

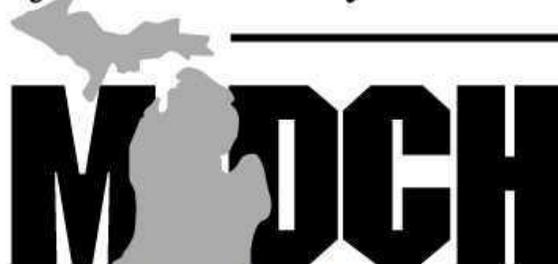
MICHILD EXTERNAL QUALITY REVIEW

(FY2011 Appropriation Bill - Public Act 187 of 2010)

Upon Completion

Section 1670: (1) The appropriation in part 1 for the MICHild program is to be used to provide comprehensive health care to all children under age 19 who reside in families with income at or below 200% of the federal poverty level, who are uninsured and have not had coverage by other comprehensive health insurance within 6 months of making application for MICHild benefits, and who are residents of this state. The department shall develop detailed eligibility criteria through the medical services administration public concurrence process, consistent with the provisions of this article. Health coverage for children in families between 150% and 200% of the federal poverty level shall be provided through a state-based private health care program. (2) The department may provide up to 1 year of continuous eligibility to children eligible for the MICHild program unless the family fails to pay the monthly premium, a child reaches age 19, or the status of the children's family changes and its members no longer meet the eligibility criteria as specified in the federally approved MICHild state plan. (3) Children whose category of eligibility changes between the Medicaid and MICHild programs shall be assured of keeping their current health care providers through the current prescribed course of treatment for up to 1 year, subject to periodic reviews by the department if the beneficiary has a serious medical condition and is undergoing active treatment for that condition. (4) To be eligible for the MICHild program, a child must be residing in a family with an adjusted gross income of less than or equal to 200% of the federal poverty level. The department's verification policy shall be used to determine eligibility. (5) The department shall enter into a contract to obtain MICHild services from any HMO, dental care corporation, or any other entity that offers to provide the managed health care benefits for MICHild services at the MICHild capitated rate. As used in this subsection: (a) "Dental care corporation", "health care corporation", "insurer", and "prudent purchaser agreement" mean those terms as defined in section 2 of the prudent purchaser act, 1984 PA 233, MCL 550.52. (b) "Entity" means a health care corporation or insurer operating in accordance with a prudent purchaser agreement. (6) The department may enter into contracts to obtain certain MICHild services from community mental health service programs. (7) The department may make payments on behalf of children enrolled in the MICHild program from the line-item appropriation associated with the program as described in the MICHild state plan approved by the United States department of health and human services, or from other medical services. (8) The department shall assure that an external quality review of each MICHild contractor, as described in subsection (5), is performed, which analyzes and evaluates the aggregated information on quality, timeliness, and access to health care services that the contractor furnished to MICHild beneficiaries. (9) The department shall develop an automatic enrollment algorithm that is based on quality and performance factors.

*Michigan Department
of Community Health*



Rick Snyder, Governor

Olga Dazzo, Director

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Olga Dazzo, Director**

2010–2011 MICHILD EXTERNAL QUALITY REVIEW TECHNICAL REPORT

April 2012



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Purpose of Report

The State of Michigan, in compliance with federal regulations, requires an annual external quality review (EQR) of each medical and dental contractor with the MICHild health insurance program to analyze and evaluate the quality and timeliness of, and access to, health care services furnished by the contractor to MICHild beneficiaries.

To meet the EQR requirement, the State of Michigan Department of Community Health (MDCH) contracted with Health Services Advisory Group, Inc. (HSAG), an external quality review organization (EQRO), to conduct the validation of performance measures and to prepare the annual report.

MICHild is Michigan's implementation of the Children's Health Insurance Program (CHIP), a health care program jointly financed by federal and state governments and administered by the states. Originally created in 1997, CHIP targets uninsured children in families with incomes too high to qualify for Medicaid programs, but often too low to afford private coverage. Within federal guidelines, each State determines the design of its individual CHIP program, including eligibility parameters, benefit packages, payment levels for coverage, and administrative procedures. MICHild began in 1998 and provides health insurance to children of low-income and moderate-income families through ten medical and three dental contractors represented in this report:

- ◆ Blue Cross Blue Shield of Michigan (MBCM)
- ◆ Grand Valley Health Plan (MGVH)
- ◆ HealthPlus of Michigan (MHPL)
- ◆ Midwest Health Plan (MMID)¹
- ◆ Molina Healthcare of Michigan (MMOL)
- ◆ OmniCare Health Plan (MOCH)²
- ◆ Priority Health Government Programs (MPRI)
- ◆ Total Health Care (MTHC)
- ◆ UnitedHealthcare Great Lakes Health Plan, Inc. (MGLH)²
- ◆ Upper Peninsula Health Plan (MUPP)
- ◆ Blue Cross Blue Shield of Michigan (Dental) (MDBC)
- ◆ Delta Dental Plan of Michigan (MDDM)
- ◆ Golden Dental Plan (MGDP)

¹ Enrollment of MICHild members began on May 1, 2011

² Enrollment of MICHild members began on November 1, 2010

Scope of External Quality Review (EQR) Activities Conducted

This EQR technical report analyzes and aggregates data from two of the three mandatory EQR activities, as listed below:

- ◆ **Compliance Monitoring:** MDCH evaluated the compliance of the MICHild contractors with federal Medicaid managed care regulations using a compliance review process. HSAG examined, compiled, and analyzed the results as presented in the contractor-specific compliance review documentation provided by MDCH.
- ◆ **Validation of Performance Measures:** HSAG conducted the validation activities as outlined in the Centers for Medicare & Medicaid Services (CMS) protocol for validating performance measures.
- ◆ **Validation of Performance Improvement Projects (PIPs):** At the time of this report, the MICHild contractors had not yet begun to conduct a PIP.

Summary of Findings

The following is a statewide summary of the conclusions drawn regarding the MICHild contractors' performance in 2010–2011. Appendices A–M contain detailed, contractor-specific findings and Section 3 presents detailed statewide findings.

Compliance Reviews—MICHild Medical Contractors

MDCH completed a follow-up review for the seven medical contractors that were part of the MICHild program during the prior-year review cycle to assess their progress in implementing corrective actions resulting from the 2009–2010 annual compliance reviews. The 2010–2011 compliance reviews focused on those criteria for which the contractors had received a score of *Incomplete* or *Fail* in the prior review cycle on the following six standards: *Administrative, Provider, Member, Quality Assurance and Utilization Management, MIS/Data Reporting/Claims Processing, and Fraud and Abuse*.

Overall, MICHild medical contractors were successful in addressing the recommendations for improvement. Four of the medical contractors demonstrated full compliance with all criteria assessed, while three contractors received at least one continued recommendation. Performance on the *Administrative* and *Fraud and Abuse* standards was strong. As most contractors had demonstrated full compliance with the requirements related to these standards during the last review, only a few corrective actions were required; and contractors received a score of *Pass* for each of the criteria reviewed. The medical contractors demonstrated strong performance on the *Member* and *Quality Assurance/Utilization Management* standards, with almost all criteria reviewed receiving a score of *Pass*. Continued recommendations for the *Provider* and *MIS/Data Reporting/Claims Processing* standards reflected continued opportunities for improvement.

Compliance Reviews—MICHild Dental Contractors

MDCH completed a follow-up review to assess the MICHild dental contractors' progress in implementing corrective actions resulting from the 2009–2010 annual compliance reviews. The 2010–2011 compliance reviews focused on those criteria for which the contractors had received a score of *Incomplete* or *Fail* in the prior review cycle on the following five standards: *Administration, Provider, Enrollee Services, Quality Assurance and Utilization Management, and Fraud and Abuse*.

Overall, dental contractors were successful in addressing the recommendations for improvement. All dental contractors achieved a score of *Pass* for at least two-thirds of the criteria included in the follow-up review. None of the dental contractors demonstrated full compliance with all criteria assessed, and there was at least one continued recommendation for at least one of the contractors on each of the five standards. Performance on the *Administration* and *Quality Assurance/Utilization Management* standards reflected the most improvement, with two of the three dental contractors successfully addressing the prior recommendations. The *Enrollee Services* standard represented the largest opportunity for improvement, with continued recommendations for one-third of the criteria assessed.

Validation of Performance Measures

HSAG conducted the performance measure validation activities as outlined in the CMS publication, *Validating Performance Measures: A Protocol for Use in Conducting External Quality Review Activities, Final Protocol, 2002*, for all MICHild medical contractors.

MDCH developed and defined four performance measures for reporting—as shown in Table 1-1—and calculated the plan-specific results using encounter data submitted by the MICHild medical contractors. HSAG assessed several crucial aspects of the calculation of performance measures and determined that MDCH’s processes for data integration and data control, as well as the documentation of performance measure calculations, were acceptable. MDCH worked to resolve all issues identified in the prior-year validation activities. Noted strengths identified in the 2010–2011 validation included the monthly monitoring of contractors’ encounter data submissions through monitoring reports that included a summary of timeliness and completeness of the data submitted, an established process for resolving data submission issues, and an automated process for calculating the performance measures and monthly composite reports. Recommendations based on the validation results included that MDCH should document any changes or problems that occur as a result of the transition to the HIPAA 5010 standards and consider a minimum denominator for including contractors’ rates in the reporting of well-child measures.

The validation activities for SFY 2010–2011 indicated that performance measures were fully compliant with MDCH specifications.

MDCH monitored the performance of the MICHild medical contractors and specified a minimum performance standard for the four key performance measures. Table 1-1 presents the statewide results for contractors meeting the specified standards, showing for each measure the high and low percentage of the MICHild medical contractors meeting the MDCH standard for the reporting periods in the SFY, as well as the aggregated total across all contractors for the entire SFY.

Table 1-1—Percentage of Contractors Meeting the MDCH Standard During SFY 2010–2011		
	Range of Contractors’ Results	Total Across All Contractors
<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	80%–100%	96%
<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	0%–86%	46%
<i>Encounter Data Reporting—Institutional and Professional</i>	50%–100%	85%
<i>Encounter Data Reporting—Pharmacy</i>	30%–71%	56%
Note: Results for the performance measures were based on varying numbers of MICHild medical contractors, as two of the contractors did not yet have an eligible population for reporting well-child measures for the first quarter of the SFY, and three additional contractors that began enrollment of MICHild members during the SFY were added to the reporting of encounter measures.		

Quality, Timeliness, and Access

The annual compliance review of the MICHild contractors showed strong performance across the domains of **quality**, **timeliness**, and **access**. Contractors were successful in implementing corrective actions resulting from the 2009–2010 annual compliance reviews. The compliance review results further indicated opportunities for improvement across the **quality**, **timeliness** and **access** domains.

Results for the well-child visits measures reflected mixed results. While statewide performance for the reporting period on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure met the MDCH performance standard, results for *Well-Child Visits in the Seventh Through Eleventh Years of Life* were markedly lower. These results reflected opportunities for improvement in the **quality** domain.

Table 1-2 shows HSAG’s assignment of the compliance review standards and performance measures into the domains of **quality**, **timeliness**, and **access**.

Table 1-2—Assignment of Activities to Performance Domains			
Compliance Review Standards—Medical	Quality	Timeliness	Access
Standard 1. <i>Administrative</i>	✓		
Standard 2. <i>Provider</i>	✓	✓	✓
Standard 3. <i>Member</i>	✓	✓	✓
Standard 4. <i>Quality Assurance/Utilization Management</i>	✓		✓
Standard 5. <i>MIS/Data Reporting/Claims Processing</i>	✓	✓	
Standard 6. <i>Fraud and Abuse</i>	✓	✓	✓
Performance Measures—Medical ³	Quality	Timeliness	Access
<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	✓		
<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	✓		
Compliance Review Standards—Dental	Quality	Timeliness	Access
Standard 1. <i>Administration</i>	✓		
Standard 2. <i>Provider</i>	✓	✓	✓
Standard 3. <i>Enrollee Services</i>	✓	✓	✓
Standard 4. <i>Quality Assurance/Utilization Management</i>	✓		✓
Standard 5. <i>Fraud and Abuse</i>	✓	✓	✓

³ Two additional performance measures reported by MDCH (*Encounter Data Reporting—Professional and Institutional* and *Encounter Data Reporting—Pharmacy*) monitor data capture only and do not address performance related to the quality and timeliness of, or access to, services provided to MICHild enrollees.

