Medicaid and CHIP
MAC
Learning Collaboratives

The Coverage Learning Collaborative

Program Integrity Strategies for Medicaid and CHIP Eligibility

Monday, August 31, 2020

2:00 – 3:30 pm ET

Agenda

- **Medicaid and CHIP Program Integrity Basics**

- **The Relationship Between Program Integrity and Eligibility Processes**

- **Center for Medicaid and CHIP Services (CMCS) Informational Bulletin (CIB): "Oversight of State Medicaid Claiming and Program Integrity Expectations"**

- **Ensuring Accurate Eligibility Determinations**

- **Ensuring Accurate Claiming of Federal Medical Assistance Percentage**

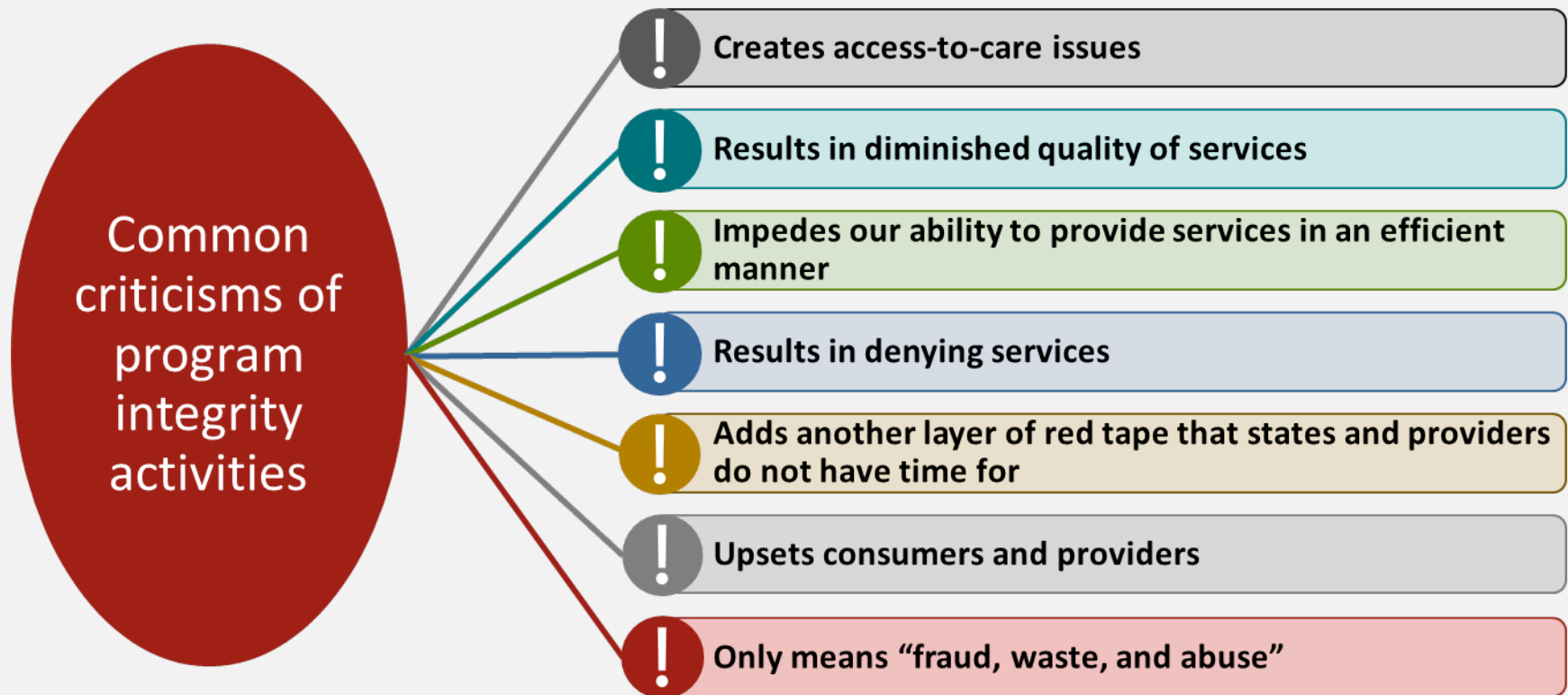- **Program Oversight Monitoring**

- **State Spotlights**

Medicaid and CHIP
MAC
Learning Collaboratives

Medicaid and CHIP Program Integrity Basics

What is Program Integrity?

- Program integrity means ensuring that state and federal tax dollars are used to ensure access to covered and appropriate services for eligible people and are not diverted to fraud, waste, and abuse

- CMS and State Medicaid/CHIP agencies share responsibility for ensuring the integrity of the Medicaid and CHIP

- "Fraud and abuse are both defined in Medicaid regulations (42 CFR 433.304 and 42 CFR 455.2). Fraud involves an intentional deception, such as billing for services that were never provided. Abuse includes taking advantage of loopholes or bending the rules, such as improper billing practices. Waste, which is not defined in federal Medicaid regulations, includes inappropriate utilization of services and misuse of resources." (Source: MACPAC)

- CHIP fraud detection and investigation program requirements are similarly outlined in federal regulations (42 CFR 457.915)

Medicaid and CHIP
MAC
Learning Collaboratives

The Program Integrity Stigma

Program integrity may be viewed as a problem by some stakeholders rather than a partner in the provision of Medicaid and CHIP services…

Common criticisms of program integrity activities

- ! Creates access-to-care issues
- ! Results in diminished quality of services
- ! Impedes our ability to provide services in an efficient manner
- ! Results in denying services
- ! Adds another layer of red tape that states and providers do not have time for
- ! Upsets consumers and providers
- ! Only means "fraud, waste, and abuse"

Medicaid and CHIP
MAC
Learning Collaboratives

Program Integrity Helps State Medicaid/CHIP Agencies Accomplish Their Missions

Program Integrity Action	Program Outcome
Increasing programmatic savings and recovery of funds paid incorrectly	More money for services and ability to serve more beneficiaries
Streamlining processes	Improved beneficiary and provider satisfaction
Innovating services	Better outcomes and improved quality of care
Keeping bad actors out	Less risk of beneficiary harm
Containing unnecessary costs	Fewer taxpayer resources required
Implementing required program integrity initiatives	Compliance with federal mandates

