

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

OSCAR SALAZAR, *et al.*, on behalf
of themselves and all others
similarly situated,

Plaintiffs,

v.

THE DISTRICT OF COLUMBIA,
et al.,

Defendants.

Civil Action No. 93-452 (GK)
In Forma Pauperis

**STIPULATED ORDER ESTABLISHING REIMBURSEMENT PROCEDURES
FOR MEDICAID BENEFICIARIES ENROLLED WITH A
DISTRICT OF COLUMBIA MANAGED CARE ORGANIZATION**

WHEREAS, this Court, in several prior Orders, set forth procedures to be followed in reimbursing District of Columbia Medicaid beneficiaries for covered medically necessary expenses that they incurred which should have been reimbursed by Medicaid, namely, (1) paragraphs 61-63 of the January 25, 1999, "Order Modifying the Amended Remedial Order of May 6, 1997 and Vacating the Order of March 27, 1997" (the "Settlement Order"); (2) the Reimbursement Procedures Order of September 15, 1997; (3) the July 30, 1998, Order Partially Modifying the Reimbursement Procedures of the Amended Remedial Order of May 6, 1997 and the Reimbursement Procedures Order of September 15, 1997 (the "Order of July 30, 1998"); and (4) the September 28, 1998, Stipulated Order Partially Modifying the Order of July 30, 1998 Concerning Reimbursement Procedures (the "Stipulated Order of September 28, 1998");

WHEREAS, defendants have informed plaintiffs and the Court that they intend the managed care organizations ("MCO's") with which they contract to make reimbursement payments to District of Columbia Medicaid beneficiaries who are enrolled with the MCO's;

WHEREAS, the parties have agreed to the following procedures to govern reimbursement of out-of-pocket expenses for covered medically necessary expenses for District of Columbia Medicaid beneficiaries who are enrolled with MCO's;

WHEREAS, the parties have further agreed that, except as provided herein, the terms of paragraphs 61-63 of the Settlement Order, the Reimbursement Procedures Order of September 15, 1997, the Order of July 30, 1998, and the Stipulated Order of September 28, 1998, shall remain in full force and effect;

IT IS, this 1st day of Sept, 2005, ORDERED, ADJUDGED AND DECREED AS FOLLOWS:

1. A District of Columbia Medicaid beneficiary enrolled with a District of Columbia Medicaid MCO (an "MCO enrollee") may submit reimbursement claims to the Recipient Claims Research Team at 2100 Martin Luther King Jr. Avenue, S.E., Suite 302, Washington, DC 20020. Claimants shall use the Reimbursement Claim Form attached hereto as Exhibit A or any other format containing all of the same information and a verification and signature of the claimant.

2. Upon receipt of a reimbursement claim, defendants shall ascertain whether the claimant was an MCO enrollee at the time the expense was incurred.

3. If the claimant was an MCO enrollee, defendants shall, within 30 days from the date of submission of the claim by the claimant, send a written notice to the claimant, in the form set forth in Exhibit B, stating that the claim is the responsibility of the MCO. This notice shall contain an explanation of the MCO's determination process and the claimant's rights to contest a determination adverse to their interest.

4. Defendants shall forward a copy of the claimant notice with the claim to the MCO within the same 30-day period.

5. Claimants may also submit reimbursement claims directly to the MCO's for processing by providing the information set forth in paragraph 1 above. Claimants will be provided the contact information for each of the MCO's on the Reimbursement Claim Form.

6. Reimbursement will be subject to the following: (a) the individual was eligible for Medicaid and a member of the MCO at the time medical service was given, (b) the medical expense (e.g., drug prescription, doctor visit or hospitalization) was medically necessary and covered under Medicaid, and (c) the reimbursement request is submitted within six months after the medical expense was incurred.

7. Within 60 days from the MCO's receipt of a reimbursement claim, the MCO shall issue and mail a final written determination to the claimant. Final written determinations consist of one of the following: (1) full payment of the claim; (2) partial payment of the claim with a full explanation of the reasons for the denial of part of the claim; or (3) denial of the claim with a full explanation of the reasons for the denial. All denials of reimbursement claims, in whole or in part, shall include a statement of the claimant's due process appeal rights consistent with the requirements set forth in paragraphs 6(a)-(h) of Exhibit C attached hereto.

