



CENTER FOR MEDICARE

May 26, 2022

Corrective Action Plan Request

Contract ID: H5926

Parent Organization Name: Molina Healthcare, Inc.,

Legal Entity Name: MOLINA HEALTHCARE OF MICHIGAN, INC.

Rohit Gupta
Medicare Compliance Officer
200 Oceangate
Suite 100
Long Beach, CA 90802

VIA EMAIL: MedicareComplianceOfficer@molinahealthcare.com

RE: Failure to Provide Compliant Call Center Services

Dear Rohit Gupta:

The Centers for Medicare & Medicaid Services (CMS) is issuing a request for MOLINA HEALTHCARE OF MICHIGAN, INC., which operates H5926, to develop and implement a corrective action plan (CAP) to address the organization's failure to operate a toll-free customer call center that provides customer telephone service compliant with regulatory requirements.

Pursuant to 42 C.F.R. §§ 422.111(h)(1) and 423.128(d)(1), Medicare Advantage Organizations (MAOs) and Part D sponsors must operate a toll-free customer service call center that provides information on a timely basis and in accordance with standard business practices. MAOs and Part D sponsors must limit callers' average hold time to 2 minutes, answer 80 percent of calls within 30 seconds, and limit the call disconnect rate to 5 percent. Additionally, pursuant to 42 § C.F.R. 422.504(o)(2) and 423.505(p)(2), MAOs and PDP sponsors must have a plan to restore essential functions, including call center operations, within 72 hours after any of the essential functions fail or otherwise stop functioning as usual.

CMS identified potential non-compliance with call center requirements as a result of call center monitoring. Your organization confirmed that your call centers were unable to meet regulatory requirements due to higher than expected enrollment, a shortage of customer service representatives, implementation of new benefits, and an information technology security breach at a downstream entity. All Molina Healthcare, Inc. subsidiaries were removed from the remainder of CMS' quarterly call center monitoring study because callers were unable to reach customer service representatives due to disconnected calls and excessively long hold times. CMS requested weekly reports about call center performance to monitor compliance with regulatory requirements. According to your organization's reports, call center average hold times were consistently non-compliant throughout January 2022 and February 2022.

CMS requests that your organization take corrective action to come into compliance. CMS requests that your organization focus on (1) how your organization will ensure beneficiaries are able to reach a representative at your call center in a timely manner and (2) the development of a business continuity plan, as described in 42 C.F.R. §§ 422.504(o)(1) and 423.505(p)(1), to ensure that call center functionality is restored within 72 hours of failure to function as usual. CMS will consider the CAP closed once CMS determines, through its monitoring, that the affected contracts are compliant with regulatory requirements.

Please be aware that this letter will be included in the record of your organization's past Medicare contract performance, which CMS will consider as part of our review of any application for new or expanded Medicare contracts your organization may submit. CMS deems this instance of non-compliance a Part C and D issue. CMS notes that we are issuing this compliance notice based exclusively on information that we obtained from sources other than your organization's self-disclosure.

If you have any questions about this notice, please contact Kerry Casey at 410-786-7160 or Kerry.casey1@cms.hhs.gov and copy your account manager.

Sincerely,



Amy Larrick Chavez-Valdez, Director

Medicare Drug Benefit and C&D Data Group

CC via email:

JOAQUIN CLINTON-CLEMENS, CMS

Linda Anders, CMS

Michael Neuman, CMS

Stephen Stoyer, CMS

Kerry Casey, CMS

