

April 27, 2017

Dr. Laura Love
Assistant Director
Division of Developmental Disabilities
Department of Economic Security
1789 W. Jefferson, 4th floor
Phoenix, AZ 85007

SUBJECT: Compliance Action – Notice to Cure

Dear Dr. Love:

The Arizona Health Care Cost Containment System (AHCCCS) Division of Health Care Management (DHCM) has determined that the Department of Economic Security's Division of Developmental Disabilities (DES/DDD) is in violation of Contract YH6-0014, DES Contract E2005004 (Contract) for contract year ending 2017 as outlined below. As a result of these violations and pursuant to Contract, Section D, Paragraph 80 and AHCCCS Contractor Operations Manual Policy 408, AHCCCS is imposing the following regulatory action:

Notice to Cure

Ensuring the health and safety of AHCCCS members and the timely provision of quality care and medically necessary services is of the highest priority. Equally important is the need for coordinated efforts by DES/DDD directed to assuring accessible and timely care for members in the least restrictive setting possible. DES/DDD has failed to comply with the following Contract requirements:

ALTCS Guiding Principles:

- *Member-centered case management*
The member is the primary focus of the ALTCS program. (emphasis added) The member, and family/significant others, as appropriate, are active participants in the planning for and the evaluation of services provided to them. Services are mutually selected to assist the member in attaining their goal(s) for achieving or maintaining their highest level of self-sufficiency. Information and education about the ALTCS program, their choices of options and mix of services should be accurate and readily available to them.
- *Consistency of services*
Service systems are developed to ensure a member can rely on services being provided as agreed to by the member and the Contractor. (emphasis added)

- *Accessibility of network*
Access to services is maximized when they are developed to meet the needs of the members. Service provider restrictions, limitations or assignment criteria are clearly identified to the member and family/significant others. Service networks are developed by the Contractor to meet member's needs which are not limited to normal business hours.(emphasis added)

Section D, Paragraph 12. Behavioral Health Services – including, but not limited to requirements around Monitoring, Training, and Education and Coordination of Care

Section D, Paragraph 16. Case Management – including, but not limited to case manager expectations and requirements around contingency/back-up planning

Section D, Paragraph 20. Quality Management and Performance Improvement - including, but not limited to integration of quality management processes such as tracking and trending of issues through all areas of the organization with ultimate responsibility residing with Quality Management;

Section D, Paragraph 21. Medical Management – including, but not limited to monitoring and assurance that all enrollees with special health care needs have direct access to care and continuity and coordination of care

Section D, Paragraph 28. Network Development – including, but not limited to development of a provider network that is diverse and flexible to meet a variety of member issues both in the immediate as well as long range basis; promoting member-centered care; consistency of services; available and accessible services; developing HCBS and settings to meet the needs of members; establishing a provider network that is a foundation to support an individual's need; if the network is unable to provide medically necessary services, ensure timely and adequate coverage of those services through an out of network provider until a network provider is contracted; Gap in Critical Services;

DES/DDD has failed to provide a comprehensive and timely resolution of member access to care issues, service gaps, and service wait times. DES/DDD has failed to provide coordinated responses to AHCCCS inquiries; this includes internal Division coordination between support coordinators, clinical staff, Quality Management, and Executive Leadership as well as coordination of care with RBHAs for members with a behavioral health diagnosis. DES/DDD has failed to promote comprehensive knowledge and understanding of access to care expectations and mechanisms for service provision when standard processes are ineffective. Additionally, DES/DDD has failed to implement a consistent system to monitor, track, and trend barriers to care and services as well as development of a clear process for elevation of these matters when these barriers are not resolved at a lower level (e.g. by a support coordinator or via a timely and appropriate vendor call response).

