

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>Singleton</i>	DATE <i>11-7-13</i>
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DIRECTOR'S USE ONLY	ACTION REQUESTED
1. LOG NUMBER <i>000162</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____
2. DATE SIGNED BY DIRECTOR <i>Cleared 1/15/14 letter attached.</i>	<input checked="" type="checkbox"/> Prepare reply for appropriate signature DATE DUE <i>11-19-13</i>
	<input type="checkbox"/> FOIA DATE DUE _____
	<input type="checkbox"/> Necessary Action

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			



October 14, 2013

Jim Bradford
1800 Main Street
PO Box 8206
Columbia, SC 29202-8206

Re: CY2012 Withhold and Incentive Measures for BlueChoice Health Plan Medicaid (BLUECHOICE)

Dear Mr. Bradford:

BlueChoice HealthPlan Medicaid is in receipt of the September 30, 2013 letter from Nathaniel Patterson regarding the 2012 Withhold program in which you invite the submission of additional data. We have previously provided information regarding the measures that appeared to be incorrect and offer additional information that we believe should impact the imposition of the penalty:

- In a meeting on July 26, 2012, the initial measures from which the plans could select their targets were presented to the Plans for the Withhold program by IFS. During the meeting, IFS indicated they would be happy to sit down with any plans that might need assistance interpreting the data and determining how the Plan data for current performance may align. A request was made for such a meeting on August 24, 2012 through the Department; and August 27, 2012 direct to IFS at the Department's direction. Neither request resulted in the requested meeting.
- In the July 26, 2012 meeting, the Department requested each plan to identify the measures they would like to be held responsible for in year 1. It was further indicated that the Plan's targets for those measures would follow in one week which was critical due to the tardy start to the program. BlueChoice submitted its measures on August 3, 2012 and BlueChoice followed up requesting its targets on August 20, August 24 and received the HEDIS targets on August 29 and the CAHPS score targets on September 12.
- The Withhold for Quality Performance Measures Section of the October 2012 Policy and Procedure manual (incorporated into the contract by reference) on page 122 required the Department to convene quarterly meetings with the Plan to provide current status regarding the measures. There was one meeting held on March 12, 2013 at which time information for one month was available. The lack of the quarterly meetings was a handicap to BlueChoice's ability to gauge its progress/shortcomings. The Department's failing was acknowledged by Roy Hess in a meeting on June 5, 2013 and it was indicated that the concern would be elevated in the Department.

- The minutes for the MCO/MHN Operations Meeting on March 6, 2013, indicate that the Department was to furnish the NCQA admin-only rates to the plans. This was never completed.
- In a meeting on June 5, 2013, it was explained by the plans that comparing our administrative only rates to national standards with hybrid data was an unfair and inaccurate comparison, yet this is the basis of the program. It was agreed, and IFS committed to obtaining the national administrative only rates. This commitment was captured in minutes of the meeting which were passed along to the Department with a request for correction of any information in error. To date, the measures have not been provided and IFS now denies ever making the commitment.
- The HEDIS measure for Follow-up After Hospitalization for Mental Illness was not measured as it is NCQA standard that it not be measured unless the plan is fully responsible for all services. At this time, the Department was largely responsible for these services. Minus this category, only one measurement falls below the 25th percentile (from Nathaniel Patterson letter of September 30, 2013, attached).

BlueChoice HealthPlan Medicaid requests an appropriate consideration of the difficulties encountered as we attempted to work within the program and the relative contribution that these factors have had on the interim measurement of the "requirements". BlueChoice HealthPlan is committed to achieving quality standards set for all plans. We ask your reconsideration of the penalty proposed for 2012 in light of the foregoing issues.

Sincerely,



Scott Graves
President & COO
BlueChoice HealthPlan South Carolina

Cc: Anthony Keck
Deirdra Singleton
Nathaniel Patterson
Roy Hess

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

Byrne's 11/8/13 Response attached 11/15/14
RECEIVED
NOV 07 2013

ACTION REFERRAL

Department of Health & Human Services
Office of Health Programs

TO <i>Singleton / Bryan A.</i>	DATE <i>11-7-13</i>
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Sincerely,



Scott Graves
President & COO
BlueChoice HealthPlan South Carolina

Cc: Anthony Keck
Deirdra Singleton
Nathaniel Patterson
Roy Hess



Nikki Haley GOVERNOR

Anthony Keck DIRECTOR

P.O. Box 8206 Columbia, SC 29202

www.scdhhs.gov

January 15, 2014

Dan Gallagher
Assistant Vice President
BlueChoice HealthPlan
PO Box 6170, Mail Code Ax-400
Columbia, SC 29260-6170

Re: CY2012 Managed Care Organization (MCO) Withholds

Dear Mr. Gallagher:

This letter serves as final confirmation of the data presented to BlueChoice HealthPlan (BCHP) on Friday, September 27, 2013, the subsequent re-review of the quality data submitted after the September 27, 2013 meeting, the October 14, 2013 BCHP letter, and the January 10, 2014 discussion with Deputy Director, Deirdra Singleton and Program Director, Nathaniel Patterson.

Consistent with previous communications, BCHP does not qualify for a bonus and will be assessed an annualized penalty of 1.0% of premiums minus the supplemental teaching payment portion totaling \$1,208,107.06 for year one of the withhold program (period of July 2012 to December 2012).

For questions regarding Pharmacy and Quality, please contact Bryan Amick by phone at (803) 898-0212 or by email at bryan.amick@scdhhs.gov. If you have additional questions or comments regarding Medicaid Managed Care policies, please contact me by phone at (803) 898-2018 or by email at patnat@scdhhs.gov.

Sincerely,

Nathaniel J. Patterson
Program Director, Health Services

Bryan Amick
Program Director, Clinical Quality &
Population Health

cc: Deirdra T. Singleton, Deputy Director
Evan Gessner, Assistant General Counsel