8. If the MCO fails to send a final determination to the claimant within the 60-day period, the MCO shall make payment to the claimant of the full amount sought in the reimbursement claim within the next 5 business days.

9. If defendants fail to submit a written notice and claim to the MCO and in the event of such failure, defendants fail to issue a final written determination within 90 days from the date of

the initial submission, the claim shall be paid by defendants in full within 15 days of the conclusion of the total 90-day period. Defendants shall not waive any rights they may have to seek re-payment from the MCO for the claim.

10. Within 90 days of the date of issuance of this Order, defendants shall instruct the MCO's via the Transmittal in the form set forth as Exhibit C hereto of the procedures set forth in this Order. Defendants shall provide a copy of the Transmittal to plaintiffs after it is sent.

AGREED:

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Counsel for Defendants

SO ORDERED.


GLADYS KESSLER
UNITED STATES DISTRICT JUDGE

Copies to:

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MEDICAID REIMBURSEMENT FORM

<STATEMENT IN COMPLIANCE WITH LANGUAGE ACCESS ACT>

Complete and return this form with supporting information and receipts (if available) no later than six months after your doctor visit or hospitalization or payment for prescription drugs to:

Recipient Claims Research Team
Medical Assistance Administration
2100 Martin Luther King Jr. Ave., S.E., Suite 302
Washington, D.C. 20020

Your Name: _____
Daytime Phone: _____ Evening Phone: _____
Mailing Address: _____

Social Security Number: _____ Date of Birth: _____

Do you belong to a Managed Care Organization? _____

- _____ AMERIGROUP
- _____ DC CHARTERED
- _____ Health Right, Inc.
- _____ Health Services for Children with Special Needs (HSCSN)
- _____ Don't know

- (1) Name of the person (you or a family member) for whom Medicaid did not pay for drug prescriptions, doctor visits, or hospitalizations. Please include the patient's DC Medicaid ID number if known.
- (2) Date (or approximate date) of drug prescriptions, doctor visits or hospitalizations for you or a family member that Medicaid did not pay for.
- (3) What type of medical service (drug prescriptions, doctor visits or hospitalizations) did you or your family member receive?
- (4) What was the name and address (if available) of the pharmacy, doctor or hospital?
- (5) How much money did you spend? Attach a copy of your receipt (if available). If you do not have your receipt, explain why not.
- (6) If you are still paying money on a bill or being asked to pay on a bill that you think should have been covered by Medicaid, explain and attach a copy of any bills or letters that a pharmacy, doctor's office, or hospital sent to you or you sent to it.

You may use additional paper if you need to.

I swear, and declare under penalty of perjury, that the statements I have made above are true and correct.

Date: _____ Signature: _____

In the alternative, if you wish to submit your claim directly to your managed care organization (MCO), please send this form to the claims research department of your MCO:

AMERIGROUP
Scott Henderson
Vice President Government Relations
750 First Street, NE
Washington, DC 20002
202-218-4908 (telephone)

DC CHARTERED
Robin Downes
Claims Department
P.O. Box 75366
Washington, DC 20013
202-326-8936 (telephone)

Health Right, Inc.
Attention: Customer Service
Christine Bass
1101 14th Street, NW, Ste 900
Washington, DC 20005
202-218-0373, ext. 105 (telephone)

**Health Services for Children with
Special Needs**
HSCSN Controller
P.O. Box 29055
Washington, DC 20017
202-467-2706 (telephone)



DATE

<STATEMENT IN COMPLIANCE WITH LANGUAGE ACCESS ACT>

ADDRESS

ADDRESS

ADDRESS

Re: MEDICAID RECIPIENT , DC MEDICAID ID#:

Dear MEDICAID RECIPIENT :

This notice is to inform you that your claim for reimbursement, submitted on DATE , for \$\$\$, has been forwarded to NAME OF MCO , your Managed Care Organization (MCO) on DATE CLAIM MAILED TO MCO . This letter is NOT a denial of payment. It is to inform you that your MCO will review your claim and make a final decision within 60 days from the date of this letter.

