

**NEW YORK STATE DEPARTMENT OF HEALTH
DIVISION OF HEALTH PLAN CONTRACTING AND OVERSIGHT
ARTICLES 44 AND 49 STATEMENT OF DEFICIENCIES**

NAME OF MANAGED CARE ORGANIZATION Amida Care, Inc.	TYPE OF SURVEY: OMH Outpatient Services: Government Rate Compliance Survey ID # 1713288905
STREET ADDRESS, CITY, STATE, ZIP CODE 14 Penn Plaza, 2 nd Floor New York, NY 10122	SURVEY DATES: October 1, 2021 – February 15, 2024

NOTE: The following list of deficiencies was identified by Health Department representatives during an Article 44 and/or Article 49 operational or focused survey of your Managed Care Organization (MCO). Correction of these deficiencies is required in order to bring your MCO into compliance with Article 44 and/or 49 of the New York State Public Health Law and the New York State Official Compilation of Codes, Rules, and Regulations (10NYCRR). In the column headed Provider Plan of Correction, describe the Plan of Corrective Action and anticipated date of corrections. The Plan of Correction should be returned within 15 business days.

Deficiencies	Plan of Correction with Timetable
98-1.11 Operational and financial requirements for MCOs. (h) The governing authority of the MCO shall be responsible for establishment and oversight of the MCO's policies, management and overall operation, regardless of the existence of any management contract. 98-1.12 Quality management program (i) The quality assurance activities shall include the development of timely and appropriate recommendations. For problems in health care administration and delivery to enrollees that are identified, the MCO must demonstrate an operational mechanism for responding to those problems. Such a mechanism should include: (1) development of appropriate recommendations for corrective action or, when no action is indicated, an appropriate response; (2) assignment of responsibility at the appropriate level or with the appropriate person for the implementation of the recommendation; and (3) implementation of action which is appropriate to the subject or problem in health care administration and delivery to enrollees. Chapter 57 § 48-a. 1. Notwithstanding any contrary provision of law, the commissioners of the office of addiction services and supports and the office of mental health are authorized subject to the approval of the director of the budget, to transfer to the commissioner of health state funds to be utilized as the state share for the purpose of increasing payments under the medicaid program to managed care organizations licensed under article 44 of the public health law or under article of the insurance law. Such managed care organizations shall utilize such funds for the purpose of	98-1.11 Operational and financial requirements for MCOs 98-1.12 Quality management program <u>Root Cause</u> Amida Care conducted a review of the deficiencies cited and determined root cause- Amida Care Vendor oversight, timeliness of rate compliance and lack of follow-up. Amida Care acknowledges there were errors in implementing the rate increases for Adult BH HCBS and CORE services. • At the time of notice(s) Amida Care misunderstood and believed all impacted services were solely BH, and therefore the responsibility for rate updates was that of Amida Care's BH vendor Carelon. However, Amida Care holds all Administrative Service Agreements (ASA) with Health Homes and despite the 7778-rate code being linked to the brief assessment to access Adult BH HCBS services, Amida Care retained responsibility for payment of this code and never delegated this responsibility to Carelon. Amida Care acknowledges its failure to recognize appropriate responsibility and to therefore notify Amida Care's TPA, PPI of updates to the rates within the appropriate timeframe. Having asked Carelon to review only caused further delay, as it was then realized that code 7778 was the responsibility of Amida Care. PPI was notified of the rate increases for code 7778 on August 10, 2023, and did not have the opportunity to come into compliance by the department's original or final due date for reprocessing.