Medicaid and CHIP
MAC
Learning Collaboratives

State Medicaid/CHIP Agencies Have Many Program Integrity Responsibilities

- **Examples include:**
  - Determining eligibility
  - Conducting provider screening and enrollment
  - Preventing improper payments
  - Identifying and mitigating fraud, waste, and abuse
  - Investigating allegations of fraud, waste, and abuse
  - Enhancing program quality monitoring
  - Coordinating between Medicaid and CHIP entities to ensure integrity

Medicaid and CHIP
MAC
Learning Collaboratives

CMS Also Has a Role in Medicaid/CHIP Program Integrity

- **CMS has several primary responsibilities for promoting program integrity, including:**
  - Providing effective support to states in their efforts to combat fraud, waste, and abuse among Medicaid/CHIP providers
  - Reviewing State Medicaid/CHIP agencies and providers' activities, auditing claims, identifying overpayments, and educating State Medicaid/CHIP agencies and providers on integrity issues related to Medicaid and CHIP (using TMSIS and other data sources)
  - Supporting and overseeing state efforts to eliminate and recover improper payments
  - Supporting and overseeing state efforts to conduct accurate eligibility determinations

- **As an example of how CMS furthers these goals, CMS released a new Medicaid Program Integrity Strategy in June 2018 that**:
  - Emphasizes stronger audit functions
  - Increases oversight over eligibility determinations
  - Enhances enforcement of state compliance with federal rules

Medicaid and CHIP
MAC
Learning Collaboratives

CMS's Medicaid Program Integrity Strategy

- **Examples of new program integrity initiatives:**
  - Strengthen the program integrity focus of the audits of state Federal Medical Assistance Percentage (FMAP) claiming and managed care rate setting
  - Conduct new audits of beneficiary eligibility determinations
  - Optimize state-provided claims and provider data
  - Enhance data sharing and collaboration
  - Publicly report state performance on the Medicaid and CHIP Scorecard

- **Examples of ongoing program integrity initiatives:**
  - Continued financial oversight
  - Payment Error Rate Measurement (PERM) program
  - Medicaid Eligibility Quality Control (MEQC) program
  - Medicaid Integrity Institute (MII)
  - Healthcare Fraud Prevention Partnership (HFPP)
  - Technical assistance efforts like the Medicaid and CHIP Learning Collaborative (MAC LC)

Medicaid and CHIP
MAC
Learning Collaboratives

The Relationship Between Program Integrity and Eligibility Processes

Why Program Integrity Matters in Medicaid/CHIP Eligibility Determinations

An accurate eligibility determination is beneficial for all

- **Eligibility processes**
  - Reviewing an initial application, verifying eligibility, and conducting redeterminations are the most effective ways to find and correct problems (such as beneficiary application errors, unreported changes, or potential fraud or abuse)

- **Beneficiary benefits**
  - Accurate eligibility determinations give beneficiaries access to the correct program, with the appropriate benefits, in the most effective and timely way possible

- **State and federal government benefits**
  - Accurate eligibility determinations prevent improper payments and can help contain costs, reduce improper payment rates, and keep resources available for beneficiaries who are truly eligible for them
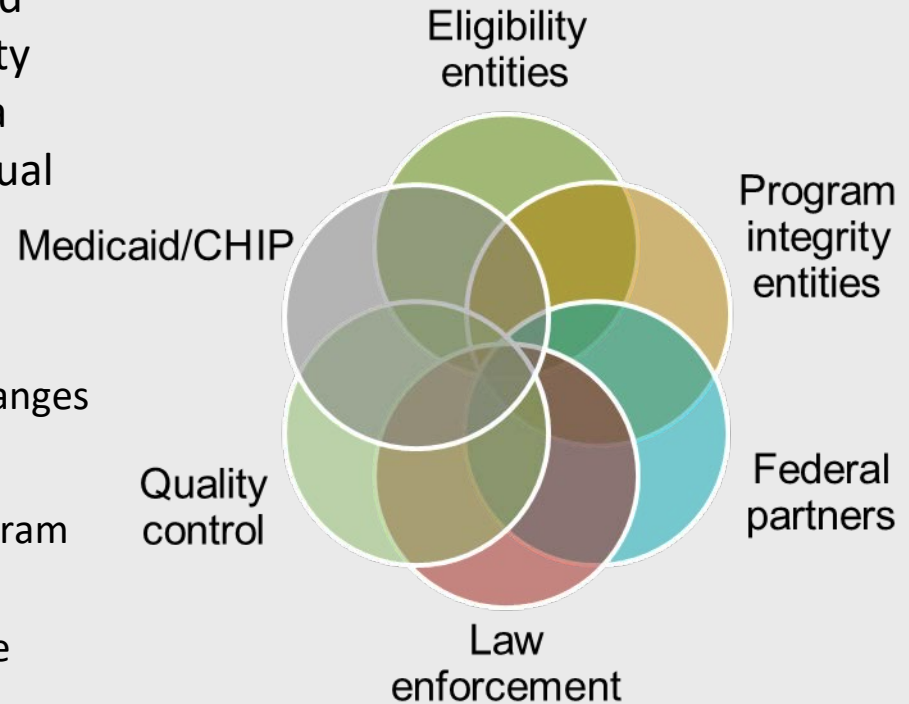
- **Taxpayer benefits**
  - Accurate eligibility determinations safeguard taxpayer dollars by helping to ensure that funds are provided only to people who are eligible for Medicaid or CHIP

