

Encounter Data Improvement Program

2020 Encounter Data Summit

Landscape Assessment

August 7, 2020

Federal Reporting Requirements

Recent (pre-COVID) federal rules and actions represent renewed commitment to enforcement of the submission of complete, accurate and timely encounter data.

CMS Medicaid and CHIP Managed Care Final Rule



States must, under potential penalty of federal matching funds:

- Require that Medicaid managed care plans (MCPs) submit accurate and complete encounter data using specified industry standard formats
- Review and validate that MCP monthly encounter data submissions are complete and accurate
- Implement an encounter quality rating system, produce annual program reports on plan performance, and audit encounter data every three years

CMS and ONC “Interoperability Rules”



HHS aims for patient health information to be liquid and complete, where patients have access to their full claims and encounter histories through common technologies. To comply, MCPs must:

- By July 2021*, make data accessible through secure, standards-based application programming interfaces (APIs), that would allow third-party applications to retrieve approved and denied claims, encounter data, and clinical data maintained by the payer
- Claims/encounter data - since 2016 - must include information on services rendered (and when) and payment info, and must be available no later than one business day after receiving the claim/encounter..

** On April 21st, DHHS announced a delay in enforcement of the interoperability rules due to COVID-19*

Encounter data is playing an increasing role in Medi-Cal managed care plan rate setting, provider payment distribution, and quality scoring.



Rate Setting & Encounter Data Stoplight Reporting

- DHCS will increase encounter data use in **rate development** with encounter data expected to eventually serve as the primary base data for rate development
- DHCS is producing **Encounter Data Stoplight Reports** that will measure discrepancies between an MCP's Rate Development Template and its submitted encounter data. MCPs with major discrepancies may be placed under a Corrective Action Plan and sanctioned.



Directed Payments will utilize encounter data to direct provider payments, including Physician Directed Payments (Prop 56) and Hospital Directed Payments programs, such as the Designated Public Hospital (DPH) Quality Incentive Program; DPH Enhanced Payment Program; and Private Hospital Directed Payment Program.

