CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: MR06
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 3/19/2008
Element Release Date: 3/19/2008
Element Projected Completion Date: 3/10/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Plan Responsibility for Persons Employed or Contracted to Perform Marketing - The Part D sponsor must have a compensation structure that meets CMS requirements for any person directly employed or contracted to market the plan. The Part D sponsor must utilize only state licensed, certified, or registered individuals to perform marketing on behalf of the Part D sponsor, whether as an employee or under contract directly or downstream, if a state has such a marketing requirement, and it must conduct monitoring activities to ensure that individuals marketing on behalf of the Part D sponsor comply with all applicable Part D laws, all other Federal health care laws, and CMS policies, including CMS marketing guidelines, to ensure that beneficiaries receive truthful and accurate information.

Reference:

Medicare Marketing Guidelines for MAs, MA-PDs, PDPs, and 1876 Cost Plans

Deficiencies:

(1) DHMP does not have policies and procedures regarding its responsibility for and oversight of persons performing marketing activities. (2) DHMP does not require its marketing representatives to provide a written disclosure statement to all potential enrollees prior to enrollment or at the time of enrollment stating that the person discussing plan options is employed and compensated by DHMP. (3) DHMP does not have a written policy requiring that all persons marketing on behalf of the Plan be state licensed.

Corrective Action Required:

(1) DHMP must submit to CMS its policies and procedures regarding responsibility for and oversight of persons performing marketing activities. This documentation must include a provision to conduct ongoing monitoring of all persons directly employed or contracted to perform marketing activities to ensure that they comply with all applicable laws and CMS policies, including CMS marketing guidelines. (2) DHMP must submit to CMS its policies and procedures that include a requirement that its marketing representatives provide a written disclosure statement to all potential enrollees prior to enrollment or at the time of enrollment stating that the person discussing plan options is employed and compensated by DHMP. (3) DHMP must submit to CMS a written policy requiring that all persons marketing on behalf of the Plan be state licensed.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: PH03
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 4/1/2008
Element Release Date: 4/1/2008
Element Projected Completion Date: 3/10/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Access to Long-Term Care Pharmacies - The Part D sponsor must offer standard contracting terms and conditions, including performance and service criteria, to all long-term care (LTC) pharmacies in its Part D plan service area. The Part D sponsor must contract with a sufficient number of LTC pharmacies to provide all of its plans¿ institutionalized enrollees convenient access to their Part D benefits. Note: This element is waived for MA-PFFS organizations that offer a Part D Benefit if they (1) provide plan enrollees access to covered Part D drugs dispensed at all pharmacies without regard to whether they are contracted network pharmacies, and (2) do not charge cost-sharing in excess of that required for qualified prescription drug coverage.

Reference:

42 CFR § 423.120(a)(5); MA-PD Solicitation; Long Term Care Guidance

Deficiencies:

DHMP does not have language in its policies and procedures stating that standard contracting terms and conditions, including performance standards and service criteria for Long Term Care (LTC) pharmacies that CMS specifies, to any LTC pharmacy in the service area that requests the contract.

Corrective Action Required:

DHMP must submit to CMS policies and procedures that state standard contracting terms and conditions, including performance standards and service criteria for Long Term Care (LTC) pharmacies that CMS specifies, to any LTC pharmacy in the service area that requests the contract.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD03
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 3/19/2008
Element Release Date: 3/19/2008
Element Projected Completion Date: 3/10/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Timely Notification of Coverage Determination Concerning Drug Benefit - In response to a drug benefit request, the Part D sponsor must notify the enrollee (and the prescribing physician involved, as appropriate) of its determination as expeditiously as the enrollee¿s health condition requires, but no later than 72 hours after receipt of the request, or, for an exceptions request, the physician¿s supporting statement. If the coverage determination was denied and the initial notification was provided orally, the Part D sponsor must send the written notice to the enrollee within 3 calendar days of the oral notice. Failure to notify the enrollee within the 72 hour timeframe constitutes an adverse coverage determination requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE.