Medicaid and CHIP
MAC
Learning Collaboratives

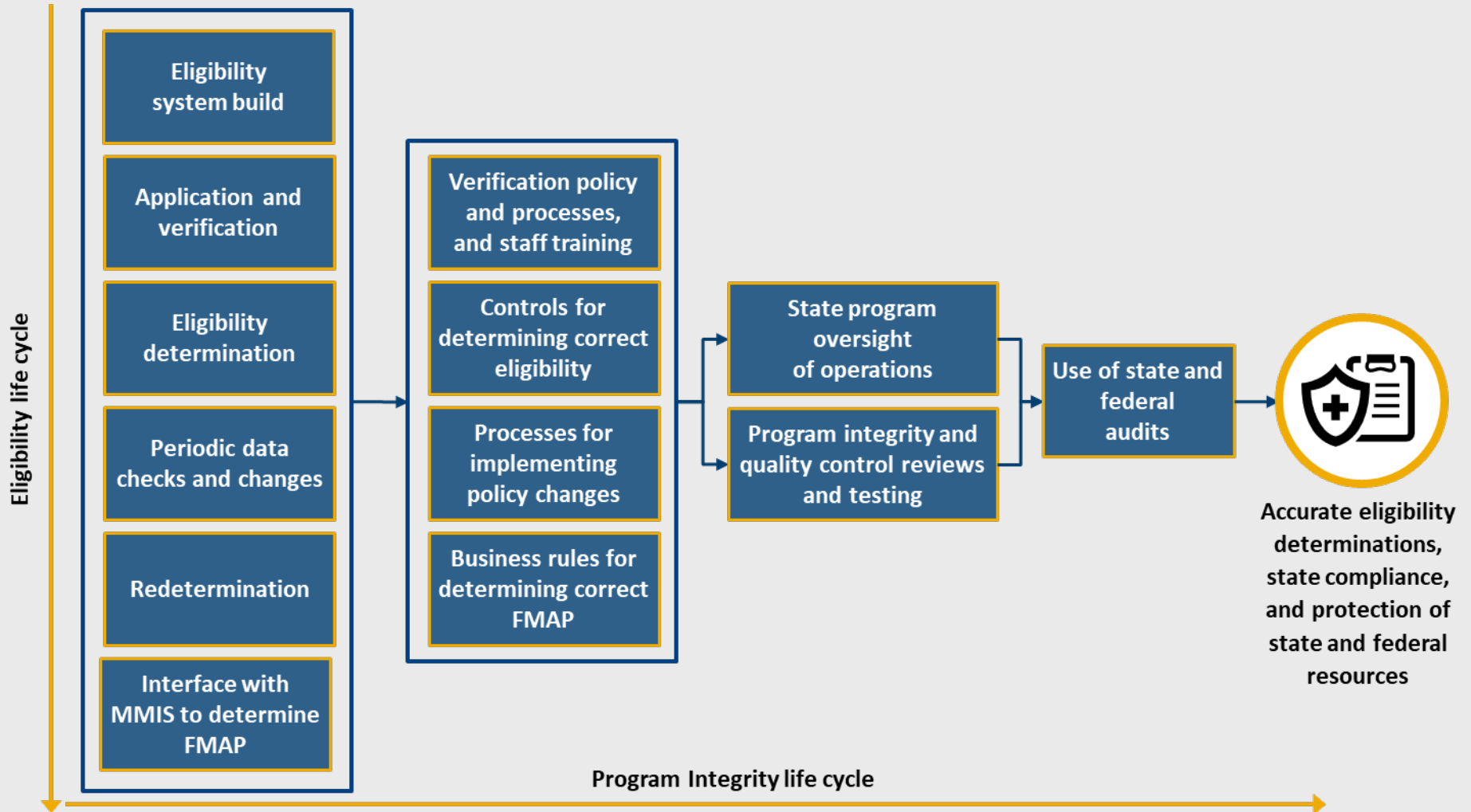# Collaboration is Required for Effective Program Integrity

Collaborating to align eligibility and program integrity

- Open and productive communication and collaboration between state and federal agencies involved in eligibility and program integrity can support a timely, accurate process and continual improvement

- Agency collaboration can include:
  - Effective communication of policy changes
  - Coordinated system testing
  - Consistent training that includes program integrity components
  - Root-cause identification, appropriate mitigation, and corrective action
  - Proper referral of potential fraud

Eligibility entities

Program integrity entities

Medicaid/CHIP

Federal partners

Quality control

Law enforcement

Medicaid and CHIP

MAC

Learning Collaboratives

How to Integrate Program Integrity and Eligibility

MMIS = Medicaid Management Information System

Key Eligibility and Integrity Issues:
Errors at Application and Enrollment

- **Issue:** Application errors, incorrect eligibility determinations (including assignment to incorrect eligibility categories), and incorrect financial evaluations can occur due to caseworker and system errors (note: these errors not only impact Medicaid and CHIP, but also other human services programs that may determine eligibility using information from Medicaid and CHIP)

- **Program integrity approaches that State Medicaid/CHIP agencies can use to prevent this error:**
  - Leverage real-time verifications – embed appropriate system rules, tests, and checks that validate information, reduce the opportunity for worker error, and streamline processes to limit manual work
  - Thoroughly test eligibility systems changes before approving deployment into production. States should utilize both automated and manual methods, and include regression testing of complex cases.
  - Effectively train caseworkers in eligibility policy and eligibility systems navigation, and to promptly recognize application errors and incorrect determinations
  - Implement procedures that enable caseworkers to report systems errors, process flaws, and policy vulnerabilities; inform caseworkers of policy and systems changes to reduce unintended effects

Medicaid and CHIP
MAC
Learning Collaboratives

Key Eligibility and Integrity Issues:
Eligibility Determination and Redetermination Timing

- **Issues:** Inconsistency in beneficiary eligibility and/or categorization can occur between a State Medicaid/CHIP agency eligibility system and the MMIS, such as when a beneficiary is found to be no longer eligible as part of a redetermination process but remains active in the MMIS. A high volume of manual overrides can impact the integrity of the programs, and can also indicate underlying issues

- **Program integrity approaches that State Medicaid/CHIP agencies can use to prevent this error:**
  - Implement interface verification and validation processes for data transfer between the State Medicaid/CHIP agency's eligibility systems and MMIS sufficient to ensure consistency, integrity and timeliness. These reconciliation processes should include activities that quickly identify and correct errors when they occur
  - Establish and maintain a rigorous testing methodology that ensures Medicaid enterprise system interface changes are tested and approved before being deployed into production. This methodology should include routine regression testing to ensure performance does not degrade over time
  - Take the time necessary to not only inform caseworkers of systems changes, but also to provide training specific to the functionality being introduced
  - Ensure caseworkers have sufficient time to make accurate eligibility determinations and that timely eligibility determinations do not result in inaccurate determinations
  - Ensure eligibility redeterminations are conducted timely per state and federal policy (at least once every 12 months)

Key Eligibility and Integrity Issues:
Assignment to Incorrect Eligibility

- **Issue:** Beneficiaries may be correctly found eligible for Medicaid or CHIP but assigned to an incorrect eligibility category, which can adversely impact access to services and/or proper claiming.

