

Provider Solvency Update

November 8, 2012

Michelle Yamanaka

Supervising Examiner

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Provider Solvency Unit

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

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Risk Bearing Organization (RBO) Financial Reporting As of 6/30/12

185 Risk Bearing Organizations file survey reports :

Annual:

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

Quarterly:

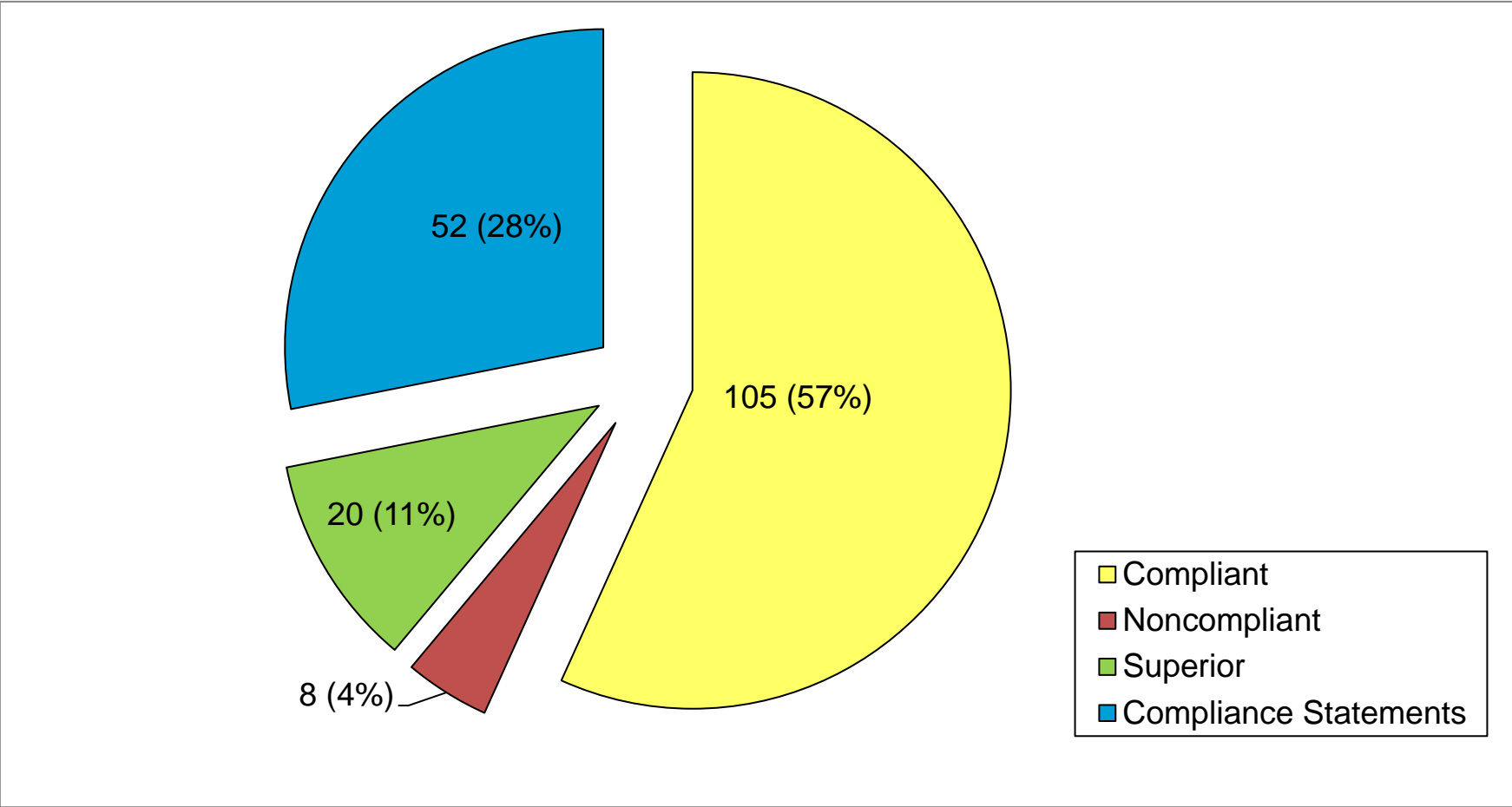
- 133 RBOs file Quarterly Survey Reports
- 52 RBOs file Compliance Statements

Monthly:

- 5 RBOs file monthly financial statements

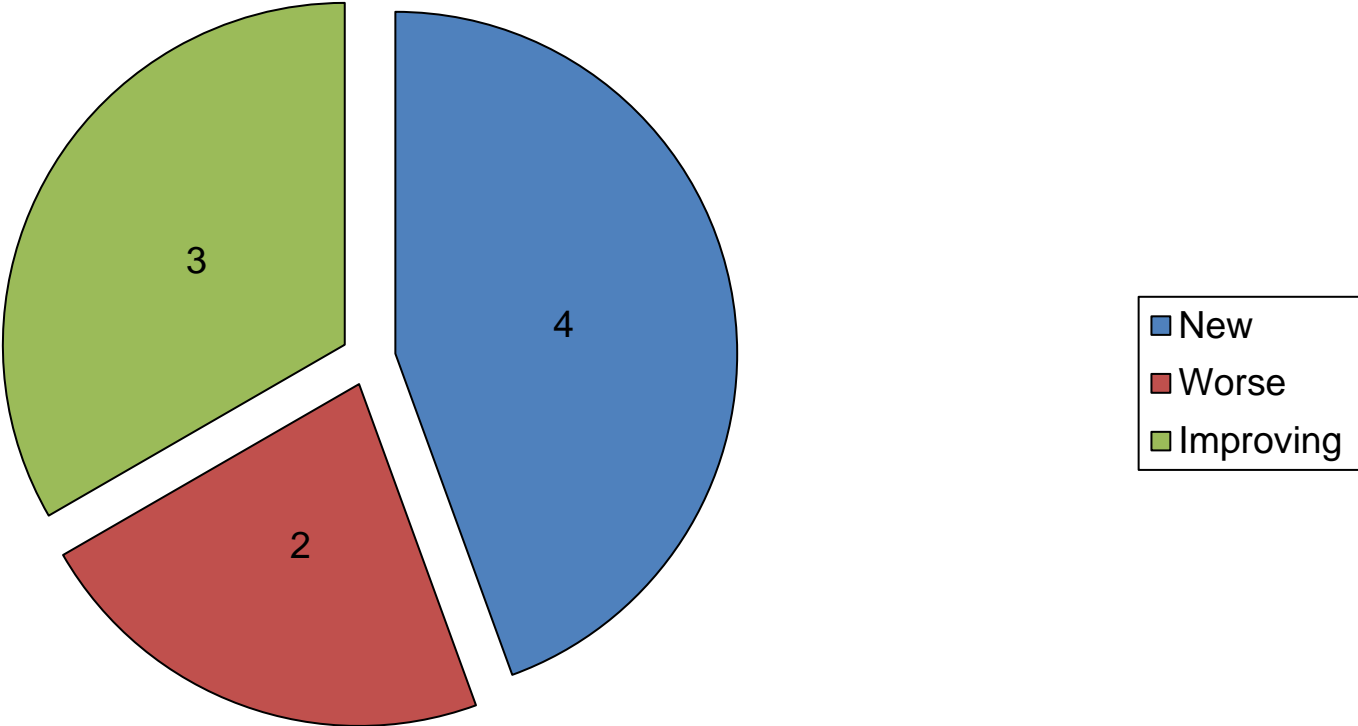
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Status of All Risk Bearing Organizations at June 30, 2012



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CAP Status



Based on June 30, 2012 Quarterly Financial Survey

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CAP Status from 6/30/2012 filings

❖ Of the 5 continuing CAPs:

- 3 improving (meeting their approved CAP milestones)
- 2 declining
 - 1 RBO submitted revised projections
 - 1 RBO recommended administrative action

