

Janice K. Brewer, Governor
Thomas J. Betlach, Director

801 East Jefferson, Phoenix, AZ 85034
PO Box 25520, Phoenix, AZ 85002
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Our first care is your health care
ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

July 14, 2010

William Hagan, Chief Executive Officer
Jack Weiss M.D., Chief Medical Officer
APIPA
3141 North 3rd Avenue
Phoenix, AZ 85013-4345

SUBJECT: Release from June 5, 2009 Notice to Cure -Violation of Notice of Action Requirements

Dear Mr. Hagan and Dr. Weiss:

Under the authority granted to Arizona Health Care Cost Containment System (AHCCCS) by Section D, Paragraph 72 of the Acute Care Contract and the Acute Contractor Operations Manual Policy 408 – Sanction Policy, AHCCCS is releasing APIPA from the Notice to Cure imposed on June 5, 2009 as the requirements have been completed. AHCCCS has been conducting monthly audits of the Notice of Action letters produced by APIPA. The review has included monthly meetings with the APIPA staff involved in the compliance and writing of the Notice of Action letters. AHCCCS required that APIPA have three consecutive months of audit scores greater than or equal to 90% to be relieved of this Notice to Cure.

Issue: Grievance System- Member Specific facts regarding the reason for the denial, termination or approval in an amount, duration or scope less than what is requested.

APIPA has demonstrated the following:

- Scores greater than or equal to ninety percent (90%) for the months of February, March and April, 2010 Notice of Action Letters

As APIPA has met the requirement noted above, APIPA is now relieved of this Notice to Cure. Please note, however, that APIPA will be subject to additional sanctions should AHCCCS find that APIPA is not in compliance with the grievance process in the future. Should you have questions regarding the findings expressed in this communication, please direct them to Maureen Wade, Manager of Medical Management, Division of Health Care Management.

Sincerely,

Michael Veit
Contracts and Purchasing Administrator

Attachment- Notice of Action Scores

Cc: Tom Betlach, Director, OOD
Kate Aurelius, Deputy Director, OOD
Shelli Silver, Assistant Director, DHCM
Kathy Rodham, Finance Manager, DHCM
Rodd Mas, Acute Care Operations Manager, DHCM
Maureen Wade, Manager of Medical Management, DHCM
Contract file

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**AHCCCS MEDICAL MANAGEMENT NOTICE
 OF ACTION COMPLIANCE
 LETTER AUDIT TOOL - CYE 10**

APIPA

#	The Notice of Action must contain the following elements:	Yes= value No= 0	October '09	December '09	January '10	February '10	March '10	April '10	Average by Question
	NOE								
1	Identifies requested service in clearly understood language? (Do the service request and NOA match?)	5	4	5	5	5	5	4	5
2	The reason or purpose of the requested service is explained in clearly understood language? (What did the requesting doctor say the reason for this request is? Give credit if the reason for the request is found in the requested service portion or member specific section)	5	5	5	5	5	5	5	5
3	States the action taken by the Contractor?	5	5	5	5	5	5	5	5
4	Clearly states a member specific reason for the action (states the facts about the member's condition that are the basis for the action).	35	26	35	26	33	28	28	29
5	States the legal basis for the action? (In accordance with the reason for the denial.)	10	9	10	6	8	10	9	9
6	Correct letter template is used? Legal resources included with the letter? (No modifications to NOA or legal resource sheet) If no, the Contractor will be sanctioned.	5	5	5	5	5	5	5	5
7	7. All letter dates are correct? * Appeal date? (NOA date is day 0+60 days after date on NOA) * Extension timeframes and Notice of Extension letter sent if appropriate?	5	4	3	4	4	5	5	4
8	Decision timeframe met (3/14). The day request is received is day 1.	10	5	7	10	10	9	10	8

#	The Notice of Action must contain the following elements:	Yes= value No= 0	October '09	December '09	January '10	February '10	March '10	April '10	Average by Question
9	Decision made by qualified health care professional	10	10	10	10	10	10	10	10
10	Does the documentation of the decision reason match the letter? Does the letter and legal basis match the qualified health professional's documented rationale for the decision? Explanation by Med Director is same as seen on NOA?	10	9	10	10	10	9	9	10
	Percentage correct by Member	100	81	95	85.7	93.9	91.3	90.7	90
	If termination, suspension or limited authorization of services, the letter has a minimum of 10 days noted before the effective date?	subtract 15 if not present ; -15	11	0	15	0	15	8	8
	If yes 0 points deducted enter 0, if no continuation issued and applicable enter minus(-) 15 ; if not applicable enter N/A	Total	78	95	85	94	90	90	89