



## **CMS hits Humana with \$3.1 million penalty for violations found in audit of Medicare operations**

By: Susan Morse

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Humana's civil penalty was based on an audit of its Medicare operations from April 20, 2015 through May 7, 2015, CMS said. Humana's systemic failure in complying with requirements related to Parts C and Part D resulted in enrollees experiencing inappropriate delays or denials in receiving covered benefits or increased out-of-pocket costs, CMS said.

Other organizations with fines at a million or above include: Medical Card System, \$1.29 million; Envision Pharmaceutical Services, \$2.59 million; Aetna, \$ 1 million; and UnitedHealth Group, \$2.1 million.

The March 3 release of the civil penalties, along with a list of organizations receiving suspension of enrollment and marketing activities, furthers CMS's goal of improving industry standards and providing continued transparency, according to Jerry Mulcahy, director Medicare Parts C and D Oversight and Enforcement Group, who sent out the notice to all Medicare Advantage organizations.

The civil money penalties were imposed for violations related to failure to comply with Part D formulary benefit administration; Part C and Part D organization/coverage determinations, appeals, and grievances; and invalid data submissions.

Actions for suspension of enrollment and marketing were levied against: Arcadian Management Services, Health Net, Universal American Corp, MAPFRE PRAICO (a mutual termination), Silverscript Insurance Company, Smart Insurance Company, Orange County Health Authority, Capital Blue Cross, SummaCare, Chinese Community Health Plan, Torchmark Corporation, Cigna-HealthSpring, and Ultimate Health Plans.

Those cited with immediate suspension of enrollment included: Universal Health Care Insurance Company (state specific), Universal Health Care Insurance Company, Florida Healthcare Plus, HealthPlus of Michigan, and Alexian Brothers Community Services.

CMS said it plans to post civil money penalty enforcement actions to its website within the first quarter of the following program audit year. For 2016 program audit violations, violation notices will be posted in the first quarter of 2017 to allow the public and plan sponsors to more easily compare the audit violations, CMS said.