



Managed Care Pharmacy Encounters Paid to Texas Children's Hospital–Specialty Pharmacy

A Managed Care Network Provider Contracted Under UnitedHealthcare Community Plan of Texas, L.L.C. and UnitedHealthcare Insurance Company, Inc.

Results in Brief

Why OIG Conducted This Audit

The Texas Health and Human Services (HHS) Office of Inspector General (OIG) Audit and Inspections Division (OIG Audit) conducted an audit of managed care encounters paid to Texas Children's Hospital–Specialty Pharmacy (TCH–SP) for prescriptions dispensed to UnitedHealthcare Community Plan of Texas, L.L.C and UnitedHealthcare Insurance Company, Inc. (UnitedHealthcare) members. Pharmacy audits are conducted to verify that Medicaid members have access to vital medications in accordance with contractual, state, and federal requirements.

During the audit scope, which covered the period from September 1, 2017, through August 31, 2022, TCH–SP was paid \$15.4 million for 20,205 Texas Medicaid managed care encounters for prescriptions dispensed to UnitedHealthcare members.

Summary of Review

The audit objective was to determine whether TCH–SP (a) properly billed for selected paid encounters associated with Texas Medicaid members enrolled with UnitedHealthcare and (b) complied with applicable contractual, state, and federal requirements.

The audit scope covered the period from September 1, 2017, through August 31, 2022.

Management Response

TCH–SP agreed with the audit recommendations and indicated corrective actions had been fully implemented.

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Conclusion

Texas Children's Hospital–Specialty Pharmacy (TCH–SP) properly billed for paid pharmacy encounters and complied with applicable contractual, Texas Administrative Code, and federal requirements for most encounters tested; however, TCH–SP did not consistently comply with certain requirements for medication dispensing and accurate claims submission.

Key Results

TCH–SP did not consistently comply with some requirements for medication dispensing and claims submission. Specifically:

- For 118 of 120 encounters tested, TCH–SP dispensed prescribed medication as required. However, (a) TCH–SP submitted one claim with a dispensed quantity of 90 mL when the prescription was written with a quantity of 150 mL and (b) a second claim's dispensing label indicated a 30 days' supply when the prescribed days' supply was 25 days.
- For 44 of 120 encounters tested, the number of authorized refills on the prescription did not match the number of refills authorized on the encounter.

Recommendations

TCH–SP should:

- Dispense prescriptions in quantities that align with the prescribed quantity.
- Print dispensing labels with the correct days' supply based on the prescribed dispensing instructions.
- Verify that the authorized refills it submits for each pharmacy claim are complete and accurate.