



State of Louisiana
Department of Health and Hospitals
BAYOU HEALTH

January 14, 2013

Mr. George Bucher
Chief Executive Officer
Amerigroup Corporation
4425 Corporation Lane
Virginia Beach, VA 23462

RE: Corrective Action Plan – CDJ Monthly Reported Total vs. Monthly Encounter Total

Dear Mr. Bucher,

As you are aware, from our meeting on January 10, 2013, the State has identified deficiencies between your encounter claims volumes and Cash Disbursement Journal.

Pursuant to Section 17.5.4.12 Encounter Data subsection of your contract with the Department of Health and Hospitals (DHH), for encounter data submissions, the CCN shall submit ninety-five (95%) of its encounter data at least monthly due no later than the twenty-fifth (25th) calendar day of the month following the month in which they were processed and approved/paid, including encounters reflecting a zero dollar amount (\$0.00) and encounters in which the CCN has a capitation arrangement with a provider. The CCN CEO or CFO shall attest to the truthfulness, accuracy, and completeness of all encounter data submitted.

As illustrated by the finding of Myers and Stauffer for the paid months of February 2012 through October 2012 Amerigroup was woefully out of compliance.

Moving forward, Amerigroup will be expected to submit ninety-three (93%) of its encounter data by at least March 1, 2013. Furthermore, it is our expectation that Amerigroup will be able to meet its contractual obligations and submit ninety-five (95%) of its encounter data by April 1, 2013.

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Pursuant to Section 20.2.3 Monetary Penalties – Table of Monetary Penalties – Encounter Data subsection of your contract, DHH intends to impose monetary sanctions effective Tuesday, April 2, 2013, if Amerigroup does not comply with the requirements as outlined in the contract for each calendar day Amerigroup remains out of compliance.

If you have any questions, please contact your Health Plan Manager or myself at 225-342-1272.

Sincerely



Madeline W. McAndrew
Bayou Health Director

C: Ruth Kennedy
Steve Annison
Destiny Rohmfeld