

IN THE MATTER OF THE FAILURE OF)
AMERICHoice OF NEW JERSEY, INC.)
TO SUBMIT REQUESTED HEALTH) ADMINISTRATIVE ORDER
CARE PROVIDER DIRECTORIES AND)
MEMBERSHIP DATA)

THIS MATTER having been opened by the Department of Health and Senior Services (“Department”) in accordance with the authority set forth at N.J.S.A. 26:1A-15, and N.J.S.A. 26:2J-1 et seq.;

WHEREAS, health maintenance organizations (“HMOs”) are required to submit data to the Department from time to time as the Department may request it, in accordance with N.J.A.C. 8:38-3.8;

WHEREAS, the Department has previously notified HMOs that they are to submit information regarding their provider networks and membership on a scheduled, periodic basis, such that data for the period of January 1st through June 30th is due to the Department by August 15th, and data for the period of July 1st through December 31st is due by February 15th of the immediately following calendar year;

WHEREAS, the Department, via the Office of Managed Care (“OMC”), issued a letter dated December 17, 2002, reminding HMOs that their reports for the second half of calendar year 2002 were due to the Department no later than February 15, 2003,¹ and further instruction as to the format for submission of the data;

WHEREAS, AmeriChoice of New Jersey, Inc. (“AmeriChoice”) is an HMO;

WHEREAS, the Department sent the December 17, 2002 letter to Thelma Duggin, Chief Executive Officer of AmeriChoice;

¹ Because February 15, 2003 fell on a Saturday, the due date would have been no later than the close of business on February 17, 2003.

WHEREAS, AmeriChoice did not submit the requested data to the Department on or before February 17, 2003;

WHEREAS, the Department sent a letter to AmeriChoice dated March 6, 2003, providing notice that the March correspondence represented a second request for data from AmeriChoice, and that failure of AmeriChoice to submit the required data on or before March 18, 2003 would result in AmeriChoice being subject to penalties;

WHEREAS, AmeriChoice has not submitted the required data, nor has AmeriChoice corresponded with the Department at all regarding the data requests set forth in the December 17, 2002 letter or the March 6, 2003 letter;

WHEREAS, the data requested is of such a nature that it should not have presented much difficulty for AmeriChoice to produce, and the Department provided AmeriChoice with adequate time in which to make corrections to the data that may have been necessary to make the data submission compatible with the Department's request;

NOW, THEREFORE, IT IS ORDERED on this 3rd day of April that:

1. AmeriChoice shall submit the following data within five business days following the date of this Order:

a. With respect to the practitioner information:

- (1) the provider's license number,
- (2) the provider's name,
- (3) the provider's address(es),
- (4) the county of location,
- (5) the provider's office phone number, including area code,
- (7) the provider's hospital affiliations,

(8) languages other than English spoken by the provider,

(9) the provider's practice classification(s) consistent with the classifications used in the HMO Annual Supplement.

b. With respect to non-practitioner provider information:

(1) name of each hospital, specialty hospital, outpatient facility and ambulatory care facility, including all ancillary, tertiary and specialty care providers with which AmeriChoice has a contractual relationship, consistent with the requirements of the HMO Annual Supplement for the reporting of such data,

(2) identification of the classification of the provider (that is, acute care, specialty hospital, residential treatment, etc.), consistent with the requirements of the HMO Annual Supplement for reporting of such data,

(3) address(es),

(4) county,

(5) telephone number, including area code.

c. With respect to membership, the total number of members within each zip code, separated by Commercial, Medicare and Medicaid and by gender and age.

2. AmeriChoice shall submit the data in accordance with the following specifications:

a. Separate records shall be submitted for multiple office locations, with all fields completed for each record.

b. Addresses submitted shall be street addresses, not post office boxes or similar such mail routing systems, and shall include full street names and numbers.

c. Addresses shall not include abbreviations, except with respect to the United States Postal Services' standardized two-letter State identifiers (that is, Ave., Rd., St., Blvd., N., S., etc., are not acceptable).

d. Suite numbers in addresses shall be set forth in a separate field.

e. Addresses shall include zip codes, and the zip codes shall include leading zeros when necessary.

3. AmeriChoice shall pay a fine of \$250 per day for each business day that AmeriChoice has failed to submit the requested data to the Department as of March 18, 2003 through and inclusive of the date on which the requested data is submitted, up until the fifth business day following the date of this Order.

4. AmeriChoice shall pay a fine of \$350 per day for each business day through and inclusive of the date on which the requested data is submitted beginning as of the sixth business day following the date of this Order, if AmeriChoice fails to submit the requested data on or before that date.

5. AmeriChoice shall submit payment of the fine by check or money order made payable to "Treasurer, State of New Jersey," in a single sum no later than the date on which this paragraph becomes effective, as specified in Paragraph 10 of this Order, except that, if AmeriChoice fails to submit the required data on or before the effective date of this paragraph, then AmeriChoice shall submit in a single sum the amount in fine due as of that date, and the remainder no later than the date that the required data is submitted. AmeriChoice shall forward payment to the Director of the Office of Managed Care, P.O. Box 360, Trenton, New Jersey 08625-0360.

6. AmeriChoice shall submit a Plan of Correction within 20 business days following the date of this Order specifying how AmeriChoice shall assure that it will be in compliance with the data requirements for future reports, and how AmeriChoice shall assure that it will be responsive to other data requests that the Department may make.

7. Nothing set forth in this Order shall be construed to preclude the Department from taking enforcement action against AmeriChoice for related matters not set forth herein.

8. Obligations under this Order are imposed pursuant to the police powers of the State of New Jersey for the enforcement of law and the protection of public health, safety and welfare and are not intended to constitute a debt or debts subject to limitation or discharge in a bankruptcy proceeding.

9. All numbered paragraphs of this Order, other than paragraphs 3, 4 and 5, shall be effective as of the date of the Order, and no paragraphs of this Order shall be stayed pending the conclusion of an administrative hearing and the rendering of a final decision by the Commissioner of the Department, except as Paragraph 10 applies.

10. Paragraphs 3, 4 and 5 shall not become effective until 30 days following the date of this Order, in accordance with N.J.A.C. 8:38-2.14(c), unless AmeriChoice, prior to the end of the 30-day period, files with Department a written request for a hearing and a written request to Stay the Order with respect to Paragraphs 3, 4 and 5 until the conclusion of an administrative hearing and the rendering of a final decision by the Commissioner of the Department. A request for a hearing shall be accompanied by a written response to the violations set forth in this Order.

11. If AmeriChoice wishes to request an administrative hearing, then AmeriChoice shall submit such a request in writing no later than 30 days following the date of this Order to: Debra

Johnson, Office of Legal and Regulatory Affairs, P.O. Box 360, Trenton, New Jersey 08625-0360, or by fax at 609-292-5333.

Questions should be submitted to Marilyn Dahl, Senior Assistant Commissioner at 609-9843939 or to Sylvia Allen-Ware, Director of the Office of Managed Care, at 609-633-0660.

MARILYN DAHL
Senior Assistant Commissioner
Health Planning and Regulation
New Jersey Department of Health and
Senior Services

/s/Marilyn Dahl