When your MCO sends you a final decision, it will be either payment in full, payment in part, or a denial of payment. If your claim has been denied in part or in full, your MCO will include a written explanation for the denial. A full or partial denial of reimbursement could be based on reasons such as (i) the assistance is not covered by the Medicaid program, (ii) the assistance is not medically necessary, or (iii) the MCO made the assistance available to you through its network of health care providers. There may be other reasons to deny or accept a claim in addition to those mentioned here.

If you do not receive a written decision within 60 days from the date of this letter, your MCO must pay your entire claim within 5 business days.

If you are not satisfied with NAME OF MCO 's decision on your reimbursement claim, you have the right to file a grievance with your MCO, request a fair hearing from the District of Columbia Office of Administrative Hearings, or both. You must file the grievance or fair hearing request within 90 days of receiving the written decision or notice from your MCO. The notice you receive from your MCO will include the procedures you must follow for filing a grievance or fair hearing request. If requested, your MCO must provide you with help in filing a grievance or fair hearing request. This help includes access to interpreters and toll-free numbers that have adequate TTD/TTY. You are responsible for asking for this assistance. If you would like this assistance, please contact MCO CUSTOMER SERVICE # . If you are not satisfied with the result of the fair hearing, you will have thirty (30) days to appeal to Judge Gladys Kessler of the U.S. District Court for the District of Columbia.

If you have any other questions regarding your claim, please contact Sandra Hagen of the DC Medicaid Office of Program Operations, 202-698-2009, Maude Holt of DC Medicaid Office of

Managed Care (OMC), 202-442-9074, or Elisa Fauntleroy of OMC, 202-442-8998.

To obtain free legal assistance with your reimbursement claim, please contact Terris, Pravlik and Millian, LLP, 1121 12th Street, NW, Washington, DC 20005, 202-682-0578.

EXHIBIT

C

DISTRICT OF COLUMBIA MEDICAID MANAGED CARE TRANSMITTAL

TO: MCO's
FROM: MAA
DATE:
RE: REIMBURSEMENT PROCEDURES FOR DC MEDICAID MCO
ENROLLEES WHO INCUR OUT-OF-POCKET EXPENSES

Pursuant to the terms of the contract entered into by the managed care organizations (MCO's) and the District of Columbia, each DC Medicaid MCO is required to comply with the terms of the *Salazar* Settlement Order, including any subsequent Orders entered by the Court. MCO Contract, Section C.1.2. Applicable Documents.

On _____, 2005, in the *Salazar* case, Judge Gladys Kessler approved and entered the attached Order Setting Reimbursement Procedures for Medicaid Beneficiaries Enrolled with a DC Medicaid Managed Care Organization. The Order sets the procedure for the MCO's to make and communicate to their enrollees determinations on reimbursement claims that are submitted by an MCO enrollee to the MCO directly or to the Recipient Claims Research Team at the Department of Health, Medical Assistance Administration (MAA).

The Medicaid Reimbursement Form (Exhibit A) is available from MAA in Spanish, Mandarin Chinese, Vietnamese, Amharic, and Korean for your enrollees with limited English proficiency.

The general procedure for such reimbursement requests is as follows:

- (1) The enrollee or their representative will submit the claim to MAA. The Medicaid Reimbursement Form will ask the Medicaid recipient to identify, if known, the managed care organization with which he or she is currently enrolled.
- (2) MAA will verify the recipient's MCO enrollment status at the time the expense was incurred.
- (3) If the claimant was an MCO enrollee at the time the expense was incurred, MAA will notify the enrollee that his or her claim will be determined by the MCO. MAA will also provide the enrollee with basic information regarding his or her rights to file a grievance or request a fair hearing should he or she be unhappy with the determination made by the MCO.
- (4) Reimbursement will be subject to the following: (a) the individual was eligible for Medicaid and a member of the MCO at the time medical service was given, (b) the medical expense (e.g., drug prescription, doctor visit or hospitalization) was medically

necessary and covered under Medicaid, and (c) the reimbursement request is submitted within six months after the medical expense was incurred.