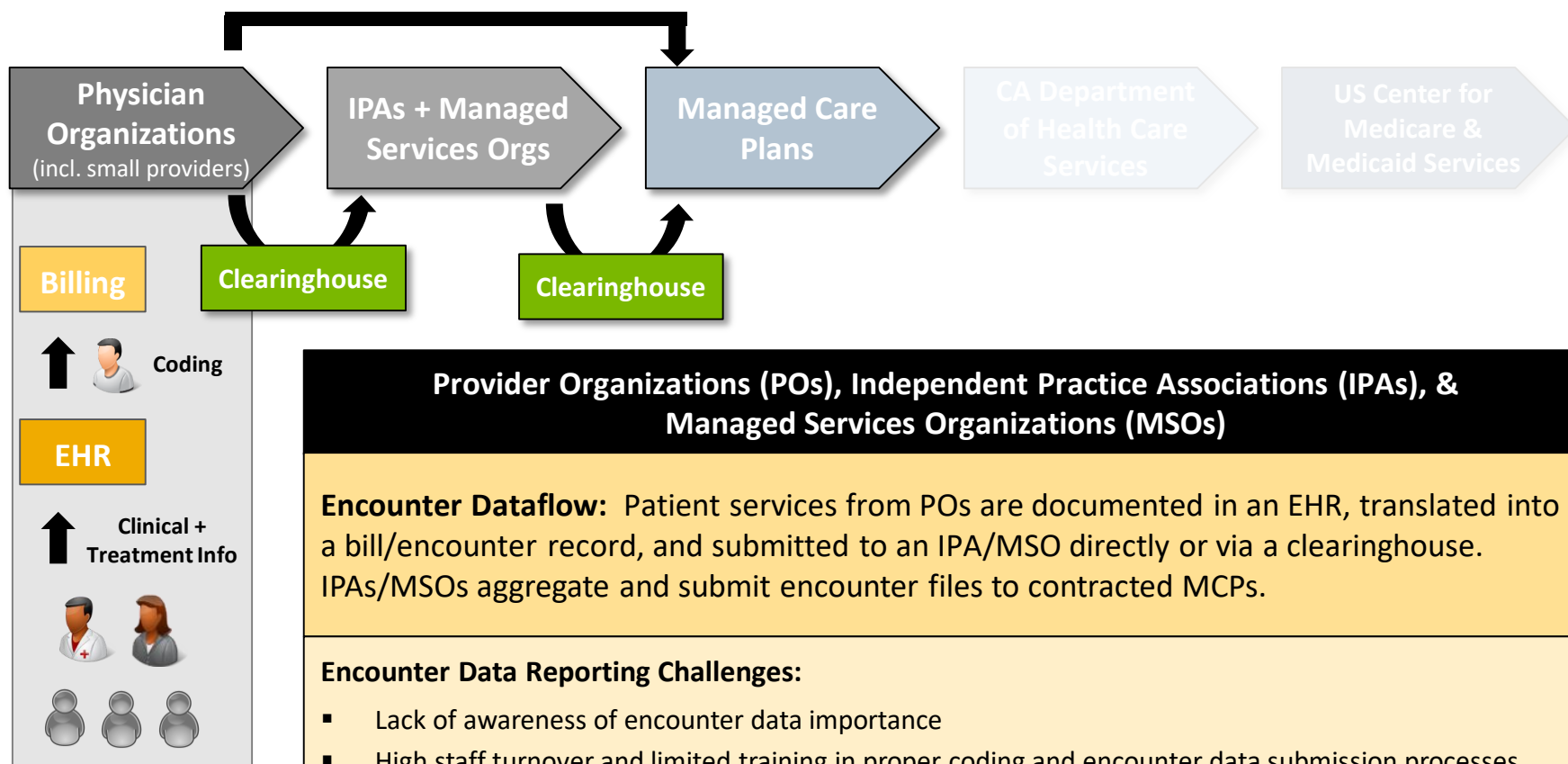


Improving HEDIS Scores: Health plans must meet the 50th national percentile for HEDIS measures, calculated in part using encounter data. Performance below the 25th percentile will trigger an “improvement plan” by DHCS.

Encounter Data Reporting Roadblocks

Provider Collection and Provider-to-Plan Submission Changes

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Provider Organizations (POs), Independent Practice Associations (IPAs), & Managed Services Organizations (MSOs)

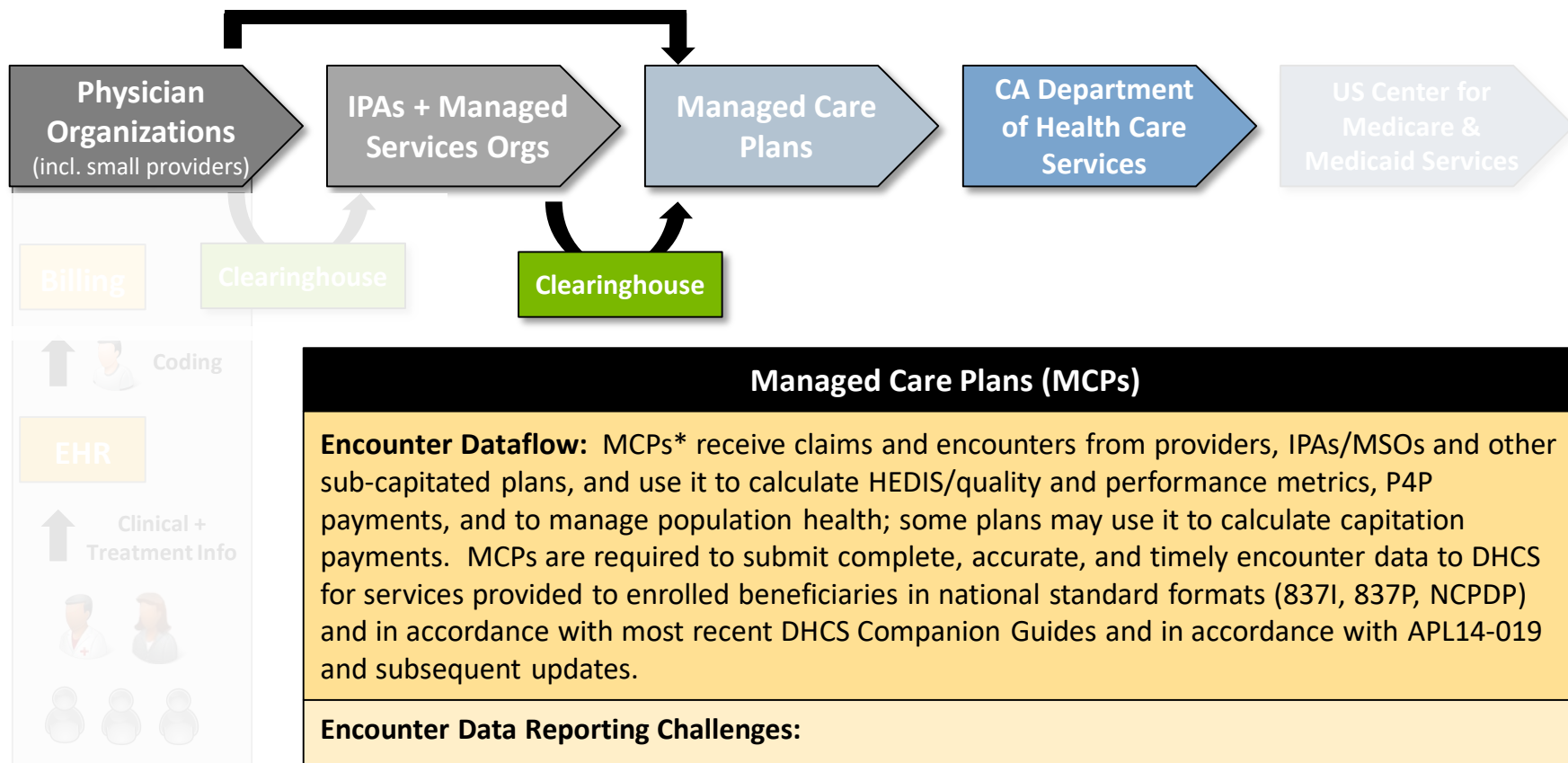
Encounter Dataflow: Patient services from POs are documented in an EHR, translated into a bill/encounter record, and submitted to an IPA/MSO directly or via a clearinghouse. IPAs/MSOs aggregate and submit encounter files to contracted MCPs.