- **Program integrity approaches that State Medicaid/CHIP agencies can use to prevent this error:**
  - Establish and maintain a rigorous testing methodology that ensures all systems changes are tested and approved before being deployed into production. Testing methodology should include routine regression testing of complex cases to demonstrate performance, proper program enrollment and that claiming is maintained over time
  - Ensure the overall testing methodology includes processes as necessary to ensure proper consistency and reconciliation checks exist between eligibility and enrollment systems and the MMIS
  - Maximize electronic verification use and automation
  - Ensure that caseworkers are effectively trained in eligibility policy and eligibility system functionality; this is central to identifying and resolving this program integrity issue
  - Via job aides and trainings, ensure that caseworkers correctly verify eligibility categories at the end of the eligibility determination process and that the correct transmission is made to the MMIS
  - Implement procedures to enable caseworkers to report and escalate errors
  - Have supervisors and directors conduct routine checks

Medicaid and CHIP
MAC
Learning Collaboratives

Key Eligibility and Integrity Issues: Potential Fraud and Abuse

- **Issue:** Some individuals may intentionally commit fraud or abuse

- **Program integrity approaches that State Medicaid/CHIP agencies can use to prevent this error:**
  - Establish open and productive channels of communication between State Medicaid/CHIP agencies, program integrity units, and entities responsible for beneficiary fraud (inspector general, local law enforcement, CMS partners, etc.)
  - Establish criteria and protocols for identifying potential fraud and abuse
  - Develop a process for referrals that includes all aforementioned entities
  - Establish tracking mechanisms to monitor actions taken by all involved entities and ensure resolution
  - Train caseworkers on common areas of beneficiary fraud and ways to address suspected issues

Medicaid and CHIP
MAC
Learning Collaboratives

CIB: "Oversight of State Medicaid Claiming and Program Integrity Expectations"

Key Takeaways

The CIB emphasizes eligibility and program integrity expectations

- **Federal match expectations for states**
  - The CIB prioritizes an accurate eligibility determination to ultimately claim at the proper FMAP rate, particularly for the Medicaid adult expansion group

- **State assurances for state plan amendments (SPAs)**
  - The CIB identifies assurances that states should make submitting a SPA

- **Program readiness**
  - The CIB includes a program readiness checklist, which contains eligibility and program integrity elements that are critical for states to implement

- **Link to CIB:**
  - https://www.medicaid.gov/sites/default/files/Federal-Policy-Guidance/Downloads/cib062019.pdf

Medicaid and CHIP
MAC
Learning Collaboratives

Federal Match Provision

States should prioritize accurate federal matching claims

- State Medicaid agencies should test their eligibility systems to ensure that claims for federal financial participation (FFP) are paid at the statutorily authorized match rate

- State Medicaid agencies should document how their systems apply the correct eligibility category and claim at the correct FMAP rate

- State Medicaid agencies should ensure their overall testing methodology includes processes necessary to support proper reporting and demonstration of both performance and accuracy of eligibility determinations, program enrollment and FFP claiming

The CIB is available at: https://www.medicaid.gov/sites/default/files/Federal-Policy-Guidance/Downloads/cib062019.pdf

Medicaid and CHIP
MAC
Learning Collaboratives

State Plan Amendment (SPA) Expectations for State Medicaid Agencies

When submitting an applicable SPA, ensure:

- The state is in compliance with Section 1902(a)(4) of title XIX of the Social Security Act (SSA) regarding proper and efficient operation of the plan

- The state is in compliance with the requirements of Section 1903 of the SSA, including nonfederal share financing and the availability and limitations on FFP

- The state is in compliance with program integrity provisions in 42 CFR Part 455

- The single state agency and/or any agency delegated to make eligibility determinations is able to determine eligibility for everyone applying for or receiving benefits

- In accordance with 42 CFR 433.112(b)(14), the state's eligibility/enrollment and claims systems support accurate and timely processing and adjudications of eligibility determinations, as well as effective communications with providers, beneficiaries, and the public

- Staff understand SPA details so that they make sound decisions on policy, program, and process changes and do not put the state out of compliance

The CIB is available at: https://www.medicaid.gov/sites/default/files/Federal-Policy-Guidance/Downloads/cib062019.pdf

Program Readiness Requirements in the CIB

CIB checklist – Program and operational readiness

Ensuring accurate eligibility determinations
- System readiness testing and results
- Updates to eligibility policies and procedures are reflected in staff training
- Verification plan

Ensuring accurate claiming of FFP
- System readiness testing and results
- System documentation related to claiming for the adult group, if applicable

Program oversight
- Detailed program oversight monitoring plan
- Ability to share audit and testing results
- Data (performance data for submission)
- Program integrity provisions in contracts

Program integrity tools
- Previously completed beneficiary eligibility audit reports and quality reviews related to all Medicaid eligibility categories
- Trend analysis
- Corrective action plan

Financing
- State share

The CIB is available at: https://www.medicaid.gov/sites/default/files/Federal-Policy-Guidance/Downloads/cib062019.pdf

Medicaid and CHIP
MAC
Learning Collaboratives

Ensuring Accurate Eligibility Determinations

Systems Testing

- Establish and maintain a rigorous testing methodology that ensures changes to Medicaid Enterprise Systems (MES) are tested and approved before being deployed into production. This methodology should maximize use of automated testing protocols and include routine regression testing to ensure performance and accuracy over time does not degrade

- Technical, program, and business team collaboration
  - Involve all policy and operational teams in ensuring that test scenarios* and expected results** are accurate
  - Testing should reflect scenarios that the State Medicaid/CHIP agency expects in its processing of beneficiary eligibility, including first simple and then complex scenarios. It also should include testing for unintended consequences when a modification breaks system logic elsewhere

- Systems test plan(s) should include:
  - Descriptions of end-to-end verification and validation processes sufficient to ensure proper accuracy, integrity and timeliness of eligibility determinations, program enrollment and claiming. These processes should include reconciliation activities as necessary to quickly identify and correct errors when they occur
  - Descriptions of timeframes and resources related to each type of testing
  - Adequate time to resolve defects or make system changes needed as a result of testing

Testing is needed not just for new implementation but for ongoing changes, even for system maintenance

