

March 30, 2021

Ms. Lorry Bottrill  
Chief Executive Officer  
Mercy Care  
4755 S 44<sup>th</sup> Pl  
Phoenix, AZ 85040

Dear Ms. Bottrill:

Attached are the final results of the Encounter Data Validation studies for Mercy Care Plan - Acute for Contract Year Ending (CYE) 2018. The review was conducted in accordance with Section D, Paragraph 64 of Contract YH14-0001-08 and the Encounter Data Validation Technical Document. The review scope included two sections: study "A" for all professional services and study "B" for all facility services. The studies measured:

- Claims 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 8,724,513 encounter/claim matches identified from a sample size of 8,802,650 claims; a subsample of 150 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 0 timeliness errors, yielding an overall error rate of 2.00% for accuracy and 0.00% for timeliness. For study "B" Match, there were 476,057 encounter/claim matches identified from a sample size of 480,954 claims; a subsample of 150 was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 6 accuracy errors and 0 timeliness errors, yielding an overall error rate of 4.00% for accuracy and 0.00% for timeliness.

For study "A" NotEnc InCIm, there were 78,137 possible omissions identified from a sample size of 8,802,650 claims; a subsample of 315 was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 157 omission errors, yielding an overall error rate of 0.44%. For study "B" NotEnc InCIm, there were 4,897 possible omissions identified from a sample size of 480,954 claims; a subsample of 315 was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 106 omission errors, yielding an overall error rate of 0.34%.

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For study "A" InEnc NotClm, there were 401,924 possible omissions identified from a sample size of 9,613,589 encounters; a subsample of 315 was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 7 omission errors, yielding an overall error rate of 0.09%. For study "B" InEnc NotClm, there were 7,404 possible omissions identified from a sample size of 500,887 encounters; a subsample of 315 was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 5 omission errors, yielding an overall error rate of 0.02%.

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	2.00%	\$0.00
A Match Timeliness	0.00%	\$0.00
A NotEnc InClm	0.44%	\$0.00
A InEnc NotClm	0.09%	\$0.00
B Match Accuracy	4.00%	\$0.00
B Match Timeliness	0.00%	\$0.00
B NotEnc InClm	0.34%	\$0.00
B InEnc NotClm	0.02%	\$0.00

Per the terms of the Contract, sanctions are not AHCCCS' exclusive remedy. In particular and without limiting possible future actions, if any legal action is brought against AHCCCS as the result of your non-compliance with the Contract, AHCCCS will seek compensation from you for any damages arising from such legal action including, but not limited to, AHCCCS' 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 Secured File Transfer Protocol (SFTP).

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 LaPorte (Mar 30, 2021 09:58 PDT)

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

C: Christina Quast, AHCCCS  
Lori Petre, AHCCCS