- As acknowledged in the Statement of Deficiencies (October 1, 2021-February 15, 2024) Amida Care failed to comply with updated government rates for several services. This was initially the result of a misunderstanding of the services in question being all BH rather than some of the claim's processing as Amida Care's responsibility. Once understood, Amida Care initiated a review with our claims processing vendor, PPI (Third Party Administrator) to determine the root cause of the payment discrepancies. It was determined that Amida Care failed to notify all vendors of the OMH rate increases and therefore the medical claims processing system was never updated (code 7778 specifically). The claims in question, initially presented by the State as recognized through encounter data, were reprocessed. Amida Care also proactively ran a system claims sweep to ensure that all claims with rate code 7778 were paid correctly. This yielded an additional 200+ claims that required reprocessing. This was completed on 10/10/2023.
- While Amida Care recognizes their failure to ensure timely updates to claims systems for both PPI, and regarding the oversight of Carelon, provider billing for the 7778 code was also based on older rates and therefore, reviews of claims payment accuracy would not have allowed Amida Care to recognize the issue. Amida Care maintains a good working rapport with Health Home leads as well as Health Home billing partners, meeting routinely with both to discuss claims, payments and other critical issues that allow us to serve mutual members. During the period in question, at no time was Amida Care alerted by Health Home billing vendors of underpayments. This would not have prevented the issue of underpayment, but enhanced monitoring put in place by Amida Care would not have uncovered the discrepancy either.
- With respect to the 3 CORE claims, this stems from a timing issue where the claims in question came after the universe was pulled and before the re-processing work effort was complete.
- Amida Care signed the Attestation with the understanding the impacted underpaid claims were the sole responsibility of Carelon. All dates included in the Attestation were related to Carelon claims.

	<u>Plan of Correction</u> An initial Plan of Correction was implemented January 30, 2022, which primarily focused on Carelon’s claims performance and denial rates. We have since enhanced our oversight processes and have initiated steps to ensure financial accuracy of claims payments. This has included the following process improvements and/or corrective actions for rate updates and we will be initiating work on a future enhancement for a Vendor Oversight Claims Dashboard. Q1 of 2023-When Amida Care received the notice of underpaid claims for MHOTRS, ACT, and PROS, a process change was implemented where all rate codes that fall under MHOTRS are now captured and used for claim identification. When a rate increase for MHOTRS is received, Carelon reviews 3M on a weekly basis, to confirm APG updates as early as possible, and after confirmed, a claims analysis is performed. Carelon completed this review for 1/1/23 and 4/1/23 using this process. This is an ongoing process and an enhancement to the oversight processes initially implemented in 2022 under the initial POC whereby Carelon performs routine reviews of sites for non-APG services covered under their purview no less than 2 times per month to realize updated rates. This has improved efficiencies in recognizing rate enhancements, at times, in advance of official notice. In addition, Amida Care’s Director of Vendor Performance shares all notices of rate updates with Carelon who tracks them on a Rate Tracker which is shared with Amida Care monthly. Amida Care meets with Carelon bi-weekly to review the tracker and monitor the timely implementation of updated rates. <u>November 2023- Regulatory and New Benefits Sub-committee</u> • To enhance regulatory oversight, the Regulatory and New Benefits Subcommittee was established which is chaired by the Senior Director of Compliance/Compliance Officer, [REDACTED]. The subcommittee includes an inter-departmental leadership team from various business areas such as: ○ Medical Director: [REDACTED] ○ Vice President of Clinical Services and Programs: [REDACTED] ○ Vice President of Integrated Care and Behavioral Health: [REDACTED] ○ Vice President of Operations: [REDACTED] ○ Senior Director of Provider Services: [REDACTED] ○ Director of Claims Reimbursement and Vendor Oversight: [REDACTED] ○ Director of Vendor Performance: [REDACTED]
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	- Meetings are regularly held monthly with ad hoc additions when determined necessary based on new regulatory guidance or circumstances requiring input from the team to address. Agenda items discussed during the meetings are housed in the Compliance Regulatory tracker which is a working document outlining any new regulations and includes a summary of the requirements, deliverable items, responsible departments, and a status of each item. Notes and updates from these meetings are shared in the quarterly Compliance Committee meetings. To ensure progressive oversight, committee minutes and updates are shared with Amida Care's Quality Management Committee (QMC) and the Sr. Director of Compliance/Compliance Officer, [REDACTED]. [REDACTED] also reports these updates to the Board of Directors. Amida Care will conduct ongoing training and education to address the issues identified in the SOD and SOF. The training scheduled for July 17, 2024 at the monthly Regulatory and New Benefits Subcommittee meeting will focus on claims for the Adult HCBS services and CORE. This subcommittee includes an inter-departmental leadership team from various business areas. <u>January 31, 2024- Regulatory Compliance Notification to PPI</u> - Amida Care has initiated a communication through the JIRA ticketing mechanism to provide all DOH Plan Notifications to PPI regarding rate updates/adjustments, regulatory notices, and guidance. - PPI will review the content and determine if the changes impact the medical claims processing in the core claims system, Care Compass. PPI will review the directives, provide feedback to Amida Care. Amida Care and PPI will collaborate to ensure all DOH notices to implemented timely and accurately. - There is a bi-weekly contract meeting with PPI to discuss issues, concerns, new implementations, and regulatory guidance which is attended by the Director of Claims Reimbursement and Vendor Oversight, Julie Bridwell and PPI. <u>Third Quarter 2024 - Audits</u> - Amida Care will implement an enhanced audit focused specifically on rates - Amida Care will work with its claims vendors to ensure all rates have been updated accurately. Amida Care will sample claims and validate rate accuracy within 90 days of implementation.
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	• <u>Enhanced Dashboard Reporting</u>- Amida Care is in the process of enhancing our current KPIs around denials. The Plan of correction is effective July 1, 2024. [REDACTED] Vice President of Operations is responsible for the Plan of correction.
MCO Representatives Signature:	Date: 6/27/24
Title Senior Director of Compliance/Compliance Officer	