Medicaid and CHIP
MAC
Learning Collaboratives
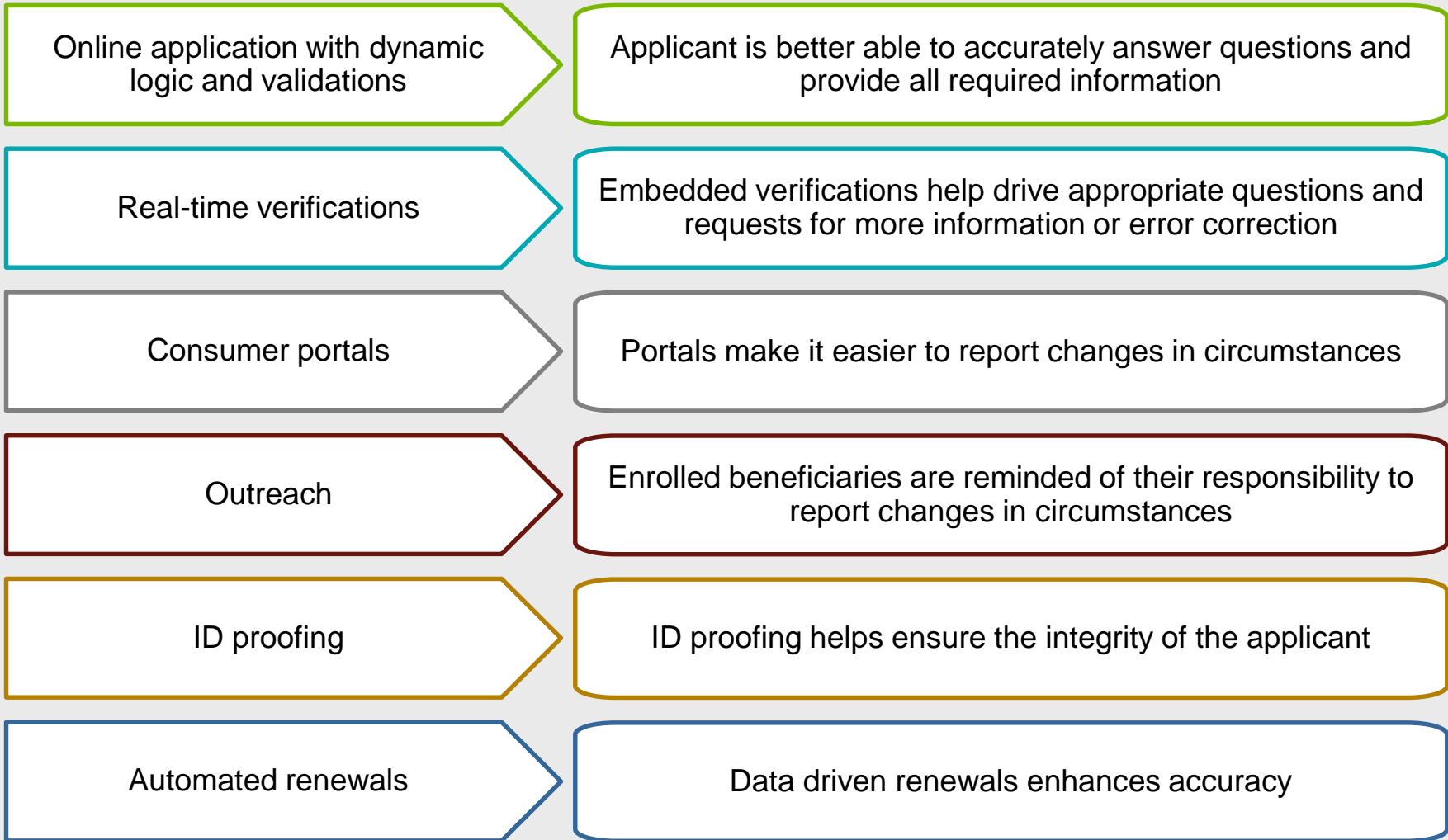
Effective Test-Case Scenarios and Results

- To build effective testing scenarios states should ensure that they are representative of real world circumstances, and that cases exist to exercise system functionality for both the most basic and most complex possibilities

- Scenarios should include:
  - ✓ Complex household composition
  - ✓ Multi-program eligibility within a household, including non-Medicaid/CHIP programs such as veteran's benefits or SNAP/TANF
  - ✓ Income and resource complexities

- Layer in change in circumstances to eligibility scenarios (e.g., income change, death of household member, new program eligibility for one or more members)

Medicaid and CHIP
MAC
Learning Collaboratives

Effective Test-Case Scenarios and Results, continued

26

- **Scenario outcome checklist**
  - ✓ Does the system follow the verification plan, consider all available and relevant information, query all electronic sources, and not rely solely on self-attestation or marketplace data?
  - ✓ Does the system act on changes in beneficiary eligibility data? This includes capturing income changes, sending discrepancy letters, and making changes to eligibility groups
  - ✓ Does the system flag if there are verifications outstanding, and indicate the time since when attempts have been made?
  - ✓ Does the system maintain documentation related to eligibility?
  - ✓ Does the system correctly automate processes that are prone to human error?
  - ✓ Does the system consider all available and relevant information and data sources, and incorporate all federal and state requirements, when determining Medicaid or CHIP eligibility?
  - ✓ Does the system prompt staff to verify beneficiary identification before making changes?

Eligibility Verification Plan: Promising Practices

- Use the verification plan to assess and determine verification options that optimize program integrity
  - *Note: The appendix of this deck includes references that depict possible data sources and system relationships, as well as an overview of verifications available by data source*

- Treat the verification plan as a living document and as the State Medicaid/CHIP agency's guiding authority for data sources used to verify beneficiary eligibility; State Medicaid/CHIP agencies should:
  - Put procedures in place for the policy team to periodically review and make timely updates when the state adopts new verification processes
  - Routinely cross-reference eligibility system functionality with the verification plan to ensure system logic matches the policy. Ensure testing plans include processes necessary to support timely and accurate verifications.
  - Incorporate verification plan policy into new caseworker and refresher trainings

Medicaid and CHIP
MAC
Learning Collaboratives

Operations that Support Accurate Eligibility Determinations

Online application with dynamic logic and validations	Applicant is better able to accurately answer questions and provide all required information
Real-time verifications	Embedded verifications help drive appropriate questions and requests for more information or error correction
Consumer portals	Portals make it easier to report changes in circumstances
Outreach	Enrolled beneficiaries are reminded of their responsibility to report changes in circumstances
ID proofing	ID proofing helps ensure the integrity of the applicant
Automated renewals	Data driven renewals enhances accuracy

Medicaid and CHIP
MAC
Learning Collaboratives

Leveraging Data Sources Effectively

Income/financial

- Electronic data sources: Multiple data sources may be effective—data age is critical to effectiveness
- Quarterly wage date, National New Hire Database, Equifax/Work Number, and other state sources often are most effective
- Documentation when reasonable compatibility cannot be confirmed
- Leverage for redeterminations
- Emphasize need for beneficiary self-reporting of changes in income

Citizenship

- Electronic data sources: Social Security Agency (SSA) for citizenship, Department of Homeland Security (DHS)/SAVE for naturalized citizens
- Documentation when citizenship can't be electronically verified
- Status as a U.S. citizen must not be reverified