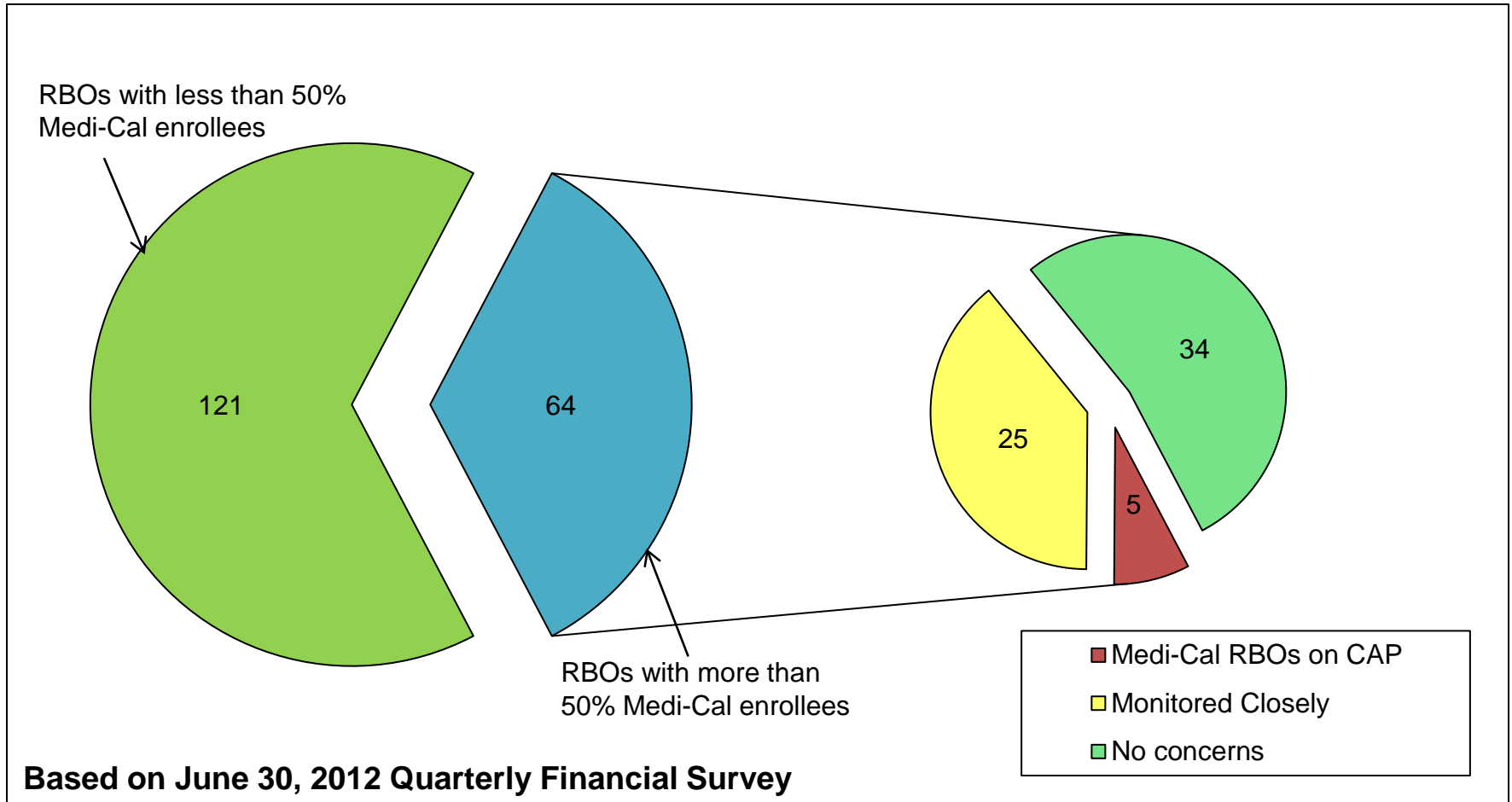
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Current CAP Status @ 9/30/12

- 3 RBOs are meeting the final CAP projections
- 1 RBO was not meeting the final CAP projections and was dedelegated
- 1 RBO completed their CAP successfully

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





Region 1

Butte
Colusa
Del Norte
Glenn
Humboldt
Lake
Lassen
Mendocino
Modoc
Plumas
Shasta
Sierra
Siskiyou
Tehama
Trinity

Region 2

Alameda
Amador
Contra Costa
El Dorado
Marin
Napa
Nevada
Placer
Sacramento
San Francisco
San Joaquin
San Mateo
Santa Clara
Santa Cruz
Solano
Sonoma
Sutter
Yolo
Yuba

Region 3

Alpine
Calaveras
Fresno
Inyo
Kings
Madera
Mariposa
Merced
Mono
Monterey
San Benito
Stanislaus
Tulare
Tuolumne

