

# MICHILD EXTERNAL QUALITY REVIEW REPORT

(FY2013 Appropriation Bill - Public Act 200 of 2012)

**Within 30 days receipt of final report  
from contractors**

**Section 1670:** (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.

*Michigan Department  
of Community Health*



**Rick Snyder, Governor  
James K. Haveman, Director**

*Michigan Department  
of Community Health*



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James K. Haveman, Director**

# **2012–2013 MICHILD EXTERNAL QUALITY REVIEW TECHNICAL REPORT**

**March 2014**



3133 East Camelback Road, Suite 300 • Phoenix, AZ 85016

Phone 602.264.6382 • Fax 602.241.0757

|   |            |
|---|------------|
| <b>1. Executive Summary .....</b>   | <b>1-1</b> |
| Purpose of Report .....   | 1-1        |
| Scope of External Quality Review (EQR) Activities Conducted .....             | 1-2        |
| <b>2. External Quality Review Activities .....</b>                            | <b>2-1</b> |
| Introduction .....  | 2-1        |
| Compliance Monitoring .....   | 2-1        |
| Validation of Performance Measures .....                                      | 2-4        |
| <b>3. Overall Findings .....</b>  | <b>3-1</b> |
| Annual Compliance Review .....  | 3-1        |
| Validation of Performance Measures .....                                      | 3-4        |
| <b>4. Appendices Introduction .....</b>                                       | <b>4-1</b> |
| Overview .....  | 4-1        |
| Michigan MICHild Contractor Names .....                                       | 4-1        |
| <i>Appendix A.</i> Findings—Blue Cross Blue Shield of Michigan .....          | <b>A-1</b> |
| <i>Appendix B.</i> Findings—CoventryCares of Michigan, Inc. ....              | <b>B-1</b> |
| <i>Appendix C.</i> Findings—Grand Valley Health Plan .....                    | <b>C-1</b> |
| <i>Appendix D.</i> Findings—HealthPlus of Michigan .....                      | <b>D-1</b> |
| <i>Appendix E.</i> Findings—Midwest Health Plan .....                         | <b>E-1</b> |
| <i>Appendix F.</i> Findings—Molina Healthcare of Michigan .....               | <b>F-1</b> |
| <i>Appendix G.</i> Findings—Priority Health Government Programs, Inc. ....    | <b>G-1</b> |
| <i>Appendix H.</i> Findings—Total Health Care .....                           | <b>H-1</b> |
| <i>Appendix I.</i> Findings—UnitedHealthcare Community Plan .....             | <b>I-1</b> |
| <i>Appendix J.</i> Findings—Upper Peninsula Health Plan .....                 | <b>J-1</b> |
| <i>Appendix K.</i> Findings—Blue Cross Blue Shield of Michigan (Dental) ..... | <b>K-1</b> |
| <i>Appendix L.</i> Findings—Delta Dental Plan of Michigan .....               | <b>L-1</b> |
| <i>Appendix M.</i> Findings—Golden Dental Plan .....                          | <b>M-1</b> |

## ACKNOWLEDGMENTS AND COPYRIGHTS

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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)
- ◆ CoventryCares of Michigan, Inc. (MCOV)
- ◆ Grand Valley Health Plan (MGVH)
- ◆ HealthPlus of Michigan (MHPL)
- ◆ Midwest Health Plan (MMID)
- ◆ Molina Healthcare of Michigan (MMOL)
- ◆ Priority Health Government Programs, Inc. (MPRI)
- ◆ Total Health Care (MTHC)
- ◆ UnitedHealthcare Community Plan (MUNI)
- ◆ Upper Peninsula Health Plan (MUPP)
- ◆ Blue Cross Blue Shield of Michigan (Dental) (MDBC)
- ◆ Delta Dental Plan of Michigan (MDDM)
- ◆ Golden Dental Plan (MGDP)

## 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 2012–2013. Appendices A–M contain detailed, contractor-specific findings and Section 3 presents detailed statewide findings.