Immigration status

- Electronic data sources: DHS/SAVE, up to three steps (Hub, GUI*, or direct connection)
- Documentation when satisfactory immigration status cannot be electronically verified
- Some beneficiaries with an expiring status may need reverification

*Graphical user interface option to access SAVE

Medicaid and CHIP
MAC
Learning Collaboratives

Leveraging Data Sources Effectively (continued)

Residency
- Electronic data sources: United States Postal Service (USPS) to check an address's validity, compare with other state data such as the Department of Motor Vehicles, other state programs
- Documentation may be requested

Eligibility for other coverage
- Electronic data sources: PARIS, Medicare, other state data
- Effective for periodic data checks and redeterminations
- Emphasize need for beneficiary self-reporting of changes in other coverage

Incarceration
- Electronic data sources: State and county/city correctional facilities, SSA

Deceased Beneficiaries
- Electronic data sources: SSA
- Effective for periodic data checks and redeterminations

Medicaid and CHIP
MAC
Learning Collaboratives

Making Eligibility Policy Changes

Comprehensive planning checklist

- **Policy impacts**
  - ✓ Does the change align with existing regulations, or implicate a need to change a regulation?
  - ✓ What changes need to be made to eligibility manuals and standard operating procedures?

- **Data Use Agreement (DUA) impacts**
  - ✓ Does the change require current DUAs to be updated?
  - ✓ Does the change require a new DUA?

- **Beneficiary outreach**
  - ✓ What proactive messaging is needed for beneficiaries or the public?
  - ✓ What needs to be modified on the website or issued in flyers or brochures?
  - ✓ What stakeholder collaboration is needed to ensure consistent messaging?
  - ✓ What changes are needed for help desk scripts?

- **Training**
  - ✓ Is special training needed? How is the change reflected in training materials?
  - ✓ Does the training outline what the change is, why it was made, and how it affects beneficiaries?
  - ✓ Does the training highlight any new areas of PI concern?

- **Collaboration**
  - ✓ Has the change been communicated to partner agencies engaged with eligibility determinations, provider community, payment agencies, etc.?

Medicaid and CHIP
MAC
Learning Collaboratives

Making Eligibility Policy Changes in Systems

Comprehensive planning checklist – systems

- **End-to-end system considerations**
  - ✓ Does this change affect the user interface or application?
  - ✓ What business requirements are needed to change the system?
  - ✓ Will this change integrate with current data? How?
  - ✓ What connected or related systems might be affected?

- **Engagement**
  - ✓ What business and policy stakeholders (including external entities) should be engaged in development and testing?

- **Testing**
  - ✓ What timing considerations for code drop/go-live need to be considered?
  - ✓ What new test cases need to be developed?
  - ✓ What new test data are needed to support the testing?

- **Mitigation plan**
  - ✓ What will be the process if the change implementation does not go as expected?
  - ✓ What is the process to communicate the mitigation plan to key stakeholders?

Ensuring Accurate Claiming of FMAP

Eligibility, Enrollment and Claiming within the MES

Ensuring beneficiaries are in the correct eligibility group and that FMAP claims are accurate

| MES processes eligibility determination | → | Enrollment is coded and stored in MES | → | MES data are used by CMS for FMAP |

✓ It is critical that State Medicaid/CHIP agencies work with their technical teams to ensure processes are established to support ensuring proper consistency and reconciliation checks exist between all aspects of the MES

✓ Establish procedures for routine caseworker checks into MES systems at initial eligibility determination to verify successful transmissions

Medicaid and CHIP
MAC
Learning Collaboratives

Systems Operational Testing

Ensure program integrity and accurate claiming of FMAP

- States must be able to demonstrate the operational capacity to claim the appropriate FMAP

  - Design the system upfront with the logic necessary to receive and maintain the correct data and assess eligibility in the order that ensures accurate placement

  - Work with developers to create a realistic implementation time table for system building and changes, allowing time for troubleshooting and thorough testing before going live

  - Create a comprehensive test plan specific to the environment that describes the end-to-end testing strategy

  - Ensure the testing plan accounts for placing beneficiaries into the correct eligibility category for FMAP purposes, including placing beneficiaries into categories that have implications for claiming the Medicaid FMAP versus the enhanced CHIP match

  - Ensure tests include and check for interfaces with systems (e.g., MMIS) that perform payment operations and support claiming at the appropriate FMAP or administrative federal matching rate

  - In addition to routine regression processes, comprehensive test plans should describe the methodology for reviewing sample cases from recent production to demonstrate proper program enrollment and claiming is being maintained over time

Medicaid and CHIP
MAC
Learning Collaboratives

How States Can Meet CMS's Expectations

Demonstrating the effectiveness of claiming processes

- For the adult group (VIII Group), document how the system is applying the threshold methodology to correctly claim increased FMAP, including:
  - Mapping MMIS interactions with the eligibility system
  - Illustrating how the business requirements result in accurate FMAP claiming
  - Demonstrating (1) the ability to distinguish people in the adult group as newly eligible or not newly eligible and (2) the method for flagging people in the state's system

- Highlight any CHIP-specific program integrity considerations, such as ensuring that Medicaid expansion CHIP beneficiaries with insurance are not being claimed at the enhanced match

- Maintain documentation supporting all eligibility determinations, in accordance with 42 CFR 435.914; this information is critical to ensure state compliance with FMAP requirements and will aid the state during eligibility audits

- Provide documentation that clearly articulates testing plans and results as well as any illustrative reports that show the effectiveness of testing and actions taken to address testing defects

Medicaid and CHIP
MAC
Learning Collaboratives

Program Oversight Monitoring

Program Oversight Monitoring Plan

Although optional, a program oversight monitoring plan can help a state establish regular activities, support cross-team coordination and promote partnership with CMS

1. Establish sampling methodologies

- ✓ Coordinate with the state's data team to identify specific eligibility categories in MES to audit
- ✓ Establish a standard sample size

2. Identify differences by delivery system

- ✓ Identify beneficiaries in FFS and managed care, as applicable
- ✓ Stratify findings by delivery system to identify gaps and trends unique to FFS and managed care

3. Establish ongoing audit and monitoring activities

- ✓ Establish monitoring cadence (monthly, quarterly)
- ✓ Outline procedures for team review/assessment of the audit sample to ensure that audits follow established procedures for determining if the original determination was done correctly

