing representatives files contained documentation for annual training for 4 of the 5 cases selected and all Arcadian representatives received supplemental marketing training. Four broker files contained documentation supporting an annual training, but no subsequent trainings. Arcadian's internal audit conducted in April 2006, disclosed rapid disenrollments were higher than plan standards for health plan contracts in 2 of its 4 contract areas. The internal auditor recommendations included ensuring chargebacks are implemented on a constant basis for rapid disenrollments. Provide counseling, retraining and other assistance as needed to brokers and reps with disenrollments higher than the plan standard on a monthly basis. All marketing actions should be documented in marketing representative or broker files.

Corrective Action Required:

Arcadian must ensure its marketing representatives and brokers receive the same level of training on the MA product. Arcadian must also ensure marketing oversight is consistent between its marketing representatives and brokers, and that all files are updated accordingly. In addition, we also recommend Arcadian develop a more formal process to effectively train and to monitor marketing representative and broker performance for all market areas especially where rapid disenrollment statistics are higher than Plan standards. This process may include: - All marketing representatives and brokers and agents to sign a MA Sales Code of Coduct on an annual basis. This document would clearly state code of conduct violations regarding enrollment applications, HIPAA Guidelines, Events and Giveaways, Prohibited Solicitation, and other applicable information from Chapter 2 Enrollment and Chapter 3 Marketing Guides. - All sales representatives and brokers/agents receive compliance training on Medicare Part D Fraud, Waste and Abuse at time of employment and annually thereafter. A signed compliance statement of attestation and certification after completion of the training should be included in all sales personnel files. - All sales representatives sign a Medicare Prescription Drug Plan Marketing Compliance Requirement document that clearly states critical information that the sales representative agrees to comply with for Medicare Part D sales, along with the CMS Marketing Guidelines. - A database to monitor performance and identify issues and areas where additional training updates can improve overall performance. A database should be developed for all sales personnel that will allow Arcadian to profile by market area, issue, sales representative, broker or agent, and by overall volume of complaints. The corrective action plan must describe the types of oversight activities and process improvements Arcadian will implement to effectively monitor the sales operations. Also include a schedule of training and submit a copy of traning materials that will be used.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR08

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/14/2007

Element Release Date: 10/14/2007

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:09/30/2007

MCO Response Due Date: 07/19/2007

Requirement:

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR08

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/14/2007

Element Release Date: 10/14/2007

CAP Released Date:06/16/2008

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR09

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 09/28/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:10/15/2007

MCO Response Due Date: 07/19/2007

Requirement:

Good Faith Effort to Provide Written Notice of the Termination of a Contracted Provider - The MAO makes a good faith effort to provide written notice of the termination of a PCP to all members who are patients of that PCP, or for termination of a non-PDP provider to all patients seen on a regular basis, at least 30 days prior to the termination effective date.

Deficiencies:

Arcadian Health Plan was unable to demonstrate that Medicare members are given written notice at least 30 days prior to primary care physician (PCP) terminations. Based on a review of a 2 PCP termination letters, the reviewer found the following: member letter #1, Spokane Community Care, dated November 30, 2005 with a PCP termination date of December 1, 2005 and member letter #2,Desert Canyon Community Care, dated August 7, 2006 with a PCP termination date of August 1, 2006. Both PCP termination letters demonstrated that Medicare members were not given the CMS required 30-day notice for a change in contracted providers.

Corrective Action Required:

Describe actions Arcadian Health Plan is taking to assure meeting the written notice to Medicare members 30 days prior to the termination of his/her PCP in accordance with CMS policy and regulations. The process must include internal audits to assure compliance with CMS requirements.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR09

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 09/28/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:10/15/2007

MCO Response Due Date: 07/19/2007

Requirement:

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Corrective Action Required:

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR09

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 09/28/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:10/15/2007

MCO Response Due Date: 07/19/2007

Requirement:

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Deficiencies:

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: MR09

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 09/28/2007

Element Release Date: 06/13/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:10/15/2007

MCO Response Due Date: 07/19/2007

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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Date Report Due: 10/22/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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:

Arcadian does not meet CMS's 95% compliance standard. Of 30 non-contracting provider claim denials randomly selected from a universe of 71 claims, 1 claim was misclassified. The misclassified claim was a contracted provider denial. Of the remaining 29 claim denials, 4 were denied inappropriately. - One claim for anesthesia services provided to a Medicare beneficiary in an inpatient hospital facility was denied as, "Not Payable by AHP/Bill Medicare". The beneficiary was admitted to the inpatient hospital prior to becoming a member of AHP and during the inpatient stay received anesthesia services a day after becoming a member with Arcadian. Since anesthesia services are reimbursed under Medicare Part B, Arcadian should have paid the claim. - One claim for vision services was denied for not prior authorized. The claim should have been forwarded to Arcadian's contracted Vision Service Provider (VSP) for payment instead of being denied back to the provider. - One claim for diabetic supplies was denied for not prior authorized. From the documentation reviewed, it appeared the contracted physician referred the member to a non-contracted supplier. If a contracted provider referred a member to a non-contracted provider, Arcadian should have paid the claim. -One claim for physician interpretation of echocardiology tests was denied for not prior authorized. This claim should have been developed to ensure that the ancillary services related to an inpatient stay for this member was not prior authorized or the result of an emergency admission. Discussions with claims staff disclosed the hospital claim was paid, therefore the ancillary services related to the episode of care should also be paid. Prior to our site visit, Arcadian conducted an internal review on the denied claims universe and found claims processors were denying non-contracted provider claims using an incorrect procedure and code. Claims processors were not developing claims prior to denying it for not prior authorized. Arcadian reprocessed and paid 27 of the 30 claims in the review sample. For the remaining 3 claims, Arcadian requested medical records and denied the claim for non submission of the requested information.

