

March 1, 2018

Mr. Joseph Gaudio
Chief Executive Officer
UnitedHealthcare Community Plan, CRS
1 East Washington Suite 900
Phoenix, AZ. 85004

Dear Mr. Gaudio:

Attached are the final results of the Encounter Data Validation studies for UnitedHealthcare Community Plan - CRS for Contract Year Ending (CYE) 2015. The review was conducted in accordance with Section D, paragraph 65 of Contract YH14-0002 and the Encounter Data Validation Technical Document. The review scope included two sections: Acute study "A" for all professional services and the Acute study "B" for all facility services. 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.

For study "A" Match, there were 668,480 encounter/claim matches identified from a sample size of 736,268 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 6 accuracy error and 0 timeliness errors, yielding an overall error rate of 3.92% for accuracy and 0.00% for timeliness. For study "B" Match, there were 40,170 encounter/claim matches identified from a sample size of 42,328 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 0 accuracy errors and 6 timeliness errors, yielding an overall error rate of 0.00% for accuracy and 3.95% for timeliness.

For study "A" NotEnc InCIm, there were 67,788 possible omissions identified from a sample size of 736,268 claims; a subsample of 316 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 15 omission errors, yielding an overall error rate of 0.44%. For study "B" NotEnc InCIm, there were 2,158 possible omissions identified from a sample size of 42,328 claims; a subsample of 281 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 29 omission errors, yielding an overall error rate of 0.53%.

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For study "A" InEnc NotCln, there were 48,392 possible omissions identified from a sample size of 821,617 encounters; a subsample of 316 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 87 omission errors, yielding an overall error rate of 1.62%. For study "B" InEnc NotCln, there were 254 possible omissions identified from a sample size of 42,699 encounters; a subsample of 150 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 38 omission errors, yielding an overall error rate of 0.15%.

For each study, if the error rate falls below the acceptable rate of 5%, 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	3.92%	\$0.00
A Match Timeliness	0.00%	\$0.00
A NotEnc InCln	0.44%	\$0.00
A InEnc NotCln	1.62%	\$0.00
B Match Accuracy	0.00%	\$0.00
B Match Timeliness	3.95%	\$0.00
B NotEnc InCln	0.53%	\$0.00
B InEnc NotCln	0.15%	\$0.00

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-CRS/OTHER/DHCM/OUT/>.

Thank you for your assistance with this Centers 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,



Meggan Harley, CPPO, MSW
Chief Procurement Officer
Division of Business and Finance
Mail Drop #5700

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