Introduction

This section describes the manner in which HSAG examined the results of the compliance review activities, conducted the validation of performance measures activities, analyzed the resulting data from the two EQR activities, and drew conclusions as to the quality and timeliness of and access to care furnished by the MICHild contractors.

Compliance Monitoring

Objectives

This is the second year that MDCH has performed an evaluation of the MICHild contractors' compliance. The results from these reviews inform MDCH and the medical and dental contractors of areas of strength and opportunities for improvement.

MDCH and the MICHild contractors use the information and findings from the compliance reviews to:

- ◆ Evaluate the quality and timeliness of and access to health care furnished by the contractors.
- ◆ Identify, implement, and monitor system interventions to improve quality.
- ◆ Evaluate the current performance processes.
- ◆ Plan and initiate activities to sustain and enhance current performance processes.

Technical Methods of Data Collection

MDCH conducted the annual compliance reviews of the MICHild contractors from November 2010 through September 2011.

For the 2010–2011 compliance reviews, MDCH focused on those criteria for which the MICHild had received a score of *Incomplete* or *Fail* during the prior-year review. MDCH also assessed each dental MICHild contractor's compliance with one criterion on the *Administrative* standard, which was considered mandatory for review regardless of the contractor's prior performance.

For the 2011 compliance reviews, MDCH continued to use the previously developed tool for the medical contractors, but revised the compliance review tool for the dental contractors by combining several of the subcriteria for some areas into one criterion.

The review tools focused on contractual requirements in the following areas:

For MICHild medical contractors:

1. *Administrative*
2. *Provider*
3. *Member*
4. *Quality Assessment/Utilization Management*
5. *MIS/Data Reporting/Claims Processing*
6. *Fraud and Abuse*

For MICHild dental contractors:

1. *Administration*
2. *Provider*
3. *Enrollee Services*
4. *Quality Assessment/Utilization Management*
5. *Fraud and Abuse*

Description of Data Obtained

To assess the MICHild contractors' compliance with requirements, MDCH obtained information from a wide range of written documents produced by the contractors, including:

- ◆ Policies and procedures
- ◆ Current quality assessment and performance improvement (QAPI) programs
- ◆ Minutes of meetings of the governing body, quality improvement (QI) committee, compliance committee, utilization management (UM) committee, credentialing committee, and peer review committee
- ◆ QI work plans, utilization reports, provider and member profiling reports, QI effectiveness reports
- ◆ Internal auditing/monitoring plans, auditing/monitoring findings
- ◆ Claims review reports, prior-authorization reports, complaint logs, grievance logs, telephone contact logs, disenrollment logs, MDCH hearing requests, medical record review reports
- ◆ Provider service and delegation agreements and contracts
- ◆ Provider files, disclosure statements, current sanctioned/suspended provider lists
- ◆ Organizational charts
- ◆ Fraud and abuse logs, fraud and abuse reports
- ◆ Employee handbooks, fliers, employee newsletters, provider newsletters, Web sites, educational/training materials, and sign-in sheets
- ◆ Member materials, including welcome letters, member handbooks, member newsletters, provider directories, and certificates of coverage
- ◆ Provider manuals

Prior to the scheduled compliance review, each MICHild contractor received the review tool with instructions for entering the required information. Following the compliance review, MDCH completed the section for State findings, assigned a score for each criterion, and—for medical contractors—summarized each of the contractors' focus studies in a focus study report.

HSAG examined, compiled, and analyzed the review results as contained in the compliance review documentation submitted by MDCH.

Data Aggregation, Analysis, and How Conclusions Were Drawn

MDCH reviewers used the review tool for each MICHild contractor to document their findings and to identify, when applicable, specific action(s) required of the plan to address any areas of noncompliance with contractual requirements.

For each criterion reviewed, MDCH assigned one of the following scores:

- ◆ *Pass*—The contractor demonstrated full compliance with the requirement(s)
- ◆ *Incomplete*—The contractor demonstrated partial compliance with the requirement(s)
- ◆ *Fail*—The contractor failed to demonstrate compliance with the requirement(s)

For the current review cycle, only a subset of the criteria was included in the review; and the criteria assessed by MDCH varied among the contractors. Therefore, HSAG could not calculate a total compliance score for each standard or an overall score for each contractor across all six standards.

To draw conclusions and make overall assessments about the **quality** and **timeliness** of, and **access** to, care provided by the MICHild contractors using findings from the compliance reviews, the standards were categorized to evaluate each of these three domains. Using this framework, Table 1-2 (page 1-5) shows HSAG's assignment of standards to the three domains of performance.

Validation of Performance Measures

Objectives

In 2010, federal regulations required a validation of performance measures for all contracted CHIP managed care programs. MDCH contracted with HSAG to conduct the validation. HSAG conducted the validation activities as outlined in the CMS publication, *Validating Performance Measures: A Protocol for Use in Conducting External Quality Review Activities*, Final Protocol, Version 1.0, May 1, 2002 (CMS PMV protocol). HSAG presented its findings in the *State Fiscal Year 2011 Validation of Performance Measures Report for MICHild Managed Care Plans*, which served as the basis for the performance measure results presented in this technical report.

Technical Methods of Data Collection and Analysis

The CMS PMV protocol identified key types of data that should be reviewed as part of the validation process. The list below indicates the type of data collected and how HSAG conducted an analysis of this data:

- ◆ The *Information Systems Capabilities Assessment Tool (ISCAT)* or the *HEDIS Record of Administration, Data Management, and Processes (Roadmap)* was requested and received from all contracted MICHild health plans. Upon receipt by HSAG, the ISCAT/Roadmap underwent a cursory review to ensure that all sections were completed and all attachments were present. The documentation was then forwarded to the validation team for review. The validation team reviewed all ISCAT/Roadmap documents, noting issues or items that needed further follow-up. The validation team used information included in the ISCAT/Roadmap to begin completion of the review tools, as applicable.
- ◆ The *Final Audit Report (FAR)* was requested and received from those MICHild contractors that had completed a HEDIS audit. The validation team reviewed the FAR for any findings related to information system issues that would impact the accuracy of health plan encounter data.
- ◆ *Source code (programming language) for performance measures* was received from MDCH. An HSAG source code reviewer completed a line-by-line code review and observation of program logic flow to ensure compliance with MDCH measure definitions. The source code reviewer identified and shared areas of deviation with MDCH.
- ◆ *Supporting documentation* (examples of which are detailed in Attachments III and VI in the CMS PMV protocol) included any documentation that provided the validation team with additional information to complete the validation process, including policies and procedures, file layouts, system flow diagrams, system log files, and data collection process descriptions. The validation team reviewed all supporting documentation, with issues or clarifications flagged for further follow-up.

Pre-Audit Strategy

HSAG conducted the validation activities as outlined in the CMS PMV protocol. HSAG obtained the performance measure specifications developed by MDCH. Based on the measure definitions and reporting guidelines, HSAG developed measure-specific work sheets derived from Attachment I of the CMS PMV protocol.

To assess the health plan encounter data used for performance measure reporting, HSAG prepared documentation requests for all MICHild contractors, which consisted of the ISCAT (Appendix Z of the CMS PMV protocol), the Roadmap, or the FAR produced by an audit firm certified by the National Committee for Quality Assurance (NCQA). In collaboration with MDCH, HSAG customized the documentation requests to collect the necessary data consistent with MDCH's MICHild health care service delivery model. HSAG forwarded the request for documentation to all MICHild contractors, with a timetable for completion and instructions for submission. HSAG assisted the MICHild contractors with data gathering-related questions during the pre-on-site phase.

HSAG prepared an agenda describing all on-site visit activities and indicating the type of staff needed for each session. HSAG forwarded the agenda to MDCH prior to the on-site visit. HSAG conducted pre-on-site conference calls with MDCH to address the on-site visit activities, discussion items and scope of the system review, as well as queries and data access needs.

On-Site Activities

HSAG conducted an on-site visit to MDCH on October 25, 2011. HSAG collected information using several methods, including interviews, system demonstration, review of data output files, primary source verification, observation of data processing, and review of data reports. HSAG conducted the following on-site visit activities:

- ◆ **Opening meeting**—Included introductions of the validation team and key MDCH staff involved in performance measure activities. The meeting discussed the review purpose, required documentation, basic meeting logistics, and queries to be performed.
- ◆ **Evaluation of system compliance**—Included a review of the information systems assessment, focusing on the processing of encounter data, enrollment and eligibility data, and provider data. Additionally, the review evaluated the processes used to collect and calculate the performance measures, including accurate numerator and denominator identification and algorithmic compliance (which evaluated whether rate calculations were performed correctly, all data were combined appropriately, and numerator events were counted accurately).
- ◆ **Review of all collected MICHild contractor documentation**—Included a review of the processes used for collecting, storing, validating, and reporting performance measure data. This session was designed to be interactive with key MDCH staff so that the review team could obtain a complete picture of all the steps taken to generate the performance measures. The goal of the session was to obtain the degree of compliance with written documentation. Interviews were used to confirm findings from the documentation review, expand or clarify outstanding issues, and ascertain that written policies and procedures were used and followed in daily practice.

- ◆ **Overview of data integration and control procedures**—Included discussion and observation of source code logic and a review of how all data sources were combined and how the analytic file was produced for the reporting of selected performance measures. HSAG reviewed backup documentation on data integration. This session also addressed data control and security procedures.
- ◆ **Primary source verification**—Included discussion and observations of source code logic and a review of how all data sources were combined as well as how the analytic file was produced for the reporting of selected performance measures. HSAG reviewed backup documentation on data integration. This session also addressed data control and security procedures.
- ◆ **Closing conference**—Summarized preliminary findings based on the documentation review and the on-site visit, outstanding documents requested, and next steps.

Description of Data Obtained

MDCH identified SFY 2011 as the validation period, which encompassed the reporting periods of October 2010 through September 2011. MDCH developed and defined four performance measures for reporting and calculated plan-specific results using encounter data submitted by the health plans.

Table 2-1 lists the performance measures that HSAG validated.

Table 2-1—MICHild Performance Measures for SFY 2011	
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>
3.	<i>Encounter Data Reporting—Institutional and Professional</i>
4.	<i>Encounter Data Reporting—Pharmacy</i>

For each performance measure, MDCH specified the measurement period and reporting cycle for validation. Both of the well-child visit measures were reported quarterly. Each quarterly report covered a rolling 12-month measurement period, as shown in Table 2-2.

Table 2-2—Measurement and Reporting Periods for the <i>Well-Child Visit</i> Measures		
Quarter	Measurement Period	Reporting Period
Q1	April 2009 through March 2010	October 2010
Q2	July 2009 through June 2010	January 2011
Q3	October 2009 through September 2010	April 2011
Q4	January 2010 through December 2010	July 2011

The encounter data reporting measures were reported monthly, based on the prior month’s encounters. HSAG validated the encounter data performance measure results covering the monthly reporting dates of October 2010 through September 2011. The corresponding measurement period was September 2010 through August 2011. Throughout this report, encounter data results are presented by the reporting date.