Reference:

42 CFR § 423.568(a); § 423.568(e); § 423.578(c)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

DHMP does not have a sample or template for a notice of enrollee notification when request is forwarded to the IRE.

Corrective Action Required:

DHMP must submit to CMS a notice template for enrollee notification when request is forwarded to the IRE. This notice needs to be consistent with CMS issued model notice, Notice of Case Status.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD04
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 3/31/2008
Element Release Date: 3/31/2008
Element Projected Completion Date: 3/10/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Coverage Determinations Concerning Payment - The Part D sponsor must notify the enrollee of its determination no later than 72 hours after receipt of the payment request, or, for an exceptions request, after receiving the physician's supporting statement. If the coverage determination was denied and the initial notification was provided orally, the Part D sponsor must send the written notice to the enrollee within 3 calendar days of the oral notice. For favorable determinations, the Part D sponsor must authorize payment and notify the enrollee within 72 hours after receiving the request, or, for an exceptions request, after receiving the physician's supporting statement. The Part D sponsor must also make payment (i.e., mail the payment) within 30 calendar days of the request, or, for an exceptions request, after receiving the physician's supporting statement. Failure to notify the enrollee within the 72 hour timeframe constitutes an adverse determination requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE. Note: This element also applies to out-of-network (OON) paper claims submitted by beneficiaries or their appointed representatives.

Reference:

42 CFR § 423.568(b); § 423.568(e); MA-PD Solicitation; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

DHMP does not have a sample or template for a notice of enrollee notification when request is forwarded to the IRE.

Corrective Action Required:

DHMP must submit to CMS a notice template for enrollee notification when request is forwarded to the IRE. This notice needs to be consistent with CMS issued model notice, Notice of Case Status.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD09
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 5/9/2008
Element Release Date: 5/9/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Timely Notification of Expedited Coverage Determination - The Part D sponsor must make its expedited coverage determination and notify the enrollee of its decision (adverse or favorable), as expeditiously as the enrollee¿s health condition requires, but no later than 24 hours after receiving the request, or, for an exceptions request, the physician¿s supporting statement. If the decision is adverse and the Part D sponsor first notifies the enrollee of the determination orally, the Part D sponsor must mail written confirmation to the enrollee within 3 calendar days of the oral notification. Failure to notify the enrollee within the 24 hour timeframe constitutes an adverse determination requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE.

Reference:

42 CFR § 423.570(e); § 423.572(a-b); § 423.572(d); § 423.578(c)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

DHMP does not have language in its policies and procedures stating that the enrollee must be informed within 24 hours when the case is forwarded to the IRE. DHMP does not have a sample or template for a notice of enrollee notification when request is forwarded to the IRE.

Corrective Action Required:

DHMP must submit to CMS policies and procedures that state the enrollee must be informed within 24 hours, when the case is forwarded to the IRE. DHMP must submit to CMS a notice template for enrollee notification when request is forwarded to the IRE. This notice needs to be consistent with CMS issued model notice, Notice of Case Status.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CD10
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 3/31/2008
Element Release Date: 6/9/2008
Element Projected Completion Date: 6/5/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Notice Content Requirements for Expedited Coverage Determination - The notice of any expedited coverage determination must state the specific reasons for the determination in understandable language. If the determination is not completely favorable, the notice must also: (i) include information concerning the enrollee¿s right to a redetermination; (ii) describe both the standard and expedited redetermination processes, including the enrollee¿s right to request, and conditions for obtaining, an expedited redetermination, and the rest of the appeals process; and (iii) comply with any other requirements specified by CMS.

Reference:

42 CFR § 423.572(c); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Upon review of expedited coverage determination case files provided for the samples selected and used in worksheets WS-CD3-D, improper notice of expedited coverage determinations are greater than the defective threshold.

Corrective Action Required:

Denver Health must submit to CMS Monthly expedited coverage determination case files until sufficient evidence is documented that proper notice is provided to enrollees concerning expedited coverage determinations.

