



May 30, 2017

Ryan R. Sadler
CEO & Plan President
Nebraska Total Care

Re: Notice of Corrective Action Plan and Imposition of Intermediate Sanctions

Due to ongoing and serious deficiencies in Nebraska Total Care's performance of its MCO contract with the State of Nebraska, described in more detail below, the Department of Health and Human Services requires a corrective action plan (CAP), as well as imposes intermediate sanctions.

In an e-mail dated May 12, 2017 to CEO Ryan Sadler, Deputy Director Heather Leschinsky described the general nature of ongoing deficiencies and concerns regarding NTC's payment of claims. NTC's response is insufficient and unacceptable. Specific concerns raised by providers are not adequately addressed. To the extent NTC acknowledges problems with its performance, NTC has failed to correct the issues in a timely fashion.

These violations are grounds for requiring NTC to submit a CAP under section IV.V.1.a.iii of the contract. In addition, these violations are also grounds for intermediate sanctions under section IV.W.1.a and .i of the contract. As such, DHHS may impose civil monetary penalties under section IV.W.3.a.i and Attachment 18 in the amount of \$25,000 for each determination of a specified failure to provide services; misrepresentation or false statements to enrollees, potential enrollees or health care providers; failure to comply with physician incentive plan requirements; or marketing violations.

These violations are grounds for requiring NTC to submit a CAP under section IV.V.1.a.iii of the contract. Therefore, NTC is required to submit a completed CAP for DHHS's review and subsequent approval no later than June 30, 2017 that details how NTC is complying with the applicable terms of the contract and includes the date that NTC came into compliance with the corresponding terms of the contract.

Further, civil monetary penalties are imposed on NTC. This figure will be determined by reference to the total number of determinations of failure on NTC's part within each of the overarching categories identified in the CAP, multiplied by a per-violation amount of \$25,000. DHHS shall waive the intermediate

sanction if NTC (1) timely submits a CAP, which is approved by DHHS, and (2) fully and timely completes all action items contained within the CAP.

Sincerely,

Heather Leschinsky

Heather Leschinsky, Deputy Director of Delivery Systems
Division of Medicaid and Long-Term Care
Department of Health and Human Services

Attachment

CC: Josh Holte