

# Provider Solvency Update

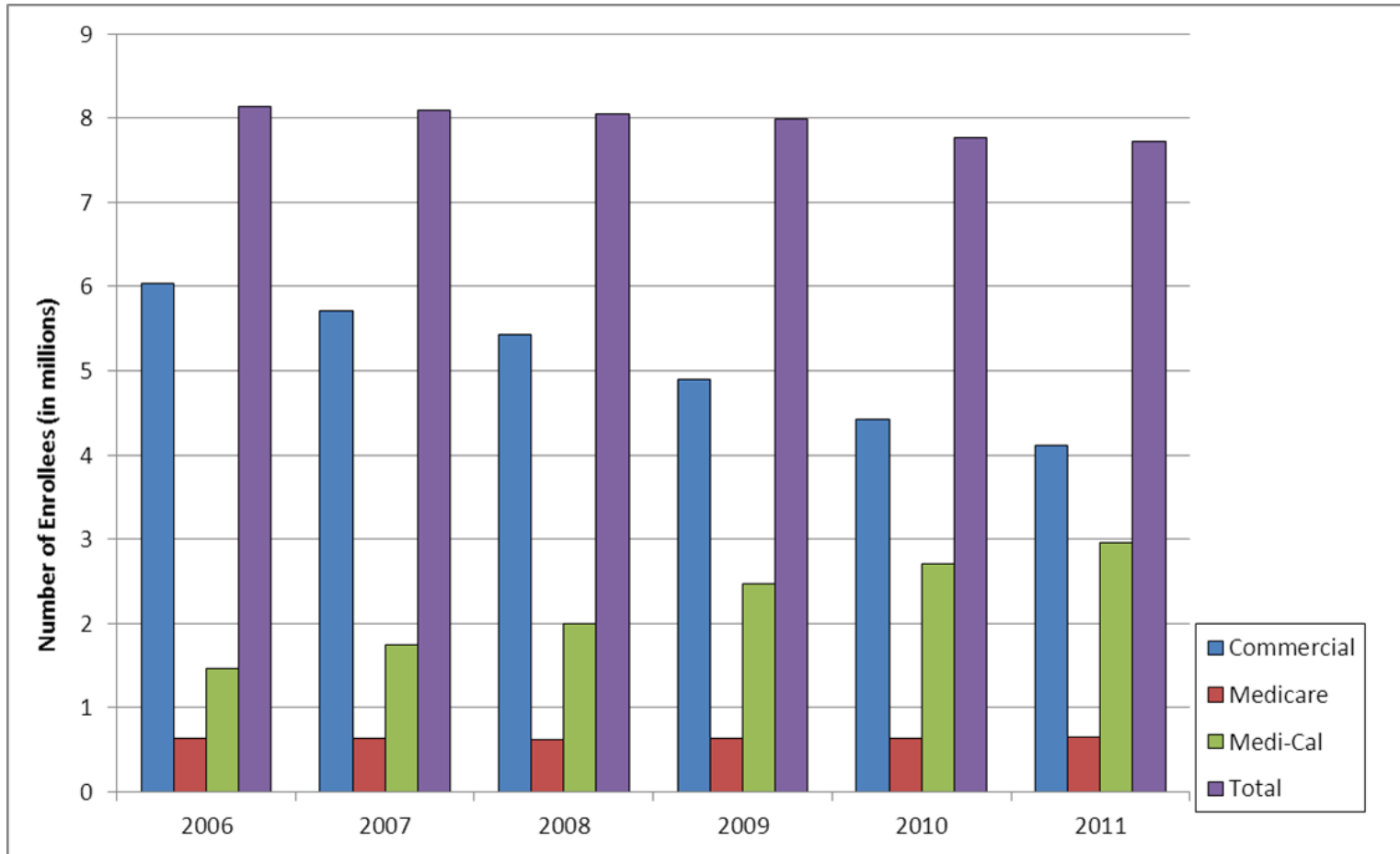
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**Michelle Yamanaka**

Supervising Examiner, California Department of  
Managed Health Care

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# Total Medical Group Enrollment by Business Type



# Provider Solvency Unit

- Financial Survey Reviews
- Claims Settlement Practices Reviews
- Monitor the Corrective Action Plan Process and approve Corrective Action Plans
- Claims and Provider Dispute Resolution Audits

