

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



MEDICARE DRUG & HEALTH PLAN CONTRACT ADMINISTRATION GROUP

CORRECTIVE ACTION PLAN

June 15, 2023

H5945

Mr. Philip Ramirez
Medicare Compliance Officer
1510 Meadow Wood Lane
Reno, NV 89502

Via Email: philip.ramirez@uhsinc.com

Re: Failure to be Properly Licensed

Dear Mr. Ramirez:

The Centers for Medicare & Medicaid Services (CMS) is issuing this request for a Corrective Action Plan (CAP) to Prominence HealthFirst (contract number H5945) for failure to comply with Medicare Advantage (MA) requirements regarding state licensure. Based on the failure identified below, CMS is requiring that Prominence HealthFirst take corrective action to correct the deficiency.

Pursuant to 42 C.F.R. § 422.400, MA organizations must be licensed or authorized under state law to operate a risk bearing entity eligible to offer health insurance in each state in which the MA organization operates.

Prominence HealthFirst began operating in Nevada on January 1, 2015, licensed to operate only in the state of Nevada. In February 2020, Prominence HealthFirst submitted a service area expansion application for Contract Year (CY) 2021 to CMS to operate a Dual Eligible Special Needs Plan (D-SNP) in Palm Beach County, Florida, under their legal entity of Prominence HealthFirst. While CMS approved that service area application, since January 1, 2021, Prominence HealthFirst has been operating this D-SNP (current enrollment of 2,958 members) with a license only applicable to Nevada. Prominence HealthFirst of Florida, which is the appropriately licensed entity in Florida, failed to submit an initial application.

Because Prominence HealthFirst does not hold an HMO license/appointment in the state of Florida, they have failed to meet CMS' requirements at 42 C.F.R. § 422.400. In order for Prominence HealthFirst to continue operating in Florida, they must be appropriately licensed. The state of Florida has stated to CMS during a conference call, that there is not a path forward for Prominence HealthFirst because the entity must be domiciled in their state. In addition, at this time, Prominence HealthFirst of Florida has missed the opportunity to apply for a contract for CY 2024.

At this time, CMS is providing Prominence HealthFirst an extension through 12/31/2024 to correct the deficiency. Prominence HealthFirst must either:

- **Obtain Licensure for Prominence HealthFirst:**
Prominence HealthFirst can obtain licensure in the state of Florida to continue operations with its current contract.
- **Operate under Prominence HealthFirst of Florida:**
Submit an application for CY 2025 to operate in Florida under Prominence HealthFirst of Florida. If the new application is approved, Prominence HealthFirst must request a Service Area Reduction, effective 12/31/2024.

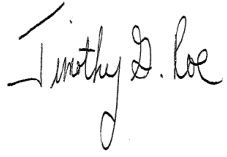
If Prominence HealthFirst fails to either obtain a license for Prominence HealthFirst or fails to secure a contract under Prominence HealthFirst of Florida, CMS will request Prominence HealthFirst reduce their service area in Florida by the deadline effective 11:59:59 December 31, 2024. The deadline for non-renewals and service area reductions will be announced to all organizations in the future.

CMS requests that you submit and implement a detailed CAP addressing how and when your organization will correct the deficiency discussed in this letter. This CAP should include a draft timeline for coming into compliance.

CMS is issuing this compliance notice pursuant to 42 C.F.R. § 422.510(c), which requires CMS to afford a plan at least 30 days to develop and implement a corrective action plan to correct deficiencies before taking steps to terminate an organization's Medicare contract. While CMS is not obligated to grant a greater than 30-day cure period, we acknowledge that an extended period may be appropriate, depending on the nature of the correction required. CMS advises that, for any part of its timeline scheduled to be completed in more than 30 days, Prominence HealthFirst provide a justification of the need for that additional time. CMS expects that the correction timeline will be no longer than absolutely necessary and will reflect an appropriate level of urgency in resolving this matter.

CMS has the authority to impose sanctions, penalties and other enforcement actions as described in Federal regulations at 42 CFR 422 Subpart O. Should your organization fail to develop, implement or complete its CAP, CMS may consider the imposition of intermediate sanctions (e.g., suspension of marketing and enrollment activities) or civil money penalties. If you have any questions about this letter, please contact Kelli McDermott (kelli.mcdermott@cms.hhs.gov).

Sincerely,

A handwritten signature in black ink, reading "Timothy G. Roe". The signature is written in a cursive style with a large, stylized 'T' and 'R'.

Timothy G. Roe Director,
Division of Surveillance, Compliance, and Marketing

cc: Christine Reinhard, CMS Baltimore
Erica Sontag, CMS Baltimore
Celia Xu, CMS San Francisco
Kelli McDermott, CMS Baltimore