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NOTE: The following list of deficiencies was identified by Health Department representatives during an Article 44 and/or Article 49 operational or focused survey of your Managed Care Organization (MCO). Correction of these deficiencies is required in order to bring your MCO into compliance with Article 44 and/or 49 of the New York State Public Health Law and the New York State Official Compilation of Codes, Rules, and Regulations (10NYCRR). In the column headed Provider Plan of Correction, describe the Plan of Corrective Action and anticipated date of corrections. The Plan of Correction should be returned within 15 business days.

Deficiencies	Plan of Correction with Timetable
reimbursing providers licensed pursuant to article 28 of the public health law or article 36, 31 or 32 of the mental hygiene law for ambulatory behavioral health services, as determined by the commissioner of health, in consultation with the commissioner of addiction services and supports and the commissioner of the office of mental health, provided to medicaid enrolled outpatients and for all other behavioral health services except inpatient included in New York State's Medicaid redesign waiver approved by the centers for medicare and Medicaid services (CMS). Such reimbursement shall be in the form of fees for such services which are equivalent to the payments established for such services under the ambulatory patient group (APG) ratesetting methodology as utilized by the department of health, the office of addiction services and supports, or the office of mental health for rate-setting purposes or any such other fees pursuant to the Medicaid state plan or otherwise approved by CMS in the Medicaid redesign waiver;... The increase of such ambulatory behavioral health fees to providers available under this section shall be for all rate periods on and after the effective date of section 18 of part E of chapter 57 of the laws of 2019 through March 31, 2027 for patients in the city of New York, for all rate periods on and after the effective date of section 18 of part E of chapter 57 of the laws of 2019 through March 31, 2027 for patients outside the city of New York, and for all rate periods on and after the effective date of such chapter through March 31, 2027 for all services Deficiency: Based on conference calls with Amida Care, Inc. (Amida Care) leadership, the review of Medicaid Managed Care Plan (MMCP) reported service delivery data, hereafter referred to as encounter data, and subsequent documentation including the Government Rate Compliance Attestation Letter, herein referred to as "Attestation," MCO Representatives Signature:	Date:

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Deficiencies	Plan of Correction with Timetable
the Office of Mental (OMH) identified that Amida Care failed to pay the required New York State (NYS) government rates for behavioral health (BH) services and failed to provide adequate oversight of claims adjudication by the BH vendor. Specifically, claims for Adult BH Home and Community Based Services (HCBS) and Community Oriented Recovery and Empowerment (CORE) services were not paid at the government rate, resulting in the underpayment of 389 claims. Amida Care was previously cited and assessed a civil penalty for failure to pay claims for BH services at the required government rate, failure to provide adequate oversight of claims adjudication by their vendor and failure to effectively implement the plan of correction as identified during the BH Claims Denial Root Cause Analysis Focused Survey (2020-2021). Amida Care failed to effectively implement the approved plan of correction by the date certain of January 30, 2022. These are repeat citations. The OMH and Department of Health jointly issued the Government Rate Compliance Memo, herein referred to as "Memo", and the Government Rates Underpayment Summary (Table 1) to Amida Care on January 5, 2023, notifying them of their failure to comply with the NYS Government Rate Law. The Memo directed Amida Care to configure systems and reconcile all identified underpayments by the original due date of November 30, 2022, and the final extended due date of February 1, 2023. Table 1 included claims level detail used in the state-performed analysis of encounter data to assist Amida Care with conducting an internal verification of the identified claims information. On March 30, 2023, OMH sent Amida Care the Attestation request to verify compliance with the Memo issued on January 5, 2023.	

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Deficiencies	Plan of Correction with Timetable
Specifically, OMH identified 73 Adult BH HCBS and CORE claims as underpaid in the Table 1 encounter data. Amida Care reported to the State that their BH Vendor, Carelon, identified 21 of those claims were underpaid, while the remaining 52 claims were denied appropriately. On June 23, 2023, Amida Care informed the State that an internal report was conducted of all Adult BH HCBS and CORE claims for dates of service from October 1, 2021 to March 31, 2022 and identified 21 claims were underpaid and adjusted, which did not include any of the original 73 claims identified by OMH. On August 10, 2023, Amida Care notified the State that the additional claims in question were not paid by the BH Vendor and the MMCP would be working with their Third-Party Administrator (TPA), Productive Processing Incorporated, a claims processing vendor, to review further. Amida Care reported on September 15, 2023 that the TPA claims processing system was not updated with the correct rates due to Amida Care's failure to notify all Vendors of the OMH rate increases. Amida Care identified 51 claims for rate code 7778 (HARP HCBS Brief Assessment) were underpaid for dates of service October 1, 2021- March 31, 2022, April 1, 2022- March 31, 2023, and April 1, 2023. A further review of the TPA claims processing system for rate code 7778 identified over 200 additional claims as underpaid. During the January 30, 2024, conference call, Amida Care's leadership verified that a total of 368 claims for rate code 7778 were identified as paid below the government rate, in addition to the 21 underpaid claims confirmed by the BH Vendor. Based on the information above, Amida Care failed to configure their systems to pay the government rates for dates of service back to October 1, 2021 by the original due date of November 30, 2022, and the final extended due date of February 1, 2023. Amida Care	

