John Bel Edwards
GOVERNOR

Rebekah E. Gee MD, MPH
SECRETARY

State of Louisiana

Louisiana Department of Health
Bureau of Health Services Financing

VIA E-MAIL ONLY

October 11, 2016

Mr. Jamie Schlottman
Louisiana Healthcare Connections
8585 Archives Avenue, 3rd Floor
Baton Rouge, LA 70809

Dear Jamie:

RE: Submission of Interest on OptiCare Vision Encounters

It has come to my attention that LHCC has failed to include interest payments on OptiCare Vision encounters as required by the contract.

Section 17.8.3 of the contract requires the submission of complete and accurate encounter data on a monthly basis, including encounters processed by subcontracted vendors. This submission must include interest payments as outlined in the *Healthy Louisiana Medicaid Managed Care Organization System Companion Guide*. LDH is amenable to the submission of historic interest payments on a supplemental file, but by **November 21, 2016,** LHCC must demonstrate the inclusion of interest payments for prospective OptiCare Vision claims on its encounter file. If LHCC cannot demonstrate compliance by November 21, 2016, escalating penalties will be assessed in accordance with the terms of the contract as outlined below.

20.1. Other Reporting and/or Deliverable Requirements

20.1.1. For each day that a deliverable is late, incorrect or deficient, the MCO may be liable to DHH for monetary penalties in an amount per calendar day per deliverable as specified in the table below for reports and deliverables not otherwise specified in the above Table of Monetary Penalties or expressly written elsewhere in this Contract.

20.1.2. Monetary penalties have been designed to escalate by duration and by occurrence over the term of this Contract.

Occurrence	Daily Amount for Days 1 - 14	Daily Amount for Days 15-30	Daily Amount for Days 31-60	Daily Amount for Days 61 and Beyond
1-3	$ 750	$ 1,200	$ 2,000	$ 3,000
4-6	$ 1,000	$ 1,500	$ 3,000	$ 5,000
7-9	$ 1,500	$ 2,000	$ 4,000	$ 6,000
10-12	$ 1,750	$ 3,500	$ 5,000	$ 7,500
13 and Beyond	$ 2,000	$ 4,000	$ 7,500	$10,000

This shall be considered one occurrence for the purpose of calculating penalties, but there will be no further cure periods for this deficiency or a similar deficiency.

Should you have any questions or wish to discuss this matter further, please do not hesitate to contact me.

Sincerely,

Jen Steele
Medicaid Director

JS/sjg

c: Teresa Bravo
Pam Diez
Marisa Naquin
Malcolm Veazie