Corrective Action Required:

Arcadian must establish and maintain effective oversight and control over its claims processing operations to ensure processors develop and deny non-contracting provider claims appropriately and propose a corrective action plan that describes the types of oversight activities it will implement. The CAP should at a minimum include the following: -Arcadian must conduct training to staff on its policies and procedures to ensure non-contracted provider claims are adjudicated appropriately by Arcadian or its Subcontracted Entity - Vision Service Provider (VSP). -Submit documentation to the Regional Office that details the nature of the training, including (1) the date(s) of the training, (2) materials used in the training, (3) the individuals conducting the training, and (4) individuals being trained. -Arcadian must conduct an audit each month to evaluate the selection of the denied claims universe, development and adjudication of non-contracted provider claims, and notification to the member of the denials. Arcadian should submit a summary report each quarter to the Regional Office of its monthly findings until further notified. The summary report should include: name and title of the auditor(s), the audit methodology, and the results of the audit. If deficiencies are identified, please provide us with a copy of the corrective action plan to resolve the problem. On July 31, 2006, Arcadian issued an educational bulletin to staff reminding them of the correct procedure for "Handling Unclean Claims" (OPS-030)from non-contracted providers before denying the claim for no prior authorization. OPS-030 must be revised to ensure all unclean claims are either paid or denied within 60 days of receipt. If additional information is requested and not received, Arcadian must make a payment or denial determination based on the available information rather than closing the claim until the documentation is received. Claims development procedures should also include contacting the contracted primary care physician or specialist to determine if the member was referred to the non-contracted provider when necessary.

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/16/2008

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Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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:

Arcadian does not meet CMS's 95% compliance standard. Of 30 non-contracting provider claim denials randomly selected from a universe of 71 claims, 1 claim was misclassified. The misclassified claim was a contracted provider denial. Of the remaining 29 claim denials, 4 were denied inappropriately. - One claim for anesthesia services provided to a Medicare beneficiary in an inpatient hospital facility was denied as, "Not Payable by AHP/Bill Medicare". The beneficiary was admitted to the inpatient hospital prior to becoming a member of AHP and during the inpatient stay received anesthesia services a day after becoming a member with Arcadian. Since anesthesia services are reimbursed under Medicare Part B, Arcadian should have paid the claim. - One claim for vision services was denied for not prior authorized. The claim should have been forwarded to Arcadian's contracted Vision Service Provider (VSP) for payment instead of being denied back to the provider. - One claim for diabetic supplies was denied for not prior authorized. From the documentation reviewed, it appeared the contracted physician referred the member to a non-contracted supplier. If a contracted provider referred a member to a non-contracted provider, Arcadian should have paid the claim. -One claim for physician interpretation of echocardiology tests was denied for not prior authorized. This claim should have been developed to ensure that the ancillary services related to an inpatient stay for this member was not prior authorized or the result of an emergency admission. Discussions with claims staff disclosed the hospital claim was paid, therefore the ancillary services related to the episode of care should also be paid. Prior to our site visit, Arcadian conducted an internal review on the denied claims universe and found claims processors were denying non-contracted provider claims using an incorrect procedure and code. Claims processors were not developing claims prior to denying it for not prior authorized. Arcadian reprocessed and paid 27 of the 30 claims in the review sample. For the remaining 3 claims, Arcadian requested medical records and denied the claim for non submission of the requested information.

Corrective Action Required:

Arcadian must establish and maintain effective oversight and control over its claims processing operations to ensure processors develop and deny non-contracting provider claims appropriately and propose a corrective action plan that describes the types of oversight activities it will implement. The CAP should at a minimum include the following: -Arcadian must conduct training to staff on its policies and procedures to ensure non-contracted provider claims are adjudicated appropriately by Arcadian or its Subcontracted Entity - Vision Service Provider (VSP). -Submit documentation to the Regional Office that details the nature of the training, including (1) the date(s) of the training, (2) materials used in the training, (3) the individuals conducting the training, and (4) individuals being trained. -Arcadian must conduct an audit each month to evaluate the selection of the denied claims universe, development and adjudication of non-contracted provider claims, and notification to the member of the denials. Arcadian should submit a summary report each quarter to the Regional Office of its monthly findings until further notified. The summary report should include: name and title of the auditor(s), the audit methodology, and the results of the audit. If deficiencies are identified, please provide us with a copy of the corrective action plan to resolve the problem. On July 31, 2006, Arcadian issued an educational bulletin to staff reminding them of the correct procedure for "Handling Unclean Claims" (OPS-030)from non-contracted providers before denying the claim for no prior authorization. OPS-030 must be revised to ensure all unclean claims are either paid or denied within 60 days of receipt. If additional information is requested and not received, Arcadian must make a payment or denial determination based on the available information rather than closing the claim until the documentation is received. Claims development procedures should also include contacting the contracted primary care physician or specialist to determine if the member was referred to the non-contracted provider when necessary.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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:

