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ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM

January 28, 2010

Nicole Larson
Bridgeway Compliance Officer
Bridgeway Health Solutions
1501 West Fountainhead Parkway, Suite 201
Tempe, Arizona 85282

Re: Sanction for Failure to Comply with Grievance System Requirements

Dear Ms. Larson:

I am writing this letter in response to your recent correspondence regarding the sanction imposed by the AHCCCS Administration on Bridgeway Health Solutions (Bridgeway) in the amount of \$10,000. Through its ongoing review of Notices of Action (NOA), the Administration determined that Bridgeway failed to comply with AHCCCS Grievance System requirements when completing the NOA dated July 10 for member WS.

The Division of Health Care Management (DHCM) found that the NOA did not provide the member with the mandatory basic information explaining why he no longer met the criteria to receive the requested medication. Instead, Bridgeway advised WS that a completed request form must be submitted for the drug in order to be considered. In addition, DHCM identified that the minimum of ten days' advance notice was not provided to the member before discontinuance of the drug that WS had been receiving. Although Bridgeway acknowledges that the NOA was deficient, it requests that the Administration reconsider the sanction which was assessed.

The importance of Contractor compliance with Grievance System requirements, including NOA provisions, cannot be overstated. During the past few years, the Administration has dedicated considerable resources to this topic to educate Contractors and to provide technical assistance. This area has been and remains a focal point of health plan oversight, and AHCCCS is committed to ensuring that members are adequately informed of adverse actions taken by Contractors so that they can exercise their appeal rights, if desired. Although the imposition of the \$10,000 sanction will not be reconsidered, I will treat your letter as a timely dispute under R9-34-401 et seq. and will forward this matter for dispute resolution and referral to the hearing process if you so advise within the next two weeks.

Sincerely,

Gina Reikm
Chief Counsel
Office of Administrative Legal Services

c: Rodd Mas
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Brandy Burkhalter, Bridgeway
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