

August 9, 2017

Shaun Nau  
Chief Executive Officer  
Health Choice Integrated Care  
1300 South Yale Street  
Flagstaff, AZ 86001

**RE: Notice of Mandated Corrective Action Plan - Provision of Special Assistance**

Dear Mr. Nau:

The Arizona Health Care Cost Containment System, Division of Health Care Management (AHCCCS) has determined that Heath Choice Integrated Care (HCIC) is in violation of Contract YH17-0001-02 for Regional Behavioral Health Authority (RBHA) services. Specifically, HCIC has failed to comply with requirements regarding records retention, tracking, monitoring and provision of Special Assistance for persons determined to have a Serious Mental Illness (SMI) including involvement, planning, and coordination of services with individuals designated to provide Special Assistance as outlined in RBHA Contract, Section 4.23 and AHCCCS Medical Policy Manual (AMPM) Chapter 320-R:

**Contract Requirements**

**Section 19.2 Records Retention:**

*The Contractor shall:*

*19.2.1 The Contractor shall maintain records relating to covered services and expenditures including reports to AHCCCS and documentation used in the preparation of reports to AHCCCS. The Contractor shall comply with all specifications for record keeping established by AHCCCS. All records shall be maintained to the extent and in such detail as required by AHCCCS rules and policies. Records shall include but not be limited to financial statements, records relating to the quality of care, medical records, prescription files and other records specified by AHCCCS.*

*19.2.4 The Contractor shall comply with the record retention periods specified in HIPAA laws and regulations, including, but not limited to, 45 CFR 164.530(j)(2).*

**Section 4.23, Special Assistance for SMI Members:**

*The Contractor shall:*

*4.23.1 Require its staff, subcontractors, and service providers to identify all persons in need of special assistance to the AHCCCS Division of Health Care Advocacy and Advancement (DHCAA), Office of Human Rights, and ensure consistency with the requirements as outlined in AMPM Policy 320-R.*

AMPM Policy Requirements

Chapter 320-R Special Assistance for Persons Determined to have a Serious Mental Illness (SMI):

*C. Persons No Longer in Need of Special Assistance*

- 1. Contractors, TRBHAs, AzSH, subcontracted providers must notify the OHR within 10 days of an event or determination that a person in need of Special Assistance no longer meets criteria by completing Part C of the original notification form (with Parts A & B completed when first identified), noting:*
  - a. The reason(s) why Special Assistance is no longer required,*
  - b. The effective date,*
  - c. The name, title, phone number and e-mail address of the staff person completing the form, and*
  - d. The date the form is completed.*
- 2. The following are instances that should prompt Contractors, TRBHAs, AzSH or subcontracted providers to submit a Part C:*
  - a. The original basis for the person meeting Special Assistance criteria is no longer applicable and the person does not otherwise meet criteria,*
  - b. The person passes away.*
  - c. The person's episode of care is ended with the Contractor or TRBHA*

*D. Requirement of Contractors, TRBHAs, AZSH, Subcontracted Providers and Behavioral Health Office of Grievances and Appeals (BHOGA) to Help Ensure The Provision of Special Assistance.*

- 1. Contractors, TRBHAs, AzSH, subcontracted providers and BHOGA must maintain open communication with the person (guardian, family member, friend, OHR advocate, etc.) assigned to meet the person's Special Assistance needs. Minimally, this involves providing timely notification to the person providing Special Assistance to ensure involvement in the following:*
  - a. ISP planning and review: Includes any instance when the person makes a decision regarding service options and/or denial/modification/termination of services (service options include not only a specific service but also potential changes to provider, site, -physician and case manager assignment).*
  - b. ISP development and updates: Must be in accordance with AMPM Policy 320-O, Service Planning, Assessments, and Discharge Planning.*
  - c. ITDP planning: Includes any time a person is admitted to a psychiatric inpatient facility and involvement throughout the stay and discharge.*
  - d. Appeal process: Includes circumstances that may warrant the filing of an appeal, d.so all Notices of Action (NOA) or Notices of Decision (NOD) issued to the person/guardian must also be copied to the person designated to meet Special Assistance needs; and*
  - e. Investigation or Grievance: Includes when an investigation/grievance is filed and circumstances when initiating a request for an investigation/grievance may be warranted.*

*F. Contractor and TRBHA Reporting Requirements:*

- 1. Contractors and TRBHAs must maintain a copy of completed AMPM Exhibit 320-6, 1.Parts A, B and updated if any.*