Arcadian does not meet CMS's 95% compliance standard. Of 30 non-contracting provider claim denials randomly selected from a universe of 71 claims, 1 claim was misclassified. The misclassified claim was a contracted provider denial. Of the remaining 29 claim denials, 4 were denied inappropriately. - One claim for anesthesia services provided to a Medicare beneficiary in an inpatient hospital facility was denied as, "Not Payable by AHP/Bill Medicare". The beneficiary was admitted to the inpatient hospital prior to becoming a member of AHP and during the inpatient stay received anesthesia services a day after becoming a member with Arcadian. Since anesthesia services are reimbursed under Medicare Part B, Arcadian should have paid the claim. - One claim for vision services was denied for not prior authorized. The claim should have been forwarded to Arcadian's contracted Vision Service Provider (VSP) for payment instead of being denied back to the provider. - One claim for diabetic supplies was denied for not prior authorized. From the documentation reviewed, it appeared the contracted physician referred the member to a non-contracted supplier. If a contracted provider referred a member to a non-contracted provider, Arcadian should have paid the claim. -One claim for physician interpretation of echocardiology tests was denied for not prior authorized. This claim should have been developed to ensure that the ancillary services related to an inpatient stay for this member was not prior authorized or the result of an emergency admission. Discussions with claims staff disclosed the hospital claim was paid, therefore the ancillary services related to the episode of care should also be paid. Prior to our site visit, Arcadian conducted an internal review on the denied claims universe and found claims processors were denying non-contracted provider claims using an incorrect procedure and code. Claims processors were not developing claims prior to denying it for not prior authorized. Arcadian reprocessed and paid 27 of the 30 claims in the review sample. For the remaining 3 claims, Arcadian requested medical records and denied the claim for non submission of the requested information.

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/29/2007

Element Release Date: 11/29/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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:

Arcadian does not meet CMS's 95% compliance standard. One non-contracted provider clean claim was paid late and subject to interest payment. The non-contracted provider clean claim was paid within 48 days of receipt or 18 days late. Arcadian paid $.18 interest and CMS calculated $.19 for the same time period. The variance is $.01.

Corrective Action Required:

Arcadian must analyze the interest payment process to determine the cause of the interest calculation error. Submit to CMS your analysis, corrective action, and the estimated date of completion.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/29/2007

Element Release Date: 11/29/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

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CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

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Deficiencies:

Arcadian does not meet CMS's 95% compliance standard. One non-contracted provider clean claim was paid late and subject to interest payment. The non-contracted provider clean claim was paid within 48 days of receipt or 18 days late. Arcadian paid $.18 interest and CMS calculated $.19 for the same time period. The variance is $.01.

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/29/2007

Element Release Date: 11/29/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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:

Arcadian does not meet CMS's 95% compliance standard. One non-contracted provider clean claim was paid late and subject to interest payment. The non-contracted provider clean claim was paid within 48 days of receipt or 18 days late. Arcadian paid $.18 interest and CMS calculated $.19 for the same time period. The variance is $.01.

Corrective Action Required:

Arcadian must analyze the interest payment process to determine the cause of the interest calculation error. Submit to CMS your analysis, corrective action, and the estimated date of completion.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/29/2007

Element Release Date: 11/29/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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:

Arcadian does not meet CMS's 95% compliance standard. One non-contracted provider clean claim was paid late and subject to interest payment. The non-contracted provider clean claim was paid within 48 days of receipt or 18 days late. Arcadian paid $.18 interest and CMS calculated $.19 for the same time period. The variance is $.01.

Corrective Action Required:

Arcadian must analyze the interest payment process to determine the cause of the interest calculation error. Submit to CMS your analysis, corrective action, and the estimated date of completion.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC06

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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:

Arcadian does not meet CMS's 95% compliance standard. Of 30 non-contracting provider claim denials randomly selected from a universe of 71 claims, 1 claim was misclassified. The misclassified claim was for a contracted provider denial that should not have been included in the sample. Of the remaining 29 provider claim denials, Arcadian did not send member denial notices for the cases reviewed.

Corrective Action Required:

Arcadian must ensure all members receive a written denial notice for non-contracted provider claim denials. Refer to Corrective Action Required in Element OC01 for staff training, claims operations oversight and reporting requirements.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC06

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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Corrective Action Required:

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC06

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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:

Arcadian does not meet CMS's 95% compliance standard. Of 30 non-contracting provider claim denials randomly selected from a universe of 71 claims, 1 claim was misclassified. The misclassified claim was for a contracted provider denial that should not have been included in the sample. Of the remaining 29 provider claim denials, Arcadian did not send member denial notices for the cases reviewed.

