

Letter Sent Electronically

January 29, 2018

Mike Uchrin
Chief Executive Officer
Health Choice Arizona
410 N. 44th Street, Ste. 900
Phoenix, AZ 85008

RE: Compliance Action: **Sanction, Performance Measurement- CAHPS Survey Results – Adults.**

Dear Mr. Uchrin:

The Arizona Health Care Cost Containment System (AHCCCS), Division of Health Care Management (DHCM) has determined that Health Choice Arizona (HCA) is in violation of Contract (YH14-0001-07) Section D, Paragraph 23 Quality Management and Performance Improvement. As outlined in Section D, Paragraph 72, Sanctions, of the Acute Care Contract, HCA is hereby subject to compliance action as outlined below.

AHCCCS contract requires that HCA provide quality medical care and services to members and promote improvement in the quality of care provided to members through established Quality Management and Performance Improvement processes. The Contractor's Quality Management Program must be designed to achieve and sustain, through ongoing measurements and intervention, significant improvement in the areas of clinical care and nonclinical care which are expected to have a favorable effect on health outcomes and member satisfaction.

In early 2017, AHCCCS utilized its External Quality Review Organization to conduct a HEDIS Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey of adult and children in the Acute Care delivery system for calendar year 2016. Performance was evaluated at the Managed Care Organization (MCO) level as well as aggregate rates for both populations. Refer to the Table below. HCA's survey results for the Adult population are of significant concern as outlined below:

- On a rating scale of one to five, with one being the lowest rating and five being the highest, HCA received the lowest ratings from consumers.
- For the nine (9) major areas that were evaluated, HCA received a one-star rating for five areas and a two-star rating for four areas.
- For the measures of "Getting Needed Care" and "Getting Care Quickly", HCA's rating for the 2016 measurement period was a one star for each measure and dropped from the previous measurement period rating in 2013 of a three and two star respectively.
- The "Rating of All Health Care" for 2016 was a one star and dropped from a three star in the previous measurement period of 2013.
- HCA was the lowest rated health plan of all Acute MCOs

- HCA was the only MCO required to institute a corrective action plan for all performance areas a result of the HEDIS CAHPS survey. (AHCCCS requires all one- and two-star ratings to be addressed via a corrective action plan).

CAHPS Survey Results 2016 Adult Measurement

LOB/ Contractor	Global Rating				Composite Measure				Individual Item Measure
	Rating of Health Plan	Rating of All Health Care	Rating of Personal Doctor	Rating of Specialist Seen Most Often	Getting Needed Care	Getting Care Quickly	How Well Doctors Communicate	Customer Service	Coordination of Care
Acute Adult 2016	2.46 ★★★	2.44 ★★★★	2.53 ★★★★	2.54 ★★★★	2.36 ★★★★	2.41 ★★★★	2.59 ★★★★	2.55 ★★★★	2.27 ★
<i>Previous Measurement 2013</i>	2.402 ★★★	2.347 ★★★	2.454 ★★	2.504 ★★★★	2.325 ★★★★	2.370 ★★	2.553 ★★★★	2.510 ★★★★	n/a
HCA 2016	2.33 ★	2.31 ★	2.43 ★★	2.48 ★★	2.25 ★	2.32 ★	2.52 ★★	2.53 ★★	2.22 ★
<i>Previous Measurement 2013</i>	2.309 ★	2.331 ★★★★	2.405 ★	2.408 ★	2.296 ★★★★	2.392 ★★	2.516 ★★	2.450 ★★★★	n/a

As a result of HCA’s failure to achieve and sustain and to drive improvement for member satisfaction as evidenced by the one and two star ratings for the 2016 Adult CAHPS survey results and the decline in results from 2013 to 2016, AHCCCS is imposing a **\$50,000** monetary sanction. The sanction will be withheld from a future capitation payment.

If HCA disagrees with this decision, the Contractor may file a dispute with AHCCCS using the process outlined in A.A.C. R9-34-401 et. seq. The dispute must be filed in writing and must be received by the AHCCCS Office of Administrative and Legal Services at 701 E. Jefferson, Phoenix AZ 85034, no later than 60 days from the date of this letter. The dispute shall specify and legal and factual basis for the dispute as well as relief requested.

If you have questions regarding this matter, please feel free to contact Virginia Rountree at (602) 417-4122 or Virginia.rountree@azahcccs.gov or Jakenna Lebsock at (602) 417-4229 or Jakenna.Lebsock@azahcccs.gov.

Sincerely,



Meggan Harley, CPPO, MSW
Chief Procurement Officer

CC: Nicole Larson, HCA Compliance Officer
Virginia Rountree, AHCCCS DHCM Assistant Director
Shelli Silver AHCCCS DHCM Assistant Director
Christina Quast, AHCCCS Operations Administrator
Jakenna Lebsock, AHCCCS Clinical Administrator
Jamie Robin, AHCCCS Quality Improvement Manager
Lola Davis, AHCCCS Operations Compliance Officer