

# **Department Report Evaluation**

(FY2019 Appropriation Act - Public Act 207 of 2018)

**May 30, 2019**

***Sec. 1792. By April 30 of the current fiscal year, the department shall evaluate encounter data through the end of the previous fiscal year. By May 30 of the current fiscal year, the department shall report the evaluation results to the senate and house appropriations subcommittees on the department budget, the senate and house fiscal agencies, the senate and house policy offices, the state budget office, and the Medicaid health plans.***



**Boilerplate Report**  
**Section 1792 of PA 207 of 2018**

The Michigan Department of Health and Human Services (MDHHS) evaluates encounter data submitted by the managed care health plans on an ongoing basis through the following processes:

- First, the data is evaluated against informational and rejecting edits when loaded into the data warehouse.
- Second, encounter volume and timeliness reporting are shared with the health plans on a monthly basis. During Fiscal Year 2018, eight health plans met timeliness requirements for all 12 months for pharmacy encounters and seven health plans met timeliness requirements for all 12 months for non-pharmacy encounters.
- Third, through the Encounter Quality Initiative (EQI) the data is compared to information submitted by the managed care health plans to identify variances. The EQI covers a rolling 16-month period of data. For the cycle ending September 30, 2018, each health plan was asked to identify at least three variances and provide a correction plan for each variance. In total, health plans identified 36 variances for that time period. The EQI is repeated every four months and health plans are asked to identify new variances for each time period as well as report on their progress toward fixing variances identified in prior cycles.
- Fourth, on a monthly basis, the MDHHS encounter quality team meets with each managed care entity to discuss the monthly report results and any data quality questions or concerns that either entity may have.
- Finally, encounters are subject to other ad hoc reviews and processes.

Through each of these steps, health plans are encouraged to correct any discrepancies or errors in the encounter data.