### Compliance Reviews—MICHild Medical Contractors

MDCH completed the review of the six standards shown below during compliance reviews of the ten contracted MICHild medical contractors during state fiscal year (SFY) 2012–2013. Table 1-1 shows the statewide aggregated results.

| Table 1-1—Summary of Data From the 2012–2013 Annual Compliance Review of MICHild Medical Contractors |                                |                              |   |                         |
|--|--------------------------------|------------------------------|---|-------------------------|
|  | Standard                       | Range of Contractors' Scores | Number of Contractors With 100 Percent Compliance | Statewide Average Score |
| 1.   | <i>Administrative</i>          | 88%–100%                     | 9   | 98%                     |
| 2.   | <i>Providers</i>               | 75%–100%                     | 1   | 87%                     |
| 3.   | <i>Members</i>                 | 70%–100%                     | 3   | 88%                     |
| 4.   | <i>Quality</i>                 | 81%–100%                     | 4   | 93%                     |
| 5.   | <i>MIS</i>                     | 33%–100%                     | 7   | 86%                     |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 100%–100%                    | 10  | 100%                    |
| Overall Score  |                                | 78%–97%                      | 0   | 92%                     |

The statewide average overall score across all standards and MICHild medical contractors of 92 percent reflected continued strong performance on the compliance reviews. The *Fraud, Waste, and Abuse* standard showed both the highest statewide average score of 100 percent and the highest number—all ten contractors—achieving 100 percent compliance with requirements related to compliance plans and processes to guard against fraud, waste, and abuse. The *Administrative* standard represented another area of strong performance for the medical MICHild contractors, with nine of the ten contractors in full compliance with all requirements and a statewide score of 98 percent. These results indicated strengths related to the contractors' compliance with requirements regarding their governing bodies, organizational charts, and policies for election of Board members.

With a statewide average score of 87 percent and only one of the contractors in full compliance with all requirements, the *Providers* standard represented the largest opportunity for improvement. Performance on the *MIS* standard resulted in a statewide average score of 86 percent, with seven of the ten medical MICHild contractors achieving 100 percent compliance on this standard. While most contractors received recommendations related to the *Quality* and *Members* standards, statewide average scores of 93 percent and 88 percent, respectively, indicated strong performance in these areas.

## Compliance Reviews—MICHild Dental Contractors

MDCH completed the review of the five standards shown in the following table over the course of the 2012–2013 annual compliance reviews. Table 1-2 shows the statewide aggregated results across the three dental contractors.

| Table 1-2—Summary of Data From the 2012–2013 Annual Compliance Review of MICHild Dental Contractors   |   |                              |   |                         |
|---|---|------------------------------|---|-------------------------|
| Standard  |   | Range of Contractors' Scores | Number of Contractors With 100 Percent Compliance | Statewide Average Score |
| 1.  | <i>Administration</i>                           | 75%–100%                     | 2   | 92%                     |
| 2.  | <i>Provider</i>                                 | 75%–100%                     | 2   | 92%                     |
| 3.  | <i>Enrollee Services</i>                        | 86%–100%                     | 2   | 95%                     |
| 4.  | <i>Quality Assurance/Utilization Management</i> | 67%–100%                     | 2   | 89%                     |
| 5.  | <i>Fraud, Waste, and Abuse</i>                  | 50%–100%                     | 2   | 83%                     |
| Overall Score   |   | 74%–100%                     | 2   | 91%                     |
| Please use caution when comparing the current results to prior review cycles, as the number of criteria reviewed in 2012–2013 was markedly reduced for two of the standards ( <i>Provider</i> and <i>Enrollee Services</i> ). |   |                              |   |                         |

The statewide average overall score across all standards and MICHild dental contractors was 91 percent, with two of the three contractors achieving an overall compliance score of 100 percent.

For all five standards, two of the three MICHild dental contractors demonstrated full compliance with all requirements, while one contractor received compliance scores ranging from 50 percent to 86 percent, with a total of eight recommendations for improvement across the *Administration*; *Provider*; *Enrollee Services*; *Quality Assurance/Utilization Management*; and *Fraud, Waste, and Abuse* standards.

The results of this annual compliance review demonstrated strengths for the MICHild dental contractors as well as opportunities for improvement across all of the standards for one contractor.



## Validation of Performance Measures

HSAG conducted the validation activities as outlined in the CMS publication, *EQR Protocol 2: Validation of Performance Measures Reported by the MCO: A Mandatory Protocol for External Quality Review (EQR)*, Version 2.0, September 2012, for all MICHild medical contractors.

MDCH developed and defined four performance measures for reporting—as shown in Table 1-3—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.