Reporting Date	Oct 2010	Nov 2010	Dec 2010	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011	Sept 2011
Measurement Period	Sept 2010	Oct 2010	Nov 2010	Dec 2010	Jan 2011	Feb 2011	Mar 2011	Apr 2011	May 2011	Jun 2011	Jul 2011	Aug 2011

Data Aggregation, Analysis, and How Conclusions Were Drawn

Based on all validation activities, HSAG determined results for each performance measure. As set forth in the CMS PMV protocol, HSAG gave a validation finding of *Fully Compliant*, *Substantially Compliant*, *Not Valid*, or *Not Applicable* for each performance measure. HSAG based each validation finding on the magnitude of errors detected for the measure’s evaluation elements. Consequently, it was possible that an error for a single audit element resulted in a designation of *Not Valid* because the impact of the error biased the reported performance measure by more than 5 percentage points. Conversely, it was also possible that several audit element errors had little impact on the reported rate and HSAG gave the indicator a designation of *Substantially Compliant*.

To draw conclusions and make overall assessments about the quality and timeliness of, and access to, care provided by the MICHild health plans using findings from the validation of performance measures, each measure was categorized to evaluate one or more of the three domains. Table 1-2 (page 1-5) shows HSAG’s assignment of performance measures to these domains of performance.

Annual Compliance Review

The following section presents findings for the 2010–2011 compliance review of the MICHild medical and dental contractors.

Appendices A–M present additional details about the results of the contractor-specific EQR activities.

MICHild Medical Contractors

MDCH contracted with three additional MICHild medical contractors, increasing the number from seven contractors in SFY 2009–2010 to ten medical contractors in SYF 2010–2011. MDCH conducted compliance reviews for the contractors that had been included in the prior review cycle. The new medical MICHild contractors will be included in the next compliance review cycle.

Table 3-21 presents the results of the follow-up reviews conducted by MDCH to assess the seven MICHild medical contractors’ progress in implementing corrective actions resulting from the 2009–2010 annual compliance reviews. For each of the six standards, the table shows totals across all MICHild medical contractors for the number of criteria that were addressed in the follow-up review as well as the number of criteria that received scores of *Pass*, *Incomplete*, and *Fail*.

Standard	Total Number of Criteria Across All Medical Contractors			
	Assessed	Pass	Incomplete	Fail
1 <i>Administrative</i>	4	4	0	0
2 <i>Provider</i>	12	7	1	4
3 <i>Member</i>	8	6	1	1
4 <i>Quality Assurance /Utilization Management</i>	6	4	2	0
5 <i>MIS/Data Reporting/Claims Processing</i>	8	3	3	2
6 <i>Fraud and Abuse</i>	4	4	0	0
Total	42	28	7	7

The prior-year compliance review reflected high levels of compliance with contractual requirements and resulted in recommendations for about 20 percent of the criteria assessed across all standards and medical contractors.

All medical contractors demonstrated compliance with the requirements for the *Administrative* and *Fraud and Abuse* standards, reflecting continued statewide strengths. About one-third of the

recommendations from the 2009–2010 compliance reviews addressed the *Provider* standard, representing a statewide opportunity for improvement. Six of the seven contractors implemented corrective actions across most of the criteria on this standard, achieving full compliance with the majority of the criteria assessed. Contractors revised their contracts to include required provisions and ensured compliance with requirements related to the pharmacy benefit, ambulance services, and access standards. The follow-up review also identified continued opportunities for improvement for two of the contractors, addressing several of the requirements. Five contractors implemented corrective actions to address recommendations for the *MIS/Data Reporting/Claims Processing* standard, with two of them demonstrating full compliance with the criteria assessed. Continued recommendations addressed all criteria on this standard. Three of the four contractors with prior-year recommendations for the *Member* standard successfully implemented all required corrective actions, ensuring regular distribution of MICHild member newsletters, as well as compliance with requirements for the member handbook and health promotion and education. The follow-up review for the *Quality Assurance/Utilization Management* standard for two contractors reflected compliance with requirements for the Quality Assessment and Performance Improvement Program (QAPIP), disease management, and participation in the Michigan Care Improvement Registry (MCIR). The 2010–2011 follow-up review also resulted in two continued recommendations each for the *Member* and *Quality Assurance/Utilization Management* standards, which addressed requirements for new member mailings and member grievances and appeals as well as monitoring of adherence to access standards and requirements for the contractor’s utilization management program.

While the 2010–2011 compliance review resulted in continued recommendations across all standards, only one criterion—timely claims processing—was identified as an opportunity for improvement for more than one contractor. Overall, contractors were successful in addressing the recommendations for improvement, with about two-thirds of the criteria assessed receiving a score of *Pass*.

Dental Contractors

Table 3-2 presents the results of the follow-up reviews conducted by MDCH to assess the three MICHild dental contractors’ progress in implementing corrective actions resulting from the 2009–2010 annual compliance reviews. For each of the five standards, the table shows totals across all MICHild dental contractors for the number of criteria that were addressed in the follow-up review as well as the number of criteria that received scores of *Pass*, *Incomplete*, and *Fail*.

Table 3-2—Summary of 2010–2011 Compliance Review Results					
Standard		Total Number of Criteria Across All Dental Contractors			
		Assessed	Pass	Incomplete	Fail
1	<i>Administration</i>	4	3	1	0
2	<i>Provider</i>	9	7	1	1
3	<i>Enrollee Services</i>	12	8	4	0
4	<i>Quality Assurance/Utilization Management</i>	6	5	1	0
5	<i>Fraud and Abuse</i>	3	2	1	0
Total		34	25	8	1

The prior-year compliance review reflected high levels of compliance with contractual requirements and resulted in recommendations for about one-quarter of the criteria assessed across all standards and dental contractors. Overall, contractors were successful in addressing the recommendations for improvement, with about 75 percent of the criteria assessed receiving a score of *Pass* for the 2010–2011 compliance reviews.

All dental contractors demonstrated compliance with the requirements for the organizational chart; policies and procedures for the resolution of grievances and appeals; and processes for assessing the quality of, and access to, services provided to enrollees through recall programs by providers. Two of the three dental contractors successfully addressed recommendations related to revising their contracts with providers and ensuring that the provider network is responsive to the cultural, racial, and linguistic needs of the MICHild population, adding required information to the notice of action letters, as well as ensuring that enrollees have 24-hour-per-day, seven-days-per-week access to emergency services. Dental contractors also implemented corrective actions related to having sufficient staff to provide timely responses to provider inquiries, questions, and concerns regarding covered services for MICHild members; ensuring that providers in bordering states meet all requirements; ensuring timely mailing of new member materials; having written guidelines for ensuring the provision of covered services; and addressing requirements for a compliance plan and reporting of fraud and abuse.

The 2010–2011 follow-up review identified opportunities for improvement across all standards and resulted in one continued recommendation each for the *Administration*, *Quality Assurance/Utilization Management*, and *Fraud and Abuse* standards, which addressed requirements for the contractor’s management information system, policies and procedures that ensure access to

and quality of services, and written policies and procedures describing how the contractor complies with federal and State fraud and abuse standards. For the *Provider* standard, contractors should ensure that their contracts include all required provisions and inform members how to determine which languages are spoken by a provider. The *Enrollee Services* standard represented the greatest opportunity for improvement, with four continued recommendations related to the requirement for MDCH approval of member materials prior to distribution, the content of the notice of action letters, and the reading level required for the member handbook.

Validation of Performance Measures

The following section presents findings for the validation of performance measures for the ten MICHild medical contractors. The *State Fiscal Year 2011 Validation of Performance Measures Report for MICHild Managed Care Plans* and Appendices A–M of this report present additional detail about the findings for the current-year validation cycle.

As set forth in 42 CFR 438.358, the primary objectives of the performance measure validation process were to evaluate the accuracy of the performance measure data collected and determine the extent to which the specific performance measures followed the specifications established for each performance measure.

MDCH developed and defined four performance measures for reporting and calculated contractor-specific results using encounter data submitted by the MICHild medical contractors. The measures reported for SFY 2010–2011 were the same measures reported in the previous year.

Table 3-3 lists the performance measures and shows the final validation results for the 2009–2010 and 2010–2011 validation cycles.

Performance Measure	Percentage of Rates Scored Fully Compliant	
	2009–2010	2010–2011
<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	100%	100%
<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	100%	100%
<i>Encounter Data Reporting—Institutional and Professional</i>	100%	100%
<i>Encounter Data Reporting—Pharmacy</i>	100%	100%

HSAG reviewed the source code and program logic flow for the performance measures and determined that all measures were calculated as defined in the MDCH measure specifications. The review of all encounter and pharmacy data did not result in any concerns. The issue from the prior-year audit related to identifying adjudication dates was resolved and corrected. For SFY 2010–2011, all performance measures rates were rated as *Fully Compliant*.

The number of medical MICHild contractors included in the performance measure reporting increased over the course of the last two fiscal years. Two of the contractors who did not have an

eligible population for reporting the well-child measures in the previous report were included in the current reporting, thereby increasing the number of contractors with well-child results from five contractors to seven beginning with the second quarter of SFY 2010–2011. The remaining three contractors, who began enrollment of MICHild members at a later date, did not yet have eligible populations for reporting the well-child measures and will be included in the next technical report. For the encounter data measures, the number of contractors included in the reporting also increased, with all ten contractors included in the last two reporting months of SFY 2010–2011.

MDCH monitored the performance of the MICHild medical contractors through the four measures and specified minimum performance standards, which the contractors were contractually required to achieve. For the two well-child measures, *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and *Well-Child Visits in the Seventh Through Eleventh Years of Life*, the standards were 60 percent and 50 percent, respectively. For the encounter data measures, the minimum performance standard involved submitting a minimum volume of institutional and professional or pharmacy adjudicated claims by the monthly due date.

Table 3-4 shows the statewide aggregated total rates for the well-child measures for each quarter in the reporting period and the number of MICHild medical contractors that met the minimum performance standard as specified by MDCH, with prior-year results for comparison.

Table 3-4—2009–2010 and 2010–2011 Results for Well-Child Performance Measures									
Performance Measure		Quarterly Statewide Aggregated Total Rates and Number of Contractors Meeting the Standard							
		SFY 2009–2010				SFY 2010–2011			
		Q 1	Q 2	Q 3	Q 4	Q 1	Q 2	Q 3	Q 4
<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	Statewide Rate	62%	60%	57%	57%	65%	76%	78%	76%
	Met the Standard	4/5	2/5	2/5	4/5	4/5	7/7	7/7	7/7
<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	Statewide Rate	37%	33%	34%	32%	38%	44%	55%	61%
	Met the Standard	2/5	0/5	0/5	0/5	0/5	2/7	4/7	6/7

The statewide rate for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure exceeded the MDCH standard of 60 percent for all four reporting quarters in SFY 2010–2011. For the first quarter, four of the five MICHild medical contractors met or exceeded the MDCH minimum performance standard, while all seven contractors met the standard in the remaining quarters of the SFY.

The statewide rate for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure fell below the MDCH standard of 50 percent for the first two quarters of SFY 2010–2011, but it improved to exceed the standard in the last two quarters. For the first quarter, none of the contractors met the MDCH standard. However, the number of contractors who met the standard increased from two to six of the seven contractors over the last three quarters of the reporting period.

These results reflect continuous improvement in MICHild medical contractors’ performance related to providing well-child visits. Contractors implemented initiatives targeting providers as well as members in an effort to increase the number of children who receive well-child visits. Efforts directed at providers included education of provider offices to roll a well-child visit into an office visit for another issue, quarterly provider reports with the name and contact information of members in need of a well-child visit, and monetary incentives for completed well-child exams. Outreach to parents included well-child visit reminders, some of which included an offer for free transportation services to the appointment, or a form for the physician to fill in and submit to the contractor to ensure recording of the completed visit; automated telephone reminders and missed service calls; and education on the importance of well-child visits and immunizations.

Table 3-5 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month the number of contractors that met the performance standard, or a designation of *Not Valid (NV)* for the reported rates.

