

**Addiction and Prevention Services  
State Quality Committee**

**AGGREGATE ANALYSIS REPORT**

**Final**

**Reporting Period**

**FROM:** July 1, 2011

**TO:** December 31, 2011

**\*FY2012 Semi-Annual Summary**

**Unit/Team/Department:**

PIHP Quality Improvement

**Topic/Project:**

Grievance and Appeals

**Appeals Summary (VO # 18, Grid Row #13)**

**Monitoring Standard:**

42 CFR 438.240 Quality Assessment and Performance Improvement Program

42 CFR 438.402 General requirements

42 CFR 438.404 Notice of Action

42 CFR 438.408 Resolution and notification

42 CFR 438.420 Continuation of benefits while the MCO or PIHP appeal and the State Fair Hearing are pending

42 CFR 438.280 Effectuation of reversed appeals resolutions

42 CFR 438.420 Continuation of benefits while the MCO or PIHP appeal and the State Fair Hearing are pending

42 CFR 438.424 Effectuation of reversed appeal resolutions

**Goal:**

The PIHP will track and report semi-annually to SRS/AAPS all denials and appeals that have occurred in a given timeframe including timeline compliance. The standards are:

- Standard for Denial letter notification:
  - Treatment modality Level I, II, and all others except Level III: Denial letters must be sent within 14 days of the determination (100%)
  - Treatment modality Level III: Denial letters must be sent within 3 days of the determination (100%)
- Appeals:
  - 95% resolved within 14 days receipt of all required documentation
  - 100% resolved within 45 calendar days

**Objectives:**

To assure the documentation is capturing both clinical (medical necessity) and administrative denials and appeals

To evaluate for trends that may require system intervention or education

To allow data to be presented consistently for Committee evaluation and response

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**Data Collection Activities:**

Data was collected from ValueOptions CareConnect System. Denials and Appeals reporting will be provided by region, funding, and detail. Denials and Appeals are categorized as administrative and medical necessity. Reporting will also include State Fair Hearing data.

Definitions of Administrative and Medical Necessity denials:

Administrative Denial (or “Administrative Determination”) – A denial of services, or claims payment for services, based on reasons other than a lack of medical necessity. Examples of administrative denials include the provider is not licensed to provide the service requested, the member is AAPS eligible but the service requested is only available to Medicaid recipients, or the continued stay review (CSR) was submitted late.

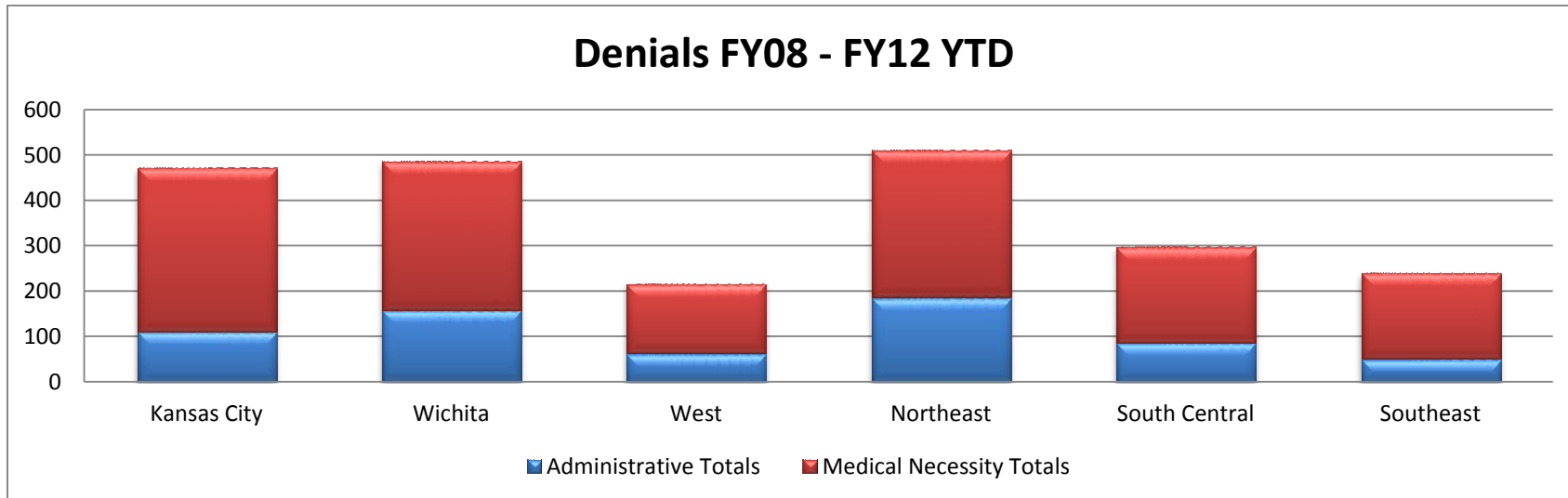
Medical Necessity Denial- A denial of services or claims payment for services based on a review of clinical criteria (ASAM) compared to documentation provided. Only a physician who is certified by ASAM, or a psychologist/psychiatrist with extensive demonstrated substance abuse experience shall make decisions not to fully authorize a request for service based on medical necessity.

