

MEDICAID UPDATE

HHS Budget Subcommittee

February 9, 2021

OVERVIEW

▶ **Managed Care Organization (MCO) updates**

- ▶ Contract changes
- ▶ Iowa Total Care audit

▶ **COVID-19 Updates**

- ▶ Increased enrollment
- ▶ Service utilization
- ▶ Vaccine



MCO UPDATES

MCO CONTRACT CHANGES

- ▶ Added contract language about different relief payments available to providers during COVID-19.
- ▶ Appeal rights now remove the restriction of following a verbal notice with a written notice.
- ▶ Both MCOs are required to use the same Electronic Visit Verification vendor.
- ▶ Added a Pay for Performance measure around social determinants of health.

MCO CONTRACT CHANGES

- ▶ MCOs must reprocess 90% of all claim errors within 30 calendar days unless MCOs must implement a system configuration change.
 - ▶ In case of a configuration change, payment must be made within 60 calendar days.
- ▶ Adjusted the Medical Loss Ratio (MLR) for the MCOs from 88% to 89% for SFY21.
- ▶ A risk corridor was put into place for the January 1, 2021 through June 30, 2021 rating period.

IOWA TOTAL CARE WITHHOLD

- ▶ In January 2020 we withheld \$44 million from Iowa Total Care (ITC) for multiple payment issues with providers.
- ▶ An outside vendor, Myers and Stauffer has been working with ITC to conduct an audit.
 - ▶ ITC is paying for a portion of the cost of the audit.
- ▶ There was two phases to the audit.
 - ▶ In Phase 1 Myers and Stauffer did a sampling of claims for 13 specific providers with multiple payment issues.
 - ▶ In Phase 2 they verified ITC's claims system configuration corrections through a sampling of all related claims.

IOWA TOTAL CARE WITHHOLD

- ▶ Phase 1 was completed in December 2020.
- ▶ Phase 2 is scheduled to be completed by end of March.
 - ▶ Phase 2 is broken into two methodologies: “analytics” and “sampling”.
 - ▶ Estimated completion date for analytics is mid-February.
 - ▶ Sampling methodologies completed end of March.
- ▶ Payments will be made to ITC based on the validation of the two methodologies provided from the audit.



COVID-19 UPDATES

INCREASED ENROLLMENT

- ▶ The U.S. Department of Health and Human Services recently extended the federal public health emergency through April 20, 2021.
- ▶ In order to continue to accept the enhanced FMAP, we are required to maintain eligibility for all members throughout the public health emergency.

SERVICE UTILIZATION DURING PANDEMIC

- ▶ There has been an upward trend of telehealth services beginning in January 2020 through September 2020.
- ▶ The biggest increases in telehealth utilization has been in:
 - ▶ Evaluation and management.
 - ▶ Vision and hearing.
 - ▶ Behavioral testing/assessment.
 - ▶ Alcohol and drug abuse treatment

SERVICE UTILIZATION DURING PANDEMIC

- ▶ Claims for non-emergency medical transportation were down about 45 percent between January 2020 and September 2020 compared to the previous year.
- ▶ An analysis of other services that have seen a decrease during the public health emergency is currently underway.

COVID-19 VACCINE

- ▶ The Department has issued Informational Letters (ILs) with billing guidance for providers.
- ▶ The Department also has developed a specific email for providers to submit billing questions.
 - ▶ The questions and answers are being posted on the Department's website.
- ▶ The Department is actively engaged with providers and pharmacies and is assisting with any issues or questions related to billing for the vaccine.

COVID-19 VACCINE

- ▶ The MCOs will be doing outreach to members.
 - ▶ They know where their home-bound members live.
 - ▶ Outreach will be similar to Marshalltown tornado.
- ▶ The vaccine is free to Medicaid members. There's no copay or prior authorization.
 - ▶ Providers are receiving a vaccine administration fee.

Questions?

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