Corrective Action Required:

Arcadian must ensure all members receive a written denial notice for non-contracted provider claim denials. Refer to Corrective Action Required in Element OC01 for staff training, claims operations oversight and reporting requirements.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC06

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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:

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Corrective Action Required:

Arcadian must ensure all members receive a written denial notice for non-contracted provider claim denials. Refer to Corrective Action Required in Element OC01 for staff training, claims operations oversight and reporting requirements.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC07

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/14/2007

Element Release Date: 10/14/2007

CAP Released Date: 06/16/2008

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Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date: 07/31/2007

MCO Response Due Date: 07/19/2007

Requirement:

Medicare Secondary Payer (Claims) - The MAO must have procedures to identify payers that are primary to Medicare, determine the amounts payable, and coordinate benefits.

Deficiencies:

Arcadian's OPS-019 CL-6 Coordination of Benefits policy contains incorrect information regarding Medicare Secondary benefits. Page 2, Procedure #1 states, "The member Explanation of Coverage will determine the Coordination of Benefits agreement for the Plan. The COB agreement is invoked when a member is covered by two or more plans. The agreement determines which health plan will pay primarily and who is secondarily responsible for payment." Please provide an explanation as to what the Explanation of Coverage is for Medicare Advantage members. For MA enrollees, the Evidence of Coverage provides a general explanation for coordination of benefits, "When you have additional health insurance, whether, we pay first or second - or at all-depends on what type or types of additional insurance you have and the rules that apply to your situation." Page 3, Medicare definition is incorrect. The definition states, "Under some circumstances, AHP benefits will be secondary to those medical benefits to which a member is entitled as a Medicare beneficiary, regardless of whether or not the member has actually enrolled in Medicare. Should the cost of medical or hospital services exceed Medicare's coverage, AHP benefits shall be provided as secondary up to AHP's liability. AHP is primary over Medicare in the following instances: (Medicare shall be responsible for secondary payment only to the extent the services provided are not covered by AHP.)" Please provide an explanation for the Medicare definition. To be eligible for Arcadian's MA plan, all prospective members must be enrolled in Medicare Parts A and B. When a member enrolls in Arcadian Original Medicare will no longer pay for medical services. Coordination of benefits will usually involve Arcadian and another insurance or third party entity. Page 3, Arcadian states they are primary payers for aged employees, disabled employees, and end stage renal disease beneficiaries during the initial period. This is incorrect. Specifically, but not exclusively, an MA organization is the secondary payer for the above name situations.

Corrective Action Required:

Arcadian must revise the policy and procedures to identify payers that are primary to Medicare, identify the amounts payable by those payers, and coordinate its benefits to Medicare enrollees with the benefits of the primary payers. Additional information is available in the Medicare Managed Care Manual, Chapter 4 Benefits and Beneficiary Protection, Section 80 Medicare Secondary Payer Procedures.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC07

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/14/2007

Element Release Date: 10/14/2007

CAP Released Date: 06/16/2008

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Element Projected Completion Date: 07/31/2007

MCO Response Due Date: 07/19/2007

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC07

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/14/2007

Element Release Date: 10/14/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date: 07/31/2007

MCO Response Due Date: 07/19/2007

Requirement:

Medicare Secondary Payer (Claims) - The MAO must have procedures to identify payers that are primary to Medicare, determine the amounts payable, and coordinate benefits.

Deficiencies:

Arcadian's OPS-019 CL-6 Coordination of Benefits policy contains incorrect information regarding Medicare Secondary benefits. Page 2, Procedure #1 states, "The member Explanation of Coverage will determine the Coordination of Benefits agreement for the Plan. The COB agreement is invoked when a member is covered by two or more plans. The agreement determines which health plan will pay primarily and who is secondarily responsible for payment." Please provide an explanation as to what the Explanation of Coverage is for Medicare Advantage members. For MA enrollees, the Evidence of Coverage provides a general explanation for coordination of benefits, "When you have additional health insurance, whether, we pay first or second - or at all-depends on what type or types of additional insurance you have and the rules that apply to your situation." Page 3, Medicare definition is incorrect. The definition states, "Under some circumstances, AHP benefits will be secondary to those medical benefits to which a member is entitled as a Medicare beneficiary, regardless of whether or not the member has actually enrolled in Medicare. Should the cost of medical or hospital services exceed Medicare's coverage, AHP benefits shall be provided as secondary up to AHP's liability. AHP is primary over Medicare in the following instances: (Medicare shall be responsible for secondary payment only to the extent the services provided are not covered by AHP.)" Please provide an explanation for the Medicare definition. To be eligible for Arcadian's MA plan, all prospective members must be enrolled in Medicare Parts A and B. When a member enrolls in Arcadian Original Medicare will no longer pay for medical services. Coordination of benefits will usually involve Arcadian and another insurance or third party entity. Page 3, Arcadian states they are primary payers for aged employees, disabled employees, and end stage renal disease beneficiaries during the initial period. This is incorrect. Specifically, but not exclusively, an MA organization is the secondary payer for the above name situations.

Corrective Action Required:

Arcadian must revise the policy and procedures to identify payers that are primary to Medicare, identify the amounts payable by those payers, and coordinate its benefits to Medicare enrollees with the benefits of the primary payers. Additional information is available in the Medicare Managed Care Manual, Chapter 4 Benefits and Beneficiary Protection, Section 80 Medicare Secondary Payer Procedures.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OC07

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/14/2007

Element Release Date: 10/14/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date: 07/31/2007

MCO Response Due Date: 07/19/2007

Requirement:

Medicare Secondary Payer (Claims) - The MAO must have procedures to identify payers that are primary to Medicare, determine the amounts payable, and coordinate benefits.