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Deficiencies	Plan of Correction with Timetable
also failed to oversee the BH vendor to ensure compliance with applicable NYS law regarding claims payment for BH services. Amida Care failed to implement the approved plan of correction actions to correct these same deficiencies noted in the BH Claims Denial Root Cause Analysis Focused Survey (2020-2021). These issues were discussed with Amida Care during conference calls held on January 30, 2024 and February 15, 2024. 98-1.16 Disclosure and filing. (h) In the event an MCO does not provide substantially complete reports or other information required under this Subpart by the due date, or provide requested information within 30 days of any written request for a specific analysis or report by the superintendent or commissioner, the superintendent or commissioner is authorized to levy a civil penalty, after notice and hearing, pursuant to section 12 of the Public Health Law or sections 307 and 308 of the Insurance Law. Deficiency: Amida Care, Inc. (Amida Care) failed to provide complete behavioral health (BH) information requested by the State on multiple occasions for the Office of Mental Health (OMH) Outpatient Services: Government Rate Compliance Focus Survey. Amida Care was previously cited and assessed a civil penalty for failure to provide complete BH target survey documents on multiple occasions during the BH Claims Denial Root Cause Analysis Focused Survey (2020-2021). These issues were discussed with Amida Care during conference calls held on January 30, 2024 and February 15, 2024. This is a repeat citation.	<u>98-1.16 Disclosure and filing</u> <u>Root Cause:</u> There was internal confusion regarding the guidance and parties to be involved that caused significant delays in response. <u>Plan of Correction</u> • Amida Care has now implemented a monthly Regulatory and New Benefits Sub-Committee to ensure timely responses and/or actions. To enhance regulatory oversight, the Regulatory and New Benefits Subcommittee was established which is chaired by the Senior Director of Compliance/Compliance Officer, [REDACTED]. The subcommittee includes an inter-departmental leadership team from various business areas such as: ○ Medical Director: [REDACTED] ○ Vice President of Clinical Services and Programs: [REDACTED] ○ Vice President of Integrated Care and Behavioral Health: [REDACTED] ○ Vice President of Operations: [REDACTED] ○ Senior Director of Provider Services: [REDACTED] ○ [REDACTED] ○ Director of Claims Reimbursement and Vendor Oversight: [REDACTED] ○ Director of Vendor Performance: [REDACTED]

		Meetings are regularly held monthly with ad hoc additions when determined necessary based on new regulatory guidance or circumstances requiring input from the team to address. Agenda items discussed during the meetings are housed in the Compliance Regulatory tracker which is a working document outlining any new regulations and includes a summary of the requirements, deliverable items, responsible departments, and a status of each item. Notes and updates from these meetings are shared in the quarterly Compliance Committee meetings. To ensure progressive oversight, committee minutes and updates are shared with Amida Care's Quality Management Committee (QMC) and the Sr. Director of Compliance/Compliance Officer, [REDACTED]. [REDACTED] also reports these updates to the Board of Directors. Amida Care will conduct ongoing training and education to address the issues identified in the SOD and SOF. The training scheduled for July 17, 2024 at the monthly Regulatory and New Benefits Subcommittee meeting will focus on claims for the Adult HCBS services and CORE. This subcommittee includes an inter-departmental leadership team from various business areas. The plan of correction is effective July 1, 2024. [REDACTED] Vice President of Claims and Operations is responsible for the implementation.
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Specifically: • Amida Care failed to meet the deadline of April 20, 2023 to provide information regarding the underpayment of the 73 Adult BH Home and Community Based Services (HCBS) and Community Oriented and Recovery and Empowerment (CORE) services identified during the OMH Outpatient Services: Government Rate Compliance Focus Survey. • On April 24, 2023, OMH requested the information again, as Amida Care did not respond to the April 20, 2023 deadline. Amida Care responded on April 26, 2023, reporting that the BH Vendor, Carelon, identified 21 of the 73 claims were underpaid, while the remaining 52 claims were denied appropriately. • On August 16, 2023, OMH requested Amida Care to submit subsequent information by August 30, 2023 regarding the review of the OMH Medicaid Reimbursement page and claims submitted by Amida Care on June 23, 2023. After no response, OMH followed up with Amida Care on September 6, 2023. On September 8, 2023, Amida Care responded, requesting an extension. OMH followed up again on September 13, 2023, requesting a response and updates. Amida Care provided the requested information on September 15, 2023. OMH and Amida Care had ongoing communication between April 17, 2023 and October 9, 2023 to understand the status of the underpaid claims. This response issue was discussed with Amida Care during the January 30, 2024 conference call. Timing and continued communication with the BH Vendor, Carelon, caused delays in providing responses to requested information.	
	Date: 6/27/24
Title Senior Director of Compliance/Compliance Officer	