4. Address issues and share findings with CMS

- ✓ Describe how the State Medicaid/CHIP agency will review findings with state leadership
- ✓ Describe the action plan to address issues
- ✓ Use past audits to identify trends and any gaps
- ✓ Share findings with CMS and provide clear documentation

Medicaid and CHIP
MAC
Learning Collaboratives

Program Oversight Monitoring Tools

- **State Medicaid/CHIP agencies have a variety of program integrity tools at their disposal and could use them to improve their monitoring plans:**
  - Previously completed beneficiary eligibility audit reports and quality reviews related to all covered Medicaid eligibility categories
    - Leverage PERM, MEQC, or any other audit or review findings to identify areas for monitoring
  - Performance indicator data
  - Review trend analyses for eligibility-related fraud, waste, and abuse
  - Corrective action plans and other enforcement mechanisms
    - Develop and use meaningful corrective action plans related to beneficiary eligibility as a result of PERM, MEQC, or other audit or review findings
  - 2016 managed care final rule
    - Include program integrity and eligibility provisions in contracts and hold Managed Care Organizations (MCOs) accountable for implementation, compliance, and reporting

Medicaid and CHIP
MAC
Learning Collaboratives

Program Oversight Monitoring: Sharing Information

- After conducting audits, State Medicaid/CHIP agencies can document on a monthly basis the corrective actions they implement. State Medicaid/CHIP agencies can submit this documentation to CMS through their established channels of communication

- CMS expects State Medicaid/CHIP agencies to submit required performance indicator data to CMS, including information on the timeliness of eligibility determinations. CMS expects State Medicaid/CHIP agencies to monitor these data to ensure continued accurate system operations

- For expansion SPAs - CMS expects State Medicaid/CHIP agencies to share audit, review, and systems testing results as well as any corrective action plans, as they are approved and implemented, with CMS for at least one year after an approved expansion SPA related to eligibility or financial management has been implemented, and at least annually thereafter

State Spotlights

State Interviews: Arizona and Pennsylvania

- Arizona and Pennsylvania agreed to be interviewed about their challenges and solutions regarding:
  - Eligibility and program integrity integration
  - Eligibility accuracy
  - FFP claiming accuracy
  - Program oversight monitoring

- The following slides outline key lessons learned from these two states – their key challenges, how they have addressed those challenges and state-specific successful initiatives

Medicaid and CHIP
MAC
Learning Collaboratives

Top Three Program Integrity Challenges Faced

Arizona

1. Lack of clear communication between the applicant and State Medicaid/CHIP agency during the eligibility process

2. Intentional attempts to commit fraud

3. Limited data availability for some eligibility criteria, such as income for the self-employed

Pennsylvania

1. Beneficiaries failing to report changes in a timely manner

2. Caseworker workload and impact on State Medicaid/CHIP agency's response times

3. Lack of access to real-time verification data; not all information available at the time of eligibility determination

Promising Practices to Address These Challenges

Key themes of success

- **Coordination and collaboration across teams**
  - Policy, technical, caseworker, and other internal staff work together on audits, changes (requirements, testing, and implementing a change), and ongoing process improvement
  - Leaders establish effective channels of communication and continue to actively integrate and coordinate, internally and externally

- **Robust training**
  - Integrate program integrity into eligibility training
  - Invest in substantial training for new staff, continual access to on-demand training, and required refreshers for existing staff
  - Integrate training into eligibility policy materials
  - Present real-life examples and simulations, including use of the system itself, to ensure effective training
  - Coordinate oversight and monitoring with training so that issues addressed in the program are also reflected in the training, in addition to caseworker-specific follow-up

> ✓ **PA coordinates among 116 eligibility offices**
>
> ✓ **AZ widely communicates planned changes and any errors found, including interim/mitigation processes**

> ✓ **PA includes in its training how a $1 error in eligibility cascades through the system**
>
> ✓ **AZ highlights program integrity reminders for high-risk areas in its eligibility policy manual**

Medicaid and CHIP
MAC
Learning Collaboratives

Promising Practices to Address These Challenges, cont.

Key themes of success

- **Effective approach to data**
  - Creating one version of the truth—integrated data and systems
  - Focusing on the effectiveness of data—balancing the usefulness of the information with the cost to the agency and the burden to the beneficiary
  - Developing real-time automation for data whenever possible
    - Minimize State Medicaid/CHIP agency manual processes
    - Maximize resources for more complex situations
  - Accessing data already available in the state for other programs
  - Testing and reporting regularly to catch errors early and monitor for trends

  > ✓ **PA offers the beneficiary the option of using data already on file**
  >
  > ✓ **AZ runs a daily, early morning system regression test**

- **Audits and oversight seen as an opportunity to improve**
  - Invest in teaching eligibility policies and processes for more useful results
  - Invest in reviewing and learning from audit results

- **Engagement of MCOs**
  - Ensure coordinated data handoffs so that both parties are aware of changes in circumstances
  - Require MCOs to report fraud, waste, abuse, and overpayments
  - Oversee MCOs to ensure they are following contractual obligations

Medicaid and CHIP
MAC
Learning Collaboratives

Spotlight on Arizona

Advice for program integrity and eligibility improvement

1. Trust only what you can verify

2. Leverage audits and follow up with action plans

3. Train staff and implement strict enforcement of State Medicaid/CHIP agency procedures

Ticketing system for ongoing monitoring and improvement

A help desk is available to answer field staff questions; a ticket is created when they cannot answer a question

- ✓ Tickets are reviewed and triaged weekly by a collaborative team (policy, training, operations, systems help desk, etc.)

- ✓ Team representatives have the authority to make effective changes and to act on the results from the triage

- ✓ This triage takes only an hour per week

- ✓ Ticket follow-up may include a system change or training input

- ✓ Tickets are given a priority level for system and testing teams

Medicaid and CHIP
MAC
Learning Collaboratives

Spotlight on Pennsylvania

Advice for program integrity and eligibility improvement

1. Continual policy reviews are critical to address weaknesses found in case reviews

2. Leaders must speak with one voice on program integrity and be open to criticism and willing to fix problems as identified

3. An integrated eligibility system is vital to success

Intrastate Coordination

Pennsylvania benefits from many entities - Medicaid, CHIP, eligibility, and program integrity - working together

✓ Eligibility policy, operations, systems, and program evaluation all work together

✓ Eligibility office coordinates with Medicaid office, CHIP, state inspector general, the program integrity entity, and MCOs

✓ DHS leadership is engaged and receives frequent updates

✓ Pennsylvania educates the legislature through Act 22 report highlighting use of data sources and the resulting impact