Deficiencies:

Arcadian's OPS-019 CL-6 Coordination of Benefits policy contains incorrect information regarding Medicare Secondary benefits. Page 2, Procedure #1 states, "The member Explanation of Coverage will determine the Coordination of Benefits agreement for the Plan. The COB agreement is invoked when a member is covered by two or more plans. The agreement determines which health plan will pay primarily and who is secondarily responsible for payment." Please provide an explanation as to what the Explanation of Coverage is for Medicare Advantage members. For MA enrollees, the Evidence of Coverage provides a general explanation for coordination of benefits, "When you have additional health insurance, whether, we pay first or second - or at all-depends on what type or types of additional insurance you have and the rules that apply to your situation." Page 3, Medicare definition is incorrect. The definition states, "Under some circumstances, AHP benefits will be secondary to those medical benefits to which a member is entitled as a Medicare beneficiary, regardless of whether or not the member has actually enrolled in Medicare. Should the cost of medical or hospital services exceed Medicare's coverage, AHP benefits shall be provided as secondary up to AHP's liability. AHP is primary over Medicare in the following instances: (Medicare shall be responsible for secondary payment only to the extent the services provided are not covered by AHP.)" Please provide an explanation for the Medicare definition. To be eligible for Arcadian's MA plan, all prospective members must be enrolled in Medicare Parts A and B. When a member enrolls in Arcadian Original Medicare will no longer pay for medical services. Coordination of benefits will usually involve Arcadian and another insurance or third party entity. Page 3, Arcadian states they are primary payers for aged employees, disabled employees, and end stage renal disease beneficiaries during the initial period. This is incorrect. Specifically, but not exclusively, an MA organization is the secondary payer for the above name situations.

Corrective Action Required:

Arcadian must revise the policy and procedures to identify payers that are primary to Medicare, identify the amounts payable by those payers, and coordinate its benefits to Medicare enrollees with the benefits of the primary payers. Additional information is available in the Medicare Managed Care Manual, Chapter 4 Benefits and Beneficiary Protection, Section 80 Medicare Secondary Payer Procedures.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:07/31/2007

MCO Response Due Date: 07/19/2007

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 a Arcadian Health Plan sample of 10 denied standard pre-service organization determinations from a universe of 406, the reviewer found 4 cases that did not meet the CMS 14 calendar day timeliness requirement for standard organization determinations.

Corrective Action Required:

Describe actions Arcadian Health Plan is taking to assure meeting the 14 calendar day processing of standard organization determinations in accordance with CMS policy and regulations.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:07/31/2007

MCO Response Due Date: 07/19/2007

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 a Arcadian Health Plan sample of 10 denied standard pre-service organization determinations from a universe of 406, the reviewer found 4 cases that did not meet the CMS 14 calendar day timeliness requirement for standard organization determinations.

Corrective Action Required:

Describe actions Arcadian Health Plan is taking to assure meeting the 14 calendar day processing of standard organization determinations in accordance with CMS policy and regulations.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:07/31/2007

MCO Response Due Date: 07/19/2007

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 a Arcadian Health Plan sample of 10 denied standard pre-service organization determinations from a universe of 406, the reviewer found 4 cases that did not meet the CMS 14 calendar day timeliness requirement for standard organization determinations.

Corrective Action Required:

Describe actions Arcadian Health Plan is taking to assure meeting the 14 calendar day processing of standard organization determinations in accordance with CMS policy and regulations.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:07/31/2007

MCO Response Due Date: 07/19/2007

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 a Arcadian Health Plan sample of 10 denied standard pre-service organization determinations from a universe of 406, the reviewer found 4 cases that did not meet the CMS 14 calendar day timeliness requirement for standard organization determinations.

Corrective Action Required:

Describe actions Arcadian Health Plan is taking to assure meeting the 14 calendar day processing of standard organization determinations in accordance with CMS policy and regulations.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP02

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 08/15/2007

Element Release Date: 08/15/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date: 07/13/2007

MCO Response Due Date: 07/19/2007

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 a Arcadian Health Plan sample of 10 denied standard pre-service organization determinations from a universe of 406, the reviewer found all 10 Notices of Denial of Medical Coverage, NDMCs, non-compliant. The NDMC is a standard CMS notice containing required language that must not be changed.

Corrective Action Required:

Describe the actions Arcadian Health Plan is taking to assure that it issues the CMS required NDMC.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP02

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 08/15/2007

Element Release Date: 08/15/2007

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:07/13/2007

MCO Response Due Date: 07/19/2007

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:

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Corrective Action Required:

Describe the actions Arcadian Health Plan is taking to assure that it issues the CMS required NDMC.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP02

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 08/15/2007

Element Release Date: 08/15/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date: 07/13/2007

MCO Response Due Date: 07/19/2007

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:

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Corrective Action Required:

Describe the actions Arcadian Health Plan is taking to assure that it issues the CMS required NDMC.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP02

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 08/15/2007

Element Release Date: 08/15/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date: 07/13/2007

MCO Response Due Date: 07/19/2007

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 a Arcadian Health Plan sample of 10 denied standard pre-service organization determinations from a universe of 406, the reviewer found all 10 Notices of Denial of Medical Coverage, NDMCs, non-compliant. The NDMC is a standard CMS notice containing required language that must not be changed.

