

**Addiction and Prevention Services
State Quality Committee**

AGGREGATE ANALYSIS REPORT

Final – v2

Reporting Period

FROM: July 1, 2010

TO: June 30, 2011

***FY2011 Annual Summary**

Unit/Team/Department:

PIHP Quality Improvement

Topic/Project:

Grievance and Appeals

Appeals Summary (VO # 18, Grid Row #13)

Monitoring Standard:

42 CFR 438.240 Quality Assessment and Performance Improvement Program

42 CFR 438.402 General requirements

42 CFR 438.404 Notice of Action

42 CFR 438.408 Resolution and notification

42 CFR 438.420 Continuation of benefits while the MCO or PIHP appeal and the State Fair Hearing are pending

42 CFR 438.280 Effectuation of reversed appeals resolutions

42 CFR 438.420 Continuation of benefits while the MCO or PIHP appeal and the State Fair Hearing are pending

42 CFR 438.424 Effectuation of reversed appeal resolutions

Goal:

The PIHP will track and report semi-annually to SRS/AAPS all denials and appeals that have occurred in a given timeframe including timeline compliance. The standards are:

- Standard for Denial letter notification:
 - Treatment modality Level I, II, and all others except Level III: Denial letters must be sent within 14 days of the determination (100%)
 - Treatment modality Level III: Denial letters must be sent within 3 days of the determination (100%)
- Appeals:
 - 95% resolved within 14 days receipt of all required documentation
 - 100% resolved within 45 calendar days

Objectives:

To assure the documentation is capturing both clinical (medical necessity) and administrative denials and appeals

To evaluate for trends that may require system intervention or education

To allow data to be presented consistently for Committee evaluation and response

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Data Collection Activities:

Data was collected from ValueOptions CareConnect System. Denials and Appeals reporting will be provided by region, funding, and detail. Denials and Appeals are categorized as administrative and medical necessity. Reporting will also include State Fair Hearing data.

Definitions of Administrative and Medical Necessity denials:

Administrative Denial (or “Administrative Determination”) – A denial of services, or claims payment for services, based on reasons other than a lack of medical necessity. Examples of administrative denials include the provider is not licensed to provide the service requested, the member is AAPS eligible but the service requested is only available to Medicaid recipients, or the continued stay review (CSR) was submitted late.

Medical Necessity Denial- A denial of services or claims payment for services based on a review of clinical criteria (ASAM) compared to documentation provided. Only a physician who is certified by ASAM, or a psychologist/psychiatrist with extensive demonstrated substance abuse experience shall make decisions not to fully authorize a request for service based on medical necessity.

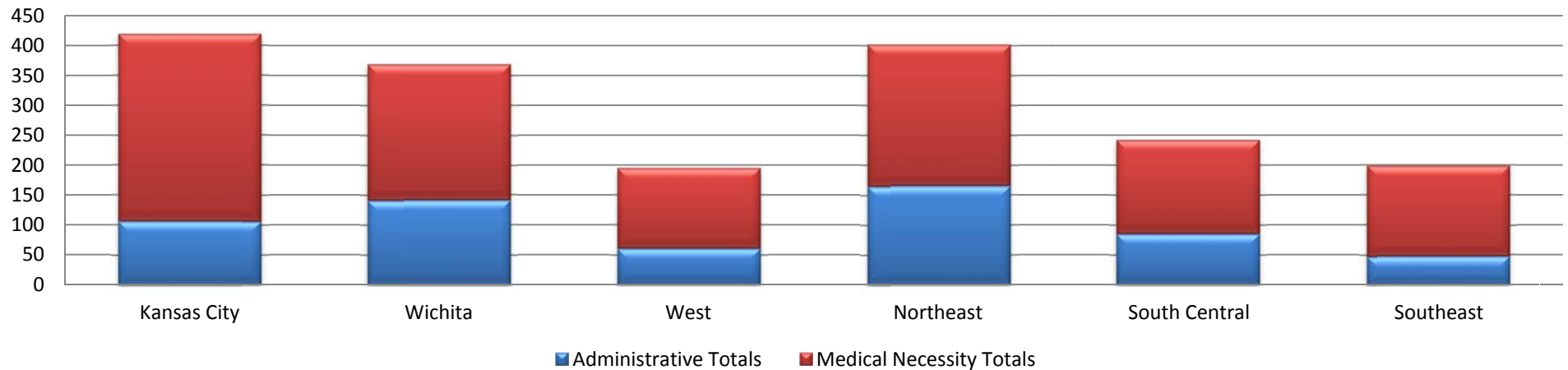
*More data available in Attachment A at the end of this report.