Encounter Data Reporting Challenges:

- Lack of awareness of encounter data importance
- High staff turnover and limited training in proper coding and encounter data submission processes
- Reliance on antiquated or rigid EHR systems, or paper-based submissions
- Lack of timely or actionable feedback on rejection reports at each submission level
- Uneven data standards, requirements and communication among clearinghouses and MCPs
- EHR, billing and transaction system migrations often result in significant encounter data issues

Encounter Data Reporting Roadblocks

Provider-to-Plan and Plan-to-DHCS Submission Changes



Managed Care Plans (MCPs)

Encounter Dataflow: MCPs* receive claims and encounters from providers, IPAs/MSOs and other sub-capitated plans, and use it to calculate HEDIS/quality and performance metrics, P4P payments, and to manage population health; some plans may use it to calculate capitation payments. MCPs are required to submit complete, accurate, and timely encounter data to DHCS for services provided to enrolled beneficiaries in national standard formats (837I, 837P, NCPDP) and in accordance with most recent DHCS Companion Guides and in accordance with APL14-019 and subsequent updates.

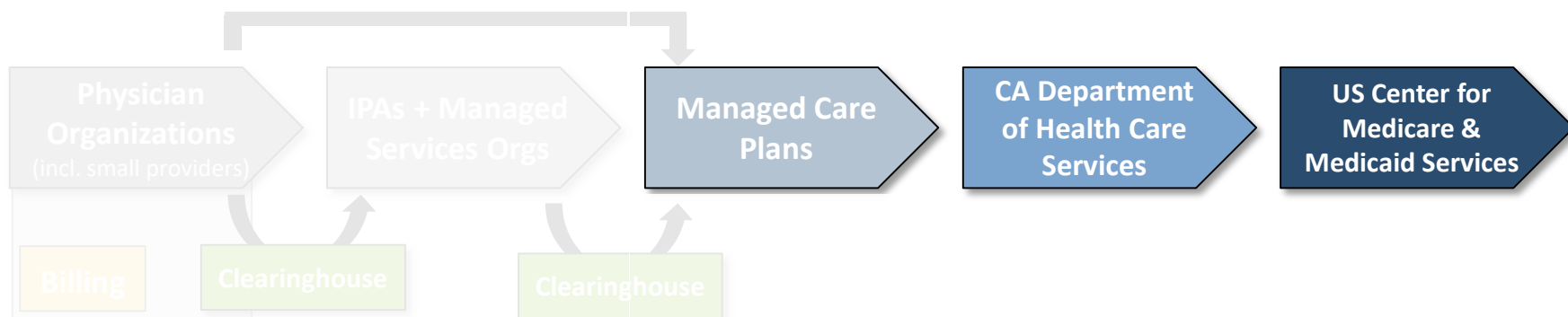
Encounter Data Reporting Challenges:

- Incomplete submissions from contracted IPAs and providers
- Divergent requirements for standards adoption (i.e., new code versions may be required by CMS but not yet accepted by DHCS)
- Unclear DHCS submission standards (e.g. local codes) and inaccurate coding cross-walks
- Lack of DHCS transparency/feedback on edits/rejections

**Includes medical groups functioning as licensed health plans*

Encounter Data Reporting Roadblocks

DHCS to CMS Submission Changes



Department of Health Care Services (DHCS) & Centers for Medicare & Medicaid Services (CMS)

Encounter Dataflow: DHCS receives MCP encounter data, and reviews for accuracy and completeness to meet federal Transformed Medicaid Statistical Information System (T-MSIS) submission requirements; uses data to calculate Stop Light Reports, inform rate setting, and distribute provider directed payments; submits encounter files to CMS. CMS uses encounter data to monitor state Medicaid performance and predict future costs.

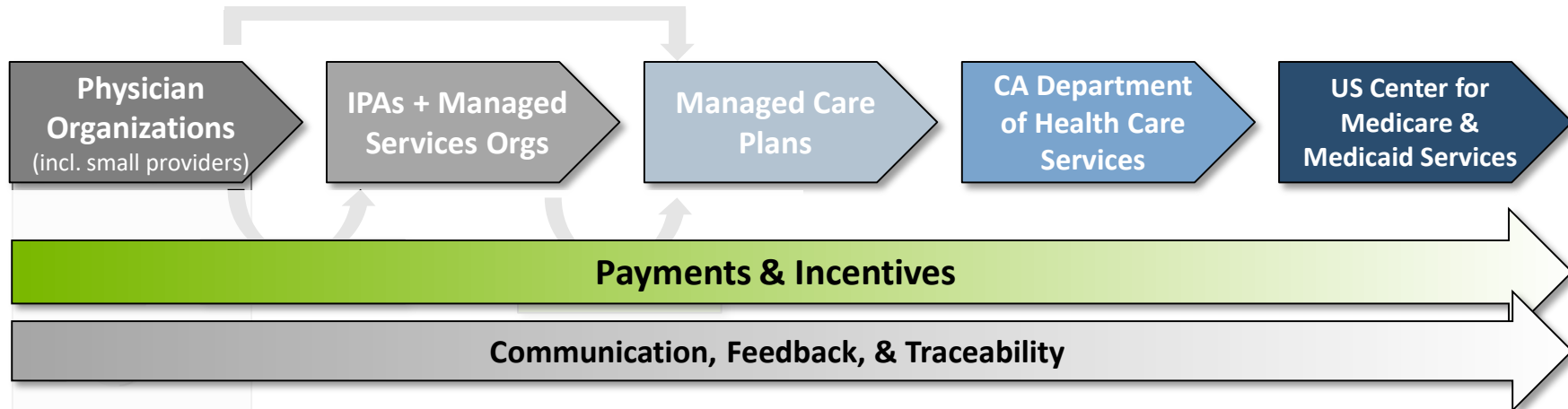
Encounter Data Reporting Challenges:

- Lack of CMS guidance leads to incomplete and unclear standards and state requirements (per GAO review)
- CMS rules and guidance do not typically account for California’s complex, delegated care model
- Long lag times for encounter completeness/quality feedback from CMS to DHCS and DHCS to MCPs
- Limited understanding of downstream technical challenges associated with submitting encounter data
- Governing a tremendously complex encounter data ecosystem without complete visibility, especially into intermediaries

Encounter Data Reporting Roadblocks

DHCS to CMS Submission Changes

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Cross-Cutting Challenges

- **Poor Communication:** Lack of guidance on encounter reporting expectations, rules, code changes and lack of feedback on submissions up and down the encounter data reporting chain
- **Limited Incentives:** Lack of incentives for reporting complete, accurate and timely encounter data, especially for delegated provider entities; where incentives exist, enhanced payments can be difficult for submitters to reconcile with specific “point-of-submission” actions
- **Lack of Traceability:** Inability to trace problems with data loss, incompleteness and quality to the source of the issue restricts ability to resolve problems



Governance

Establish data and program governance to coordinate and prioritize improvement initiatives, oversee changes to standards, policies and processes, and support communication and collaboration



Data Standardization

Update and harmonize encounter data code sets, specifications, submission processes and edits among all trading partners and lines-of-business to improve data quality, completeness and timeliness



Technology, Training and Technical Assistance

Adopt and better utilize technological infrastructure, deploy technical assistance programs, and develop processes to improve encounter data reporting; educate providers on the importance of encounter data

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