# Risk Bearing Organization (RBO) Financial Reporting As of 3/31/12

There are 185 Risk Bearing Organizations that file survey reports :

Annual:

- All RBOs file Annual Survey Reports (based on audited financial statements)

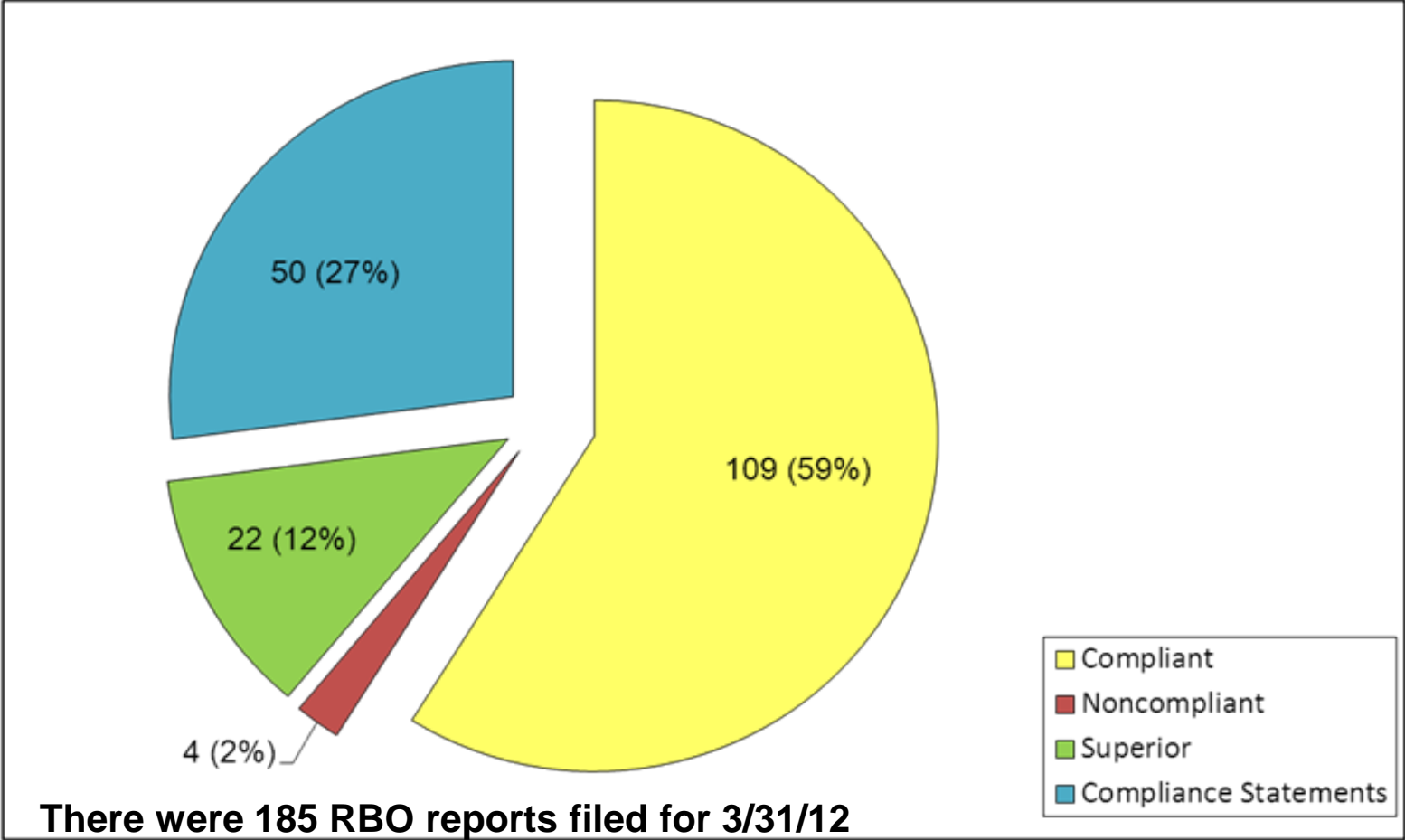
Quarterly:

- 135 RBOs file Quarterly Survey Reports
- 50 RBOs file Compliance Statements

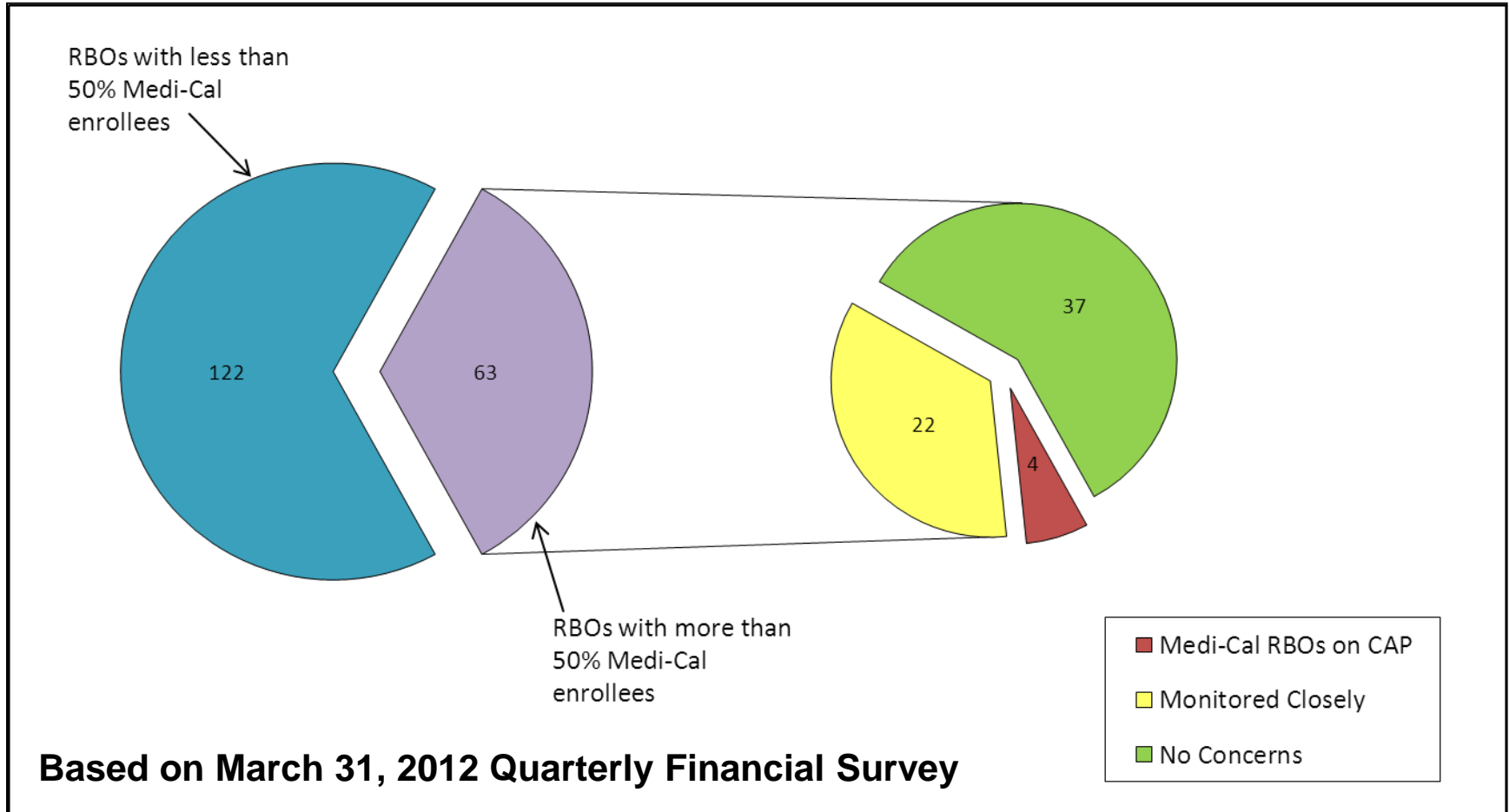
Monthly:

- 4 RBOs file monthly financial statements

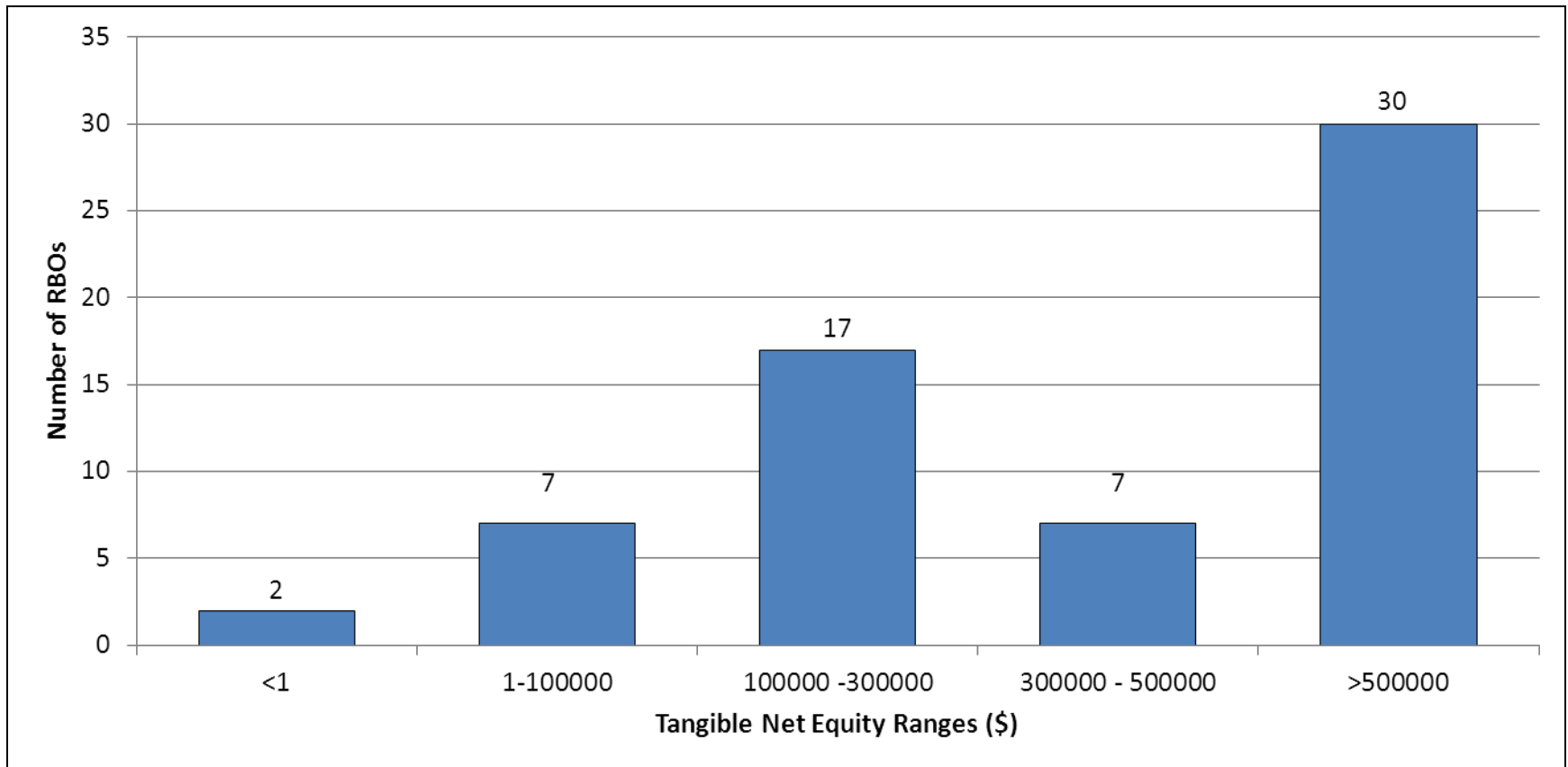
# Status of All Risk Bearing Organizations