**Statement of Findings Amida
Care, Inc.
OMH Outpatient Services: Government Rate Compliance
October 1, 2021 – February 15, 2024
Survey ID# 1713288905**

35.1 Contractor and SDOH Compliance With Applicable Laws

Notwithstanding any inconsistent provisions in this Agreement, the Contractor and SDOH shall comply with all applicable requirements of the State Public Health Law; the State Social Services Law; the State Finance Law; the State Mental Hygiene Law; the State Insurance Law; Title XIX of the Social Security Act; Title VI of the Civil Rights Act of 1964 and 45 CFR Part 80, as amended; Title IX of the Education Amendments of 1972; Section 504 of the Rehabilitation Act of 1973 and 45 CFR Part 84, as amended; the Age Discrimination Act of 1975 and 45 CFR Part 91, as amended; the ADA; Title XIII of the Federal Public Health Services Act, 42 U.S.C § 300e et seq., regulations promulgated thereunder; the Health Insurance Portability and Accountability Act of 1996 (P.L. 104191) and related regulations; the Federal False Claims Act, 31 U.S.C. § 3729 et seq.; Mental Health Parity and Addiction Equity Act of 2008, (P.L. 110-345); for Contractors operating in New York City, the New York City Health Code; and all other applicable legal and regulatory requirements in effect at the time that this Agreement is signed and as adopted or amended during the term of this Agreement. The parties agree that this Agreement shall be interpreted according to the laws of the State of New York.

10.21 Mental Health Services

d) The Contractor shall reimburse any OMH licensed provider, including out of network providers, at Medicaid Fee for Service rates for 24 months from the effective date of the Behavioral Health Benefit Inclusion in each geographic service area for ambulatory mental health services provided to Enrollees.

Finding:

Based on conference calls with Amida Care, Inc. (Amida Care) leadership, the review of Medicaid Managed Care Plan (MMCP) reported service delivery data, hereafter referred to as encounter data, and subsequent documentation including the Government Rate Compliance Attestation Letter, herein referred to as "Attestation," the Office of Mental Health (OMH) identified that Amida Care failed to pay the required New York State (NYS) government rates for behavioral health (BH) services and failed to provide adequate oversight of claims adjudication by the BH vendor. Specifically, claims for Adult BH Home and Community Based Services (HCBS) and Community Oriented Recovery and Empowerment (CORE) services were not paid at the government rate, resulting in the underpayment of 389 claims.

Amida Care was previously cited and assessed a civil penalty for failure to pay claims for BH services at the required government rate, failure to provide adequate oversight of claims adjudication by their vendor and failure to effectively implement the plan of correction as identified during the BH Claims Denial Root Cause Analysis Focused Survey (2020-2021). Amida Care failed to effectively implement the approved plan of correction by the date certain of January 30, 2022.

These are repeat citations.

**Statement of Findings Amida
Care, Inc.
OMH Outpatient Services: Government Rate Compliance
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The OMH and Department of Health jointly issued the Government Rate Compliance Memo, herein referred to as "Memo", and the Government Rates Underpayment Summary (Table 1) to Amida Care on January 5, 2023, notifying them of their failure to comply with the NYS Government Rate Law. The Memo directed Amida Care to configure systems and reconcile all identified underpayments by the original due date of November 30, 2022, and the final extended due date of February 1, 2023. Table 1 included claims level detail used in the state-performed analysis of encounter data to assist Amida Care with conducting an internal verification of the identified claims information. On March 30, 2023, OMH sent Amida Care the Attestation request to verify compliance with the Memo issued on January 5, 2023.

Specifically, OMH identified 73 Adult BH HCBS and CORE claims as underpaid in the Table 1 encounter data. Amida Care reported to the State that their BH Vendor, Carelon, identified 21 of those claims were underpaid, while the remaining 52 claims were denied appropriately. On June 23, 2023, Amida Care informed the State that an internal report was conducted of all Adult BH HCBS and CORE claims for dates of service from October 1, 2021 to March 31, 2022 and identified 21 claims were underpaid and adjusted, which did not include any of the original 73 claims identified by OMH. On August 10, 2023, Amida Care notified the State that the additional claims in question were not paid by the BH Vendor and the MMCP would be working with their Third-Party Administrator (TPA), Productive Processing Incorporated, a claims processing vendor, to review further.