CMS Part D Audit Report

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Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CE01
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 3/31/2008
Element Release Date: 4/11/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Exceptions Procedures and Criteria (Tiered Cost-Sharing) - The Part D sponsor must establish and maintain reasonable and complete exceptions procedures, subject to CMS¿ approval, for exceptions requests to the Part D sponsor¿s tiered cost-sharing structure. The exceptions procedures must address situations where a formulary¿s tiering structure changes during the year, and an enrollee is using a drug affected by the change. The Part D sponsor must grant an exception for non-preferred drugs when medically necessary and consistent with the prescribing physician¿s statement that meets CMS criteria. The Part D sponsor¿s tiered cost-sharing exceptions process and exception criteria must meet CMS requirements including for unplanned transitions.

Reference:

42 CFR § 423.578(a)(1-2); § 423.578(a)(4); MA-PD Solicitation and EP Attestation Addendum; Reporting Requirements for Section VI: Prior Authorization, Step Edits, Non-Formulary Exceptions, and Tier Exceptions; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals; Information for Part D Sponsors on Requirements for a Transition Process

Deficiencies:

DHMP policies and procedures regarding processing requests for exceptions to its cost-sharing structure do not include the following: (1) A provision stating that DHMP will clearly identify the type of information that must be submitted when additional supporting medical documentation is requested, (2) A provision stating that DHMP must not keep an exceptions request open indefinitely when a physician does not submit a supporting statement, and (3) A provision stating that if DHMP is waiting on a physician's statement in support of a tiering exception request, DHMP must wait a minimum of 96 hours after receiving a standard request or a minimum of 48 hours after receiving an expedited request before issuing its determination on the tiering exception.

Corrective Action Required:

DHMP must update its policies and procedures regarding processing requests for exceptions to its cost-sharing structure to include the following: (1) A provision stating that DHMP will clearly identify the type of information that must be submitted when additional supporting medical documentation is requested, (2) A provision stating that DHMP must not keep an exceptions request open indefinitely when a physician does not submit a supporting statement, and (3) A provision stating that if DHMP is waiting on a physician's statement in support of a tiering exception request, DHMP must wait a minimum of 96 hours after receiving a standard request or a minimum of 48 hours after receiving an expedited request before issuing its determination on the tiering exception.

CMS Part D Audit Report

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Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CE02
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 3/31/2008
Element Release Date: 5/27/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Exceptions Procedures and Criteria (Non-Formulary Drugs) - The Part D sponsor must establish and maintain exceptions procedures, subject to CMS¿ approval, for receipt of an off-formulary drug. The Part D sponsor must grant an exception for a non-formulary Part D drug whenever it determines that the drug is medically necessary, consistent with the prescribing physicians¿ statement that meets CMS criteria, and that the drug would be covered but for the fact that it is an off-formulary drug. The Part D sponsor¿s formulary exceptions process and exception criteria must meet CMS requirements including for unplanned transitions.

Reference:

42 CFR § 423.578(b); § 423.578(b)(1); § 423.578(b)(2); § 423.578(b)(5); MA-PD Solicitation and EP Attestation Addendum; Reporting Requirements for Section VI: Prior Authorization, Step Edits, Non-Formulary Exceptions, and Tier Exceptions; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals; Information for Part D Sponsors on Requirements for a Transition Process

Deficiencies:

DHMP policies and procedures regarding processing requests for exceptions for non-formulary drugs do not include the following: (1) A provision stating that DHMP must not keep an exceptions request open indefinitely when a physician does not submit a supporting statement, and (2) A provision stating that if DHMP is waiting on a physician's statement in support of a formulary exception request, DHMP must wait a minimum of 96 hours after receiving a standard request or a minimum of 48 hours after receiving an expedited request before issuing its determination on the formulary exception.

