



September 24, 2014

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Medicaid Deputy Director – Healthcare Delivery Systems  
Bureau of Health Services Financing  
Louisiana Department of Health and Hospitals  
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Good Afternoon,

Thank you for meeting with Amerigroup earlier this afternoon to discuss the September Myers & Stauffer LA Encounter Report covering the period July 2012 – June 2014.

Upon receiving the draft report, our Encounters Management team immediately investigated the completion percentages noted in the audit. Amerigroup has worked extremely hard to meet or exceed all encounter submission requirements as specified by DHH.

Based on our research, it was discovered that a requested resubmission caused encounters that were previously accepted earlier this year to be rejected due to errors in the resubmission. More specifically, review of the period and the data submitted uncovered the following:

- Two void batches were submitted in the June and July period
  - The first was to report interest on the first line of the encounter as requested by DHH
  - The second was to removed denied days and only report covered days as requested as requested by DHH
- Both of these batches voided encounters previously accepted into the Molina system through all edits
- Two resubmissions were submitted in June and July to replace the voided data with the changes
  - On June 27<sup>th</sup>, the first resubmission took place for the interest payments
  - On July 18<sup>th</sup>, the second resubmission took place for the covered days
- Examination of the results of these resubmissions displayed the following:
  - Many encounters denied for code 0134 - ENC DENIED BY PLAN
  - This is a common rejection as it is received for all claims that we submit as denied and is considered an “accepted denial” by Molina and did not raise and red flags at the time as within our normal process these are considered appropriate
  - It was determined that a subset of these resubmission files incorrectly contained a denial indicator (“D”) in the second position of the Patient Account Number
  - This resulted in a variance in the paid amounts between encounters and CDJs as these encounters no longer reported any paid dollars in the Molina data

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To correct this the following actions are currently underway:

- All encounter affected by this scenario have been identified.
- These encounters are currently in process for submission today, 9/24/2014, prior to the next reporting cutoff on 9/25/2014.
- These paid dollars will be included in the next Myers & Stauffer reconciliation to be published in November report.
- **We expect with this resubmission that the completion rate between CDJ and encounters will be at or above 97%.**

Amerigroup has altered its encounters reconciliation process to ensure that “accepted denials” are reviewed in the future to ensure this occurrence is not repeated.

If you have any additional questions or concerns, please contact me.

Sincerely,

A handwritten signature in blue ink that reads "Sonya Nelson". The signature is written in a cursive, flowing style.

Sonya Nelson, President/CEO  
Amerigroup Louisiana, Inc.