Table 3-5—2009–2010 and 2010–2011 Results for Encounter Data Performance Measures													
Performance Measure		Number of Contractors Meeting the Standard											
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
<i>Encounter Data—Institutional and Professional</i>	2009–2010	3/7	4/7	5/7	5/7	5/7	4/7	4/7	4/7	7/7	NV	NV	NV
	2010–2011	7/7	7/7	7/7	7/7	9/9	9/9	6/9	8/9	6/9	7/9	5/10	9/10
<i>Encounter Data—Pharmacy</i>	2009–2010	0/7	1/7	1/7	2/7	3/7	4/7	4/7	4/7	5/7	3/7	3/7	3/7
	2010–2011	4/7	5/7	4/7	4/7	5/8	5/8	6/9	5/9	6/9	6/9	3/10	3/10

For the *Encounter Data—Institutional and Professional* measure, MDCH resolved the issues that impacted the validity of the rates in the prior SFY and reported valid rates for all 12 months of the 2010–2011 reporting period. For the first six months, all MICHild medical contractors met the performance standard. For the last six months of the reporting year, most contractors—ranging from five to nine contractors—met the MDCH standard. These results show that the MICHild contractors continued to improve their processes for timely and complete reporting of encounter data.

Performance for the *Encounter Data—Pharmacy* measure continued to be lower, with fewer contractors—ranging from three to six across the reporting period—meeting the MDCH performance standard. For most of the reporting months, fewer than two-thirds—and as low as less than one-third—of the MICHild contractors met the standard as set by MDCH. These results indicate that complete and timely reporting of pharmacy encounter data remained an opportunity for improvement.

4. Appendices Introduction

Overview

This Appendices Introduction section identifies the acronyms used throughout this report for the MICHild contractors. Table 4-1 presents the ten MICHild medical contractors followed by the three MICHild dental contractors.

Each contractor-specific appendix presents the results of the 2010–2011 EQR activities. For medical contractors, the appendices include—when applicable—findings for the compliance reviews as well as the validation of performance measures. However, the appendices for dental contractors present findings only for the compliance reviews, as dental contractors were not included in the performance measure validation.

Michigan MICHild Contractor Names

Table 4-1 lists the appendix letter assignment for each contractor and the acronyms or abbreviated contractor names used throughout this report.

Table 4-1—2010–2011 MICHild External Quality Review Appendices		
Appendix	Acronym	MHP Name
Medical Contractors		
A	MBCM	Blue Cross Blue Shield of Michigan
B	MGLH	UnitedHealthcare Great Lakes Health Plan, Inc.
C	MGVH	Grand Valley Health Plan
D	MHPL	HealthPlus of Michigan
E	MMID	Midwest Health Plan
F	MMOL	Molina Healthcare of Michigan
G	MOCH	OmniCare Health Plan
H	MPRI	Priority Health Government Programs
I	MTHC	Total Health Care
J	MUPP	Upper Peninsula Health Plan
Dental Contractors		
K	MDBC	Blue Cross Blue Shield of Michigan (Dental)
L	MDDM	Delta Dental Plan of Michigan
M	MGDP	Golden Dental Plan

Annual Compliance Review

According to federal regulations, the State or its EQRO must conduct a review to determine the CHIP managed care organizations’ compliance with standards established by the State for access to care, structure and operations, and quality measurement and improvement.

MDCH evaluated **MBCM**’s compliance with federal and State requirements related to the six standards shown in Table A-1, which presents **MBCM**’s results from the 2010–2011 follow-up compliance review. The 2010–2011 compliance review focused on those criteria where **MBCM** had received a score of *Incomplete* or *Fail* in the previous year. MDCH will conduct a full review of all criteria in the 2011–2012 compliance review cycle.

Standard		Number of Criteria				
		All	Pass	Incomplete	Fail	Not Rated
1	<i>Administrative</i>	2	2	0	0	0
2	<i>Provider</i>	9	2	1	0	6
3	<i>Member</i>	6	1	0	0	5
4	<i>Quality Assurance/Utilization Management</i>	5	3	2	0	0
5	<i>MIS/Data Reporting/Claims Processing</i>	3	0	2	1	0
6	<i>Fraud and Abuse</i>	3	3	0	0	0
Total		28	11	5	1	11

MBCM showed strength in the *Administrative*, *Member*, and *Fraud and Abuse* standards, demonstrating compliance with all contractual requirements that were reviewed for these areas. Following the 2009–2010 compliance review, the contractor successfully implemented corrective actions to address the recommendations for improvement for these standards. **MBCM** completed its organization chart and put policies and procedures in place for the physician incentive program and timely mailing of new member enrollment packets. The contractor demonstrated compliance with the requirements for the compliance plan and the process for prohibiting affiliation with sanctioned, debarred, or suspended persons and providers who have been excluded from participation in federal programs. For the remaining standards, **MBCM** demonstrated compliance with most of the criteria that were assessed. To address the recommendations for the *Provider* standard, **MBCM** ensured that the provider contracts included all required provisions and created a policy to ensure access to Federally Qualified Health Centers, Child and Adolescent Health Centers, and Tribal (Indian) Health Centers. The contractor did not successfully address the recommendation for a policy and procedure to document hospital and provider contracting requirements or access studies and should develop, follow, and maintain such a policy and procedure. For the *Quality Assurance/Utilization Management* standard, **MBCM** demonstrated compliance with the requirements related to the

contractor's quality assessment and performance improvement program, provided documentation about its disease management program, and implemented a requirement for its providers to participate with the Michigan Care Improvement Registry (MCIR). **MBCM** was not successful in addressing the remaining recommendations for this standard. The contractor did not indicate that appointment accessibility standards were in place and should provide policies and procedures that identify accessibility standards to evaluate members' access to care. **MBCM** should provide documentation that clinical decisions are made by a health care professional with the appropriate expertise and that utilization management does not provide incentives that compensate decision makers to deny, limit, or discontinue medically necessary services specific to the MICHild product line. **MBCM** received continued recommendations for all criteria on the *MIS/Data Reporting/Claims Processing* standard. **MBCM** should develop, follow, and maintain processes, policies, and procedures to reconcile the daily and monthly enrollment files on a daily basis to avoid access and member mailing issues. The contractor must submit monthly claims reports, completing the required form in its entirety. The contractor submitted reports on enrollment and disenrollment information that included information on parent and guardians but did not include languages spoken. **MBCM** should include languages spoken in its enrollment reports.

MBCM demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MHP. The 2010–2011 compliance review also identified opportunities for improvement in all three domains.

Performance Measures

Federal regulations for CHIP managed care programs include a requirement to validate performance measures for each contracted health plan. MDCH contracted with HSAG to conduct the validation. MDCH developed and defined four performance measures, as well as calculated and reported the rates.

Table A-2 lists the performance measures and presents the validation findings and audit designations for SFY 2010–2011.

	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
3.	<i>Encounter Data— Institutional and Professional</i>	No concerns identified.	<i>Fully Compliant</i>
4.	<i>Encounter Data— Pharmacy</i>	No concerns identified.	<i>Fully Compliant</i>

The 2010–2011 validation findings for **MBCM** reflected that the performance measures were *Fully Compliant* with MDCH specifications, as noted in Table A-2.

Table A-3 presents the reported SFY 2010–2011 quarterly rates for the well-child visit performance measures for **MBCM**; whether or not **MBCM** met the MDCH-specified minimum performance standards of 60 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 50 percent for *Well-Child Visits in the Seventh Through Eleventh Years of Life*; and the aggregated statewide rates across all MICHild medical contractors.

Table A-3—Well-Child Performance Measure Rates for MBCM						
Performance Measure		Reported Rates for SFY 2010–2011				
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MBCM	65.5%	65.2%	67.8%	62.7%
		Standard Met	Y	Y	Y	Y
		Statewide	64.6%	76.0%	77.9%	75.5%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MBCM	43.9%	46.0%	50.6%	53.3%
		Standard Met	N	N	Y	Y
		Statewide	38.0%	44.3%	54.9%	60.7%

MBCM's rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH standard in all four reporting quarters and exceeded the statewide aggregate rates for the first quarter. **MBCM**'s rates fell below the statewide rate for the remainder of the SFY.

MBCM's rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure fell below the MDCH standard for the first two quarters but exceeded the statewide aggregate rates for these quarters. Rates increased to meet the MDCH standard—but fell below the statewide rates—for the third and fourth quarters.

MBCM implemented interventions to increase the percentage of its MICHild members who receive well-child visits. These interventions included providing informational materials, such as member handbooks, newsletters and magazines, as well as sending reminders to parents on the importance of well-child visits and immunizations. The contractor improved its performance and increased the number of quarters in which the MDCH standards for the well-child visit measures were met.

Table A-4 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month whether or not the rate met the performance standard or was *Not Valid*.

Table A-4—Encounter Data Performance Measure Rates for MBCM													
Performance Measure		Reported Rates for SFY 2010–2011											
		Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
		2010			2011								
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3.	<i>Encounter Data—Institutional and Professional</i>	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y
4.	<i>Encounter Data—Pharmacy</i>	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y

For the *Encounter Data—Institutional and Professional* measure, **MBCM** met the MDCH standard for 11 of the 12 reporting months.

MBCM's rates for the *Encounter Data—Pharmacy* measure fell below the MDCH standard for one reporting date and met the performance standard for the remaining months of SFY 2010–2011.

The contractor showed improvement in submitting the encounter data during the measurement period of SFY 2010–2011, working to ensure that encounter files were submitted accurately and on time per the contract requirements.

MBCM should continue its efforts to consistently meet the minimum performance standards for encounter data submissions and for well-child visits, which address the **quality** of services provided by the MICHild medical contractor. The American Academy of Pediatrics regularly releases recommendations that inform providers and parents of current recommendations on health screening guidelines as well as treatment and prevention best practices. **MBCM** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

Appendix B. Findings—UnitedHealthcare Great Lakes Health Plan, Inc.

Annual Compliance Review

MGLH was not included in the 2010–2011 annual compliance review cycle as the contractor began enrollment of MICHild members on November 1, 2010.

Performance Measures

Federal regulations for CHIP managed care programs include a requirement to validate performance measures for each contracted health plan. MDCH contracted with HSAG to conduct the validation. MDCH developed and defined four performance measures, as well as calculated and reported the rates.

Table B-1 lists the performance measures and presents the validation findings and audit designations for SFY 2010–2011.

Table B-1—Performance Measure Validation Results <i>for MGLH</i>		
Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	<i>Not Applicable</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	<i>Not Applicable</i>
3.	<i>Encounter Data— Institutional and Professional</i>	<i>Fully Compliant</i>
4.	<i>Encounter Data— Pharmacy</i>	<i>Fully Compliant</i>

The 2010–2011 validation findings for **MGLH** reflected an audit designation of *Not Applicable* for the two well-child measures, as the contractor did not yet have an eligible population for reporting. The encounter data measures were *Fully Compliant* with MDCH specifications, as noted in Table B-1.

MDCH was unable to calculate rates for **MGLH** for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* or *Well-Child Visits in the Seventh Through Eleventh Years of Life* measures, as shown in Table B-1. Therefore, the contractor’s performance was not compared to the MDCH standards or the statewide aggregated rates for these measures.

Table B-2 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month whether or not the rate met the performance standard or was or was *Not Valid*.

Table B-2—Encounter Data Performance Measure Rates for MGLH												
Performance Measure	Reported Rates for SFY 2010–2011											
	Meeting the Standard: Yes (Y) , No (N), or Rate <i>Not Valid</i> (NV)											
	2010			2011								
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3. <i>Encounter Data—Institutional and Professional</i>					Y	Y	Y	Y	Y	Y	Y	Y
4. <i>Encounter Data—Pharmacy</i>					Y	Y	Y	Y	Y	Y	Y	Y

Due to the later enrollment date for MICHild members, **MGLH** was not required to report data for the first four reporting dates of October 2010 through January 2011.

MGLH reported rates for the *Encounter Data—Institutional and Professional* measure for the reporting dates of February 2010 through September 2011. **MGLH** met the MDCH standard in every month.

MGLH's rates for the *Encounter Data—Pharmacy* measure met the MDCH standard for all reporting dates from February 2010 through September 2011.

MGLH should continue its efforts to maintain strong performance in meeting the minimum performance standards for encounter data submissions.

