

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



CENTER FOR MEDICARE

CORRECTIVE ACTION PLAN REQUEST

January 6, 2012

Contract ID: H5590

Cheyenne Ross
Medicare Compliance Officer
Centene Corporation
1501 W Fountainhead Parkway
Tempe, AZ 85282

Delivered via email to Cheyenne Ross at CHROSS@CENTENE.COM

Dear Cheyenne Ross,

The Centers for Medicare & Medicaid Services (CMS) is issuing a request for a Corrective Action Plan (CAP) to Centene Corporation, which operates the Medicare contract listed in Attachment 1, due to non-compliance with the Part D program requirement that sponsors need to successfully submit 4Rx data for at least 99% of their 2012 plan year CMS-generated enrollments by December 20, 2011.

CMS requires each Part D sponsor to submit data in mandatory fields for each enrollment transaction. This data, referred to as 4Rx, stands for Rx ID, Rx BIN, Rx PCN, and Rx Group. The 4Rx data helps to adjudicate drug claims in a timely and efficient manner and support E1 eligibility queries for pharmacies. Sponsors are notified of CMS-generated enrollments, which include Auto-assigned Enrollments, Facilitated Enrollments, Rollovers, Reassignments, and UI Transactions, through transaction reply reports (TRR). Part D sponsors are responsible for submitting to CMS a valid plan change transaction "type 72" for updating 4Rx data within 72 hours after receiving the TRR for CMS-generated enrollments.

Pursuant to 42 CFR § 423.32(c), Part D sponsors must process enrollment requests in a timely manner, which includes prompt submission of 4Rx data. As stated in the Health Plan Management System (HPMS) memos dated 3/6/2008 and 4/9/2009, Part D sponsors

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not meeting a 99% 4Rx data completion standard are identified as out of compliance with their obligation to process enrollment requests in a timely manner.

In an HPMS memo dated September 14, 2011, CMS announced the processing schedule for CY 2012 enrollment transactions to ensure 4Rx data are available timely. Furthermore, the memorandum reminded sponsors that CMS would continue to monitor 4Rx completeness. CMS began exchanging auto-assigned and facilitated 2012 enrollment data daily with sponsors on or about October 15, 2011. The re-assignments were sent out on a special TRR on or around October 25, 2011 and the 4Rx data should have been available for E1 queries no later than October 28, 2011. Finally, CMS exchanged rollover and termination data with plan sponsors on or about December 12, 2011. It was expected that all CMS-generated enrollments would have had their 4Rx data submitted by Friday, December 16, 2011. However, your organization received a warning letter stating that it had not met the 99% 4Rx completion requirement on December 20, 2011. Our data indicates that as of Tuesday, January 3, 2012, your organization still had not corrected the problem; as reflected in Attachment 1.

Your organization's failure to submit the required data places it out of compliance with Part D requirements. Beneficiaries and pharmacists rely on the 4Rx information in CMS systems to be complete and accurate so there is no interruption in service or problems accessing needed prescriptions. Therefore, CMS is issuing this CAP request.

CMS requests that your organization take immediate action to come into compliance. Further, we request that you provide CMS within 45 days a copy of the corrective action plan you implemented to address this issue and to ensure it will not recur.

Please provide your CAP within 45 days of the receipt of this letter to David McLachlan at david.mclachlan@cms.hhs.gov. CMS notes that although the Part D regulations (423 C.F.R. § 423.507(b)(3)(ii)) obligate CMS to afford sponsors 45 days to respond to a CAP request, we believe immediate action on resolving the current set of enrollments for which 4Rx data is outstanding is critical to ensuring that your enrollees have uninterrupted access to the Part D benefit in 2012. Therefore, CMS urges your organization to act on the information provided in this notice within significantly fewer than 45 days.

CMS will consider the CAP closed once all outstanding 4Rx data has been submitted, and your organization has provided the requested report.

We appreciate your prompt attention to this matter. In the event your organization does not successfully complete its CAP, CMS will consider additional compliance and enforcement actions, including imposition of intermediate sanctions (*e.g.*, the suspension of marketing and enrollment activities).

If you have any questions, please contact David McLachlan at (410) 786-4391 or david.mclachlan@cms.hhs.gov.

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Sincerely,

A handwritten signature in black ink, appearing to read 'C. Tudor', written in a cursive style.

Cynthia G. Tudor, Ph.D.
Director
Medicare Drug Benefit and C & D Data Group

CC: NYETTA PATTON at Nyetta.Patton@cms.hhs.gov

ATTACHMENT 1

CONTRACT ID	CONTRACT_NAME	Total TRC Sent	Missing 4Rx Data	Percent Missing 4Rx Data
H5590	BRIDGEWAY HEALTH SOLUTIONS	794	789	99.37%

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