

April 24, 2015

Ms. Karen Saelens
Executive Director
UnitedHealthcare Community Plan - LTC
1 E Washington, Ste 800
Phoenix, AZ 85004

Dear Ms. Saelens:

Attached are the final results of the Encounter Data Validation studies for UnitedHealthcare Community Plan - LTC for Contract Year Ending (CYE) 2012. The review was conducted in accordance with Section D, paragraph 74 of the Contract and the Encounter Data Validation Technical Document. The review scope includes two sections: ALTCS study "A" for Home Health, Therapies, and Personal Care and the ALTCS study "B" for Nursing Facilities. The studies measured:

- Claim included in the Contractor's claim submission and encountered in AHCCCS' Prepaid Medical Management Information System (PMMIS) (Match) – reviewed for accuracy and timeliness.
- Claims included in the Contractor's claim submission but not encountered in PMMIS (NotEnc InCIm) – reviewed for omission.
- Encounters reported in PMMIS but not included in the Contractor's claim submission (InEnc NotCIm) – reviewed for omission from claim submission file.

A preliminary report was provided to allow the Contractor the opportunity to review and submit any additional information that may have affected the final error rate calculations. After considering the Contractor response, the results have been applied to the total population of "A" and "B" encounters.

As a reminder, the Contractor chose to not challenge the preliminary findings for A InEnc NotCIm and B InEnc NotCIm. The preliminary results have become final for these studies.

For study "A" Match, there were 583,571 encounter/claim matches identified from a sample size of 740,436 claims; a subsample of 153 was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 3 accuracy errors and 4 timeliness errors, yielding an overall error rate of 1.96% for accuracy and 2.61% for timeliness. For study "B" Match, there were 39,402 encounter/claim matches identified from a sample size of 47,036 claims; a subsample of 152 was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 21 accuracy errors and 1 timeliness error, yielding an overall error rate of 13.82% for accuracy and 0.66% for timeliness.

For study "A" NotEnc InCIm, there were 156,865 possible omissions identified from a sample size of 740,436 claims; a subsample of 317 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 45 omission errors, yielding an overall error rate of 3.01%. For study "B" NotEnc InCIm, there were 7,634 possible omissions identified from a sample size of 47,036 claims; a subsample of 306 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor

to the adjudicated encounters within PMMIS resulting in 23 omission errors, yielding an overall error rate of 1.22%.

For study "A" InEnc NotClm, there were 97,607 possible omissions identified from a sample size of 706,960 encounters; a subsample of 317 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 150 omission errors, yielding an overall error rate of 6.53%. For study "B" InEnc NotClm, there were 3,898 possible omissions identified from a sample size of 44,687 encounters; a subsample of 296 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 281 omission errors, yielding an overall error rate of 8.28%.

For each study, if the error rate falls below the acceptable rate of 5%, no sanction will be applied. The InEnc NotClm study was strictly informational – no sanction will be applied. The Contractor's error rates and sanction amounts, if applicable, for each study are as follows:


STUDY	Error Rate	Sanction
A Match Accuracy	1.96%	n/a
A Match Timeliness	2.61%	n/a
A NotEnc InClm	3.01%	n/a
A InEnc NotClm	6.53%	n/a
B Match Accuracy	13.82%	\$ 2,399.52
B Match Timeliness	0.66%	n/a
B NotEnc InClm	1.22%	n/a
B InEnc NotClm	8.28%	n/a

Per the terms of the Contract, sanctions are not the Administration's exclusive remedy. In particular and without limiting possible future actions, if any legal action is brought against the Administration as the result of your non-compliance with the Contract, the Administration will seek compensation from you for any damages arising from such legal action including but not limited to the Administration's cost of representation as well as the cost of any attorneys' fees and costs payable to the party bringing the action.

Within 24 hours of receipt of this letter, the final workpapers for each study will be uploaded to the SFTP at <https://sftp.statemedicaid.us/UHC-LTC/OTHER/DHCM/OUT/>.

Thank you for your assistance with this Center for Medicare and Medicaid Services (CMS) requirement. If you have any questions, please contact Linda Oakley at (602) 417-4308 or linda.oakley@azahcccs.gov.

Sincerely,



Michael Veit
Contracts & Purchasing, Administrator
Division of Business and Finance

C: Lori Petre, AHCCCS
Gina Aker, AHCCCS
DHCM/DA&R File