

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



MEDICARE PARTS C AND D OVERSIGHT AND ENFORCEMENT GROUP

April 30, 2014

E-MAIL: ccarrero@ahmpr.com

Mr. Carlos Carrero
PO Box 11320
Triple-S Salud, Inc.
San Juan, Puerto Rico, 00922

Re: 2012 Program Audit – Notice of Audit Closure for Medicare Advantage and/or Standalone Prescription Drug Plan Contracts: H4005, H4012, H5732, S5907

Dear Mr. Carrero:

On November 1, 2012, the Centers for Medicare & Medicaid Services (CMS) issued the final audit report to your organization for the above-referenced Medicare Advantage and/or Prescription Drug Plan contracts. The audit evaluated your organization's compliance with CMS requirements in the following areas:

1. Part D Formulary and Benefit Administration
2. Part D Coverage Determinations and Appeals
3. Part D Grievances
4. Part C Organization Determinations and Appeals
5. Part C Grievances
6. Part C Access to Care
7. Parts C & D Agent/Broker Oversight
8. Parts C & D Compliance Program Effectiveness
9. Enrollment and Disenrollment
10. Late Enrollment Penalty (LEP)

Your organization was afforded 90 calendar days from the report date to provide data and documents to CMS to demonstrate and attest that all of the deficiencies in the audit report were sufficiently corrected and not likely to recur. CMS reviewed your evidence of correction submission and also conducted a review to validate the implementation of required corrective actions and immediate corrective actions.

This notice is to inform you that based on the evidence provided by your organization and the validations conducted, you have corrected all conditions except:

The following conditions still remain from the audit report:

1. **Part D Coverage Determinations and Appeals, Effectuation Timeliness, Condition i.** - Triple S did not authorize the approved request through the end of the plan year, as required. This condition was not validated as corrected because the same condition was identified in 1 of 5 samples reviewed during the validation (ET-6). In addition, Triple S performed a beneficiary impact analysis and identified a total of 83 beneficiaries that were affected by this issue during the validation period.
2. **Part C Organization Determinations and Appeals, Effectuation Timeliness, Condition iii.** - Triple S did not effectuate standard payment reconsideration requests in compliance with CMS' regulations for timeliness. This condition was not validated as corrected because the same condition was identified in 2 of 16 samples reviewed during the validation (ET-11 and ET-15).
3. **Part C Organization Determinations and Appeals, Appropriateness of Clinical Decision-Making, Condition ii.** - Triple S did not provide a denial notification containing the specific rationale for the denial in language that the beneficiary could understand. This condition was not validated as corrected because the same condition was identified in 6 of 15 samples reviewed during the validation (CDM-1, CDM-2, CDM-3, CDM-9, CDM-13, CDM-15, and CDM-16).
4. **Part C Organization Determinations and Appeals, Appropriateness of Clinical Decision-Making, Condition iv.** - Triple S delayed or failed to send the denied reconsideration requests to the IRE. This condition was not validated as corrected because the same condition was identified in 3 of 5 samples reviewed during the validation (CDM-11, CDM-13, and CDM-14).
5. **Compliance Program Effectiveness, Element IX, First Tier, Downstream, and Related Entities (FRD), Condition i.** - The Triple S compliance team, through the development and monitoring of the compliance scorecard, has identified that the oversight of delegated entities is lacking content and effectiveness. This lack of oversight was supported by the results of the CMS sample testing. In 4 of the 5 FDR samples there was no evidence of effective auditing and monitoring of Medicare compliance. This condition was not validated as corrected because the same condition was identified in 3 of 5 samples reviewed during the validation (FDR Sample #s 1, 4, and 5).

The following observation:

1. **Part C Organization Determinations and Appeals, Effectuation Timeliness** - Triple S did not notify a beneficiary of its payment decision within 60 days of receipt of the reconsideration request. Triple S was advised to initiate an immediate investigation and implement corrective actions to ensure other beneficiaries are not negatively impacted by this issue.

Your validation provided CMS with a reasonable assurance you are in compliance with program requirements tested during the audit. However, CMS will require heightened monitoring of the conditions and/or observations noted above to ensure Sponsor continues to implement effective correction. Your Account Manager will contact you to address these issues.

CMS is closing your audit.

Carlos Carrero

April 30, 2014

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CMS considers your compliance program's effectiveness to be essential in preventing, detecting and responding to potential non-compliance and fraud, waste, and abuse. Therefore, CMS expects your organization to continue monitoring the effectiveness of the corrective actions you have implemented and to continue to measure and improve the effectiveness of your compliance program. In addition, your Account Manager will continue to monitor and oversee your operations and compliance program to ensure that your organization is in compliance with all CMS requirements.

If you have any questions concerning this notice, please contact Ms. Militza Flores at 787-294-1606 or by email at Militza.Flores@cms.hhs.gov.

Sincerely,

/s/

Tawanda Holmes
Director, Division of Audit Operations
Medicare Parts C and D Oversight and Enforcement Group

cc:

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