\*More data available in Attachment A at the end of this report.

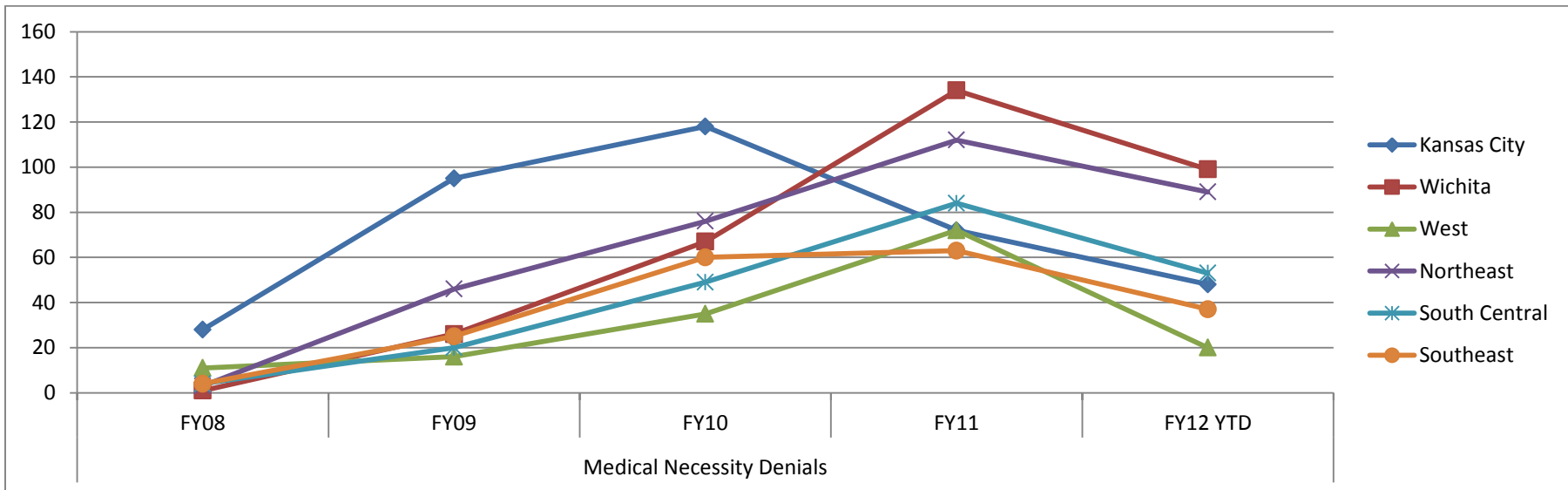
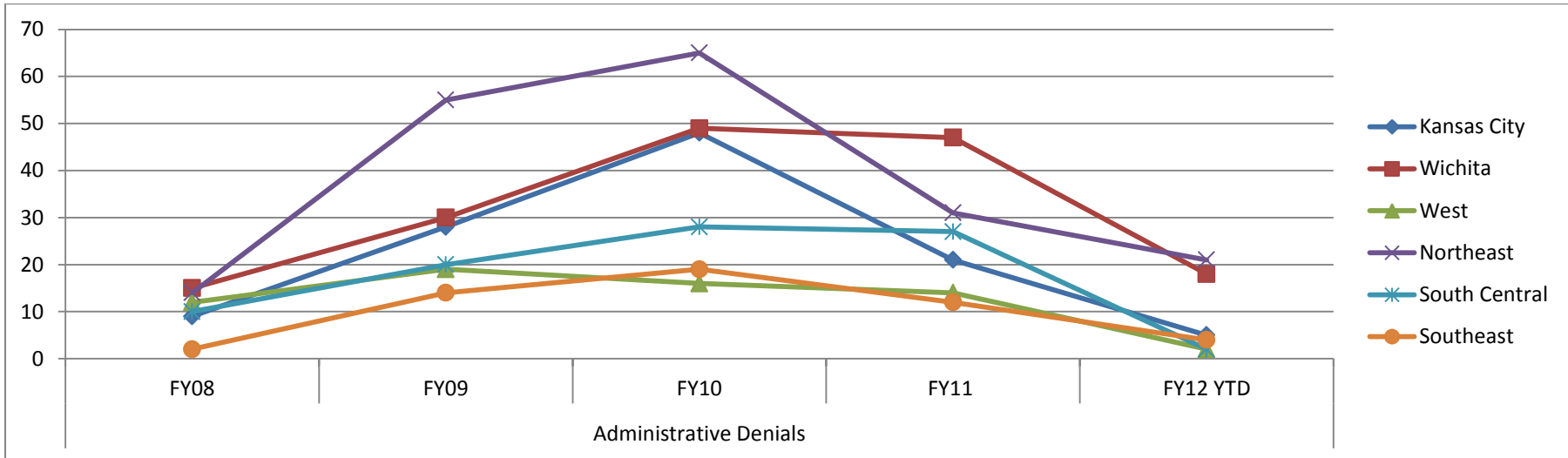
**Results: See Next Page**