Results: See Next Page

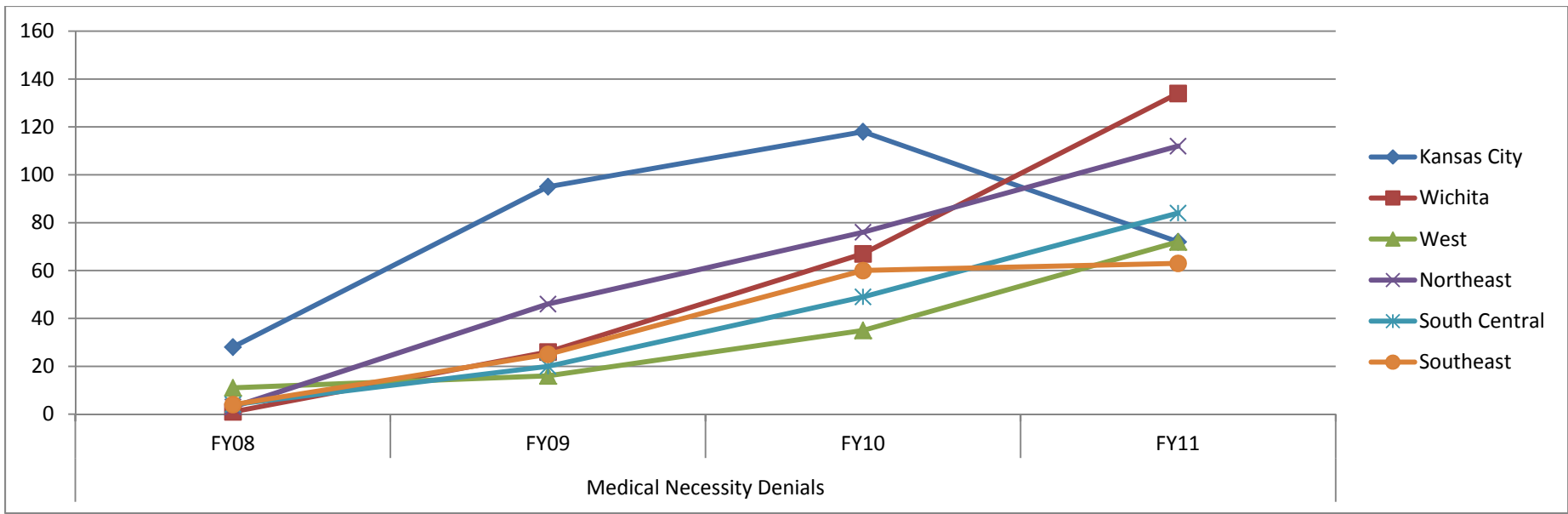
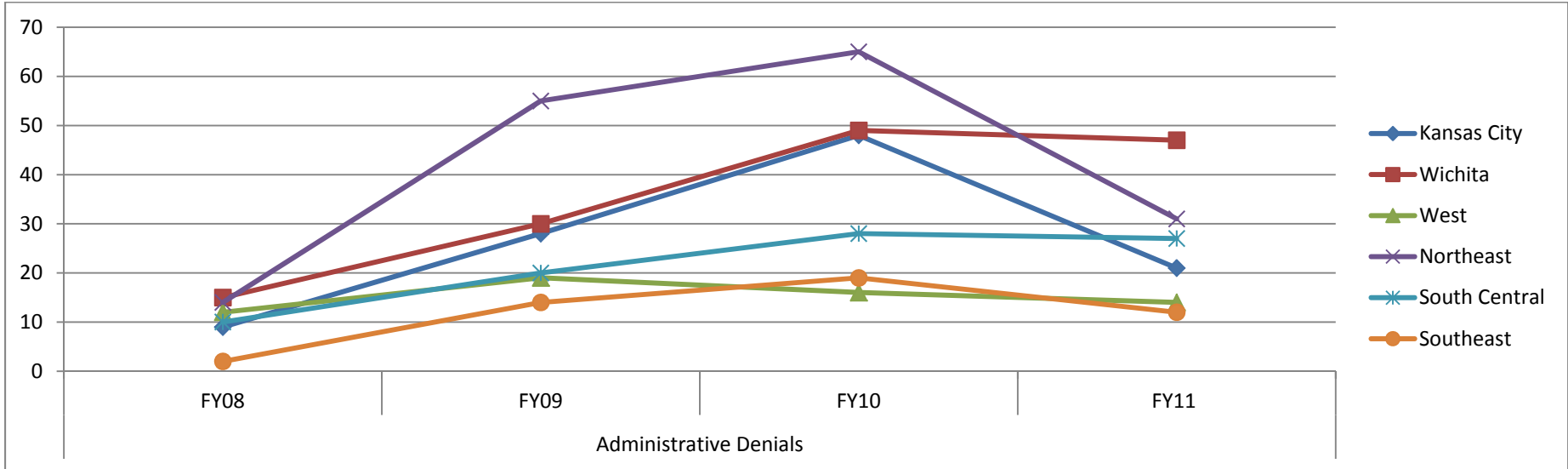
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	Administrative Totals	Medical Necessity Totals		Administrative Denials				Medical Necessity Denials				
				FY08	FY09	FY10	FY11	FY08	FY09	FY10	FY11	
Kansas City	106	313		Kansas City	9	28	48	21	28	95	118	72
Wichita	141	228		Wichita	15	30	49	47	1	26	67	134
West	61	134		West	12	19	16	14	11	16	35	72
Northeast	165	237		Northeast	14	55	65	31	3	46	76	112
South Central	85	157		South Central	10	20	28	27	4	20	49	84
Southeast	47	152		Southeast	2	14	19	12	4	25	60	63
Total	605	1221		Total	62	166	225	152	51	228	405	537

