Managed Medicaid Success Checklist

Your guide to delivering encounter management simplification and risk-adjusted payment accuracy

Expanding managed Medicaid rosters, combined with differing formats and risk adjustment models from state to state, means that Managed Care Organizations (MCOs) often find themselves facing a revenue gap. The risk adjusted revenue they rely on has now become harder to secure, especially for plans moving into new states. This gap can be closed however, and complete revenue integrity achieved, by employing encounter management best practices.

For MCOs needing to reduce revenue leakage, decrease encounter costs and improve payment accuracy, we've constructed a “people, process and technology” best practices checklist:

**People:**

All health plans are constructed and organized differently. However, to drive compliance and payment accuracy, it is mission critical for plans to have a documented organizational structure with defined roles and responsibilities.

With this structure, plans will need to ensure the following functional areas are integrated to reduce gaps and miscommunication:

- **IT**
  Must have a dedicated resource who understands Medicaid extractions explicitly
- **Claims**
- **Enrollment**
- **Provider Network Management**
  Critical as the incentives and engagement models are different from Marketplace and Medicare Advantage
- **Actuarial**
- **Risk Adjustment**
  Critical to understanding the differing managed Medicaid risk adjustment models
- **Internal Audit**
- **Care Management**
  Critical as the analytical approach for retrospective and prospective suspecting and intervention planning is more complex due to the sicker and costlier individuals as opposed to those found in Medicare Advantage and the Marketplace

**Risk adjustment SMEs**, in particular, should play the linchpin role to drive integration across these areas. It is crucial to ensure that these SMEs are tightly integrated with the quality and care management teams.
Process:

Data operations and data analytics are the basic building blocks of encounter submissions and enable plans to solve the foundational business challenges of compliance and payment accuracy. To do so, plans must incorporate the following processes as best practices:

- **Data Operations:**
  - Accurate and timely data submissions
  - Controls and requirements monitoring
  - Regulatory deadline adherence
  - Vendor management

- **Data Analytics:**
  - Prospective and retrospective data validation programs
  - Internal audits
  - Coding and provider education
  - ROI calculations and RA financial modeling
  - Membership, provider and population analysis
  - Awareness of the ICD-10 HCC shift impact

The pace of change and the variability across state markets can negatively impact a plan’s ability to implement best practices. However, by integrating these processes plans will establish a flexible framework that can respond quickly to regulatory change and the requirements of new lines of business.

Technology

Having the right tools for the job (technology) means enabling health plan teams (people) to implement the required processes. The tools that health plans need are:

- **Data mart:** required to draw the intelligence that supports both the operational and financial analyses noted above
- **Scalable ETL infrastructure:** required to be able to produce compliant submissions and reconcile corresponding responses
- **Workflow support:** required to handle pre-validation, error correction and prioritization of errors based on reinsurance and risk score impact
- **Integration with metrics operations (inclusive of chart retrieval and review):** required to support care gap closure (thus affecting payment accuracy) (even more critical due to sicker and costlier members…more opportunity for loss)

New market opportunities abound for MCOs. So do the financial risks. Bringing together the people, processes and technology to ensure accurate, timely and compliant encounter submissions can play a large role in mitigating risks and driving revenue integrity across markets.