



**State of Louisiana**  
Department of Health and Hospitals  
**BAYOU HEALTH**

July 11, 2012

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

Mr. Bucher,

As you are aware, the initial phase of the concurrent review turnaround time audit was conducted last month. Our audit demonstrated deficiencies in your concurrent review processes.

Survey Results:

We reviewed a total of 19 (nineteen) cases with the breakdown as follows:

- 7 (seven) post authorization cases
- 1 (one) normal delivery
- 1 (one) observation case
- 10 (ten) concurrent review cases

Amerigroup met the 1 business day turnaround time in 9 (nine) of the 10 (ten) concurrent review cases for a compliance rate of 90%.

It was also confirmed during the audit that Amerigroup's systems do not track turnaround times for service authorization. This is out of compliance with Amerigroup's contract with DHH.

In accordance with Section 20 of the contract, DHH is taking the following administrative action:

Amerigroup shall submit a Corrective Action Plan (CAP) for approval within 7 (seven) business days of the date of this letter. The CAP must contain the following:

- An explanation of why Amerigroup had not identified the problem before this audit;
- An explanation of how Amerigroup will prevent a reoccurrence of this issue or similar issues; and
- A detailed plan specifying all steps, actions, and timeframes necessary to address and resolve the deficiency.

Once the CAP is approved by DHH, Amerigroup will be required to submit to DHH a report of 100% of their concurrent review turnaround times for a thirty (30) day time period following DHH approval of the

plan. The thirty (30) day measurement period shall begin the date specified by DHH in the letter of approval. The submission to DHH of the report is due 7 (seven) business days after the last day of measurement. The report must contain a drill down for any outliers. Amerigroup shall submit along with their detailed plan a sample outlier report for DHH approval.

Continued monitoring will be conducted in the future through random audits. If at any time concurrent review turnaround times are less than 100% compliant, Amerigroup may be subject to monetary penalties. If you have any questions, please contact Libby Gonzales at (225) 342-3870 or Libby.Gonzales@LA.Gov.

Sincerely,



Madeline McAndrew  
Bayou Health Director

C: Ruth Kennedy  
Libby Gonzales  
Mary TC Johnson