

December 5, 2017

Mike Uchrin
Chief Executive Officer
Health Choice Arizona
410 N. 44th Street
Suite 900
Phoenix, AZ 85008

SUBJECT: Corrective Action of Low Volume of Adjudicated Encounters for Health Choice Arizona (HCA)

Dear Mr. Uchrin:

The AHCCS division of Health Care Management (DHCM), pursuant to paragraph 65 of the Contract requires HCA to develop and submit a Corrective Action Plan (CAP) addressing the low volume of adjudicated encounters.

The adjudication rate is the number of encounters reaching an adjudicated/approved status of the total number of encounters processed. HCA's encounter submission has drastically decreased since January 2017 for an average 57% approval rate. The current benchmark is 68.74% and above.

	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17
new days	1,002,406	738,414	867,547	842,764	825,144	916,496	783,077	925,362	357,368
approved	670,544	523,752	419,992	469,647	558,282	637,375	484,644	634,220	239,169
approved/processed	63%	65%	46%	53%	62%	65%	57%	56%	44%


	Oct-17	Nov-17
new days	823,513	691,348
approved	575,340	590,673
approved/processed	48%	66%

As a result of your low encounter submission approval rates, HCA is required to submit a formal CAP addressing how HCA will improve the submission quality and volume of adjudicated encounters. The CAP should include timelines, measurable results and identification of responsible individual(s) for each action.

Under the authority granted to AHCCCS by paragraph 72 of the Contract and the AHCCCS Contractor Operations Manual 408, Sanction Policy, AHCCCS may impose further action up to and including sanctions if the Contractor does not submit the CAP by January 2, 2018 and does not significantly improve adjudication rate by no later than the second cycle of February 2018.

Please contact Gina Aker at (602) 417-4016 if you have any questions regarding the above information.

Sincerely,



Lori Petre
Data Analysis & Research Manager

cc: Shelli Silver

Lori Petre

Pamela Sullivan

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