

April 24, 2015

Mr. James Stover  
Chief Executive Officer  
Maricopa Health Plan  
2701 E Elvira Rd  
Tucson, AZ 85756

Dear Mr. Stover:

Attached are the final results of the Encounter Data Validation studies for Maricopa Health Plan for Contract Year Ending (CYE) 2012. The review was conducted in accordance with Section D, paragraph 65 of the Contract 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.

As a reminder, the Contractor chose to not challenge the preliminary findings for A InEnc NotCIm, B Match and B InEnc NotCIm. The preliminary results have become final for these studies.

For study "A" Match, there were 869,916 encounter/claim matches identified from a sample size of 900,224 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 2 accuracy errors and 2 timeliness errors, yielding an overall error rate of 1.31% for accuracy and 1.31% for timeliness. For study "B" Match, there were 105,618 encounter/claim matches identified from a sample size of 109,747 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 0 accuracy errors and 5 timeliness errors, yielding an overall error rate of 0.00% for accuracy and 3.27% for timeliness.

For study "A" NotEnc InCIm, there were 30,308 possible omissions identified from a sample size of 900,224 claims; a subsample of 315 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 46 omission errors, yielding an overall error rate of 0.49%. For study "B" NotEnc InCIm, there were 4,129 possible omissions identified from a sample size of 109,747 claims; a subsample of 295 claims was

randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 48 omission errors, yielding an overall error rate of 0.61%.

For study "A" InEnc NotClm, there were 28,776 possible omissions identified from a sample size of 985,755 encounters; a subsample of 315 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 0 omission errors, yielding an overall error rate of 0.00%. For study "B" InEnc NotClm, there were 2,520 possible omissions identified from a sample size of 115,125 encounters; a subsample of 285 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 0 omission errors, yielding an overall error rate of 0.00%.

For each study, if the error rate falls below the acceptable rate of 5%, no sanction will be applied. The InEnc NotClm study was strictly informational – no sanction will be applied. The Contractor's error rates and sanction amounts, if applicable, for each study are as follows:

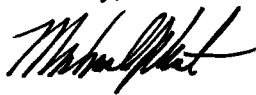
STUDY	Error Rate	Sanction
A Match Accuracy	1.31%	n/a
A Match Timeliness	1.31%	n/a
A NotEnc InClm	0.49%	n/a
A InEnc NotClm	0.00%	n/a
B Match Accuracy	0.00%	n/a
B Match Timeliness	3.27%	n/a
B NotEnc InClm	0.61%	n/a
B InEnc NotClm	0.00%	n/a

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/MHP/OTHER/DHCM/OUT/>.

Thank you for your assistance with this Center 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](mailto:linda.oakley@azahcccs.gov).

Sincerely,



Michael Veit  
Contracts & Purchasing, Administrator  
Division of Business and Finance

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