# Status of RBOs with Greater than 50% Medi-Cal Enrollment



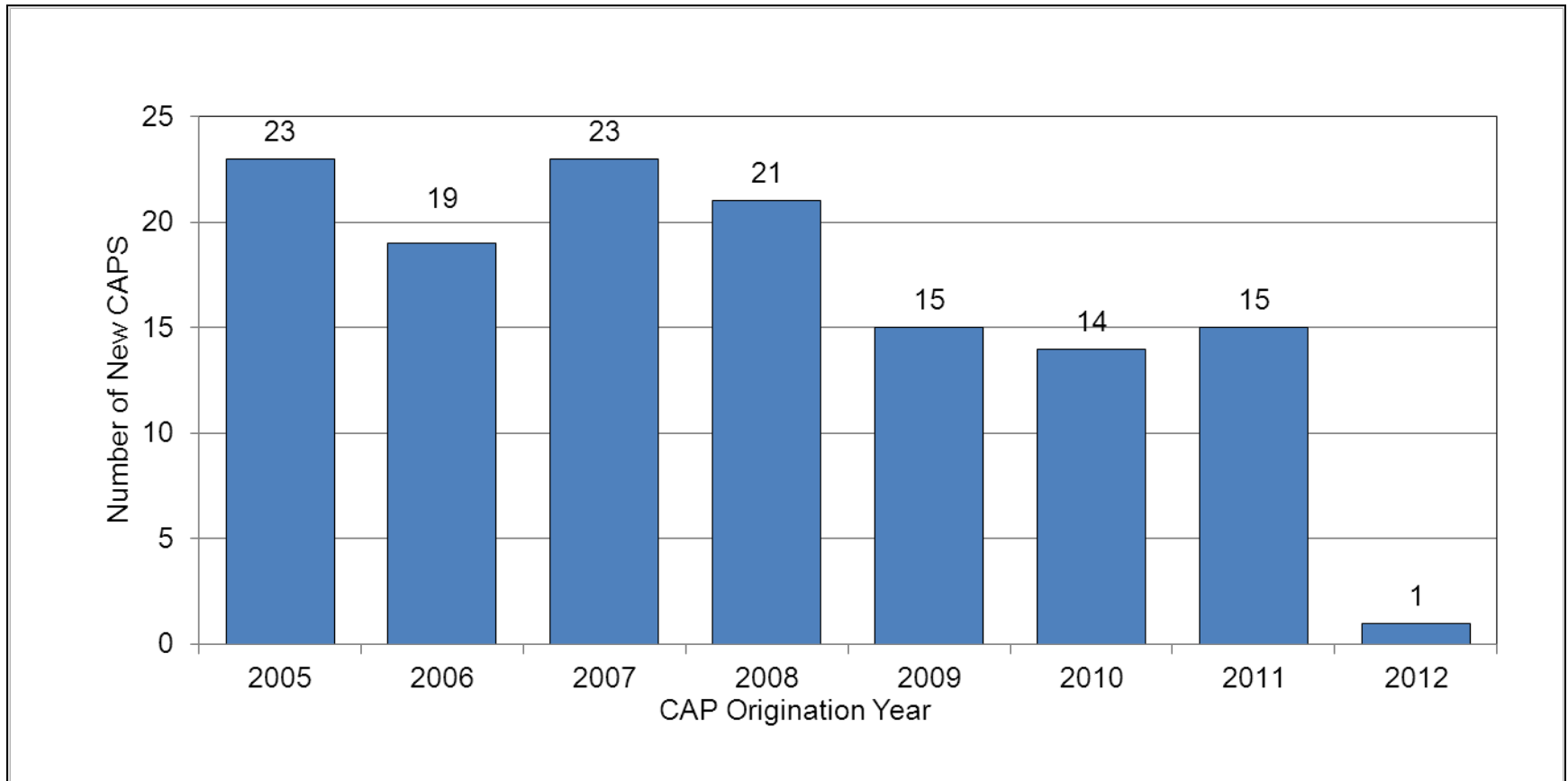
# Tangible Net Equity of RBOs with more than 50% Medi-Cal enrollees



