



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

February 4, 2013

Felicity Costin Myers, Ph.D.  
Executive Vice President  
Community Health Solutions of America, Inc.  
1000 118<sup>th</sup> Avenue North  
St. Petersburg, FL 33716

RE: Corrective Action Required

Dear Ms. Myers,

Community Health Solutions of America, Inc. (CHS) must maintain an automated Management Information System (MIS) which accepts provider claims, verifies eligibility, validates prior authorization, preprocesses and submits claims data to DHH's Fiscal Intermediary (Molina) that complies with DHH and federal reporting requirements. CHS shall ensure that its System meets the requirements of the Contract and all applicable state and federal laws, rules and regulations, including Medicaid confidentiality and HIPAA and American Recovery and Reinvestment Act (ARRA) privacy and security requirements.

This correspondence details a deficiency that will require CHS to address through the development of a Corrective of Action Plan. The deficiency is as follows:

**Failure to process Paper Claim Adjustments and Voids**

During the DHH/Molina/Shared Plan Webinar conducted in January 2013, it was discovered that CHS has indicated that a solution to their inability to process Paper Adjustment and Voids was pending. After further discussion, CHS verified that it has been unable to manually process any adjustments and/or voids since the implementation of Bayou Health.

On January 18, 2013, CHS submitted a proposed timeline to DHH for the configuration, coding, testing and implementation of a systemic process for processing paper Adjustment and Voids. After careful review, DHH cannot approve the proposed date of March 23, 2013. At the direction of DHH, CHS shall have this completed no later than February 28, 2013.

The ramifications of this outstanding issue are enormous, resulting in providers not being paid timely, claims being inappropriately denied and claims being paid incorrectly. The results of this issue, finds CHS woefully out of compliance with its contract with DHH.

Pursuant to Section 20 of the contract, DHH is taking the following Administrative Action:

CHS shall submit to DHH for approval a Corrective Action Plan (CAP) for this deficiency. The CAP must be submitted to the attention of Darlene White, at [Darlene.White@la.gov](mailto:Darlene.White@la.gov) by 12:00 p.m. (CST) Monday, February 11, 2013. The CAP must contain:

- A detailed action plan specifying all steps, actions and timeframes necessary to address and resolve the deficiency within 5 calendar days of the approval of the CAP; and
- An explanation of how CHS will prevent a reoccurrence of this or similar deficiencies.

Failure to meet the requirements outlined in this letter could result in monetary penalties. If you have any questions, please contact Darlene White at 225-342-5924 or [Darlene.White@la.gov](mailto:Darlene.White@la.gov).

Sincerely,



Madeline W. McAndrew  
Bayou Health Director

C: Ruth Kennedy  
Mary TC Johnson  
Dawn Love  
Darlene White  
Hexter Bennett