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Based on the information above, Amida Care failed to configure their systems to pay the government rates for dates of service back to October 1, 2021 by the original due date of November 30, 2022, and the final extended due date of February 1, 2023. Amida Care also failed to oversee the BH vendor to ensure compliance with applicable NYS law regarding claims payment for BH services. Amida Care failed to implement the approved plan of correction actions to correct these same deficiencies noted in the BH Claims Denial Root Cause Analysis Focused Survey (2020-2021).

These issues were discussed with Amida Care during conference calls held on January 30, 2024 and February 15, 2024.

Root Cause

Amida Care conducted a review of the deficiencies cited and determined root cause- Amida Care Vendor oversight, timeliness of rate compliance and lack of follow-up.

Amida Care acknowledges there were errors in implementing the rate increases for Adult BH HCBS and CORE services.

- At the time of notice(s) Amida Care misunderstood and believed all impacted services were solely BH, and therefore the responsibility for rate updates was that of Amida Care's BH vendor Carelon. However, Amida Care holds all Administrative Service Agreements (ASA) with Health Homes and despite the 7778-rate code being linked to the brief assessment to access Adult BH HCBS services, Amida Care retained responsibility for payment of this code and never delegated

this responsibility to Carelon. Amida Care acknowledges its failure to recognize appropriate responsibility and to therefore notify Amida Care's TPA, PPI of updates to the rates within the appropriate timeframe. Having asked Carelon to review only caused further delay, as it was then realized that code 7778 was the responsibility of Amida Care. PPI was notified of the rate increases for code 7778 on August 10, 2023, and did not have the opportunity to come into compliance by the department's original or final due date for reprocessing.

- As acknowledged in the Statement of Deficiencies (October 1, 2021-February 15, 2024) Amida Care failed to comply with updated government rates for several services. This was initially the result of a misunderstanding of the services in question being all BH rather than some of the claim's processing as Amida Care's responsibility. Once understood, Amida Care initiated a review with our claims processing vendor, PPI (Third Party Administrator) to determine the root cause of the payment discrepancies. It was determined that Amida Care failed to notify all vendors of the OMH rate increases and therefore the medical claims processing system was never updated (code 7778 specifically). The claims in question, initially presented by the State as recognized through encounter data, were reprocessed. Amida Care also proactively ran a system claims sweep to ensure that all claims with rate code 7778 were paid correctly. This yielded an additional 200+ claims that required reprocessing. This was completed on 10/10/2023.
- While Amida Care recognizes their failure to ensure timely updates to claims systems for both PPI, and regarding the oversight of Carelon, provider billing for the 7778 code was also based on older rates and therefore, reviews of claims payment accuracy would not have allowed Amida Care to recognize the issue. Amida Care maintains a good working rapport with Health Home leads as well as Health Home billing partners, meeting routinely with both to discuss claims, payments and other critical issues that allow us to serve mutual members. During the period in question, at no time was Amida Care alerted by Health Home billing vendors of underpayments. This would not have prevented the issue of underpayment, but enhanced monitoring put in place by Amida Care would not have uncovered the discrepancy either.
- With respect to the 3 CORE claims, this stems from a timing issue where the claims in question came after the universe was pulled and before the re-processing work effort was complete.
- Amida Care signed the Attestation with the understanding the impacted underpaid claims were the sole responsibility of Carelon. All dates included in the Attestation were related to Carelon claims.

Plan of Correction

An initial Plan of Correction was implemented January 30, 2022, which primarily focused on Carelon's claims performance and denial rates. We have since enhanced our oversight processes and have initiated steps to ensure financial accuracy of claims payments. This has included the following process improvements and/or corrective actions for rate updates and we will be initiating work on a future enhancement for a Vendor Oversight Claims Dashboard.