Annual Compliance Review

According to federal regulations, the State or its EQRO must conduct a review to determine the CHIP managed care organizations’ compliance with standards established by the State for access to care, structure and operations, and quality measurement and improvement.

MDCH evaluated **MGVH**’s compliance with federal and State requirements related to the six standards shown in Table C-1, which presents **MGVH**’s results from the 2010–2011 follow-up compliance review. The 2010–2011 compliance review focused on those criteria where **MGVH** had received a score of *Incomplete* or *Fail* in the previous year. MDCH will conduct a full review of all criteria in the 2011–2012 compliance review cycle.

Standard		Number of Criteria				
		All	Pass	Incomplete	Fail	Not Rated
1	<i>Administrative</i>	2	0	0	0	2
2	<i>Provider</i>	9	1	0	0	8
3	<i>Member</i>	6	1	0	0	5
4	<i>Quality Assurance/Utilization Management</i>	5	0	0	0	5
5	<i>MIS/Data Reporting/Claims Processing</i>	3	0	0	0	3
6	<i>Fraud and Abuse</i>	3	0	0	0	3
Total		28	2	0	0	26

MGVH showed strength in the *Provider* and *Member* standards, demonstrating compliance with all contractual requirements that were reviewed for these areas. Following the 2009–2010 compliance review, the contractor successfully implemented corrective actions to address the recommendations for improvement for these standards. **MGVH** demonstrated compliance with the requirement to have a process to review physician requests to prescribe any medically appropriate drug covered that is not on the contractor’s formulary and distributed MICHild newsletters in the spring and fall of 2010, thereby fulfilling the requirement to distribute enrollee newsletters at least twice a year.

The 2009–2010 compliance review did not result in any recommendations for the *Administrative*, *Quality Assurance/Utilization Management*, *MIS/Data Reporting/Claims Processing*, or *Fraud and Abuse* standard; therefore, the 2010–2011 review did not address any criteria on these standards.

MGVH demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MHP. The 2010–2011 compliance review did not identify any opportunities for improvement.

Performance Measures

Federal regulations for CHIP managed care programs include a requirement to validate performance measures for each contracted health plan. MDCH contracted with HSAG to conduct the validation. MDCH developed and defined four performance measures, as well as calculated and reported the rates.

Table C-2 lists the performance measures and presents the validation findings and audit designations for SFY 2010–2011.

Table C-2—Performance Measure Validation Results for MGVH			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
3.	<i>Encounter Data— Institutional and Professional</i>	No concerns identified.	<i>Fully Compliant</i>
4.	<i>Encounter Data— Pharmacy</i>	No concerns identified.	<i>Fully Compliant</i>

The 2010–2011 validation findings for **MGVH** reflected that the performance measures were *Fully Compliant* with MDCH specifications, as noted in Table C-2.

Table C-3 presents the reported SFY 2010–2011 quarterly rates for the well-child visit performance measures for **MGVH**; whether or not **MGVH** met the MDCH-specified minimum performance standards of 60 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 50 percent for *Well-Child Visits in the Seventh Through Eleventh Years of Life*; and the aggregated statewide rates across all MICHild medical contractors.

Table C-3—Well-Child Performance Measure Rates for MGVH						
Performance Measure		Reported Rates for SFY 2010–2011				
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MGVH		100%	100%	100%
		Standard Met		Y	Y	Y
		Statewide		76.0%	77.9%	75.5%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MGVH		25%	100%	100%
		Standard Met		N	Y	Y
		Statewide		44.3%	54.9%	60.7%

MGVH began reporting rates for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure in the second quarter of SFY 2010–2011. The contractor met the MDCH standard and exceeded the statewide aggregate rates in all three reporting quarters. However, the contractor’s rates were based on small denominators (n=1), and caution should be applied when comparing these rates to those with larger denominators.

MGVH began reporting rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure in the second quarter of SFY 2010–2011. The contractor met the MDCH standard and exceeded the statewide aggregate rates in the last two reporting quarters. However, the contractor’s rates were based on small denominators (n ranging from 1 to 4), and caution should be applied when comparing these rates to those with larger denominators.

MGVH had interventions in place to ensure that its MICHild members receive well-child visits. These interventions included outreach initiatives, such as provider telephone calls to parents, education of provider offices to roll a well-child visit into an office visit for another issue, and report cards to providers.

Table C-4 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month whether or not the rate met the performance standard or was *Not Valid*.

Table C-4—Encounter Data Performance Measure Rates for MGVH													
Performance Measure		Reported Rates for SFY 2010–2011											
		Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
		2010			2011								
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3.	<i>Encounter Data—Institutional and Professional</i>	Y	Y	Y	Y	Y	Y	N	Y	N	Y	N	Y
4.	<i>Encounter Data—Pharmacy</i>	Y	Y	N	N	N	N	N	N	N	N	N	N

For the *Encounter Data—Institutional and Professional* measure, **MGVH** met the MDCH standard for nine of the 12 reporting months.

MGVH's rates for the *Encounter Data—Pharmacy* measure met the performance standard for the first two reporting dates and fell below the MDCH standard for the remaining months of SFY 2010–2011.

The contractor showed improvement in submitting the encounter data during the measurement period of SFY 2010–2011, working to ensure that encounter files were submitted accurately and on time per the contract requirements.

MGVH should continue its efforts to consistently meet the minimum performance standards for encounter data submissions and for well-child visits, which address the **quality** of services provided by the MICHild medical contractor. The American Academy of Pediatrics regularly releases recommendations that inform providers and parents of current recommendations on health screening guidelines as well as treatment and prevention best practices. **MGVH** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

Annual Compliance Review

According to federal regulations, the State or its EQRO must conduct a review to determine the CHIP managed care organizations’ compliance with standards established by the State for access to care, structure and operations, and quality measurement and improvement.

MDCH evaluated **MHPL**’s compliance with federal and State requirements related to the six standards shown in Table D-1, which presents **MHPL**’s results from the 2010–2011 follow-up compliance review. The 2010–2011 compliance review focused on those criteria where **MHPL** had received a score of *Incomplete* or *Fail* in the previous year. MDCH will conduct a full review of all criteria in the 2011–2012 compliance review cycle.

Standard		Number of Criteria				
		All	Pass	Incomplete	Fail	Not Rated
1	<i>Administrative</i>	2	1	0	0	1
2	<i>Provider</i>	9	0	0	0	9
3	<i>Member</i>	6	0	0	0	6
4	<i>Quality Assurance/Utilization Management</i>	5	0	0	0	5
5	<i>MIS/Data Reporting/Claims Processing</i>	3	1	0	0	2
6	<i>Fraud and Abuse</i>	3	0	0	0	3
Total		28	2	0	0	26

MHPL showed strength in the *Administrative* and *MIS/Data Reporting/Claims Processing* standards, demonstrating compliance with all contractual requirements that were reviewed for these areas. Following the 2009–2010 compliance review, the contractor successfully implemented corrective actions to address the recommendations for improvement for these standards. **MHPL** documented that all required positions in the organization are filled, including the previously vacant position of utilization management director. The contractor implemented changes that allow for independent reporting of claims for MICHild members and demonstrated compliance with the requirements for timely adjudication of claims.

The 2009–2010 compliance review did not result in any recommendations for the *Provider*, *Member*, *Quality Assurance/Utilization Management*, or *Fraud and Abuse* standard; therefore, the 2010–2011 review did not address any criteria on these standards.

MHPL demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MHP. The 2010–2011 compliance review did not identify any opportunities for improvement.

Performance Measures

Federal regulations for CHIP managed care programs include a requirement to validate performance measures for each contracted health plan. MDCH contracted with HSAG to conduct the validation. MDCH developed and defined four performance measures, as well as calculated and reported the rates.

Table D-2 lists the performance measures and presents the validation findings and audit designations for SFY 2010–2011.

Table D-2—Performance Measure Validation Results for MHPL			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
3.	<i>Encounter Data— Institutional and Professional</i>	No concerns identified.	<i>Fully Compliant</i>
4.	<i>Encounter Data— Pharmacy</i>	No concerns identified.	<i>Fully Compliant</i>

The 2010–2011 validation findings for **MHPL** reflected that the performance measures were *Fully Compliant* with MDCH specifications, as noted in Table D-2.

Table D-3 presents the reported SFY 2010–2011 quarterly rates for the well-child visit performance measures for **MHPL**; whether or not **MHPL** met the MDCH-specified minimum performance standards of 60 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 50 percent for *Well-Child Visits in the Seventh Through Eleventh Years of Life*; and the aggregated statewide rates across all MICHild medical contractors.

Table D-3—Well-Child Performance Measure Rates for MHPL						
Performance Measure		Reported Rates for SFY 2010–2011				
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MHPL	68.3%	79.5%	77.0%	79.5%
		Standard Met	Y	Y	Y	Y
		Statewide	64.6%	76.0%	77.9%	75.5%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MHPL	49.0%	58.1%	50.0%	56.0%
		Standard Met	N	Y	Y	Y
		Statewide	38.0%	44.3%	54.9%	60.7%

MHPL's rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH standard in all four reporting quarters and exceeded the statewide aggregate rates for the first, second, and fourth quarters.

MHPL's rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure met the MDCH standard for three of the quarters of SFY 2010–2011 but fell below the MDCH standard for the first quarter. The contractor exceeded the statewide aggregate rates for the first two quarters of the SFY.

MHPL implemented interventions to increase the percentage of its MICHild members who receive well-child visits. These interventions included sending reminder letters to parents when children missed their well-child service; posting lists on the provider portal showing members in need of a well-child visit; and conducting automated telephone reminders and missed service calls. The contractor improved its performance and increased the number of quarters in which the MDCH standards for the well-child visit measures were met.

Table D-4 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month whether or not the rate met the performance standard or was *Not Valid*.

Table D-4—Encounter Data Performance Measure Rates for MHPL													
Performance Measure	Reported Rates for SFY 2010–2011												
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)												
	2010			2011									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
3. <i>Encounter Data—Institutional and Professional</i>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. <i>Encounter Data—Pharmacy</i>	N	N	N	N	N	N	Y	Y	Y	Y	N	N	

For the *Encounter Data—Institutional and Professional* measure, **MHPL** met the MDCH standard for the entire SFY 2010–2011.

MHPL's rates for the *Encounter Data—Pharmacy* measure met the performance standard for four of the 12 months (April–July 2011) and fell below the MDCH standard for the remaining months of SFY 2010–2011.

The contractor showed improvement in submitting the encounter data during the measurement period of SFY 2010–2011, working to ensure that encounter files were submitted accurately and on time per the contract requirements.

MHPL should continue its efforts to consistently meet the minimum performance standards for encounter data submissions and for well-child visits, which address the **quality** of services provided by the MICHild medical contractor. The American Academy of Pediatrics regularly releases recommendations that inform providers and parents of current recommendations on health screening guidelines as well as treatment and prevention best practices. **MHPL** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

Annual Compliance Review

MMID was not included in the 2010–2011 annual compliance review cycle as the contractor began enrollment of MICHild members on May 1, 2011.

Performance Measures

Federal regulations for CHIP managed care programs include a requirement to validate performance measures for each contracted health plan. MDCH contracted with HSAG to conduct the validation. MDCH developed and defined four performance measures, as well as calculated and reported the rates.

Table E-1 lists the performance measures and presents the validation findings and audit designations for SFY 2010–2011.

	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MMID began enrollment of MICHild members in May 2011 and will not be required to report these measures until November 2012.	<i>Not Applicable</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>		<i>Not Applicable</i>
3.	<i>Encounter Data—Institutional and Professional</i>	No concerns identified.	<i>Fully Compliant</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns identified.	<i>Fully Compliant</i>

The 2010–2011 validation findings for **MMID** reflected an audit designation of *Not Applicable* for the two well-child measures, as the contractor did not yet have an eligible population for reporting. The encounter data measures were *Fully Compliant* with MDCH specifications, as noted in Table E-1.