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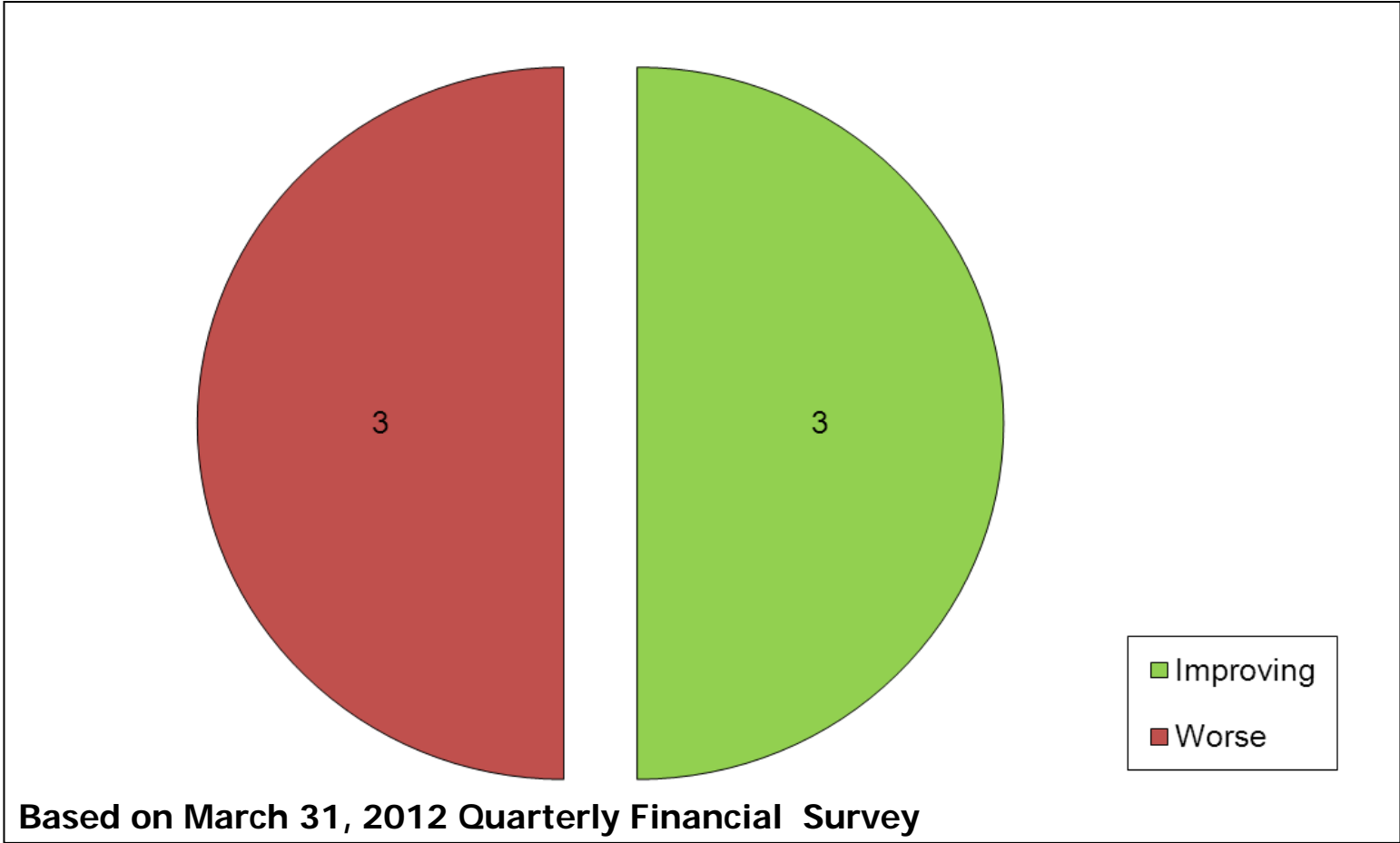
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# RBO Corrective Action Plans (CAP) By Year Originated 2005-2012





