

June 11, 2012

Ms. Melanie "BZ" Giese, RN
Deputy Director
Medical and Managed Care Services
South Carolina DHHS
1801 Main Street
Columbia, SC 29201

Dear Ms. Giese:

In response to the letter dated May 25, 2012 initiating the requirement of a Corrective Action Plan we have enclosed a Work Plan dated June 11, 2012 for your review. The Work Plan is comprised of eleven segments each of which address specific issues related to provider payment, provider contracting, utilization management (prior authorization in particular) and quality measures.

The first section outlines corrective actions associated with issues in Provider Data Management (PDM) related to the "set-up" of providers and provider groups within the ATC systems. This includes designation as to "par/non-par" status, accuracy of contract reimbursement rate, appropriateness of authorizations and accuracy of the provider directory.

The second section outlines corrective actions associated with issues in Provider Configuration related to the "configuration" of contracts, identification of coding issues related to specific services such as anesthesia, ambulance and dialysis claims, as well as, those items that more broadly impact multiple providers.

The third, fourth and fifth sections outline corrective actions associated with Utilization Management regarding the identification of issues related to specific comments and complaints referencing inconsistent responses to authorization requests, timeliness in response to requests for authorization and finally sustained improvement within these functions.

The sixth and seventh sections address specific provider complaints regarding back transport and newborn coverage.

The eighth section addresses the ongoing process of ensuring that the amendment and contracting work plan proceeds as per schedule.

The ninth section outlines corrective actions addressing provider complaints associated with issues in the administration of radiology services subcontracted through NIA.

The tenth section outlines actions associated with the internal efforts to improve Quality Measures.

The eleventh section outlines actions to address both specific and general provider complaints associated with the fraud prevention efforts implemented by ATC through its use of HCI.

We look forward to your review and comments on ATC's work plan and to upcoming meetings to address the elements of the work plan.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul T. Accardi', with a stylized flourish at the end.

Paul T. Accardi
President
Absolute Total Care

CC: Christopher Bowers