Corrective Action Required:

DHMP must update its policies and procedures regarding processing requests for exceptions for non-formulary drugs to include the following: (1) A provision stating that DHMP must not keep an exceptions request open indefinitely when a physician does not submit a supporting statement, and (2) A provision stating that if DHMP is waiting on a physician's statement in support of a formulary exception request, DHMP must wait a minimum of 96 hours after receiving a standard request or a minimum of 48 hours after receiving an expedited request before issuing its determination on the formulary exception.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: CE03
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 3/31/2008
Element Release Date: 5/27/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Approval of Tiering and Non-Formulary Exceptions Requests - Following approval of a request for a tiering or a non-formulary exception, the Part D sponsor cannot require an approval for a refill or a new prescription following the initial prescription, provided that (i) the enrollee¿s prescribing physician continues to prescribe the drug; (ii) the drug continues to be considered safe for treating the enrollee¿s disease or medical condition; and (iii) the enrollment period has not expired. For tiering exceptions, the Part D sponsor must permit enrollees to obtain an approved non-preferred drug at the more favorable cost-sharing terms applicable to drugs in the preferred tier. For approved non-formulary exceptions, the Part D sponsor has the flexibility to determine what level of cost-sharing applies to all non-formulary drugs approved under the exceptions process, so long as the designated level is one of its existing cost-sharing tiers.

Reference:

42 CFR § 423.578(c)(3); § 423.578(c)(4)(i-ii); EP Attestation Addendum; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

DHMP policies and procedures regarding determining cost-sharing for approved exceptions do not include a provision stating that enrollees are not required to request an approval following the initial prescription for the remainder of the plan year.

Corrective Action Required:

DHMP must update its policies and procedures regarding determining cost-sharing for approved exceptions to include a provision stating that enrollees are not required to request an approval following the initial prescription for the remainder of the plan year.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

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Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: GV01
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 3/19/2008
Element Release Date: 3/19/2008
Element Projected Completion Date: 3/14/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Complaint Categorization (Grievances vs. Coverage Determinations) - The Part D sponsor must promptly and correctly determine and inform the enrollee whether a complaint is subject to its grievance procedures or its coverage determination procedures.

Reference:

42 CFR § 423.564(b); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

(1) DHMP does not describe in its policies and procedures how the Plan categorizes cases as inquiries, grievances, or coverage determinations. (2) DHMP did not provide a notice template for informing enrollees about inquiries involving excluded drugs.

Corrective Action Required:

(1) DHMP must submit to CMS its policies and procedures for categorization of cases as inquiries, grievances, or coverage determinations. (2) DHMP must submit to CMS a notice template for informing enrollees about inquiries involving excluded drugs.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: GV02
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 4/7/2008
Element Release Date: 4/7/2008
Element Projected Completion Date: 3/14/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Grievance Policies and Procedures - The Part D sponsor must establish and maintain policies and procedures for tracking and addressing the timely hearing and resolution of all oral and written enrollee grievances including but not limited to the following: fraud and abuse, enrollment/disenrollment, benefit package, pharmacy access/network, marketing, customer service, confidentiality/privacy, and quality of care. The Part D sponsor must also maintain records of such grievances.

Reference:

42 CFR § 423.562(a)(1)(i); § 423.564(a-b); § 423.564(g); MA-PD Solicitation; Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals; Reporting Requirements for Section V: Grievances

Deficiencies:

(1) DHMP does not have language in its policies and procedures requiring prompt, appropriate action, including a full investigation of the complaint if necessary. (2) DHMP does not have language in its policies and procedures specifying how grievance are tracked to include at a minimum, the date of receipt, disposition of the grievance, and the date the enrollee was notified of the disposition.

Corrective Action Required:

(1) DHMP must incorporate language into its policies and procedures describing prompt, appropriate action, including a full investigation of grievances if necessary. (2) DHMP must incorporate language in its policies and procedures describing its grievance tracking to include at a minimum, the date of receipt, disposition of the grievance, and the date the enrollee was notified of the disposition.