Denials FY08 - FY11



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Annual FY Summary Appeal Data:

	FY08	FY09	FY10	FY11		Total
Administrative	12	11	37	19		79
Medical Necessity	2	18	27	29		76
Total	14	29	64	48		155

Conclusions:

FY11:

- It was recommended by the State Quality Committee in the November 2010 meeting that the frequency of the ValueOptions report and aggregate by the State be semi-annual. The State aggregate and ValueOptions report are now both semi-annual.
- There were 689 denials reported FY11.
 - This reflects a continued upward trend of increasing total denials for each fiscal year (FY08 = 113, FY09 = 394, FY10 = 630, FY11 = 689). Medical Necessity denials reported have also continued increasing each fiscal year (FY08 = 51, FY09 = 228, FY10 = 405, FY11 = 537). Administrative denials reported were also increasing each fiscal year, but decreased from FY10 to FY11 (FY08 = 62, FY09 = 166, FY10 = 225, FY11 = 152)
 - Most denials were in AAPS funded:
 - AAPS = 445 total or 65%
 - Medicaid = 244 total or 35%
 - 152 were Administrative denials and 537 were Medical Necessity denials.
 - The most administrative denials reported in FY11 was in the Wichita region (47 of 152 or 31%). The least administrative denials reported for the same period was in the Southeast region (12 of 152 or 8%)
 - The most medical necessity denials reported in FY11 was in the Wichita region (134 of 537 or 25%). The least medical necessity denials reported in the same time period was in the Southeast region (63 of 537 or 12%).
 - It is noted that medical necessity denials reported for the Wichita and West regions at least doubled from FY10 to FY11.
 - It is noted that administrative denials reported for the Kansas City and Northeast regions decreased by at least half from FY10 to FY11.
- There were 62 appeals reported FY11.
 - 22 appeals were upheld statewide and 40 appeals were overturned.
- There were no requests for State Fair Hearings initiated during FY11.
- There was a recommendation from the 2011 Independent Assessment regarding continuing to monitor denials closely to ensure their rate and type match the goals of SRS for the program. In response to this recommendation, VO began to report denials as a percentage of all claims paid so the proportion of care denied can be analyzed, in addition to the raw numbers. Please see Attachment A below, Denial/Appeals by Funding for January – June 2011. ValueOptions reported 285 claims denied out of 84,333 claims

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processed/paid from January – June 2011. This calculates to a 0.34% claims denial rate for both funding sources.

Standards:

- Standard for Denial letter notification:
 - **Level III: All of the Level III denial letters met the timeframe (100%), therefore, met standard.**
 - **Other Denials (Level I and II): All other denial letters met the timeframe (100%), therefore, met standard.**

- Appeals:
 - **Appeal time frames were met at 100%, and therefore, met standard for both.**

Preliminary Recommendations to Committee:

- It is recommended to the Committee that data trending continue.
- Approval by the Committee is requested to post this aggregate analysis on the ValueOptions website for public access.

Date Presented to SQC: 11/17/2011

BY: Cissy McKinzie



Recommendations from the Committee for action: Committee approves of the Preliminary Recommendations as shown above.