Q1 of 2023-When Amida Care received the notice of underpaid claims for MHOTRS, ACT, and PROS, a process change was implemented where all rate codes that fall under MHOTRS are now captured and used for claim identification. When a rate increase for MHOTRS is received, Carelon reviews 3M on a

weekly basis, to confirm APG updates as early as possible, and after confirmed, a claims analysis is performed. Carelon completed this review for 1/1/23 and 4/1/23 using this process. This is an ongoing process and an enhancement to the oversight processes initially implemented in 2022 under the initial POC whereby Carelon performs routine reviews of sites for non-APG services covered under their purview no less than 2 times per month to realize updated rates. This has improved efficiencies in recognizing rate enhancements, at times, in advance of official notice. In addition, Amida Care's Director of Vendor Performance shares all notices of rate updates with Carelon who tracks them on a Rate Tracker which is shared with Amida Care monthly. Amida Care meets with Carelon bi-weekly to review the tracker and monitor the timely implementation of updated rates.

November 2023- Regulatory and New Benefits Sub-committee

- To enhance regulatory oversight, the Regulatory and New Benefits Subcommittee was established which is chaired by the Senior Director of Compliance/Compliance Officer, [REDACTED]. The subcommittee includes an inter-departmental leadership team from various business areas such as:
 - Medical Director: [REDACTED]
 - Vice President of Clinical Services and Programs: [REDACTED]
 - Vice President of Integrated Care and Behavioral Health: [REDACTED]
 - Vice President of Operations: [REDACTED]
 - Senior Director of Provider Services: [REDACTED]
 - Director of Claims Reimbursement and Vendor Oversight: [REDACTED]
 - Director of Vendor Performance: [REDACTED]
- Meetings are regularly held monthly with ad hoc additions when determined necessary based on new regulatory guidance or circumstances requiring input from the team to address. Agenda items discussed during the meetings are housed in the Compliance Regulatory tracker which is a working document outlining any new regulations and includes a summary of the requirements, deliverable items, responsible departments, and a status of each item. Notes and updates from these meetings are shared in the quarterly Compliance Committee meetings. To ensure progressive oversight, committee minutes and updates are shared with Amida Care's Quality Management Committee (QMC) and the Sr. Director of Compliance/Compliance Officer, [REDACTED] also reports these updates to the Board of Directors.
- Amida Care will conduct ongoing training and education to address the issues identified in the SOD and SOF. The training scheduled for July 17, 2024 at the monthly Regulatory and New Benefits Subcommittee meeting will focus on claims for the Adult HCBS services and CORE. This subcommittee includes an inter-departmental leadership team from various business areas.
- **January 31, 2024- Regulatory Compliance Notification to PPi**
 - Amida Care has initiated a communication through the JIRA ticketing mechanism to provide all DOH Plan Notifications to PPi regarding rate updates/adjustments, regulatory notices, and guidance.
 - PPi will review the content and determine if the changes impact the medical claims processing in the core claims system, Care Compass. PPi will review the directives, provide feedback to Amida Care. Amida Care and PPi will collaborate to ensure all DOH notices to implemented timely and accurately.

- There is a bi-weekly contract meeting with PPI to discuss issues, concerns, new implementations, and regulatory guidance which is attended by the Director of Claims Reimbursement and Vendor Oversight, [REDACTED] and PPI.
- **Third Quarter 2024 - Audits**
 - Amida Care will implement an enhanced audit focused specifically on rates
 - Amida Care will work with its claims vendors to ensure all rates have been updated accurately. Amida Care will sample claims and validate rate accuracy within 90 days of implementation.
- **Enhanced Dashboard Reporting**- Amida Care is in the process of enhancing our current KPIs around denials.

The Plan of correction is effective July 1, 2024. [REDACTED], Vice President of Operations is responsible for the Plan of correction.