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	Administrative Denials						Medical Necessity Denials				
	FY08	FY09	FY10	FY11	FY12 YTD		FY08	FY09	FY10	FY11	FY12 YTD
<b>Kansas City</b>	<b>9</b>	<b>28</b>	<b>48</b>	<b>21</b>	<b>5</b>	<b>Kansas City</b>	<b>28</b>	<b>95</b>	<b>118</b>	<b>72</b>	<b>48</b>
<b>Wichita</b>	<b>15</b>	<b>30</b>	<b>49</b>	<b>47</b>	<b>18</b>	<b>Wichita</b>	<b>1</b>	<b>26</b>	<b>67</b>	<b>134</b>	<b>99</b>
<b>West</b>	<b>12</b>	<b>19</b>	<b>16</b>	<b>14</b>	<b>2</b>	<b>West</b>	<b>11</b>	<b>16</b>	<b>35</b>	<b>72</b>	<b>20</b>
<b>Northeast</b>	<b>14</b>	<b>55</b>	<b>65</b>	<b>31</b>	<b>21</b>	<b>Northeast</b>	<b>3</b>	<b>46</b>	<b>76</b>	<b>112</b>	<b>89</b>
<b>South Central</b>	<b>10</b>	<b>20</b>	<b>28</b>	<b>27</b>	<b>2</b>	<b>South Central</b>	<b>4</b>	<b>20</b>	<b>49</b>	<b>84</b>	<b>53</b>
<b>Southeast</b>	<b>2</b>	<b>14</b>	<b>19</b>	<b>12</b>	<b>4</b>	<b>Southeast</b>	<b>4</b>	<b>25</b>	<b>60</b>	<b>63</b>	<b>37</b>
<b>Total</b>	<b>62</b>	<b>166</b>	<b>225</b>	<b>152</b>	<b>52</b>	<b>Total</b>	<b>51</b>	<b>228</b>	<b>405</b>	<b>537</b>	<b>346</b>



## Addiction and Prevention Services State Quality Committee



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**Annual FY Summary Appeal Data:**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>		<b>Total</b>
<b>Administrative</b>	<b>12</b>	<b>11</b>	<b>37</b>	<b>19</b>	<b>5</b>		<b>84</b>
<b>Medical Necessity</b>	<b>2</b>	<b>18</b>	<b>27</b>	<b>29</b>	<b>29</b>		<b>105</b>
<b>Total</b>	<b>14</b>	<b>29</b>	<b>64</b>	<b>48</b>	<b>34</b>		<b>189</b>

**Conclusions:**

**FY12 Q1 & Q2:**

- There were 398 denials reported FY12 Q1 & FY12 Q2.
  - Most denials were in AAPS funded:
    - AAPS = 265 total or 67%
    - Medicaid = 133 total or 33%
  - 52 were Administrative denials and 346 were Medical Necessity denials.
  - The most administrative denials reported in FY12 Q1 & Q2 was in the Northeast region (21 or 40%). The least administrative denials reported for the same period was in either the West or South Central regions (each had 2 or 4%)
  - The most medical necessity denials reported in FY12 Q1 & Q2 was in the Wichita region (99 or 29%). The least medical necessity denials reported in the same time period was in the West region (20 or 6%).
- There were 34 appeals reported FY12 Q1 & Q2.
  - 7 appeals were upheld statewide and 10 appeals were overturned.
- There were no requests for State Fair Hearings initiated during FY12.

