

April 6, 2018

Nancy Wohlhart  
VP, IL Medicaid Operations  
Blue Cross Blue Shield of Illinois  
300 East Randolph Street  
Chicago, IL 60601

RE: Sanction of Blue Cross Blue Shield of Illinois due to failure to submit an ad hoc report under the Contract for Furnishing Health Services by a Managed Care Organization

Dear Ms. Wohlhart:

This letter serves as formal notice to Blue Cross Blue Shield of Illinois (BCBS) of sanction pursuant to the Contract for Furnishing Health Services by a Managed Care Organization (2018-24-001) ("contract"). BCBS is being sanctioned for failure to submit an ad hoc report, pursuant to Section 7.16.3 of the contract, as outlined below.

Pursuant to Section 5.28.1.3 of the contract, Ad hoc information requests, *"Contractor shall submit to the Department an accurate and complete response to any ad hoc request received from the Department by the due date given by the Department. If Contractor cannot meet the due date, Contractor shall request an extension no later than forty-eight (48) hours before such due date. The Department may approve, deny, or allow for such shorter extension within its sole discretion."*

Furthermore, pursuant to Section 7.16.3 of the contract, Failure to submit ad hoc reports, *"If Contractor fails to submit any ad hoc report in an accurate, complete, and timely manner, as provided in section 5.28.1.3, then the Department may, at its sole discretion and without notice, impose a monetary sanction of up to US \$50,000. The Department may also, without further notice, impose an additional monetary sanction until an accurate and complete response is submitted."*

On March 14, 2018, the Department sent BCBS detailed information and guidance for submitting additional information and template corrections related to the Mental Health Parity and Addiction Equity Act. A due date of Friday, March 23 was provided. On Tuesday, March 20, BCBS requested an extension until Friday, March 30. On Wednesday, March 21, the Department informed BCBS they could have an extension until close of business on Wednesday, March 28. BCBS missed the extended Wednesday, March 28 deadline and submitted the information on Friday, March 30.

Pursuant to Section 7.16.3 of the contract, Failure to submit ad hoc reports, BCBS failed to submit an “ad hoc report in an accurate, complete, and timely manner” and is sanctioned \$50,000. BCBS is required to remit a check to the Department within 30 days of receipt of this letter. Payment should be sent to:

HFS Bureau of Fiscal Operations  
Attn: Matthew Duff  
2200 Churchill Road  
Building A2  
Springfield, IL, 62702

Please let your Account Manager know if you have any questions.

Sincerely,



Robert Mendonsa  
Deputy Administrator, Division of Medical Programs  
Illinois Department of Healthcare and Family Services

cc: Laura Ray  
Laura Phelan  
Kelly Cunningham  
Kristine Herman  
Sylvia Riperton-Lewin  
Matthew Seliger  
Sherri Sadala  
Mary Doran  
Kim Cox