

Act 212 – Item #17 - Sanctions

The Department of Health and Hospitals may apply administrative actions or assess monetary penalties to obtain the level of performance required for successful operation of the Bayou Health program. Below is a list of sanctions DHH levied against Coordinated Care Networks (CCNs) for being deficient or non-compliant with contract requirements:

- 1. AmeriHealth Caritas Louisiana (formerly LaCare) was assessed a \$170,000 monetary penalty on June 18, 2013 due to non-compliance with pharmacy encounter claims submissions.** Section 17.6.2.1 of Exhibit E states: The Health Plan shall submit a monthly claim level detail file of pharmacy encounters to DHH which includes individual claim level detail information on each pharmacy claim dispensed to a Medicaid patient, including but not limited to the total number of metric units, dosage form, strength and package size, Nation Drug Code of each covered outpatient drug dispensed to Medicaid enrollees. This monthly submission must comply with Section 17.5.4 requirements. The monetary penalty of \$170,000, equal to \$10,000 per day, for 17 calendar days of noncompliance, was assessed in accordance with section 20.2.3 of Exhibit E of the contract.
- 2. AmeriHealth Caritas Louisiana (formerly LaCare) was assessed a \$240,000 monetary penalty on July 16, 2013 due to noncompliance with encounter data submissions.** Section 17.5.4.12 states: For encounter data submissions, the CCN shall submit 95% of its encounter data at least monthly due no later the 25th calendar day of the month following the month in which they were processed and approved/paid, including encounters reflecting a zero dollar amount (\$0.00) and encounters in which the CCN has a capitation arrangement with a provider. The CCN CEO or CFO shall attest to the truthfulness, accuracy and completeness of all encounter data submitted. The monetary penalty of \$240,000, equal to \$10,000 per day for 24 calendar days of noncompliance, was assessed in accordance with section 20.2.3 of Exhibit E of the contract.
- 3. United Healthcare Community Plan was assessed a \$140,700 monetary penalty on June 18, 2013 due to noncompliance with pre-processed claims data submissions.** Section 13 of Exhibit E of the contract states: The CCN shall maintain an automated Management Information System which accepts provider claims, verifies eligibility, validates prior authorization, pre-processes and submits claims data to DHH's fiscal intermediary that complies with DHH and federal reporting requirements. The monetary penalty of \$140,700, for noncompliance beginning February 27, 2013 through April 27, 2013, was assessed in accordance with section 4.9 of Exhibit E of the contract.

During this reporting period, Amerigroup, Community Health Solutions, and Louisiana Healthcare Connections were not assessed any monetary penalties for being deficient or non-compliant with contract requirements.