- (5) MAA will forward the claim, along with the notice letter that is sent to the claimant, to the MCO. MAA will complete this task within 30 days from the date the claim was submitted and inform the enrollee that the claim will be determined by your MCO. See Sample Notice Letter, Exhibit B to the Order.
- (6) Some claimants may submit reimbursement claims directly to the MCO. Whether the reimbursement claim is received directly from the enrollee or via MAA, the MCO has 60 days from the receipt of the claim to complete its investigation into the claim and mail to the claimant a final written determination. Final written determinations consist of one of the following: (1) full payment of the claim; (2) partial payment of the claim with a full explanation of the reasons for the denial of part of the claim; or (3) denial of the claim with a full explanation of the reasons for the denial. All denials of reimbursement claims, in whole or in part, shall include a statement of the claimant's due process appeal rights and rights concerning grievances as set forth in sub-paragraphs (a)-(h) below. MCOs are not obligated to reimburse for claims unless the claim is for the type of medical assistance that the MCO would have been obligated to provide under its contract with MAA.

The written explanation must contain, at a minimum, the following language and information (MCO Contract, Section C.14, *et seq*):

- (a) "Your request for reimbursement for _____ has been denied for the following reasons: _____."

Each element of the claim that is being denied, in part or in whole, should be given a separate explanation stating the basis for the denial. Provide as much detail as possible, writing at a fifth-grade reading comprehension level.

- (b) "If you are not happy with any of these decisions, you have the right to file a grievance with the _____ Department of this MCO at telephone number _____, address _____. You also have the right to request a fair hearing with the District of Columbia Office of Administrative Hearings. You must make either of these requests within 90 days."
- (c) "If you wish to file a grievance with the MCO, you may do so either in writing or orally. If you file a grievance orally, you must submit a written statement within 10 days of your oral statement, unless the MCO has already decided your grievance. You will receive a written resolution within 14 working days unless the MCO gives you written reasons why it cannot decide your claim in this time period. The total period of time

cannot exceed 30 working days. The written resolution will either be full or partial payment of your claim or a statement denying payment. If your payment is denied, the MCO will state the reason for the denial and your right to request a fair hearing."

- (d) "You may request a fair hearing immediately, as well as before, during or after you have filed a grievance with the MCO. You do not need to file a grievance to request a fair hearing. You must request the fair hearing within 90 days of receiving the determination from your MCO. Your request should be submitted to the D.C. Office of Administrative Hearings, 825 N. Capitol St., N.E., Suite 4150, Washington, DC 20002, 202-442-9091."
 - (e) "If you are not happy with the result of your fair hearing, you have the right to appeal that decision to Judge Gladys Kessler of the U.S. District Court for the District of Columbia. You must file your appeal within 30 days after the results of your fair hearing are issued."
 - (f) "If the MCO's decision is reversed during the fair hearing, or on appeal to Judge Kessler, the MCO has 10 working days to provide the reimbursement."
 - (g) "If you would like assistance in filing a grievance or a fair hearing request, you may contact your MCO's _____ Department at telephone number _____, address _____. You have the right to request access to documents, records and other information you may require to understand the determination and effectively argue against that determination. You also have the right to reasonable assistance which includes, but is not limited to, competent professional interpreter services and access to toll-free telephone numbers that have adequate TTY/TTD."
 - (h) "To obtain free legal assistance, please contact Terris, Praylik and Millian, LLP, 1121 12th Street, N.W., Washington, DC 20005, 202-682-0578."
 - (i) The following legend: <STATEMENT IN COMPLIANCE WITH LANGUAGE ACCESS ACT>.
- (7) If the MCO fails to issue a written determination within the 60-day time period, it is required to pay the claim, in full, within 5 working days.
- (8) If MAA fails to submit the claim to the MCO and in the event of such failure MAA fails to issue a written determination within 90 days from the date of the submission of the claim, MAA is required to pay the claim, in full, within 15 working days. If MAA pays

the claim, it is entitled to a full recovery from the MCO if it is later determined to be a proper reimbursement request.

In addition to being under a general obligation to comply with Court Orders pertaining to *Salazar v. District of Columbia*, the requirements in this Order are consistent with those found in the contractual language.

As you know, if the claimant is successful during the fair hearing, you cannot appeal that decision.