CMS Part D Audit Report
Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: GV03
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 6/5/2008
Element Release Date: 6/5/2008
Element Projected Completion Date: 4/15/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Grievance Process Training - The Part D sponsor will train relevant staff and subcontractors on its grievance policies and procedures.

Reference:

MA-PD Solicitation

Deficiencies:

(1) DHMP does not have language in its policies and procedures regarding training on its grievance process.
(2) DHMP did not provide documentation of past training for staff and/or contractors.

Corrective Action Required:

(1) DHMP must submit to CMS its policies and procedures regarding training on its grievance process. (2) DHMP must provide documentation of its next training for staff and/or contractors on the grievance process that includes an attendance log and a description of the content.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: GV06
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 3/19/2008
Element Release Date: 3/19/2008
Element Projected Completion Date: 3/14/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Grievance Response ¿ Quality of Care - The Part D sponsor must respond in writing to all grievances related to the quality of care. The response must include a description of the enrollee¿s right to file a written complaint with the Quality Improvement Organization (QIO). If a complaint is submitted to the QIO, the Part D sponsor must cooperate with the QIO in resolving the complaint.

Reference:

42 CFR § 423.564(e)(3)(iii); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

(1) DHMP does not have language in its policies and procedures describing its cooperation with the Quality Improvement Organization (QIO) on grievance cases related to the quality of care. (2) DHMP did not provide a notice template that is used to inform beneficiaries of the disposition of grievances and the right to file a Quality of Care complaint with the QIO.

Corrective Action Required:

(1) DHMP must submit to CMS its policies and procedures describing cooperation with the QIO on grievance cases related to the quality of care. (2) DHMP must provide a notice template that is used to inform beneficiaries of the disposition of grievances and the right to file a Quality of Care complaint with the QIO.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE03
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 4/2/2008
Element Release Date: 6/6/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Decision to Accept or Deny Request for Expedited Redetermination - The Part D sponsor must promptly decide whether to expedite the redetermination if it determines, based on the enrollee¿s request, or as indicated in the prescribing physician¿s request, that applying the standard timeframe for making a redetermination may seriously jeopardize the enrollee¿s life, health, or ability to regain maximum function.

Reference:

42 CFR § 423.584(c)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Denver Health¿s policies and procedures do not include the following provisions: (1)provision stating that Denver Health automatically expedites a request when the enrollee¿s physician indicates that applying the standard timeframe for making a redetermination may seriously jeopardize the enrollee¿s life, health, or ability to regain maximum function, and (2) provision stating that any additional medical information Denver Health requires must be requested within 24 hours of receiving the initial request for expedited determination.

Corrective Action Required:

Denver Health must update their policies and procedures to include the following provisions: (1) provision stating that Denver Health automatically expedites a request when the enrollee¿s physician indicates that applying the standard timeframe for making a redetermination may seriously jeopardize the enrollee¿s life, health, or ability to regain maximum function, and (2) provision stating that any additional medical information Denver Health requires must be requested within 24 hours of receiving the initial request for expedited determination. Revised policies and procedures must be submitted to CMS.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE04
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 4/2/2008
Element Release Date: 7/9/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Actions Following Decision to Deny Request for Expedited Redetermination - If the Part D sponsor denies a request for an expedited redetermination, it must automatically transfer the request to the standard redetermination timeframe, provide prompt oral notice to the enrollee, according to CMS requirements, and provide equivalent written notice within 3 calendar days of the oral notice.

Reference:

42 CFR § 423.584(d-e); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Denver Health¿s policies and procedures do not include a provision stating that Denver Health must transfer a denied request for an expedited redetermination to the standard redetermination timeframe. Denver Health does not use a notice consistent with CMS-issued model notice, Notice of Right to an Expedited Grievance, for notifying an enrollee that a request for an expedited redetermination is denied.