Region 4

Kern
San Luis Obispo
Santa Barbara

Region 5

Los Angeles
Orange
Ventura

Region 6

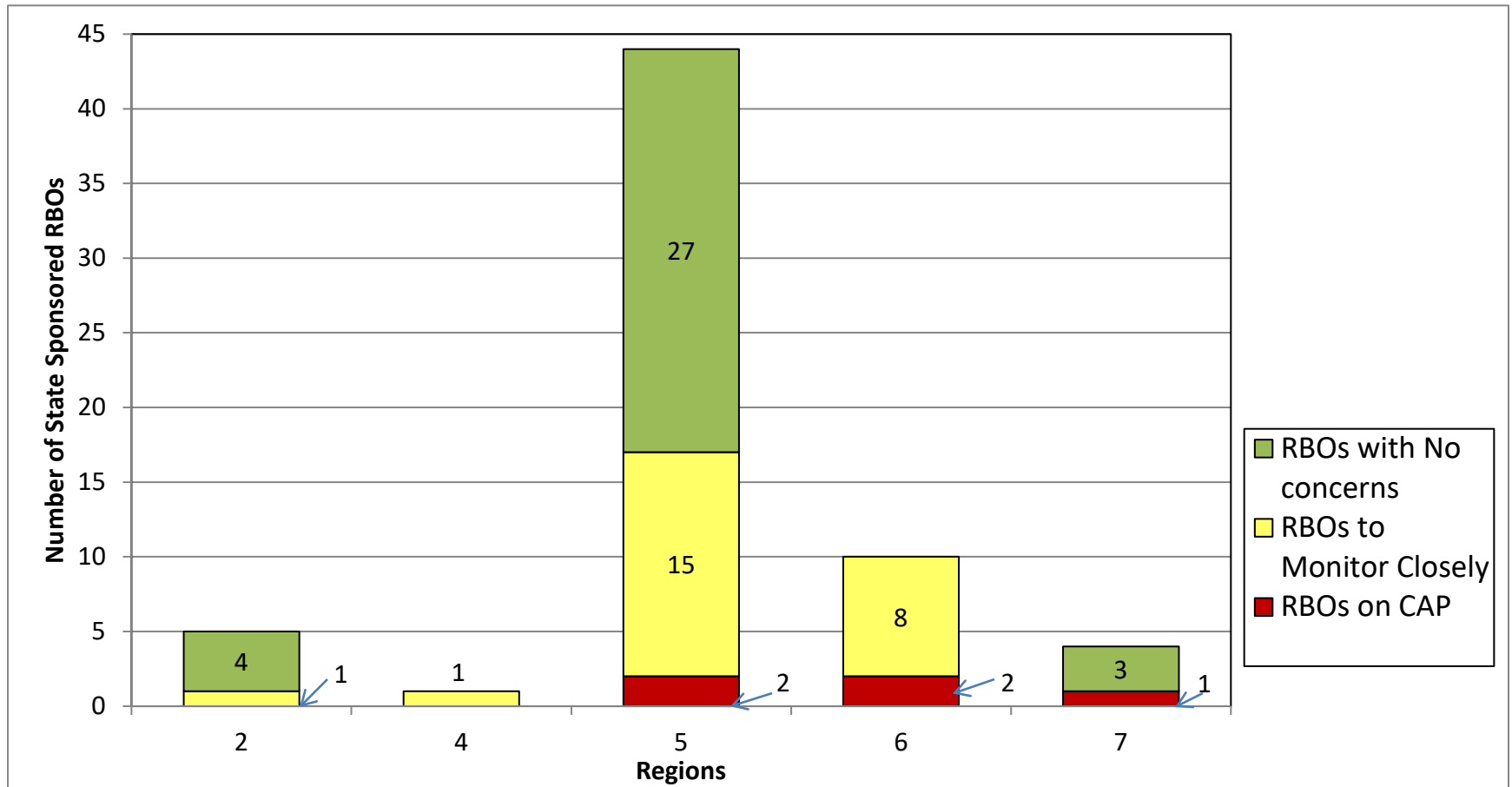
Riverside
San Bernardino

Region 7

Imperial
San Diego

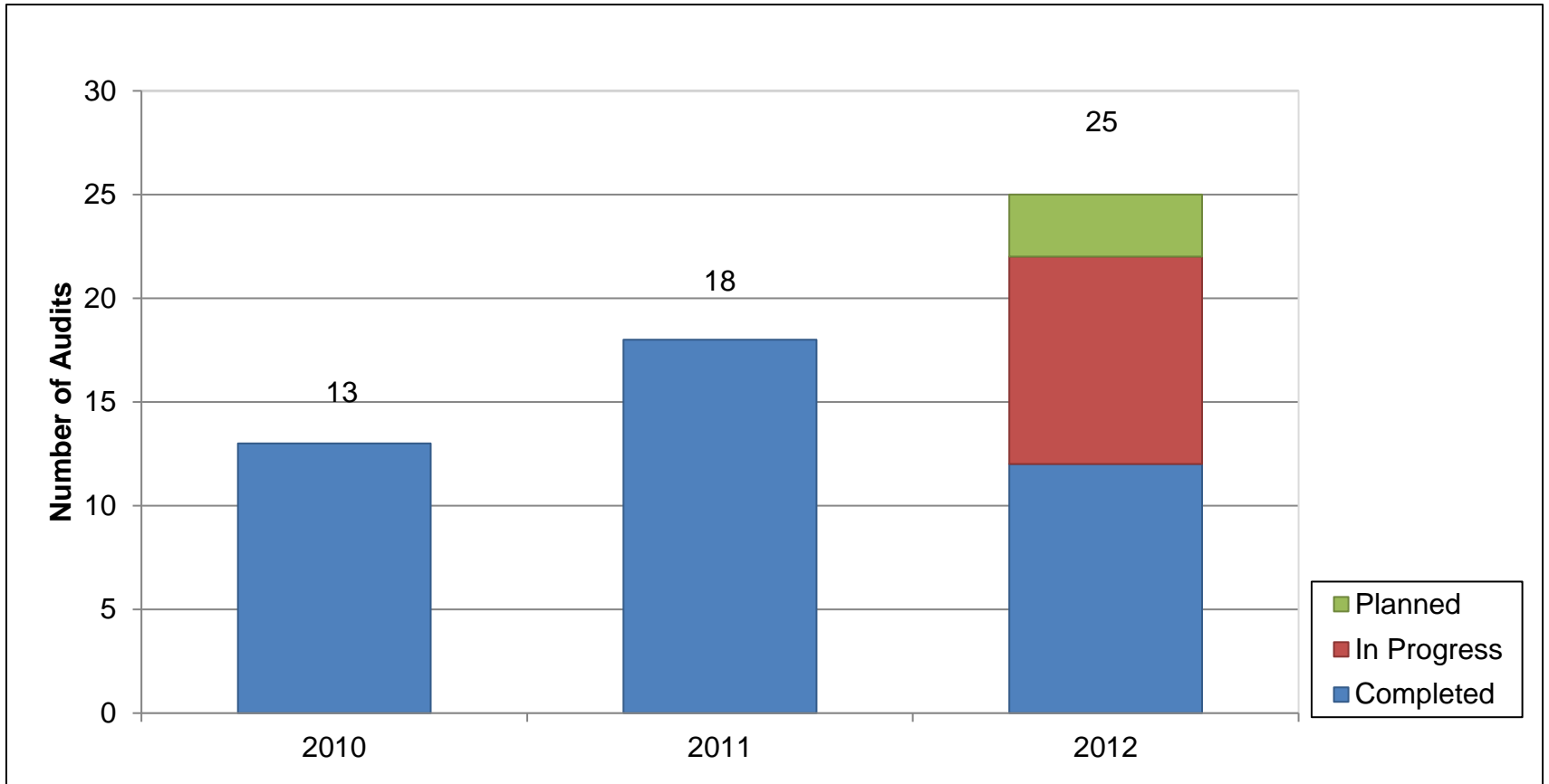
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Performance of State Sponsored RBOs by region



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RBO Audits



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Common RBO Audits Findings

- Interest/penalty is not included or is incorrectly calculated on late claims and PDR
- Holding claims payment checks
- Claims are not paid accurately and/or processed within 45 working days
- Claim not date stamped correctly at time of receipt
- Claims are not forwarded within 10 working days
- Claims/PDR are not acknowledged timely

RBO Deficiencies Identified in DMHC Claims Audit for 2012

| Types of Deficiencies | RBO#1 | RBO#2 | RBO#3 | RBO#4 | RBO#5 | RBO#6 | RBO#7 | RBO#8 | RBO#9 | Total |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| Claims/PDR not paid accurately | | | 1 | 1 | | 1 | | | 1 | 4 |
| Interest/penalty not included or incorrectly | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 9 |
| Holding claims checks | | | | | | | | 1 | | 1 |
| Claim/PDR date stamped incorrectly | 1 | | | | 1 | 1 | | | | 3 |
| Claims not forwarded within 10 working days | | | | | 1 | | | | | 1 |
| Claims/PDR not acknowledged timely | | | | | 1 | | | | | 1 |

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Questions?

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