2. *Contractors and TRBHAs must maintain a database on persons in need of Special Assistance to ensure compliance with this Policy and the reporting requirements described in this section. This cannot be delegated to Contractor or TRBHA providers.*
3. *The Contractor and TRBHA must, by the 10th calendar day of each month, provide 3.the OHR with a comprehensive report listing:*
  - a. *All persons in need of Special Assistance who are active as of the end of the a previous month,*
  - b. *Any Part C notifications during the previous month that a person no longer needs Special Assistance.*
  - c. *Any persons transferred to the Contractor or TRBHA during the previous month who were Special Assistance in the previous Contractor or TRBHA, and*
  - d. *Any person in need of Special Assistance transferred from the Contractor or TRBHA to another Contractor or TRBHA.*

Audit results submitted by HCIC, for audits conducted of its subcontracted providers completed on November 30, 2016 for FY 2016-2017, demonstrate serious performance concerns. The results showed no providers achieved the minimum performance standards (85%) with regards to identification of members in need of Special\*Assistance and provision of Special Assistance to members with a SMI. HCIC failed to ensure that vulnerable member populations with complex health needs were properly screened and received Special Assistance services as mandated by Contract, Arizona Revised Statutes and the AMPM.

Additionally, HCIC failed to adhere to requirements regarding tracking and monitoring of persons identified for Special Assistance and record retention of clinical documentation. HCIC did not maintain the required AMPM Exhibit 320-6, Notification of Persons in Need of Special Assistance, for 106 members. HCIC’s failure to appropriately monitor tracking and transference of clinical documents as contractually required impacted HCIC’s ability to submit required deliverable reporting and identify persons who no longer met criteria for Special Assistance. As a result, HCIC requested copies of the missing documentation from AHCCCS to execute contract requirements.

Due to this non-compliance, HCIC is required to submit a **Corrective Action Plan (CAP)** to remediate deficiencies identified with its and its subcontractors’, noncompliance with record retention, tracking and monitoring of clinical documentation, and the provision of Special Assistance services to members with SMI. The CAP must include, at a minimum the following:

- A review and analysis of HCIC’s policies related to identification, provision and monitoring of Special Assistance, including:
  - Education available to providers on Special Assistance
  - Involvement and coordination with individuals designated to provide Special Assistance services
  - A summary of audit results conducted over a quarter
  - Individual provider audit results
  - Process for tracking and reporting of the AMPM Exhibit 320-6 including monitoring of timelines for changes and all applicable Special Assistance clinical documentation;
- Provider compliance actions initiated over the quarter, including any required corrective actions implemented, to address areas of noncompliance and improvement goals and milestones. If applicable, barriers to achieving compliance should also be identified;

- A review and analysis of HCIC's policies and procedures related to record retention of clinical documentation to ensure compliance with AHCCCS Contract and Policy. The analysis must include identified deficiencies and describe strategies and corrective actions that will be implemented to remediate all identified deficiencies;
- Development of a comprehensive training curriculum regarding records retention, tracking and monitoring of clinical documentation for Persons in Need of Special Assistance:
  - Target date for submission of the curriculum to AHCCCS for approval prior to initiation of training sessions;
  - Position of all applicable staff that would be required to complete the training;
  - Prescheduled dates for initial and quarterly training of all staff for the next four quarters.

HCIC shall submit an initial CAP response (not including provider audits) no later than **August 22, 2017** to [CJ.Loiselle@azahcccs.gov](mailto:CJ.Loiselle@azahcccs.gov) with a copy submission to [Ena.Binns@azahcccs.gov](mailto:Ena.Binns@azahcccs.gov). HCIC is also required to submit quarterly CAP updates of its provider audit results no later than 30 days after the end of each quarter, with an initial submission due September 31, 2017. Quarterly CAP submissions will be required until AHCCCS determines HCIC and its subcontracted providers have met and sustained compliance with Contract requirements.

Failure to comply with these requirements may result in additional compliance actions pursuant to RBHA Contract Section 19.6, Sanctions and Terms and Conditions Paragraph 48, Terminations, up to and including sanctions and/or termination of the contract in whole or in part due to failure of the Contractor to comply with any terms or condition of this contract.

Should HCIC have any additional questions, please contact CJ Loiselle at the above referenced email address or via phone at (602) 417-4659.

Sincerely,



Meggan Harley CPPO, MSW  
Chief Procurement Officer

Cc:

- Nicole Larson, HCIC
- CJ Loiselle, AHCCCS
- Virginia Rountree, AHCCCS
- Christina Quast, AHCCCS
- Dana Hearn, AHCCCS
- Michelle Holmes, AHCCCS
- Lola Davis, AHCCCS
- Ena Binns, AHCCCS