



Monday, August 15, 2016

John DiPalma,
Executive Director Oregon
KEPRO, Inc.
7668 SW Mohawk St
Tualatin, OR 97062

RE: Contract Number 151473 – Concerns around future deliverables and outstanding deliverables.

Dear Mr. DiPalma,

This letter formally expresses OHA's concern around KEPRO's ability to remain in compliance with the contract terms and KEPRO's ability to deliver the required services within the specified time periods. Additionally, it expresses our expectations and our observations of KEPRO to date. The following list outlines OHA's concerns:

Independent and Qualified Agent Services.		
Contract Requirement	OHA Expectation	KEPRO Deliverable to date
Medical appropriateness reviews – Page 30-34 of contract number 151473.	<p>KEPRO hires staff as described in the RFP presentation. 1 MH manager, 6 clinical staff, 2 coordinator staff. (Proposal's organizational chart is dated March 24, 2016; Section 3. Page 2 of KEPRO's proposal)</p> <p>KEPRO identified and begins implementation of MAR process improvement, operational effectiveness and cost savings.</p> <p>KEPRO is expected to bring a consultative position to innovate and improve the Oregon Mental Health Residential system through impactful utilization management as described in the contract. This should include data analysis and a mindful approach to developing capacity and targeting specific members</p>	<p>1 MH manager, (4 existing staff repurposed) 1 support staff, 1 data entry. 3/9 new hires total for contract expectation.</p> <p>KEPRO is managing current referral levels and meeting the 10 day requirement for authorization. KEPRO is maintaining previous OHA process without change.</p>

	within the system. This all had a deliverable date of July 1, 2016	
Contractor shall develop an electronic database to track the receipt, content, and outcome of the Referral. Contractor shall electronically archive the Referrals and the clinical documentation accompanying each request. Contractor shall provide OHA access to the archived documentation. – This can be found on Page 28 of contract number 151473.	<p>OHA would have been provided referral documentation or access to information. This was a deliverable for July 1, 2016.</p> <p>OHA is required to conduct an audit review and approve at a minimum 328 referrals annually to meet CMS requirements.</p>	Information not provided to OHA
Contractor shall develop communication materials that describe the Referral, eligibility determination, and independent assessment processes. – This can be found on Page 29 of contract number 151473.	Material developed by contractor, printed and provided to provider community This was a deliverable for July 1, 2016	Material not developed or provided. No planning is underway.
Pending Expectations and Deliverables		
Conflict Free Case Management services shall be effective October 1, 2016. This can be found on Page 34 of contract number 151473.	<p>KEPRO will have appropriate staff trained and available for OSH and community case management requirements by October 1st. This work is connected with Medical Appropriateness Reviews and Eligibility Reviews. Having staff capacity to garner experience and exposure to providers and members as early as July 1, 2016 will improve KEPRO's ability to integrate and provide innovation to OSH and other system processes.</p> <p>Without key clinical staff resources in place early, processes and procedures that will be necessary to ensure the success of Oregon State Hospital engagement will lack the much needed innovation and redesign from a grounded, organized and</p>	Not due. Only 1 Managing Clinical staff member dedicated to this body of work. This is not adequately resourced, and evidenced by KEPRO staff multi-purposing existing staff to try and cover this work.

	<p>informed KEPRO Clinical team. That can only be done with the investment of staffing and engagement in developing these innovations and processes. Due to existing discussions with OSH and USDOJ project staff OHA has concerns around KEPRO's ability to provide the leadership required to move toward the direction needed to achieve metrics.</p>	
<p>Treatment Episode Monitoring effective October 1st, 2016</p>	<p>KEPRO will have analyzed services currently provided to recipients and have plan to monitor services authorized. KEPRO will have appropriate staffing levels to conduct site reviews and UR activities throughout the state.</p>	<p>Not due. Only 1 Managing Clinical staff member dedicated to this body of work. Without adequate resources KEPRO will be unable to deliver.</p>
<p>Contractor shall collect and report data for the 1915(i) quality assurance report. Data must be reported quarterly and shall include: This can be found on Page 30 of contract number 151473.</p>	<p>OHA will receive QIS data by September 30, 2016</p>	<p>Not due.</p>
<p>Contractor shall develop and provide an ongoing accessible report containing information about fee-for-service members currently in a licensed level of care, including: AFH, RTH, RTF, SRTF, and other settings as available.</p>	<p>OHA will have access to report beginning October 1st that accurately captures the Residential system census</p>	<p>Not due.</p>
<p>Physical Health Prior Authorizations</p>		
<p>Physical Health Prior Authorizations effective September 1st, 2016 – This is outlined in Amendment - 1 of contract number 151473.</p>	<p>KEPRO has less than 3 weeks to fully train staff to complete PA's within the MMIS PA Subsystem according to OAR's and HERC's Prioritized List. Typically, training Medical Review Coordinators takes 1 month and coordination with the MMIS training staff. Training workshops will be</p>	<p>No staffing decisions have been communicated to OHA. KEPRO hasn't requested trainings from OHA to be set up and planned for this onboarding. Outside of internal staff not being viable candidates, it is not clear that KEPRO has been successful in securing candidates who can be successful in this role</p>

	set up for the week of the 22 nd . If staff can be present August 23 rd forward there is a good chance that adequate training can occur and permissions can be garnered.	within the constructs of Oregon's Medicaid Program. With success meaning timely completion of Prior authorizations according to both OAR and Oregon's Prioritized list within the MMIS. Timeliness is defined as meeting the contract specified timelines of 10 business days for routines and 24 hours for immediate requests and 72 hours for urgent requests.
Clinical Advisory Committee Meetings – This can be found on page 40 of contract number 151473.	KEPRO would be seeking OHA feedback and developing strategies on what these community based strategies can help identify to improve system experiences for all players within the system. OHA hopes to seek opportunities to align clinical engagement with the communities that are served by the clinical resources as much as possible.	No KEPRO initiated discussion to date.

Today, August 15th, 2016, OHA received notice from KEPRO requesting an extension of the contractual requirement of delivering a quarterly report within 45 days of the close of a quarter. This further underscores OHA's concern with KEPRO's ability to meet delivery of reporting and services as required by the contract. OHA will grant an extension to August 23rd, 2016, at 5:00 pm. To be clear, OHA grants this one-time exception and OHA expects full compliance with all timelines for reporting and all other deliverables in the future.

In conclusion, OHA desires to provide necessary tools and technical support to KEPRO to ensure successful implementation of the contracted services. However, based on KEPRO's performance to date, OHA has serious concerns with respect to KEPRO's ability to deliver the contracted services in compliance with the terms of the Contract. To be clear, OHA expects that KEPRO will provide timely attention to the identified lack of clinical and support personnel and address the expectations laid out above and others as they manifest.

Sincerely,

Trevor Douglass, DC, MPH
 Provider Clinical Support Unit Manager