Corrective Action Required:

Denver Health must update their policies and procedures to include a provision stating that Denver Health must transfer a denied request for an expedited redetermination to the standard redetermination timeframe. Denver Health must use a notice consistent with CMS-issued model notice, Notice of Right to an Expedited Grievance, for notifying an enrollee that a request for an expedited redetermination is denied. Revised policies and procedures, and the notice template, must be submitted to CMS.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE05
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 4/2/2008
Element Release Date: 7/9/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Timely Notification and Effectuation of Standard Redetermination Concerning Covered Drug Benefit - If the Part D sponsor makes a redetermination that is favorable for the enrollee, or affirms in whole or in part its original adverse coverage determination, it must notify the enrollee in writing of its redetermination as expeditiously as the enrollee¿s health condition requires, but no later than 7 calendar days from the date it received the request for a standard redetermination, meeting CMS requirements. For favorable redeterminations for the enrollee, the Part D sponsor must effectuate it as expeditiously as the enrollee¿s health condition requires, but no later than 7 calendar days from the date it receives the request. Failure to notify the enrollee within the timeframe constitutes an adverse redetermination decision requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE.

Reference:

42 CFR § 423.590(a)(1-2); § 423.590(c); § 423.590(g)(1-4); § 423.636(a)(1); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Denver Health¿s policies and procedures do not include a provision stating that Denver Health must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. Denver Health does not use a notice consistent with CMS-issued model notice, Request for Reconsideration, for enrollees requesting reconsiderations. Denver Health does not have a notice template for enrollee notification when a request is forwarded to the IRE.

Corrective Action Required:

Denver Health must update their policies and procedures to include a provision stating that Denver Health must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. Denver Health must use a notice consistent with CMS-issued model notice, Request for Reconsideration, for enrollees requesting reconsiderations. Denver Health must have a notice template for enrollee notification when a request is forwarded to the IRE. Revised policies and procedures, and the notice templates, must be submitted to CMS.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE06
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 4/2/2008
Element Release Date: 7/9/2008
Element Projected Completion Date:

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Timely Notification and Effectuation of Standard Redetermination Concerning Payment - If the Part D sponsor makes a redetermination that is favorable for the enrollee, or affirms in whole or in part its adverse coverage determination, it must issue its redetermination (in writing for the adverse redeterminations) no later than 7 calendar days from the date it received the request, meeting CMS requirements. For favorable redeterminations for the enrollee, the Part D sponsor must authorize the payment within 7 calendar days from the date it receives the request for redetermination. It must then make the payment no later than 30 calendar days after the date it receives the request for redetermination. Failure to notify the enrollee within the timeframe constitutes an adverse redetermination decision requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE.

Reference:

42 CFR § 423.590(b-c); § 423.590(g)(1-4); § 423.636(a)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Denver Health¿s policies and procedures do not include a provision stating that Denver Health must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. Denver Health does not use a notice consistent with CMS-issued model notice, Request for Reconsideration, for enrollees requesting reconsiderations. Denver Health does not have a notice template for enrollee notification when a request is forwarded to the IRE.

Corrective Action Required:

Denver Health must update their policies and procedures to include a provision stating that Denver Health must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. Denver Health must use a notice consistent with CMS-issued model notice, Request for Reconsideration, for enrollees requesting reconsiderations. Denver Health must have a notice template for enrollee notification when a request is forwarded to the IRE. Revised policies and procedures, and the notice templates, must be submitted to CMS.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE07
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 7/9/2008
Element Release Date: 7/9/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Timely Notification of Expedited Redetermination and Request for Medical Information - If a Part D sponsor grants a request for expedited redetermination, it must complete its redetermination and give the enrollee (and the prescribing physician involved, as appropriate), notice of its decision as expeditiously as the enrollee¿s health condition requires but no later than 72 hours after receiving the request. If medical information is necessary, the Part D sponsor must make the request within 24 hours of receiving the initial request for an expedited redetermination. Failure to notify the enrollee within the timeframe constitutes an adverse redetermination decision requiring the Part D sponsor to forward the enrollee¿s request to the Independent Review Entity (IRE) within 24 hours of the expiration of the adjudication timeframe. The Part D sponsor must also inform the enrollee, within 24 hours of the expiration of the adjudication timeframe, when the case is forwarded to the IRE.

