

November 23, 2016

Mr. James Stover
Chief Executive Officer
University Family Care
2701 E. Elvira Rd
Tucson, AZ, 85756

Dear Mr. Stover:

Attached are the final results of the Encounter Data Validation studies for University Family Care for Contract Year Ending (CYE) 2013 and 2014. 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.

For study “A” Match, there were 2,608,685 encounter/claim matches identified from a sample size of 2,685,141 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 1 accuracy error and 19 timeliness errors, yielding an overall error rate of 0.65% for accuracy and 12.42% for timeliness. For study “B” Match, there were 273,678 encounter/claim matches identified from a sample size of 332,565 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 31 accuracy errors and 2 timeliness errors, yielding an overall error rate of 20.26% for accuracy and 1.31% for timeliness.

For study “A” NotEnc InCIm, there were 76,456 possible omissions identified from a sample size of 2,685,141 claims; a subsample of 317 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 147 omission errors, yielding an overall error rate of 1.32%. For study “B” NotEnc InCIm, there were 58,887 possible omissions identified from a sample size of 332,565 claims; a subsample of 316 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 14 omission errors, yielding an overall error rate of 0.78%.

For study "A" InEnc NotCIm, there were 6,983 possible omissions identified from a sample size of 2,950,707 encounters; a subsample of 305 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 108 omission errors, yielding an overall error rate of 0.08%. For study "B" InEnc NotCIm, there were 387 possible omissions identified from a sample size of 308,270 encounters; a subsample of 183 claims was randomly selected. AHCCCS manually compared the supporting information provided by the Contractor to the adjudicated encounters within PMMIS resulting in 74 omission errors, yielding an overall error rate of 0.05%.

For each study, if the error rate falls below the acceptable rate of 5%, 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	0.65%	\$0.00
A Match Timeliness	12.42%	\$48,063.81
A NotEnc InCIm	1.32%	\$0.00
A InEnc NotCIm	0.08%	\$0.00
B Match Accuracy	20.26%	\$42,313.17
B Match Timeliness	1.31%	\$0.00
B NotEnc InCIm	0.78%	\$0.00
B InEnc NotCIm	0.05%	\$0.00

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/UPI/OTHER/DHCM/OUT/>.

Thank you for your assistance with this Centers 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.

Sincerely,



Meggan Harley, CPPO, MSW
Chief Procurement Officer
Division of Business and Finance
Mail Drop #5700

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