MDCH was unable to calculate rates for **MMID** for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* or *Well-Child Visits in the Seventh Through Eleventh Years of Life* measures, as shown in Table E-1. Therefore, the contractor’s performance was not compared to the MDCH standards or the statewide aggregated rates for these measures.

Table E-2 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month whether or not the rate met the performance standard or was *Not Valid*.

Table E-2—Encounter Data Performance Measure Rates for MMID												
Performance Measure	Reported Rates for SFY 2010–2011											
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
	2010			2011								
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3. <i>Encounter Data—Institutional and Professional</i>											N	N
4. <i>Encounter Data—Pharmacy</i>											N	N

Due to the later enrollment date for MICHild members, **MMID** was not required to report data for the first ten reporting dates of October 2010 through July 2011.

MMID reported rates for the *Encounter Data—Institutional and Professional* measure for the reporting dates of August and September 2011. **MMID** did not meet the MDCH standard for these two months.

MMID's rates for the *Encounter Data—Pharmacy* measure for August and September 2011 did not meet the MDCH standard.

MMID should continue its efforts to consistently meet the minimum performance standards for encounter data submissions.

Annual Compliance Review

According to federal regulations, the State or its EQRO must conduct a review to determine the CHIP managed care organizations’ compliance with standards established by the State for access to care, structure and operations, and quality measurement and improvement.

MDCH evaluated **MMOL**’s compliance with federal and State requirements related to the six standards shown in Table F-1, which presents **MMOL**’s results from the 2010–2011 follow-up compliance review. The 2010–2011 compliance review focused on those criteria where **MMOL** had received a score of *Incomplete* or *Fail* in the previous year. MDCH will conduct a full review of all criteria in the 2011–2012 compliance review cycle.

Standard		Number of Criteria				
		All	Pass	Incomplete	Fail	Not Rated
1	<i>Administrative</i>	2	0	0	0	2
2	<i>Provider</i>	9	1	0	0	8
3	<i>Member</i>	6	0	0	0	6
4	<i>Quality Assurance/Utilization Management</i>	5	0	0	0	5
5	<i>MIS/Data Reporting/Claims Processing</i>	3	0	1	0	2
6	<i>Fraud and Abuse</i>	3	0	0	0	3
Total		28	1	1	0	26

MMOL showed strength in the *Provider* standard, demonstrating compliance with the contractual requirement that was reviewed for this area. Following the 2009–2010 compliance review, the contractor successfully implemented corrective actions to address the recommendation for improvement. **MMOL** ensured that all primary care providers informed members about how to access urgent or emergent care after hours. The contractor was not successful in addressing the recommendation for the *MIS/Data Reporting/Claims Processing* standard and should ensure adjudication of clean claims within the contractually required time frames.

The 2009–2010 compliance review did not result in any recommendations for the *Administrative*, *Member*, *Quality Assurance/Utilization Management*, or *Fraud and Abuse* standard; therefore, the 2010–2011 review did not address any criteria on these standards.

MMOL demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MHP. The 2010–2011 compliance review identified one opportunity for improvement on a standard that addressed the domains of **quality** and **timeliness**.

Performance Measures

Federal regulations for CHIP managed care programs include a requirement to validate performance measures for each contracted health plan. MDCH contracted with HSAG to conduct the validation. MDCH developed and defined four performance measures, as well as calculated and reported the rates.

Table F-2 lists the performance measures and presents the validation findings and audit designations for SFY 2010–2011.

Table F-2—Performance Measure Validation Results for MMOL			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
3.	<i>Encounter Data— Institutional and Professional</i>	No concerns identified.	<i>Fully Compliant</i>
4.	<i>Encounter Data— Pharmacy</i>	No concerns identified.	<i>Fully Compliant</i>

The 2010–2011 validation findings for **MMOL** reflected that the performance measures were *Fully Compliant* with MDCH specifications, as noted in Table F-2.

Table F-3 presents the reported SFY 2010–2011 quarterly rates for the well-child visit performance measures for **MMOL**; whether or not **MMOL** met the MDCH-specified minimum performance standards of 60 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 50 percent for *Well-Child Visits in the Seventh Through Eleventh Years of Life*; and the aggregated statewide rates across all MICHild medical contractors.

Table F-3—Well-Child Performance Measure Rates for MMOL						
Performance Measure		Reported Rates for SFY 2010–2011				
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MMOL		69.2%	78.6%	73.7%
		Standard Met		Y	Y	Y
		Statewide		76.0%	77.9%	75.5%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MMOL		62.5%	46.2%	64.3%
		Standard Met		Y	N	Y
		Statewide		44.3%	54.9%	60.7%

MMOL began reporting rates for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure in the second quarter of SFY 2010–2011. The contractor met the MDCH standard in all three reporting quarters and exceeded the statewide aggregate rate in the third quarter.

MMOL began reporting rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure in the second quarter of SFY 2010–2011. The contractor met the MDCH standard in two of the three reporting quarters (Quarters 2 and 4) and exceeded the statewide aggregate rates in Quarters 2 and 4.

MMOL had interventions in place to ensure that its MICHild members receive well-child visits. These interventions included quarterly postcard mailings to members as a reminder for due or overdue well-child exams, quarterly provider reports with the name and contact information for members due for a well-child visit, and education of provider office staff about well-child visits.

Table F-4 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month whether or not the rate met the performance standard or was *Not Valid*.

Table F-4—Encounter Data Performance Measure Rates for MMOL													
Performance Measure		Reported Rates for SFY 2010–2011											
		Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
		2010			2011								
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3.	<i>Encounter Data—Institutional and Professional</i>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	<i>Encounter Data—Pharmacy</i>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N

For the *Encounter Data—Institutional and Professional* measure, **MMOL** met the MDCH standard for all 12 reporting months.

MMOL's rates for the *Encounter Data—Pharmacy* measure met the performance standard for the first ten reporting dates and fell below the MDCH standard for the last two months of SFY 2010–2011.

The contractor showed improvement in submitting the encounter data during the measurement period of SFY 2010–2011, working to ensure that encounter files were submitted accurately and on time per the contract requirements.

MMOL should continue its efforts to consistently meet the minimum performance standards for encounter data submissions and for well-child visits, which address the **quality** of services provided by the MICHild medical contractor. The American Academy of Pediatrics regularly releases recommendations that inform providers and parents of current recommendations on health screening guidelines as well as treatment and prevention best practices. **MMOL** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

Annual Compliance Review

MOCH was not included in the 2010–2011 annual compliance review cycle as the contractor began enrollment of MICHild members on November 1, 2010.

Performance Measures

Federal regulations for CHIP managed care programs include a requirement to validate performance measures for each contracted health plan. MDCH contracted with HSAG to conduct the validation. MDCH developed and defined four performance measures, as well as calculated and reported the rates.

Table G-1 lists the performance measures and presents the validation findings and audit designations for SFY 2010–2011.

	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MOCH began enrollment of MICHild members in November 2010 and will not be required to report these measures until May 2012.	<i>Not Applicable</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>		<i>Not Applicable</i>
3.	<i>Encounter Data—Institutional and Professional</i>	No concerns identified.	<i>Fully Compliant</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns identified.	<i>Fully Compliant</i>

The 2010–2011 validation findings for **MOCH** reflected an audit designation of *Not Applicable* for the two well-child measures, as the contractor did not yet have an eligible population for reporting. The encounter data measures were *Fully Compliant* with MDCH specifications, as noted in Table G-1.

MDCH was unable to calculate rates for **MOCH** for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* or *Well-Child Visits in the Seventh Through Eleventh Years of Life* measures, as shown in Table G-1. Therefore, the contractor’s performance was not compared to the MDCH standards or the statewide aggregated rates for these measures.

Table G-2 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month whether or not the rate met the performance standard or was *Not Valid*.

Table G-2—Encounter Data Performance Measure Rates for MOCH												
Performance Measure	Reported Rates for SFY 2010–2011											
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
	2010			2011								
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3. <i>Encounter Data—Institutional and Professional</i>					Y	Y	N	Y	N	N	N	Y
4. <i>Encounter Data—Pharmacy</i>							N	N	N	N	N	N

Due to the later enrollment date for MICHild members, **MOCH** was not required to report data for the first several reporting dates of SFY 2010–2011.

MOCH reported rates for the *Encounter Data—Institutional and Professional* measure for the reporting dates of February 2010 through September 2011. **MOCH** met the MDCH standard in four of the eight months.

MOCH began reporting rates for the *Encounter Data—Pharmacy* measure in April 2011. The contractor did not meet the MDCH standard for any of the six reporting dates from April through September 2011.

MOCH should continue its efforts to consistently meet the minimum performance standards for encounter data submissions.

Annual Compliance Review

According to federal regulations, the State or its EQRO must conduct a review to determine the CHIP managed care organizations’ compliance with standards established by the State for access to care, structure and operations, and quality measurement and improvement.

MDCH evaluated **MPRI**’s compliance with federal and State requirements related to the six standards shown in Table H-1, which presents **MPRI**’s results from the 2010–2011 follow-up compliance review. The 2010–2011 compliance review focused on those criteria where **MPRI** had received a score of *Incomplete* or *Fail* in the previous year. MDCH will conduct a full review of all criteria in the 2011–2012 compliance review cycle.

Standard		Number of Criteria				
		All	Pass	Incomplete	Fail	Not Rated
1	<i>Administrative</i>	2	0	0	0	2
2	<i>Provider</i>	9	0	0	4	5
3	<i>Member</i>	6	3	1	1	1
4	<i>Quality Assurance/Utilization Management</i>	5	0	0	0	5
5	<i>MIS/Data Reporting/Claims Processing</i>	3	1	0	1	1
6	<i>Fraud and Abuse</i>	3	0	0	0	3
Total		28	4	1	6	17

MPRI had previously shown strengths in the *Administrative*, *Quality Assurance/Utilization Management*, and *Fraud and Abuse* standards, demonstrating compliance with all contractual requirements related to these areas. As the 2009–2010 compliance review did not result in any recommendations for these areas, the 2010–2011 review did not include these three standards.

Following the 2009–2010 compliance review, the contractor implemented corrective actions to successfully address some of the recommendations for improvement. For the *Member* standard, **MPRI** updated its policy and procedure for reviewing the member handbook to require an annual review of the MICHild member handbook and provided documentation of MDCH’s approval of the handbook in March 2011. The contractor developed and implemented a process for review, submission, and distribution of educational and informational materials to members as well as a process to ensure that members receive a MICHild-specific newsletter at least twice a year. **MPRI** did not address the recommendation related to timely mailing of new member materials and should revise its ID card policy to address all contractual requirements. While **MPRI** updated its grievance and appeals policies and procedures to refer to the MICHild program, the policies and procedures do not include all contractual requirements. The contractor should revise the grievance and appeals

policies and procedures and create, submit, and maintain a grievance and appeal log even when there are no MICHild grievances and appeals. **MPRI** successfully addressed one of the recommendations for the *MIS/Data Reporting/Claims Processing* standard. The contractor demonstrated that its information system supports all required operations but did not present any documentation that actions had been taken as a result of the 2009–2010 findings related to timely processing of claims. **MPRI** should develop policies and procedures for payment of claims according to the contractual requirements and submit monthly claims processing reports demonstrating timely payment of clean claims. **MPRI**'s 2010–2011 compliance review resulted in continued recommendations for the criteria on the *Provider* standard. The contractor should revise its policy on Federally Qualified Health Centers (FQHC) and detail how it monitors access to FQHCs and other specified health centers. **MPRI** should revise its OB/GYN/Pediatrician Policy to address the contractual requirements, submit documentation that shows referrals are available for network specialty care providers, and provide documentation of provider education regarding enrollees having a choice in selecting providers. The contractor should revise its policy on emergency transportation to address hospital-billed ambulance services and develop and submit policies and procedures that demonstrate that the contractor authorizes out-of-network and out-of-area services when medically necessary as well as for emergent situations.

