ILLINOIS DEPARTMENT OF
Healthcare and
Family Services

Bruce Rauner, Governor
Felicia F. Norwood, Director

201 South Grand Avenue East
Springfield, Illinois 62763-0002

Telephone: (217) 782-1200
TTY: (800) 526-5812

June 17, 2016

Julie C. Faulhaber, VP, Medicaid
BlueCross BlueShield of Illinois
300 East Randolph Street
Chicago, Illinois 60601

RE: Notice of Sanction: Auto-Assignment Shut-Off

Dear Ms. Faulhaber:

This letter serves as notification to BlueCross BlueShield of Illinois ("BCBSIL") of sanction pursuant to Section 7.16.3 of the Contract for Furnishing Health Services by a Managed Care Organization ("contract") between the Department of Healthcare and Family Services ("Department") and BCBSIL:

"**7.16.3** **Failure to Submit Encounter Data.** The Department and Contractor acknowledge and agree that they will work in good faith to implement mutually agreed upon system requirements resulting in the complete and comprehensive transfer and acceptance of Encounter Data and that such mutual agreement shall not be unreasonably withheld. Contractor shall submit complete and accurate data quarterly to the Department in accordance with the Illinois Medicaid Health Plan Encounter Utilization Monitoring (EUM) Requirements document, as set forth in Attachment XXIII, for each evaluation period. If Contractor does not meet the standards by the evaluation date as set forth in Attachment XXIII, the Department, without further notice, may:

7.16.3.1 Impose a quarterly monetary penalty,

7.16.3.2 Suspend auto-assignment of Potential Enrollees with Contractor, or

7.16.3.3 Impose both."

BCBSIL's score of 31.07% for its FHP/ACA contract in the Encounter Summary Report for Evaluation Period 2 was above the 30% threshold related to the Auto-Assignment Shut-Off Penalty outlined in Attachment XXIII. The Department is hereby providing written notice that BCBSIL failed to meet the established expectation and is suspending auto-assignment of Potential Enrollees with Contractor effective 7/1/2016. Please review the "Illinois Medicaid Health Plan EUM Requirements: Auto-Assignment Shut-Off (Page 2 of 2)" and "EUM Requirements Instructions" for information regarding the length of the sanction and available follow-up.

If you have any questions regarding this information, please contact Paul Stieber at 312-793-1045.

Sincerely,

Robert Mendonsa, Deputy Administrator
Division of Medical Programs

cc: Amy Harris-Roberts
Ellen Amerson
Eugenia Gonzalez
Paul Stieber