Due to the issues noted above, it has been necessary for AHCCCS to intervene and facilitate, on continuing basis, care coordination processes to address delivery of medically necessary care and services to members including holding multi-disciplinary staffings, attending member CFTs,

coordinating care between DES/DDD and the RBHAs, and providing ongoing communication to members and their guardians. AHCCCS has worked to engage DES/DDD leadership in the issue resolution process and as a result, AHCCCS has extensive concerns about the fundamental structure of DES/DDD as it relates to timely, appropriate member-centered care and the Division's capacity to address member issues. Specifically, AHCCCS has identified the following concerns related to care coordination and handling of member issues and concerns:

- DES/DDD lacks a process for effective monitoring and oversight of:
 - Members who have complex health care needs that are not addressed in a timely or comprehensive manner, including services that are not delivered in accordance with the members' Individual Service Plans (ISPs)
 - Gaps in care (such as not providing the full amount of services outlined in the ISP)
 - Access to care issues particularly with respect to members who experience significant delays in obtaining services outlined in the ISP
- DES/DDD does not have an established process for informing appropriate executive level staff of systemic service-related concerns and ensuring that they are engaged in developing effective strategies to timely address delays in service provision for individual members
- DES/DDD does not have an effective mechanism to obtain timely care updates and clinical information for cases that are elevated to the Central Office nor is there an effective mechanism for ensuring all members of the internal care team (e.g. CMO, Quality Management staff, Medical Management staff, District Nurse, and Support Coordinator) are kept apprised of issues as they are moved towards resolution
 - There is also no mechanism to ensure that other areas of the Division are aware of member barriers and no specific individual within the Division has been designated as the key point of contact within the Agency to address member inquiries and concerns during the resolution process
- DES/DDD fails to demonstrate an effective understanding of, or commitment to, the following:
 - Elevation of access to care/gaps in care cases to Quality Management for Quality of Care (QOC) investigations
 - The critical role and responsibility of Executive Leadership in resolving 'care needed today' issues, including engagement of Quality Management, Medical Management, and/or the CMO
 - The responsibility of Executive Leadership for assessment and continuous process improvement of DES/DDD's internal processes and systemic issues.
- DES/DDD lacks a process for clear, consistent communication throughout the organization, including proactive processes to identify when members are experiencing barriers in obtaining care and services as well as effective, timely internal communication throughout the issue resolution process
- DES/DDD does not promote a fundamental understanding of member-centric care, including but not limited to:
 - Resistance to engagement in member cases
 - Presenting a united, thoughtful approach to CFTs/ISP meetings
 - Deferment of care/treatment to other entities

- Lack of engagement in the issue resolution process
- Lack of preparation to discuss issue details and provide current updates on issue resolution process
- Lack of communication to members where there is a known barrier to services or upcoming gap in care
- Inappropriate communication to members (e.g. “We heard you made a complaint to AHCCCS so we are reaching out...”)

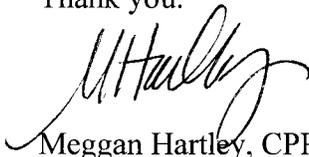
Required Action

DES/DDD must promptly demonstrate concerted and effective efforts to ensure the timely provision of care and services to its members as well as timely, coordinated responses to member concerns that are appropriately elevated for resolution. DES/DDD must conduct a root-cause analysis of the issues described above as well as a systemic review of processes and procedures from the District Level up through the Executive structure of the organization and develop an Action Plan to correct the issues. The requested analyses and a related Action Plan must be submitted **by May 18, 2017** to Scott Jewart at Scott.Jewart@azahcccs.gov.

Failure to address the deficiencies as outlined in this letter may result in additional compliance action, in accordance with the Contract, Section D, Paragraph 80 and AHCCCS Contractor Operations Manual Policy 408, including but not limited to sanctions.

If you have any questions or concerns, please contact Virginia Rountree, Assistant Director, at (6202) 471-4122 or via email at Virginia.Rountree@azahcccs.gov.

Thank you.



Meggan Hartley, CPPO, MSW
Chief Procurement Officer

cc:

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