MPRI demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MHP. The 2010–2011 compliance review also identified opportunities for improvement in all three domains.

Performance Measures

Federal regulations for CHIP managed care programs include a requirement to validate performance measures for each contracted health plan. MDCH contracted with HSAG to conduct the validation. MDCH developed and defined four performance measures, as well as calculated and reported the rates.

Table H-2 lists the performance measures and presents the validation findings and audit designations for SFY 2010–2011.

Table H-2—Performance Measure Validation Results <i>for</i> MPRI			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
3.	<i>Encounter Data— Institutional and Professional</i>	No concerns identified.	<i>Fully Compliant</i>
4.	<i>Encounter Data— Pharmacy</i>	No concerns identified.	<i>Fully Compliant</i>

The 2010–2011 validation findings for **MPRI** reflected that the performance measures were *Fully Compliant* with MDCH specifications, as noted in Table H-2.

Table H-3 presents the reported SFY 2010–2011 quarterly rates for the well-child visit performance measures for **MPRI**; whether or not **MPRI** met the MDCH-specified minimum performance standards of 60 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 50 percent for *Well-Child Visits in the Seventh Through Eleventh Years of Life*; and the aggregated statewide rates across all MICHild medical contractors.

Table H-3—Well-Child Performance Measure Rates for MPRI						
Performance Measure		Reported Rates for SFY 2010–2011				
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MPRI	71.9%	73.0%	67.0%	66.4%
		Standard Met	Y	Y	Y	Y
		Statewide	64.6%	76.0%	77.9%	75.5%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MPRI	40.0%	46.8%	54.5%	54.2%
		Standard Met	N	N	Y	Y
		Statewide	38.0%	44.3%	54.9%	60.7%

MPRI's rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH standard in all four reporting quarters and exceeded the statewide aggregate rate for the first quarter, falling below the statewide rate for the second, third, and fourth quarters.

MPRI's rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure fell below the MDCH standard for the first two quarters of SFY 2010–2011 but exceeded the statewide rates during these periods. For the third and fourth quarter of the SFY, the contractor's rates met the MDCH standard but were lower than the statewide aggregate rates.

MPRI implemented interventions to increase the percentage of its MICHild members who receive well-child visits. These interventions included well-child visit reminders, which included a flyer offering free transportation; teen immunization reminder letters, which included school immunization requirements from the State; and incentives to providers. The contractor improved its performance and increased the number of quarters in which the MDCH standards for the well-child visit measures were met.

Table H-4 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month whether or not the rate met the performance standard or was *Not Valid*.

Table H-4—Encounter Data Performance Measure Rates for MPRI													
Performance Measure		Reported Rates for SFY 2010–2011											
		Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
		2010			2011								
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3.	<i>Encounter Data—Institutional and Professional</i>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	<i>Encounter Data—Pharmacy</i>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	N

For the *Encounter Data—Institutional and Professional* measure, **MPRI** met the MDCH standard for all 12 reporting months of SFY 2010–2011.

MPRI's rates for the *Encounter Data—Pharmacy* measure met the performance standard for the first ten months of SFY 2010–2011 and fell below the MDCH standard for the last two reporting dates.

The contractor showed improvement in submitting the encounter data during the measurement period of SFY 2010–2011, working to ensure that encounter files were submitted accurately and on time per the contract requirements.

MPRI should continue its efforts to consistently meet the minimum performance standards for encounter data submissions and for well-child visits, which address the **quality** of services provided by the MICHild medical contractor. The American Academy of Pediatrics regularly releases recommendations that inform providers and parents of current recommendations on health screening guidelines as well as treatment and prevention best practices. **MPRI** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

Annual Compliance Review

According to federal regulations, the State or its EQRO must conduct a review to determine the CHIP managed care organizations’ compliance with standards established by the State for access to care, structure and operations, and quality measurement and improvement.

MDCH evaluated **MTHC**’s compliance with federal and State requirements related to the six standards shown in Table I-1, which presents **MTHC**’s results from the 2010–2011 follow-up compliance review. The 2010–2011 compliance review focused on those criteria where **MTHC** had received a score of *Incomplete* or *Fail* in the previous year. MDCH will conduct a full review of all criteria in the 2011–2012 compliance review cycle.

Standard		Number of Criteria				
		All	Pass	Incomplete	Fail	Not Rated
1	<i>Administrative</i>	2	0	0	0	2
2	<i>Provider</i>	9	1	0	0	8
3	<i>Member</i>	6	1	0	0	5
4	<i>Quality Assurance/Utilization Management</i>	5	0	0	0	5
5	<i>MIS/Data Reporting/Claims Processing</i>	3	1	0	0	2
6	<i>Fraud and Abuse</i>	3	0	0	0	3
Total		28	3	0	0	25

MTHC showed strength in the *Provider*, *Member*, and *MIS/Data Reporting/Claims Processing* standards, demonstrating compliance with all contractual requirements that were reviewed for these areas. Following the 2009–2010 compliance review, the contractor successfully implemented corrective actions to address the recommendations for improvement for these standards. **MTHC** revised the model hospital agreement to include provisions for contract termination and distributed MICHild newsletters in the summer and winter of 2010, fulfilling the requirement for providing enrollees with newsletters at least twice a year. **MTHC** demonstrated compliance with the requirements for timely processing of clean claims.

The 2009–2010 compliance review did not result in any recommendations for the *Administrative*, *Quality Assurance/Utilization Management*, or *Fraud and Abuse* standard; therefore, the 2010–2011 review did not address any criteria on these standards.

MTHC demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MHP. The 2010–2011 compliance review did not identify any opportunities for improvement.

Performance Measures

Federal regulations for CHIP managed care programs include a requirement to validate performance measures for each contracted health plan. MDCH contracted with HSAG to conduct the validation. MDCH developed and defined four performance measures, as well as calculated and reported the rates.

Table I-2 lists the performance measures and presents the validation findings and audit designations for SFY 2010–2011.

Table I-2—Performance Measure Validation Results for MTHC			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
3.	<i>Encounter Data— Institutional and Professional</i>	No concerns identified.	<i>Fully Compliant</i>
4.	<i>Encounter Data— Pharmacy</i>	No concerns identified.	<i>Fully Compliant</i>

The 2010–2011 validation findings for **MTHC** reflected that the performance measures were *Fully Compliant* with MDCH specifications, as noted in Table I-2.

Table I-3 presents the reported SFY 2010–2011 quarterly rates for the well-child visit performance measures for **MTHC**; whether or not **MTHC** met the MDCH-specified minimum performance standards of 60 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 50 percent for *Well-Child Visits in the Seventh Through Eleventh Years of Life*; and the aggregated statewide rates across all MICHild medical contractors.

Table I-3—Well-Child Performance Measure Rates for MTHC						
Performance Measure		Reported Rates for SFY 2010–2011				
		Quarter 1	Quarter 2	Quarter 3	Quarter 4	
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MTHC	67.4%	80.0%	84.6%	74.2%
		Standard Met	Y	Y	Y	Y
		Statewide	64.6%	76.0%	77.9%	75.5%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MTHC	33.9%	41.5%	36.4%	43.2%
		Standard Met	N	N	N	N
		Statewide	38.0%	44.3%	54.9%	60.7%

MTHC's rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH standard in all four reporting quarters and exceeded the statewide aggregate rates for the first, second, and third quarter.

MTHC's rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure fell below the MDCH standard for all four quarters and were lower than the statewide aggregate rates for the entire SFY.

MTHC implemented interventions to increase the percentage of its MICHild members who receive well-child visits. These interventions included newsletters for providers and members, well-child packets for providers, and incentives for providers and members. The contractor improved its performance and increased the number of quarters in which the MDCH standards for the well-child visit measures were met.

Table I-4 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month whether or not the rate met the performance standard or was *Not Valid*.

Table I-4—Encounter Data Performance Measure Rates for MTHC													
Performance Measure		Reported Rates for SFY 2010–2011											
		Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
		2010			2011								
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3.	<i>Encounter Data—Institutional and Professional</i>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y
4.	<i>Encounter Data—Pharmacy</i>	N	N	N	N	N	N	N	N	N	N	N	N

For the *Encounter Data—Institutional and Professional* measure, **MTHC** met the MDCH standard for 11 of the 12 reporting months of SFY 2010–2011.

MTHC's rates for the *Encounter Data—Pharmacy* measure fell below the MDCH standard for the entire SFY.

The contractor showed improvement in submitting the institutional and professional encounter data during the measurement period of SFY 2010–2011, working to ensure that encounter files were submitted accurately and on time per the contract requirements.

MTHC should continue its efforts to consistently meet the minimum performance standards for encounter data submissions and for well-child visits, which address the **quality** of services provided by the MICHild medical contractor. The American Academy of Pediatrics regularly releases recommendations that inform providers and parents of current recommendations on health screening guidelines as well as treatment and prevention best practices. **MTHC** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

Annual Compliance Review

According to federal regulations, the State or its EQRO must conduct a review to determine the CHIP managed care organizations’ compliance with standards established by the State for access to care, structure and operations, and quality measurement and improvement.

MDCH evaluated **MUPP**’s compliance with federal and State requirements related to the six standards shown in Table J-1, which presents **MUPP**’s results from the 2010–2011 follow-up compliance review. The 2010–2011 compliance review focused on those criteria where **MUPP** had received a score of *Incomplete* or *Fail* in the previous year. MDCH will conduct a full review of all criteria in the 2011–2012 compliance review cycle.

Standard		Number of Criteria				
		All	Pass	Incomplete	Fail	Not Rated
1	<i>Administrative</i>	2	1	0	0	1
2	<i>Provider</i>	9	2	0	0	7
3	<i>Member</i>	6	0	0	0	6
4	<i>Quality Assurance/Utilization Management</i>	5	1	0	0	4
5	<i>MIS/Data Reporting/Claims Processing</i>	3	0	0	0	3
6	<i>Fraud and Abuse</i>	3	1	0	0	2
Total		28	5	0	0	23

MUPP showed strength in the *Administrative*, *Provider*, *Quality Assurance/Utilization Management*, and *Fraud and Abuse* standards, demonstrating compliance with all contractual requirements that were reviewed for these areas. Following the 2009–2010 compliance review, the contractor successfully implemented corrective actions to address the recommendations for improvement for these standards. **MUPP** demonstrated compliance with the requirement to provide information on its physician incentive plan and updated its specialist and hospital contract addenda to include language that enrollees will be transferred immediately if their health or safety is in jeopardy. The contractor developed and implemented a policy addressing coverage of emergency transportation and hospital-billed ambulance services to and from the hospital, skilled nursing facility, or an enrollee’s home. **MUPP** provided documentation showing that the contractor has standards for access to care for its members and submitted a policy regarding debarred or suspended providers.

The 2009–2010 compliance review did not result in any recommendations for the *Member* or *MIS/Data Reporting/Claims/Processing* standard; therefore, the 2010–2011 review did not address any criteria on this standard.

MUPP demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MHP. The 2010–2011 compliance review did not identify any opportunities for improvement.

Performance Measures

Federal regulations for CHIP managed care programs include a requirement to validate performance measures for each contracted health plan. MDCH contracted with HSAG to conduct the validation. MDCH developed and defined four performance measures, as well as calculated and reported the rates.

Table J-2 lists the performance measures and presents the validation findings and audit designations for SFY 2010–2011.

Table J-2—Performance Measure Validation Results <i>for MUPP</i>			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	Rates are consistent and reasonable.	<i>Fully Compliant</i>
3.	<i>Encounter Data— Institutional and Professional</i>	No concerns identified.	<i>Fully Compliant</i>
4.	<i>Encounter Data— Pharmacy</i>	No concerns identified.	<i>Fully Compliant</i>

The 2010–2011 validation findings for **MUPP** reflected that the performance measures were *Fully Compliant* with MDCH specifications, as noted in Table J-2.