Corrective Action Required:

Describe the actions Arcadian Health Plan is taking to assure that it issues the CMS required NDMC.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:08/01/2007

MCO Response Due Date: 07/19/2007

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 a Arcadian Health Plan sample of 3 requests for expedited organization determinations from a universe of 3, the reviewer found that all 3 cases were processed within the CMS timeliness requirement of 72 hours for expedited organization determinations but the plan did not notify the member of its favorable decision..

Corrective Action Required:

Describe actions Arcadian Health Plan is taking to assure meeting the member notification requirements for expedited organization determinations in accordance with CMS policy and regulations.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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Audit Closed Date: 06/16/2008

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MCO Response Due Date: 07/19/2007

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 a Arcadian Health Plan sample of 3 requests for expedited organization determinations from a universe of 3, the reviewer found that all 3 cases were processed within the CMS timeliness requirement of 72 hours for expedited organization determinations but the plan did not notify the member of its favorable decision..

Corrective Action Required:

Describe actions Arcadian Health Plan is taking to assure meeting the member notification requirements for expedited organization determinations in accordance with CMS policy and regulations.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

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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:

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Corrective Action Required:

Describe actions Arcadian Health Plan is taking to assure meeting the member notification requirements for expedited organization determinations in accordance with CMS policy and regulations.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: OP04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 06/16/2008

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

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MCO Response Due Date: 07/19/2007

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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 a Arcadian Health Plan sample of 3 requests for expedited organization determinations from a universe of 3, the reviewer found that all 3 cases were processed within the CMS timeliness requirement of 72 hours for expedited organization determinations but the plan did not notify the member of its favorable decision..

Corrective Action Required:

Describe actions Arcadian Health Plan is taking to assure meeting the member notification requirements for expedited organization determinations in accordance with CMS policy and regulations.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: PR03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 11/26/2007

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

Credentialing Requirements for Physicians and Other Health Care Professionals - The MAO must follow a documented process for physicians and other health care professionals regarding initial credentialing and recredentialing.

Deficiencies:

Base on a review of 18 credentialing file, 2 files were misclassified, the physicians names appeared in HSD Table 2 but were not contracted with Desert Canyon Community, from a universe of 3375, the reviewer found 3 files non-compliant with CMS requirements. The 3 files were non-compliant for the following reasons: 1 file was missing the consideration of quality of care information in the recredentialing process, 1 file was missing information on license, malpractice, DEA, Medicare sanctions and Medicare Opt Out, and 1 file was missing the 5 year work history for initial credentialing.

Corrective Action Required:

Describe the actions Arcadian Health Plan is taking to assure it initially credentials and recredentials its contracted providers in accordance with CMS requirements. The corrective action must include regular internal auditing of credentialing files to assure compliance. Arcadian Health Plan must immediately develop, implement and submit to CMS a credentialing oversight process to assure groups delegated responsibility for credentialing meet CMS requirements. This oversight process must include regular audits of credentialing files and include a corrective action process for any deficiencies found. Submit to CMS the initial pre delegation audits for each delegated credentialing entity.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: PR03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 11/26/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

Credentialing Requirements for Physicians and Other Health Care Professionals - The MAO must follow a documented process for physicians and other health care professionals regarding initial credentialing and recredentialing.

Deficiencies:

Base on a review of 18 credentialing file, 2 files were misclassified, the physicians names appeared in HSD Table 2 but were not contracted with Desert Canyon Community, from a universe of 3375, the reviewer found 3 files non-compliant with CMS requirements. The 3 files were non-compliant for the following reasons: 1 file was missing the consideration of quality of care information in the recredentialing process, 1 file was missing information on license, malpractice, DEA, Medicare sanctions and Medicare Opt Out, and 1 file was missing the 5 year work history for initial credentialing.

Corrective Action Required:

Describe the actions Arcadian Health Plan is taking to assure it initially credentials and recredentials its contracted providers in accordance with CMS requirements. The corrective action must include regular internal auditing of credentialing files to assure compliance. Arcadian Health Plan must immediately develop, implement and submit to CMS a credentialing oversight process to assure groups delegated responsibility for credentialing meet CMS requirements. This oversight process must include regular audits of credentialing files and include a corrective action process for any deficiencies found. Submit to CMS the initial pre delegation audits for each delegated credentialing entity.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: PR03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 11/26/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

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Base on a review of 18 credentialing file, 2 files were misclassified, the physicians names appeared in HSD Table 2 but were not contracted with Desert Canyon Community, from a universe of 3375, the reviewer found 3 files non-compliant with CMS requirements. The 3 files were non-compliant for the following reasons: 1 file was missing the consideration of quality of care information in the recredentialing process, 1 file was missing information on license, malpractice, DEA, Medicare sanctions and Medicare Opt Out, and 1 file was missing the 5 year work history for initial credentialing.