Reference:

42 CFR § 423.584(e); § 423.590(d-e); § 423.638(a); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Denver Health¿s policies and procedures do not include the following provisions: (1) provision indicating that notification of a favorable decision may be made orally or in writing, (2) provision indicating that initial notification of an adverse decision may be made orally, so long as a follow-up written decision is mailed within 3 calendar days of the oral notification, (3) provision stating that medical information must be requested within 24 hours of the enrollee¿s initial request, and (4) provision stating that Denver Health must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. Denver Health does not use a notice consistent with CMS-issued model notice, Notice of Right to an Expedited Grievance, for enrollee notification of an adverse expedited redetermination. Denver Health does not use a notice consistent with CMS-issued model notice, Request for Reconsideration, for enrollees requesting reconsiderations. Denver Health does not have a notice template for enrollee notification when request is forwarded to the IRE.

Corrective Action Required:

Denver Health must update policies and procedures to include the following provisions: (1) provision indicating that notification of a favorable decision may be made orally or in writing, (2) provision indicating that initial notification of an adverse decision may be made orally, so long as a follow-up written decision is mailed within 3 calendar days of the oral notification, (3) provision stating that medical information must be requested within 24 hours of the enrollee¿s initial request, and (4) provision stating that Denver Health must inform the enrollee, within 24 hours, when the case is forwarded to the IRE. Denver Health must use a notice consistent with CMS-issued model notice, Notice of Right to an Expedited Grievance, for enrollee notification of an adverse expedited redetermination. Denver Health must use a notice consistent with CMS-issued model notice, Request for Reconsideration, for enrollees requesting reconsiderations. Denver Health must have a notice template for enrollee notification when request is forwarded to the IRE. Revised policies and procedures, and the notice templates, must be submitted to CMS.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RE10
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 4/2/2008
Element Release Date: 6/6/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Timely Transfer to IRE Upon Reconsideration Request - In cases where an enrollee has filed a reconsideration request and the IRE has requested the enrollee's file, the Part D sponsor must transfer the case file to the IRE within 24 hours (expedited requests) or 48 hours (standard requests) from the time it receives the IRE¿s request for the case file.

Reference:

Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Denver Health¿s policies and procedures do not include the following provisions: (1) provision stating that case files must be sent to the IRE within 24 hours (expedited requests) or 48 hours (standard requests) from the time the IRE requests the case file, and (2) provision stating that a hard copy of the case file must be delivered to the IRE by overnight delivery at its designated address, or by fax at its designated fax number.

Corrective Action Required:

Denver Health must update policies and procedures to include the following provisions: (1) provision stating that case files must be sent to the IRE within 24 hours (expedited requests) or 48 hours (standard requests) from the time the IRE requests the case file, and (2) provision stating that a hard copy of the case file must be delivered to the IRE by overnight delivery at its designated address, or by fax at its designated fax number. Revised policies and procedures must be submitted to CMS.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RV01
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 4/2/2008
Element Release Date: 7/9/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Effectuation of Third Party Reversals ¿ Benefits (Standard) - If, on appeal of a request for benefit, the Part D sponsor 's determination is reversed in whole or in part by the Independent Review Entity (IRE), or at a higher level of appeal, the Part D sponsor must authorize or provide the benefit under dispute as expeditiously as the enrollee¿s health requires but no later than 72 hours after the date it receives notice reversing the determination. The Part D sponsor must also inform the IRE that the organization has effectuated the decision.

Reference:

42 CFR § 423.636(b)(1); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Denver Health¿s policies and procedures do not include provisions for effectuating third party reversals on an appeal of a request for a benefit. Denver Health does not use a notice consistent with CMS-issued model notice, Notice of Effectuation to Part D Independent Review Entity, for notifying the IRE of effectuation of a decision.