Table J-3 presents the reported SFY 2010–2011 quarterly rates for the well-child visit performance measures for **MUPP**; whether or not **MUPP** met the MDCH-specified minimum performance standards of 60 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 50 percent for *Well-Child Visits in the Seventh Through Eleventh Years of Life*; and the aggregated statewide rates across all MICHild medical contractors.

Table J-3—Well-Child Performance Measure Rates for MUPP						
Performance Measure		Reported Rates for SFY 2010–2011				
			Quarter 1	Quarter 2	Quarter 3	Quarter 4
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MUPP	50.0%	64.9%	70.3%	72.2%
		Standard Met	N	Y	Y	Y
		Statewide	64.6%	76.0%	77.9%	75.5%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MUPP	23.1%	30.0%	46.8%	54.0%
		Standard Met	N	N	N	Y
		Statewide	38.0%	44.3%	54.9%	60.7%

MUPP's rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH standard in three of the four reporting quarters (second through fourth) but fell below the statewide aggregate rate for the entire SFY 2010–2011.

MUPP's rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure fell below the MDCH standard for the first three quarters and were lower than the statewide aggregate rates for the entire SFY.

MUPP implemented interventions to increase the percentage of its MICHild members who receive well-child visits. These interventions included targeted mailings, outreach telephone calls, assistance with transportation, and letters to parents indicating the need for a well-child visit. The contractor improved its performance and increased the number of quarters in which the MDCH standards for the well-child visit measures were met.

Table J-4 presents a comparison of the reported rates for encounter data against the MDCH minimum performance standard, showing for each month whether or not the rate met the performance standard or was *Not Valid*.

Table J-4—Encounter Data Performance Measure Rates for MUPP													
Performance Measure		Reported Rates for SFY 2010–2011											
		Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
		2010			2011								
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3.	<i>Encounter Data—Institutional and Professional</i>	Y	Y	Y	Y	Y	Y	Y	N	N	N	N	Y
4.	<i>Encounter Data—Pharmacy</i>	N	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

For the *Encounter Data—Institutional and Professional* measure, **MUPP** met the MDCH standard for eight of the 12 reporting months.

MUPP's rates for the *Encounter Data—Pharmacy* measure fell below the MDCH standard for one reporting date (October 2010) and met the performance standard for the remaining months of SFY 2010–2011.

The contractor showed improvement in submitting the encounter data during the measurement period of SFY 2010–2011, working to ensure that encounter files were submitted accurately and on time per the contract requirements.

MUPP should continue its efforts to consistently meet the minimum performance standards for encounter data submissions and for well-child visits, which address the **quality** of services provided by the MICHild medical contractor. The American Academy of Pediatrics regularly releases recommendations that inform providers and parents of current recommendations on health screening guidelines as well as treatment and prevention best practices. **MUPP** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

Appendix K. Findings—Blue Cross Blue Shield of Michigan (Dental)

Annual Compliance Review

According to federal regulations, the State or its EQRO must conduct a review to determine the CHIP managed care organizations’ compliance with standards established by the State for access to care, structure and operations, and quality measurement and improvement.

MDCH evaluated **MDBC**’s compliance with federal and State requirements related to the six standards shown in Table K-1, which presents **MDBC**’s results from the 2010–2011 follow-up compliance review. The 2010–2011 compliance review focused on those criteria where **MDBC** had received a score of *Incomplete* or *Fail* in the previous year. MDCH will conduct a full review of all criteria in the 2011–2012 compliance review cycle.

Table K-1—2010–2011 Compliance Review Results for MDBC						
Standard		Number of Criteria				
		All	Pass	Incomplete	Fail	Not Rated
1	<i>Administration</i>	2	1	1	0	0
2	<i>Provider</i>	10	4	0	0	6
3	<i>Enrollee Services</i>	11	3	0	0	8
4	<i>Quality Assurance/Utilization Management</i>	3	2	1	0	0
5	<i>Fraud and Abuse</i>	3	0	0	0	3
Total		29	10	2	0	17

MDBC showed strength in the *Provider* and *Enrollee Services* standards, demonstrating compliance with all contractual requirements that were reviewed for these areas. Following the 2009–2010 compliance review, the contractor successfully implemented corrective actions to address the recommendations for improvement for these standards. **MDBC** updated its contracts and provider guide to address all required provisions, demonstrated that it maintains a staff of sufficient size to respond timely to provider inquiries regarding MICHild services, and provided documentation that enrollees can obtain information on languages spoken by providers participating on a per claim basis. **MDBC** implemented a process to ensure timely mailing of IDs and handbooks to new members, incorporated updated grievance and appeals procedures into the MICHild Dental Handbook, and revised its notice of action letters to contain all of the required elements. The contractor provided documentation that all of the participating providers that provide services in bordering states are licensed. The 2009–2010 compliance review did not result in any recommendations for the *Fraud and Abuse* standard; therefore, the 2010–2011 review did not address any criteria on this standard. For the remaining two standards, **MDBC** demonstrated compliance with most of the criteria that were assessed.

On the *Administration* standard, **MDBC** demonstrated compliance with the requirements related to the organizational chart but did not provide evidence of daily reconciliation of the enrollment files. To address the recommendations for the *Quality Assurance/Utilization Management* standard, the contractor demonstrated that standards were in place to monitor member's access to periodic exams as well as a method to identify members who missed services. **MDBC** provided documentation showing that members have access to emergency services 24 hours a day, seven days a week but did not provide written policies and procedures to ensure access to and quality of services. The contractor should provide internal policies and procedures that address ensuring access to and quality of services.

MDBC demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MHP. The 2010–2011 compliance review also identified opportunities for improvement in all three domains.

Annual Compliance Review

According to federal regulations, the State or its EQRO must conduct a review to determine the CHIP managed care organizations’ compliance with standards established by the State for access to care, structure and operations, and quality measurement and improvement.

MDCH evaluated **MDDM**’s compliance with federal and State requirements related to the six standards shown in Table L-1, which presents **MDDM**’s results from the 2010–2011 follow-up compliance review. The 2010–2011 compliance review focused on those criteria where **MDDM** had received a score of *Incomplete* or *Fail* in the previous year. MDCH will conduct a full review of all criteria in the 2011–2012 compliance review cycle.

Table L-1—2010–2011 Compliance Review Results for MDDM						
Standard		Number of Criteria				
		All	Pass	Incomplete	Fail	Not Rated
1	<i>Administration</i>	2	1	0	0	1
2	<i>Provider</i>	10	1	0	1	8
3	<i>Enrollee Services</i>	11	2	2	0	7
4	<i>Quality Assurance/Utilization Management</i>	3	2	0	0	1
5	<i>Fraud and Abuse</i>	3	0	0	0	3
Total		29	6	2	1	20

MDDM showed strength in the *Administration* and *Quality Assurance/Utilization Management* standards, demonstrating compliance with all contractual requirements that were reviewed for these areas. Following the 2009–2010 compliance review, the contractor successfully implemented corrective actions to address the recommendations for improvement for these standards. **MDDM** maintained a current organizational chart and demonstrated its process for assessing access and quality of care for its enrollees. The contractor ensured that enrollees have access to emergency services 24 hours a day, seven days a week.

The 2009–2010 compliance review did not result in any recommendations for the *Fraud and Abuse* standard; therefore, the 2010–2011 review did not address any criteria on this standard. For the remaining two standards, **MDDM** demonstrated compliance with several of the criteria that were assessed.

For the *Provider* standard, **MDDM** placed information on the Insure Kids Now Web site about languages spoken by its providers and plans to add languages spoken as a search feature to the provider search function on the contractor’s Web site. **MDDM** planned to revise its contracts to add language informing providers that they are not prohibited from advocating on behalf of enrollees in any grievance or utilization process, but provided a target date for completion that was not

acceptable. The contractor must revise the timeline and notify providers in the interim that they are not prohibited from advocating on behalf of enrollees. On the *Enrollee Services* standard, **MDDM** demonstrated compliance with the requirements for procedures for the resolution of grievances and appeals. While the contractor notified enrollees of adverse benefit decisions, the notice of action letter template did not contain all required information. **MDDM** should revise the template and keep it on file to use if needed in the future and continue efforts to reduce the reading level of its member handbook.

MDDM demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MHP. The 2010–2011 compliance review also identified opportunities for improvement in all three domains.

Annual Compliance Review

According to federal regulations, the State or its EQRO must conduct a review to determine the CHIP managed care organizations’ compliance with standards established by the State for access to care, structure and operations, and quality measurement and improvement.

MDCH evaluated **MGDP**’s compliance with federal and State requirements related to the six standards shown in Table M-1, which presents **MGDP**’s results from the 2010–2011 follow-up compliance review. The 2010–2011 compliance review focused on those criteria where **MGDP** had received a score of *Incomplete* or *Fail* in the previous year. MDCH will conduct a full review of all criteria in the 2011–2012 compliance review cycle.

Standard		Number of Criteria				
		All	Pass	Incomplete	Fail	Not Rated*
1	<i>Administration</i>	2	1	0	0	1
2	<i>Provider</i>	10	2	1	0	7
3	<i>Enrollee Services</i>	11	3	2	0	6
4	<i>Quality Assurance/Utilization Management</i>	3	1	0	0	2
5	<i>Fraud and Abuse</i>	3	2	1	0	0
Total		29	9	4	0	16

MGDP showed strength in the *Administration* and *Quality Assurance/Utilization Management* standards, demonstrating compliance with all contractual requirements that were reviewed for these areas. Following the 2009–2010 compliance review, the contractor successfully implemented corrective actions to address the recommendations for improvement for these standards. **MGDP** demonstrated compliance with the requirements related to the organizational chart and provided documentation to show the processes for analyzing the quality of care, over- and underutilization of services, disease management strategies, and outcomes of care. For the remaining three standards, **MGDP** demonstrated compliance with most of the criteria that were assessed.

On the *Provider* standard, **MGDP** added the Informal Enrollee Inquiry/Complaint/Grievance Procedure to its provider contracts to document that providers are not prohibited from advocating on behalf of an enrollee in any grievance or utilization review process. While the contractor included the languages spoken by a provider in the directory on **MGDP**’s Web site, members are not informed of the need to check the Web site until they contact the contractor. **MGDP** should inform members how to determine which languages are spoken by a provider. The contractor developed a letter to providers notifying them of the reasons for not including them in its panel, but stated that at the time of the review, **MGDP** had not denied any providers. To address the

recommendation for the *Enrollee Services* standard, **MGDP** incorporated its procedures for denials, cancellations, or non-renewals of certificates into its MICHild member handbook and its provider administration manual and guidelines. The contractor added language to the notice of action letter, stating that the enrollee has the right to have benefits continue while the resolution of an appeal is pending. **MGDP** included written guidelines in the provider manual to ensure that enrollees receive covered services without regard to race, color, creed, sex, religion, age, national origin, ancestry, marital status, sexual preference, or physical or mental handicap and added a statement that enrollees cannot be denied a covered service or availability of a facility or provider or be intentionally segregated from other persons receiving health care services. While the contractor provided a newsletter and an American Dental Association-approved brochure to its members, neither document was approved by MDCH before being distributed. **MGDP** should ensure that all materials receive approval from MDCH prior to their distribution. The contractor revised its MICHild handbook to meet the requirement of a 6.9 grade reading level; however, using the Flesch-Kincaid readability tool, MDCH determined that the handbooks continued to exceed the required reading level. **MGDP** should continue its efforts to meet the requirement. On the *Fraud and Abuse* standard, **MGDP** demonstrated compliance with the requirement for a mandatory compliance plan and provided documentation of the contractor's procedures to report suspicion or knowledge of fraud or abuse to MDCH. **MGDP** stated that at the time of the review, efforts were underway to incorporate into the provider contracts the fraud and abuse policies and procedures and how the contractor complies with federal and State fraud and abuse standards. **MGDP** should provide its policies and procedures that describe how the contractor complies with federal and State fraud and abuse standards.

MGDP demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MHP. The 2010–2011 compliance review also identified opportunities for improvement in all three domains.