# CAP Status

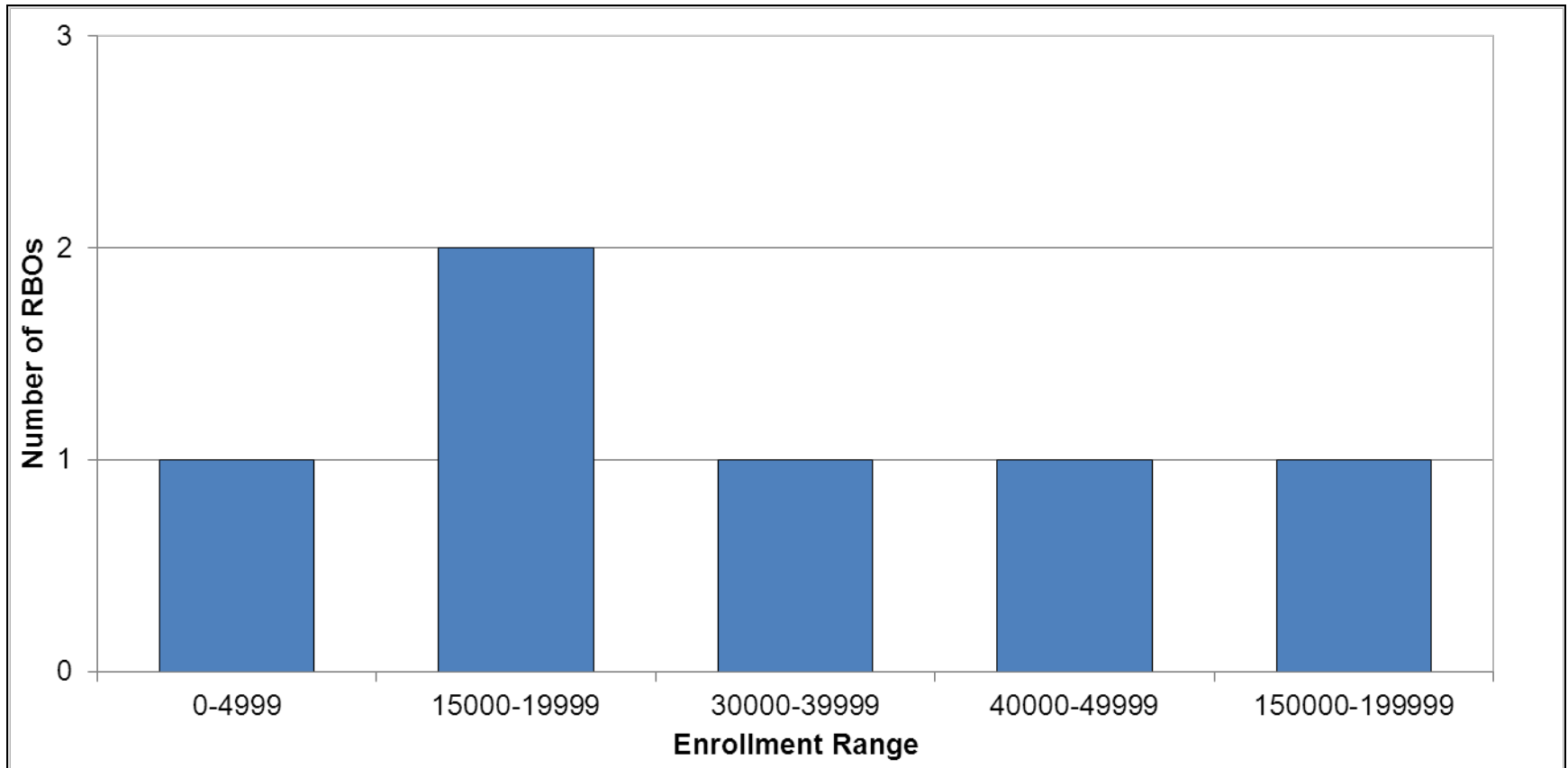


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# CAP Status from 3/31/2012 filings

- Of the six continuing CAPs:
  - 3 improving (meeting their CAP milestones)
  - 3 declining (2 enforcement action recommended for failure to meet final/approved CAP and 1 is being monitored closely)
- Two CAPs have been completed and are reporting compliance with all solvency criteria since last FSSB meeting in May, 2012. One RBO was dedelegated for failure to meet its final/approved CAP

# Enrollment Ranges for RBOs on CAP at 3/31/12



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# CAP Status @ 6/30/12

## Monthly Reporting

6 active CAPs:

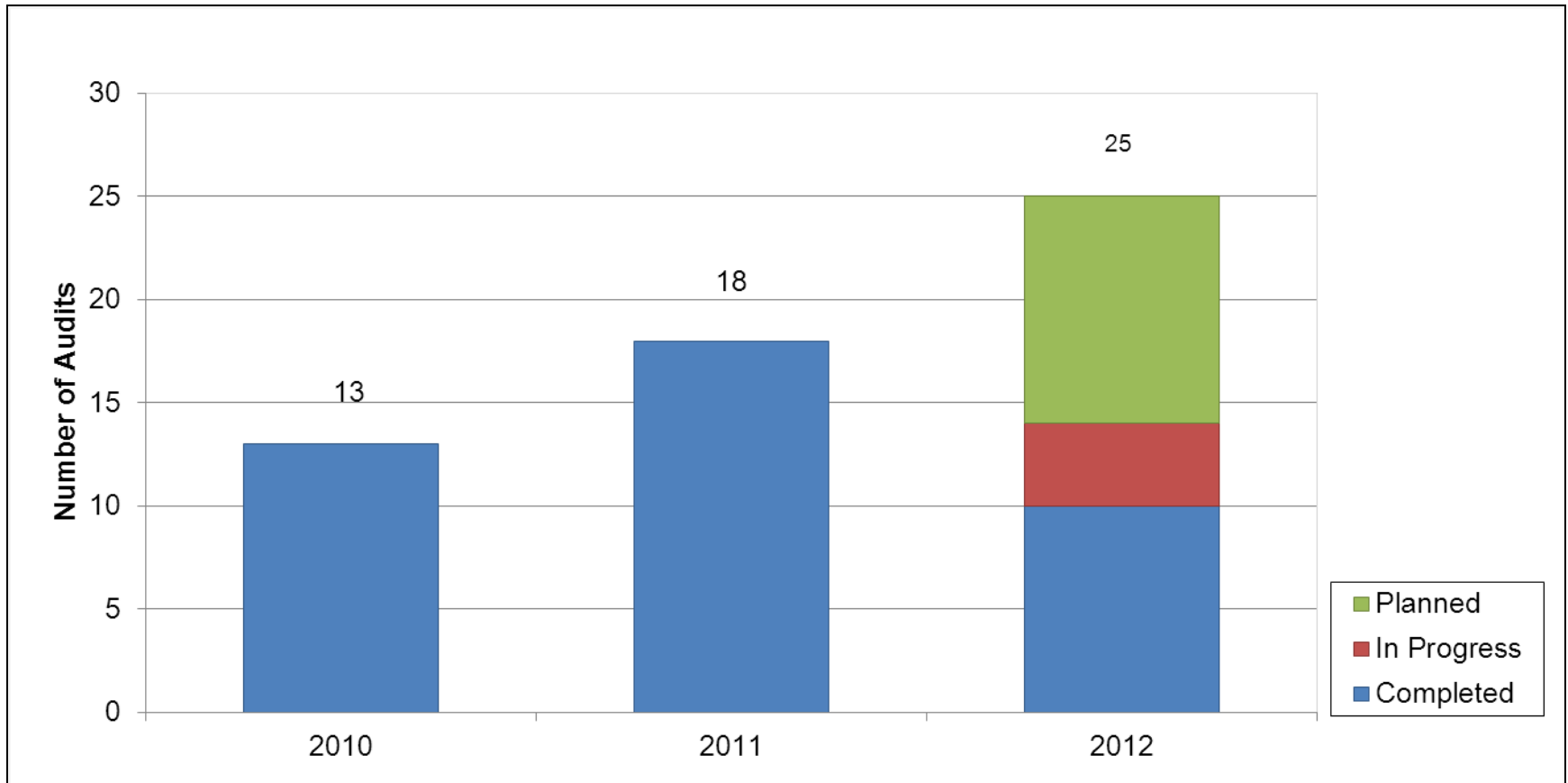
- 3 RBOs are meeting the final CAP projections
- 1 RBO was meeting final CAP and CAP process was completed
- 2 RBOs are not meeting the final CAP projections

Next Steps:

- Enforcement Action

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# RBO Audits



# RBO Audits

- Observations /Trends:
  - Claims are not paid accurately
  - Claims are not paid within 45 working days
  - Interest is not included or incorrectly calculated
  - Claim not date stamped correctly at time of receipt
  - Incorrect denial of claims
  - Failure to recognize provider's complaint as a provider dispute
  - Claims are not forwarded within 10 working days
  - Claims are not acknowledged timely

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# Questions?

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