✓ Integrated eligibility system results in one source of truth for Medicaid, CHIP, SNAP, TANF, LIHEAP, etc.
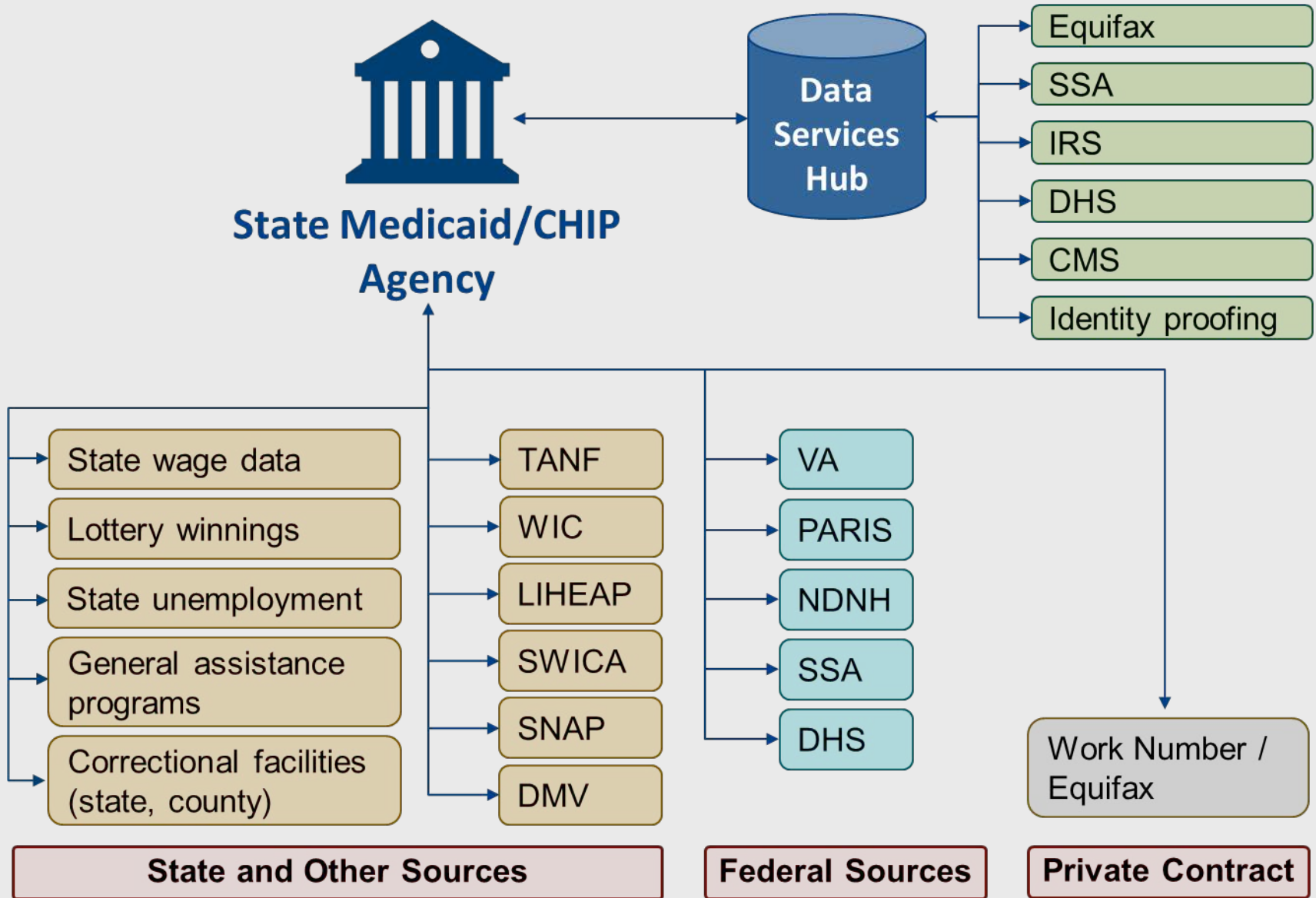
Medicaid and CHIP
MAC
Learning Collaboratives

Discussion

THANK YOU!

If you have any updates to your contact information or
would like more information on Coverage LC meetings, please contact
MACLC@mathematica-mpr.com.

Appendix: Eligibility Verification Resources

Determining Eligibility: Using Verification Data

Database	Financial	Citizenship	Immigration status	Residency	Age	Medicare	Other benefits	Other
Social Security Administration	X	X			X	X		Death, Supplemental Security Income, Social Security number validation, incarceration, quarters of coverage
Department of Homeland Security	.	X	X	.	.	.	.	.
Internal Revenue Service	X							
Equifax/Work Number	X	.	.	.	.	.	.	Employer
CMS (Hub Services)						X		
National Database of New Hires	X	.	.	.	.	.	.	.
Public Assistance Reporting Informational System				X			X	
Department of Motor Vehicles	.	.	.	X	X	.	.	.
Vital Statistics		X			X			Date of birth

Notes:

- This chart summarizes the data available for each source; the data available for SSA, DHS, IRS, and Equifax may vary if received through the Hub versus through a direct connection between the agency/company and the state, and state-level data may vary by state and data source.
- State Medicaid/CHIP agencies should refer to their data use agreements/computer matching agreements regarding the allowable usage of each data connection.

Medicaid and CHIP
MAC
Learning Collaboratives

Determining Eligibility: Using Verification Data (continued)

Database	Financial	Citizenship	Immigration status	Residency	Age	Medicare	Other benefits	Other
SWICA (state wage)	X							
Unemployment Agency	X	.	.	.	.	.	.	.
Lottery	X							
Office of Child Support Enforcement	X	.	.	.	.	.	.	.
Women, Infants, and Children				X	X			Date of birth, address
State and county correctional facilities	.	.	.	.	.	.	.	Incarceration
SNAP/TANF	X			X				
Asset Verification System	X	.	.	.	.	.	.	.
State tax data	X			X				
Department of Veterans Affairs	.	.	.	.	.	.	X	.

Notes:

- This chart summarizes the data available for each source; the data available for SSA, DHS, IRS, and Equifax may vary if received through the Hub versus through a direct connection between the agency/company and the state, and state-level data may vary by state and data source.
- State Medicaid/CHIP agencies should refer to their data use agreements/computer matching agreements regarding the allowable usage of each data connection.

Medicaid and CHIP
MAC
Learning Collaboratives