Person Responsible to follow-up and date due: Kim Brown Due: 2/10/2012

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ATTACHMENT A: DATA

Denials/Appeals by Funding:

 <p>Appeals by Funding</p>	ATTESTATION: I attest, based on my best knowledge, information and belief that the data and/or documents pertaining to Medicaid and the SAPT block grant comprising this report are accurate, complete, and truthful, as of the date of submission.																							
	 4/28/2011 CEO, ValueOptions of Kansas																							
Date of Submission: Reporting Period: July 1, 2010 through September 30, 2010																								
<table border="1"> <thead> <tr> <th>Funding Source</th> <th>Number of Denials</th> <th>Number of Appeals</th> <th>Upheld</th> <th>Overtured</th> </tr> </thead> <tbody> <tr> <td>Medicaid</td> <td align="center">50</td> <td align="center">1</td> <td align="center">0</td> <td align="center">1</td> </tr> <tr> <td>Block Grant</td> <td align="center">108</td> <td align="center">9</td> <td align="center">2</td> <td align="center">7</td> </tr> <tr> <td>Total</td> <td align="center">158</td> <td align="center">10</td> <td align="center">2</td> <td align="center">8</td> </tr> </tbody> </table>					Funding Source	Number of Denials	Number of Appeals	Upheld	Overtured	Medicaid	50	1	0	1	Block Grant	108	9	2	7	Total	158	10	2	8
Funding Source	Number of Denials	Number of Appeals	Upheld	Overtured																				
Medicaid	50	1	0	1																				
Block Grant	108	9	2	7																				
Total	158	10	2	8																				
Total Number of Denials Received in this Reporting Period:		158																						
Percentage of Level 3 Denial letters sent within 3 days:		100%																						
Percentage of Denial letters sent within 14 days:		100%																						
Total Number of Appeals Received in this Reporting Period:		10																						
Percentage of appeals resolved within 14 days:		100%																						
Percentage of appeals resolved within 45 days:		100%																						
No denials or appeals were requested to be expedited during this reporting period																								
<p>**This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.</p>																								

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Appeals by Funding

Date of Submission:

Reporting Period: October 1, 2010 through December 31, 2010

Funding Source	Number of Denials	Number of Appeals	Upheld	Overturned
Medicaid	85	7	1	6
AAPS	161	15	7	8
Total	246	22	8	14

Total Number of Denials Received in this Reporting Period: 246

Percentage of Level 3 Denial letters sent within 3 days: 100%

Percentage of Denial letters sent within 14 days: 100%

Total Number of Appeals Received in this Reporting Period: 22

Percentage of appeals resolved within 14 days: 100%

Percentage of appeals resolved within 45 days: 100%

No denials or appeals were requested to be expedited during this reporting period

****This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.**

Appeals by Funding				
Reporting Period: January 1 through June 30, 2011				
Funding Source	Number of Denials	Number of Appeals	Upheld	Overturned
Medicaid	109	14	4	10
AAPS	176	16	8	8
Total	285	30	12	18
Total Number of Denials Received in this Reporting Period:		285		
Percentage of Level 3 Denial letters sent within 3 days:		100%		
Percentage of Denial letters sent within 14 days:		100%		
Total Number of Appeals Received in this Reporting Period:		15		
Percentage of appeals resolved within 14 days:		100%		
Percentage of appeals resolved within 45 days:		100%		
No denials or appeals were requested to be expedited during this reporting period				
Number Claims Processed / Paid:		84,333		
Number Claims Denied:		285		
Percent Claims Denied:		0.34%		
**This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.				

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Denials/Appeals by Region AAPS:

AAPS Appeals by Region						
Reporting Period: July 1, 2010 through September 30, 2010						
Region*	DENIALS		APPEALS		RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overtured
Kansas City	5	14	0	0	0	0
Wichita	5	8	3	0	0	3
West	9	12	0	0	0	0
Northeast	7	17	0	2	0	2
South Central	5	7	1	0	1	0
Southeast	4	15	1	2	1	2
Total	35	73	5	4	2	7
Total number of AAPS Denials received within this reporting period:				108		
Percentage of Denial letters sent within 3 days for residential or higher:				100%		
Percentage of Denial letters sent within 14 days:				100%		
Total number of AAPS Appeals received within this reporting period:				9		
Percentage of Appeals sent within 14 days:				100%		
Percentage of Appeals sent within 45 days:				100%		
There were no requests for State Fair Hearings during this quarter.						
**This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.						

