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Reporting Legal Proceedings and Other Related Events	7/1/2023		
		Version 1.0	

DOCUMENT HISTORY

STATUS	DOCUMENT REVISION	EFFECTIVE DATE	DESCRIPTION
Baseline	1.0	7/1/2023	Initial version, EOHHS Medicaid Managed Care Manual Chapter 11.1, Report of Legal Proceedings and Other Related Events
Revision			

DRAFT - Final Documents to be provided to awarded Contractor

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I. Report Notification Content

The Health Plan must notify EOHHS of all proceedings, actions, and events as specified in this Chapter. The notice required by the following sections must be in writing and should include the:

- A. Parties' names
- B. Subject matter
- C. Amount in controversy
- D. Relevant dates
- E. Description of the general nature of any allegations
- F. If applicable, the case number, court, relief sought, and any known internet links to related information

II. Matters Pertaining to the Health Plan or Affiliates

The Health Plan must notify EOHHS of the following matters relating to the Health Plan or its affiliates, including parent companies:


- A. Whistleblower or qui tam actions, complaints, or litigation
- B. Criminal actions brought against the Health Plan, or its affiliates or officers
- C. Class-action complaints or lawsuits, or petitions for class-action status, filed against the Health Plan or its affiliates
- D. Legal actions or governmental investigations, alleging fraud or the possibility of fraud
- E. Bankruptcy proceedings or petitions where either the Health Plan or an affiliate is named as debtor

III. Medicaid or CHIP Managed Care Matters Pertaining to the Health Plan or Affiliates

The Health Plan must notify EOHHS of the following matters relating to the Health Plan or its affiliates, including parent companies, if the Health Plan knows about the matters and they pertain to the Rhode Island Medicaid managed care program:

- A. All known media reports involving actual, potential, or perceived misreporting of costs or profit levels
- B. All governmental actions or proceedings involving actual, potential, or perceived misreporting of costs or profit levels;
- C. Subject to the exclusions listed in Section VII, other governmental actions or proceedings involving the assessment of sanctions, remedies, fines, or penalties, including liquidated damages, in excess of \$500,000.

For purposes of this Section, the Health Plan is not required to notify EOHHS of governmental actions or proceedings initiated by EOHHS.

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IV. Matters Pertaining to the Health Plan or Parent Company

The Health Plan must notify EOHHS of any legal proceedings that could have an adverse material effect on the financial condition or results of operations of the Health Plan or its parent company. For purposes of this Section, "material effect" means an impact that could rise to the level of:

- A. Requiring or warranting disclosure in:
 1. An audited financial statement submitted to a state Department of Insurance (such as the Rhode Island Department of Business Regulation)
 2. Financial statements filed with the Securities and Exchange Commission
 3. Reports distributed to shareholders, owners, or prospective investors
- B. Anything that a reasonable person knowledgeable in the managed care industry would consider relevant to the entity's operations or financial position, or any development that reasonable person would want to know in order to stay fully apprised of the information relevant to the industry and its operations.
- C. Anything that an independent financial auditor would consider material.

V. Matters Pertaining to the Health Plan, its Parent Company, or Subcontractors

The Health Plan must notify EOHHS of any known event that could threaten solvency, or the ability to continue operations of the Health Plan, its parent company, or any Subcontractor.

VI. Other Matters Pertaining to the Health Plan


Subject to the exclusions listed in Section VII, the Health Plan must notify EOHHS of the following matters pertaining to the Health Plan:

- A. Litigation, mediation, arbitration, and dispute resolution proceedings
- B. Governmental complaints, investigations, and corrective actions.

VII. Exclusions

The following matters related to the Health Plan or its affiliates are excluded from the requirements of Section III(C). In addition, the following matters related to the Health Plan are excluded from the requirements of Section VI, provided the worst-case outcome would not have an adverse material effect on the financial condition or results of operations of the Health Plan, as defined in Section IV:

- A. Personnel actions, including wrongful discharge, discrimination, or harassment, if the actions do not involve whistleblower claims
- B. Property damage
- C. Personal injury claims, where there is no related issue involving the provision of medical services or coverage
- D. Landlord/tenant issues
- E. Equipment vendor issues
- F. Lease issues
- G. Mechanic's liens

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- H. Provider claims adjudication appeals
- I. Complaints, actions, litigation, or disputes with EOHHS
- J. Trademark, patent, or other intellectual property disputes
- K. Any other matter that is not required for disclosure under Sections II–VI and where the amount claimed and at stake continues to be less than \$500,000 or its value in non-cash components, including the total of alleged or potential damages, relief, penalties, costs, fines, interest, legal fees, arbitration fees, court costs, and all components.

VIII. Notice Requirements

The Health Plan must provide written notification within 30 calendar days after becoming aware of a matter. In addition, by September 1 of each year, the Health Plan must submit a cumulative annual report listing all current or pending matters, and all matters resolved or dismissed during the past 12 months. The initial and annual notices must include a signed certification by the Health Plan’s Chief Executive Officer that all required items are listed in the written notice, or that no matters have transpired. The knowledge and information of a Health Plan, its parent, affiliates, and Material Subcontractors is not required to exceed knowledge or information normally possessed by a prudent person in the ordinary course of business dealings.

IX. Additional Information

EOHHS may require that the Health Plan provide appropriate supplementary information or keep EOHHS informed of further developments and related activities.

X. Confidentiality

If the Health Plan believes that all or a portion of the notification information or supplementary information provided in this report is confidential under applicable state or federal law, it should follow the applicable procedures set forth in the Contract and mark or otherwise identify the information as “confidential.” To the extent authorized by Rhode Island law, EOHHS will treat the marked information as confidential, and limit access to personnel EOHHS deems necessary for the administration of this Agreement. If a court order or confidentiality agreement restricts the disclosure of all or part of the information described in this Chapter, then the Health Plan may request a written exception to this required report form.