Corrective Action Required:

Describe the actions Arcadian Health Plan is taking to assure it initially credentials and recredentials its contracted providers in accordance with CMS requirements. The corrective action must include regular internal auditing of credentialing files to assure compliance. Arcadian Health Plan must immediately develop, implement and submit to CMS a credentialing oversight process to assure groups delegated responsibility for credentialing meet CMS requirements. This oversight process must include regular audits of credentialing files and include a corrective action process for any deficiencies found. Submit to CMS the initial pre delegation audits for each delegated credentialing entity.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: PR03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 11/26/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

Credentialing Requirements for Physicians and Other Health Care Professionals - The MAO must follow a documented process for physicians and other health care professionals regarding initial credentialing and recredentialing.

Deficiencies:

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Corrective Action Required:

Describe the actions Arcadian Health Plan is taking to assure it initially credentials and recredentials its contracted providers in accordance with CMS requirements. The corrective action must include regular internal auditing of credentialing files to assure compliance. Arcadian Health Plan must immediately develop, implement and submit to CMS a credentialing oversight process to assure groups delegated responsibility for credentialing meet CMS requirements. This oversight process must include regular audits of credentialing files and include a corrective action process for any deficiencies found. Submit to CMS the initial pre delegation audits for each delegated credentialing entity.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: PR04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 10/01/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date: 12/31/2007

MCO Response Due Date: 07/19/2007

Requirement:

Process for Consultation with Health Care Professionals Regarding CredentialingThe MAO must have a process for health care professionals' input in the credentialing process.

Deficiencies:

Arcadian Health Plans credentialing program lacks evidence of an operational credentialing committee. A request for credentialing committee minutes yielded 5 examples. They are as follows: 1. March 22, 2005 Spokane Community Care QI committee minutes with the following statement, "Ken Bryan presented information on the credentialing program. All providers in the SCC network have been passed credentialing standards and have been approved." 2. June 2, 2005 Spokane Community Care QI committee minutes with the following statement, "The product name is Columbia Care and we are in the process of credentialing the providers. Any providers that do not meet the AHP credentialing standards will be brought to this committee for review." 3. September 8, 2005 Spokane Community Care QI committee minutes with the following statement, "Dr. Herzberg gave a summary of the credentialing process and indicated files that do not meet AHP credentialing standards will be brought to this committee for review. There are currently no files to be reviewed by the committee." 4. March 23, 2006 Spokane Community Care QI committee minutes with the following statement, "The credentialing program was explained." 5. November 23, 2005, Texas Community Care QI committee minutes with the following statement, "Dr. Herzberg presented information on the credentialing program. All providers in the TCC network have passed credentialing standards and have been approved."

Corrective Action Required:

Submit to CMS a detailed description of Arcadian Health Plans credentialing process including the delegated credentialing for the plans contracted network. Identify where and when peer review occurs and how it is integrated into the AHP credentialing/recredentialing process.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: PR04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 10/01/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date: 12/31/2007

MCO Response Due Date: 07/19/2007

Requirement:

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Corrective Action Required:

Submit to CMS a detailed description of Arcadian Health Plans credentialing process including the delegated credentialing for the plans contracted network. Identify where and when peer review occurs and how it is integrated into the AHP credentialing/recredentialing process.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: PR04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 10/01/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date: 12/31/2007

MCO Response Due Date: 07/19/2007

Requirement:

Process for Consultation with Health Care Professionals Regarding CredentialingThe MAO must have a process for health care professionals' input in the credentialing process.

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Corrective Action Required:

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: PR04

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 10/01/2007

Element Release Date: 10/01/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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Element Projected Completion Date: 12/31/2007

MCO Response Due Date: 07/19/2007

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 12/14/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

QI Program That Is Evaluated Annually - The MAO must have an ongoing quality improvement (QI) program that is formally evaluated at least annually.

Deficiencies:

Arcadian Health Plan has not submitted a signed copy of 2006 QI Program and minutes from the executive board that the QI program was reviewed and approved by the policy oversight body, executive board. CMS received on September 1, 2006 the signed AHP QI work plan, not the QI Program. This is the third request from CMS for a signed QI Program. Additionally, the QI Committee reporting structure does not identify how claims, provider relations, member services/enrollment and marketing/sales information is integrated into the QI committee.

Corrective Action Required:

Submit to CMS a signed copy of 2006 QI Program and minutes from the executive board demonstrating that the QI program was reviewed and approved by the policy oversight body, executive board. Submit to CMS a revised QI committee reporting structure integrating information from claims, provider relations, member services/enrollment and marketing/sales information into the QI committee.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 12/14/2007

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

QI Program That Is Evaluated Annually - The MAO must have an ongoing quality improvement (QI) program that is formally evaluated at least annually.

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 12/14/2007

CAP Released Date:06/16/2008

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MCO Response Due Date: 07/19/2007

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 12/14/2007

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CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 12/14/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

Appropriate Utilization Management Program - If the MAO offers a coordinated care plan, or a local PPO that is licensed as an HMO, the MAO must employ a utilization management program that meets CMS requirements for each plan.