AAPS Appeals by Region



Reporting Period: October 1, 2010 through December 31, 2010

Region*	DENIALS		APPEALS		RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overtured
Kansas City	10	15	0	1	0	1
Wichita	10	18	0	0	0	0
West	4	25	0	2	2	0
Northeast	7	20	0	3	1	2
South Central	8	20	1	3	2	2
Southeast	5	19	4	1	2	3
Total	44	117	5	10	7	8

Total number of AAPS Denials received within this reporting period: 161

Percentage of Denial letters sent within 3 days for residential or higher: 100%

Percentage of Denial letters sent within 14 days: 100%

Total number of AAPS Appeals received within this reporting period: 15


Percentage of Appeals sent within 14 days: 100%

Percentage of Appeals sent within 45 days: 100%

There were no requests for a State Fair Hearing during this quarter.

**This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.

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AAPS Appeals by Region						
Reporting Period: January 1 through June 30, 2011						
						
REGION	DENIALS		APPEALS		RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overturned
Kansas City	1	20	1	1	0	2
Northeast	5	32	0	2	2	0
South Central	4	38	0	7	5	2
Southeast	2	15	0	1	0	1
West	0	25	0	1	1	0
Wichita	9	25	3	0	0	3
Total	21	155	4	12	8	8
Total number of AAPS Denials received within this reporting period:				176		
Percentage of Denial letters sent within 3 days for residential or higher:				100%		
Percentage of Denial letters sent within 14 days:				100%		
Total number of AAPS Appeals received within this reporting period:						
Percentage of Appeals sent within 14 days:				100%		
Percentage of Appeals sent within 45 days:				100%		
There were no requests for a State Fair Hearing during this quarter.						
**This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.						

Denials/Appeals by Region Medicaid:

Medicaid Appeals by Region						
Reporting Period: July 1, 2010 through September 30, 2010						
Region*	DENIALS		APPEALS		RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overturned
Kansas City	2	4	0	0	0	0
Wichita	3	20	1	0	0	1
West	0	1	0	0	0	0
Northeast	2	9	0	0	0	0
South Central	2	5	0	0	0	0
Southeast	0	2	0	0	0	0
Total	9	41	1	0	0	1
Total number of Medicaid Denials received in this reporting period:				50		
Percentage of Denial letters sent within 3 days for residential or higher:				100%		
Percentage of Denials letters sent within 14 days:				100%		
Total number of Medicaid Appeals received in this reporting period:				1		
Percentage of Medicaid Appeals sent within 14 days:				100%		
Percentage of Medicaid Appeals sent within 45 days:				100%		
There were no requests for State Fair Hearings during this quarter.						
**This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.						

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Medicaid Appeals by Region

Reporting Period: October 1, 2010 through December 31, 2010

Region*	DENIALS		APPEALS		RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overturned
Kansas City	3	7	2	1	1	2
Wichita	10	19	0	0	0	0
West	1	4	0	1	0	1
Northeast	5	14	2	0	0	2
South Central	5	9	0	0	0	0
Southeast	0	8	0	1	0	1
Total	24	61	4	3	1	6

Total number of Medicaid Denials received in this reporting period: 85

Percentage of Denial letters sent within 3 days for residential or higher: 100%
 Percentage of Denials letters sent within 14 days: 100%

Total number of Medicaid Appeals received in this reporting period: 7

Percentage of Medicaid Appeals sent within 14 days: 100%
 Percentage of Medicaid Appeals sent within 45 days: 100%

There were no requests for State Fair Hearings during this quarter.

****This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.**

Medicaid Appeals by Region						
Reporting Period: January 1 through June 30, 2011						
REGION	DENIALS		APPEALS		RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overturned
Kansas City	0	12	0	1	0	1
Northeast	5	20	2	2	2	2
South Central	3	5	0	0	0	0
Southeast	1	4	0	1	0	1
West	0	5	0	1	0	1
Wichita	10	44	0	7	2	5
Total	19	90	2	12	4	10
Total number of Medicaid Denials received in this reporting period:				109		
Percentage of Denial letters sent within 3 days for residential or higher:				100%		
Percentage of Denials letters sent within 14 days:				100%		
Total number of Medicaid Appeals received in this reporting period:						
Percentage of Medicaid Appeals sent within 14 days:				100%		
Percentage of Medicaid Appeals sent within 45 days:				100%		
There were no requests for State Fair Hearings during this quarter.						
**This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.						