**Standards:**

- Standard for Denial letter notification:
  - **Level III: All of the Level III denial letters met the timeframe (100%), therefore, met standard.**
  - **Other Denials (Level I and II): All other denial letters met the timeframe (100%), therefore, met standard.**
- Appeals:
  - **Appeal time frames were met at 100%, and therefore, met standard for both.**

**Preliminary Recommendations to Committee:**

- It is recommended to the Committee that data trending continue.
- Approval by the Committee is requested to post this aggregate analysis on the ValueOptions website for public access.

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**Date Presented to SQC:** 5/18/2012

**BY:** Cissy McKinzie

**Recommendations from the Committee for action:** Committee approves of the Preliminary Recommendations as shown above.

**Person Responsible to follow-up and date due:** Kim Brown Due: 8/10/2012

**Addiction and Prevention Services  
State Quality Committee**

**ATTACHMENT A: DATA**

**Denials/Appeals by Funding:**

**Appeals by Funding**

**Reporting Period: July 1, 2011 through December 31, 2011**



<p><b>ATTESTATION:</b>                  I attest, based on my best knowledge, information and belief that the data and/or documents pertaining to Medicaid and the SAPT block grant comprising this report are accurate, complete, and truthful, as of the date of submission.</p> <p><i>Margaret D. Umack</i>                  CEO, ValueOptions of Kansas      4/26/2012</p>
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Funding Source	Number of Denials	Number of Appeals	Upheld	Overtured
Medicaid	133	17	7	10
AAPS	265	17	9	8
Total	398	34	16	18

Total Number of Denials Received in this Reporting Period: 398

Percentage of Level 3 Denial letters sent within 3 days: 100%

Percentage of Denial letters sent within 14 days: 100%

Total Number of Appeals Received in this Reporting Period: 34

Percentage of appeals resolved within 14 days: 100%

Percentage of appeals resolved within 45 days: 100%

No denials or appeals were requested to be expedited during this reporting period.

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**\*\*This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.**

Total Claims Paid July 1 through December 31, 2011: 86701  
 Percent Denials of Paid Claims: 0.46%  
 Percent Appeals of Denials: 8.54%

**Denials/Appeals by Region AAPS:**

**AAPS Appeals by Region**



**Reporting Period: July 1, 2011 through December 31, 2011**

Region*	DENIALS		APPEALS		RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overturned
Kansas City	3	36	0	0	0	0
Wichita	10	45	3	5	5	3
West	2	15	0	0	0	0
Northeast	16	65	0	8	3	5
South Central	1	39	0	0	0	0
Southeast	3	30	0	1	1	0
<b>Total</b>	<b>35</b>	<b>230</b>	<b>3</b>	<b>14</b>	<b>9</b>	<b>8</b>

Total number of AAPS Denials received within this reporting period: 265

Percentage of Denial letters sent within 3 days for residential or higher: 100%

Percentage of Denial letters sent within 14 days: 100%

Total number of AAPS Appeals received within this reporting period: 17

Percentage of Appeals sent within 14 days: 100%

Percentage of Appeals sent within 45 days: 100%



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**There were no requests for a State Fair Hearing during this quarter.**

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**Denials/Appeals by Region Medicaid:**

**Medicaid Appeals by Region**



**Reporting Period: July 1, 2011 through December 31, 2011**

Region*	DENIALS		APPEALS		RESULTS	
	Administrative	Medical Necessity	Administrative	Medical Necessity	Upheld	Overtured
Kansas City	2	12	0	2	1	1
Wichita	8	54	0	7	1	6
West	0	5	0	1	0	1
Northeast	5	24	2	3	3	2
South Central	1	14	0	1	1	0
Southeast	1	7	0	1	1	0
Total	17	116	2	15	7	10

Total number of Medicaid Denials received in this reporting period: 133

Percentage of Denial letters sent within 3 days for residential or higher: 100%

Percentage of Denials letters sent within 14 days: 100%

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Total number of Medicaid Appeals received in this reporting period:	17
Percentage of Medicaid Appeals sent within 14 days:	100%
Percentage of Medicaid Appeals sent within 45 days:	100%

There were no requests for State Fair Hearings during this quarter.

**\*\*This summary report only includes appeals submitted in this reporting period. The appeals which are pending for internal reviews or Fair Hearings are carried over and reported in the detailed reports under appropriate funding sources.**