Corrective Action Required:

Denver Health must update policies and procedures to include provisions for effectuating third party reversals on an appeal of a request for a benefit. Denver Health must use a notice consistent with CMS-issued model notice, Notice of Effectuation to Part D Independent Review Entity, for notifying the IRE of effectuation of a decision. Revised policies and procedures, and the notice template, must be submitted to CMS.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RV02
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 4/2/2008
Element Release Date: 7/9/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Effectuation of Third Party Reversals ¿ Payment (Standard) - If, on appeal of a request for payment, the Part D sponsor 's determination is reversed in whole or in part by the Independent Review Entity (IRE), or at a higher level of appeal, the Part D sponsor must authorize the payment within 72 hours, but make payment no later than 30 calendar days from the date it receives notice reversing the coverage determination. The Part D sponsor must also inform the IRE that the organization has effectuated the decision.

Reference:

42 CFR § 423.636(b)(2); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Denver Health's policies and procedures do not include provisions for effectuating third party reversals on an appeal of a request for payment. Denver Health does not use a notice consistent with CMS-issued model notice, Notice of Effectuation to Part D Independent Review Entity, for notifying the IRE of effectuation of a decision.

Corrective Action Required:

Denver Health must update policies and procedures to include provisions for effectuating third party reversals on an appeal of a request for payment. Denver Health must use a notice consistent with CMS-issued model notice, Notice of Effectuation to Part D Independent Review Entity, for notifying the IRE of effectuation of a decision. Revised policies and procedures, and the notice template, must be submitted to CMS.

CMS Part D Audit Report

Auditing Results (Public Website Version)

Date Report Generated: 9/30/2008

Contract Number: All, Chapter: All, Element: All, Finding: Not Met, Auditor: All

Findings: Not Met
Audit ID: 1241
Contract Number: H5608
Part D Sponsor Name: DENVER HEALTH MEDICAL PLAN, INC.

Audit Guide Version: MA-PD Sponsor Part D Audit Guide Version 1
Auditing Element: RV03
Audit Type: Routine
Audit Location: Onsite
Date Report Issued: 1/30/2008
Date Report Due: 3/15/2008
Element Accepted Date: 4/2/2008
Element Release Date: 7/9/2008
Element Projected Completion Date: 5/1/2008

3 Year Reporting Cycle: 1/1/2006 - 12/31/2008
Estimated Visit Start Date: 12/3/2007
Estimated Visit Start Date: 12/20/2007
Actual Visit Start Date: 12/3/2007
Actual Visit End Date: 12/20/2007
Part D Sponsor Response Received Date: 3/14/2008
Part D Sponsor Response Due Date: 3/15/2008
CAP Release Date: 7/9/2008
CAP Accepted Date: 7/9/2008

Requirement:

Effectuation of Third Party Reversals ¿ Benefits (Expedited) - If the expedited determination or expedited redetermination for benefits by the Part D sponsor is reversed in whole or in part by the Independent Review Entity (IRE), or at a higher level of appeal, the Part D sponsor must authorize or provide the benefit under dispute as expeditiously as the enrollee¿s health requires but no later than 24 hours after the date it receives notice reversing the determination. The Part D sponsor must also inform the IRE that the organization has effectuated the decision.

Reference:

42 CFR § 423.638(b); Prescription Drug Benefit Manual; Chapter 18 ¿ Part D Enrollee Grievances, Coverage Determinations, and Appeals

Deficiencies:

Denver Health¿s policies and procedures do not include provisions for effectuating third party reversals on an appeal of an expedited request for a benefit. Denver Health does not use a notice consistent with CMS-issued model notice, Notice of Effectuation to Part D Independent Review Entity, for notifying the IRE of effectuation of a decision.

Corrective Action Required:

Denver Health must update policies and procedures to include provisions for effectuating third party reversals on an appeal of an expedited request for a benefit. Denver Health must use a notice consistent with CMS-issued model notice, Notice of Effectuation to Part D Independent Review Entity, for notifying the IRE of effectuation of a decision. Revised policies and procedures, and the notice template, must be submitted to CMS.