



RON DESANTIS
GOVERNOR

MARY C. MAYHEW
SECRETARY

February 11, 2020

Statewide Medicaid Managed Care (SMMC) Policy Transmittal: 2020-08

Applicable to the **2018-2023 SMMC contract benefits** for:

- Managed Medical Assistance (MMA) and MMA Specialty
- Long-Term Care (LTC)
- Dental

Re: Ad Hoc Request for Documentation of Subcontractor Insolvency Account

The managed care plan and the dental plan may be required to provide the Agency or its agents information or data relative to this contract. In such instances, and at the direction of the Agency, the managed care plan and the dental plan must fully cooperate with such requests and furnish all data or information in a timely manner, in the format in which it is requested. The managed care plan and the dental plan must have at least thirty (30) days to fulfill such ad hoc requests, unless the Agency directs the managed care plan or the dental plan to provide data or information in less than thirty (30) days. The managed care plan and the dental plan must certify that data and information it submits to the Agency is accurate, truthful, and complete in accordance with 42 CFR 438.606. (MMA & LTC: Attachment II, Section XVI.A.1.b.; and Dental: Attachment II, Section XVI.A.1.b.) If the managed care plan delegates claims processing and payment or enters into a risk-bearing contract, the managed care plan must, for subcontracts delegating only claims processing and payment, require the subcontractor to maintain either an insolvency account to meet its obligations or an irrevocable Standby Letter of Credit. (Attachment II, Section X.C.3.a.(2)(d)) If the dental plan delegates claims processing and payment or enters into a risk-bearing contract, the dental plan agrees to require the subcontractor to maintain either an insolvency account to meet its obligations or an irrevocable Standby Letter of Credit. (Attachment II, Section X.C.3.a.(2)(d)) The purpose of this policy transmittal is to inform the managed care plan and the dental plan of an ad hoc request to provide the Agency with documentation of subcontractor insolvency account or an Irrevocable Standby Letter of Credit.

The Agency requests the managed care plan and the dental plan provide the following documentation for each subcontractor the plan has delegated claims processing and payment:

- Latest insolvency account bank statement;
- Insolvency account balance calculation schedule or calculation schedule for value of Irrevocable Standby Letter of Credit;
- Subcontractor agreement; and
- Agreement related to insolvency protection account or Irrevocable Standby Letter of Credit.

The managed care plan and the dental plan must submit the requested documentation to the Agency in a single, zipped file, using the following naming convention



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“ABC_YYYYMMDD_SUBINSOLVACCTS”. The managed care plan and the dental plan must submit this file to the Agency’s secure file transfer protocol site at <https://sftp.ahca.myflorida.com:4443/EFTClient/Account/Login.htm> in the AdHoc folder located within the managed care plans’ and the dental plans’ designated folder path. The managed care plan and the dental plan must use the aforementioned naming convention, where ABC is the managed care plan’s or the dental plan’s three-character identifier; and YYYY is the four-digit year, MM is the two-digit month, and DD is the two-digit day of the date the file is being submitted. The managed care plan and the dental plan must submit its file to the Agency no later than noon, Eastern Time, on February 20, 2020.

If you have any questions or concerns, please contact your Agency contract manager at (850) 412-4004.

Sincerely,

A handwritten signature in black ink that reads "Shevaun Harris". The signature is written in a cursive style with a prominent loop at the end of the name.

Shevaun Harris
Assistant Deputy Secretary for
Medicaid Policy and Quality

SH/sr