Deficiencies:

Arcadian Health Plan has not submitted a signed copy of 2006 UM Program and minutes from the executive board that the UM program was reviewed and approved by the policy oversight body, executive board. CMS received on September 1, 2006 the signed AHP UM work plan, not the UM Program.

Corrective Action Required:

Submit to CMS a signed copy of 2006 UM Program and minutes from the executive board that the UM program was reviewed and approved by the policy oversight body, executive board.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 12/14/2007

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CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

Appropriate Utilization Management Program - If the MAO offers a coordinated care plan, or a local PPO that is licensed as an HMO, the MAO must employ a utilization management program that meets CMS requirements for each plan.

Deficiencies:

Arcadian Health Plan has not submitted a signed copy of 2006 UM Program and minutes from the executive board that the UM program was reviewed and approved by the policy oversight body, executive board. CMS received on September 1, 2006 the signed AHP UM work plan, not the UM Program.

Corrective Action Required:

Submit to CMS a signed copy of 2006 UM Program and minutes from the executive board that the UM program was reviewed and approved by the policy oversight body, executive board.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 12/14/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

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Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY03

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 12/14/2007

Element Release Date: 12/14/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

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CMS Medicare Managed Care Auditing Report

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Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY07

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 11/26/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

Date Report Issued: 06/04/2007

Date Report Due: 10/22/2006

CAP Accepted Date: 12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

Requirement:

Oversight of Delegated Entities with Chapter 5 Responsibilities If any of the activities or responsibilities for the above elements, QY 01- QY05 or QY08-QY09, in Chapter 5 are delegated to other parties, the MAO must oversee them per CMS standards.

Deficiencies:

Arcadian Health Plan must evaluate the delegated credentialing entities' ability to perform the credentialing function prior to delegation. CMS found no evidence of pre-delegation credentialing audits.

Corrective Action Required:

Submit to CMS evidence of pre-delegation credentialing audits for all Arcadian Health Plan contracted delegated credentialing entities.

CMS Medicare Managed Care Auditing Report

Auditing Review Results (Initial Report)-Public Website Version

Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY07

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 11/26/2007

CAP Released Date: 06/16/2008

Visit Start Date: 08/21/2006

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Audit Closed Date: 06/16/2008

Element Projected Completion Date:

MCO Response Due Date: 07/19/2007

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY07

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date: 07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 11/26/2007

CAP Released Date: 06/16/2008

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Element Projected Completion Date:

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: QY07

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 11/26/2007

Element Release Date: 11/26/2007

CAP Released Date:06/16/2008

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MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5700 ARKANSAS COMMUNITY CARE

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: RC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

Exit Conference Date: 09/07/2006

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Date Report Due: 10/22/2006

CAP Accepted Date:12/14/2007

Audit Closed Date: 06/16/2008

Element Projected Completion Date:09/30/2007

MCO Response Due Date: 07/19/2007

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:

Arcadian Health Plan did not produce universe lists for favorable and adverse claims reconsiderations, adverse pre -service reconsiderations and expedited requests for reconsiderations, as required for CMS review. Arcadian reported one case for favorable pre-service reconsideration. During onsite review, interview of Arcadian staff revealed that Arcadian did not document occurrences of favorable claims reconsiderations. Since Arcadian was unable to adequately establish a valid universe, as required for CMS review, this element is not met.

Corrective Action Required:

Arcadian Health Plan, Inc. (Arcadian) must establish and maintain effective oversight and control of reconsideration operations to ensure Arcadian staff receive and process appeals, timely and appropriately. The corrective action plan (CAP) must describe the types of oversight activities Arcadian will implement. The CAP should, at a minimum, include the following: -Arcadian must develop and implement a policy and procedure to effectively monitor the receipt and processing of standard and expedited reconsiderations. -Arcadian must be able to produce a valid reconsideration universe so that CMS can select another review sample for a focused review that will be scheduled at a later date. --Arcadian must conduct an audit each month to evaluate accurate selection of the reconsideration universes and to ensure compliance with CMS reconsideration monitoring elements. Arcadian should submit a summary report each quarter to the CMS Regional Office, of monthly audit findings, until further notified by CMS. The summary report should include: name and title of the auditor(s), the audit methodology and the audit findings. If problem areas are identified, please provide CMS with a copy of the CAP implemented by Arcadian in order to resolve the problem(s).

CMS Medicare Managed Care Auditing Report

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Date Report Generated: 9/30/2008

MRT Number: M0015, Contract Number: All, Category: All, Element: All, Finding:NOT MET, Reviewer:All

Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H0320 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: RC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

Element Release Date: 06/16/2008

CAP Released Date:06/16/2008

Visit Start Date: 08/21/2006

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Findings: NOT MET

Review ID: 7917

Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H5416 ARCADIAN HEALTH PLAN

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: RC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

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Region: 09 San Francisco

MRT Number / Name: M0015 MRT Arcadian Health Plans, Inc.

Contract Number / Name: H4529 ARCADIAN HEALTH PLAN, INC.

Auditing Guide Version: MA Audit Review Guide, Version 4

Auditing Element: RC01

Review Type: Routine

Review Status: Confirmed

MCO Response Received Date:07/19/2007

Element Accepted Date: 10/15/2007

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