Noted strengths included the following: The MICHild team was knowledgeable of the MICHild contractors and the process for encounter data submissions. All data were tracked and reviewed monthly for timeliness and completeness. As in prior years, MDCH continued to track and monitor the data, and the MICHild medical contractors received feedback on their submissions each month. Report production was automated and reviewed by various department staff, which minimized the potential for errors. MDCH also recognized the challenge that the smaller-volume contractors have faced in meeting the standards for encounter data submissions. Modifications will be made for future reporting periods to account for enrollment in the MICHild plans.

Recommendations for improvement identified in the 2012–2013 validation addressed the following areas: MDCH should continue to work with its MICHild medical contractors to ensure that encounter data are complete. A review of the monthly Composite Report showed that many of the MICHild medical contractors did not meet the minimum volume requirements for institutional/professional and pharmacy encounters. Without complete encounter data, rates for reported performance measures could be low, or underreported. HSAG recommends reviewing encounter data rejection reports periodically to identify potential submission issues and minimize the impact of missing data due to error rejection. MDCH should consider not reporting rates for measures that have a denominator of less than 30 members, which is consistent with National Committee for Quality Assurance (NCQA) protocols.

The validation activities for SFY 2012–2013 resulted in validation designations of *Report* for all measures, indicating 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 1-3 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 1-3—Percentage of Contractors Meeting the MDCH Standard During SFY 2012–2013  |                  |                              |
|---|------------------|------------------------------|
|   | Percentage Range | Total Across All Contractors |
| <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>   | 50%–70%          | 62%                          |
| <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>  | 44%–60%          | 51%                          |
| <i>Encounter Data Reporting—Institutional and Professional</i>  | 70%–90%          | 78%                          |
| <i>Encounter Data Reporting—Pharmacy</i>  | 60%–100%         | 82%                          |
| Note: Results for the well-child visit performance measures were based on varying numbers of MICHild medical contractors, as one of the contractors did not yet have an eligible population for reporting well-child measures for the first quarter of the SFY. |                  |                              |

For each of the quarters in SFY 2012–2013, at least three contractors had rates for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure that fell below the MDCH-specified minimum performance standard, while at least four contractors did not meet the standard for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure. Results for the encounter data measures showed that at least one contractor failed to meet the standard for the *Institutional and Professional* data measure in each reporting month, while the *Pharmacy* data had stronger performance, with all contractors meeting the standard for at least two months of the fiscal year.

## Quality, Timeliness, and Access

The annual compliance review of the MICHild contractors showed strong performance across the domains of **quality**, **timeliness**, and **access**. The areas with the highest level of compliance—the *Fraud, Waste, and Abuse* standard for MICHild medical contractors and the *Enrollee Services* standard for dental contractors—showed strengths related to the **quality** and **timeliness** of, as well as **access** to, health care services provided to MICHild enrollees. The compliance review results further indicated opportunities for improvement across the **quality**, **timeliness**, and **access** domains.

Results for both well-child visits measures reflected opportunities for improvement in the **quality** domain. Statewide, almost half of all reported quarterly rates ( 62 percent for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure, and 51 percent for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure) fell below the respective MDCH-specified minimum performance standard.

Table 1-4 shows HSAG’s assignment of the compliance review standards and performance measures into the domains of **quality**, **timeliness**, and **access**.

| Table 1-4—Assignment of Activities to Performance Domains                     |         |            |        |
|---|---------|------------|--------|
| Compliance Review Standards—Medical   | Quality | Timeliness | Access |
| Standard 1. <i>Administrative</i>   | ✓       |            |        |
| Standard 2. <i>Providers</i>  | ✓       | ✓          | ✓      |
| Standard 3. <i>Members</i>  | ✓       | ✓          | ✓      |
| Standard 4. <i>Quality</i>  | ✓       |            | ✓      |
| Standard 5. <i>MIS</i>  | ✓       | ✓          |        |
| Standard 6. <i>Fraud, Waste, and Abuse</i>                                    | ✓       | ✓          | ✓      |
| Performance Measures—Medical <sup>1-1</sup>                                   | 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, Waste, and Abuse</i>                                    | ✓       | ✓          | ✓      |

<sup>1-1</sup> 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.

## 2. External Quality Review Activities

### 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

MDCH performed an annual 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 may 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 was responsible for the activities that assessed MHP compliance with federal Medicaid managed care regulations. This technical report presents the results of the 2012–2013 compliance reviews. MDCH conducted the annual compliance reviews of the MICHild contractors from January 2013 through August 2013.

#### MICHild Medical Contractors:

For the 2012–2013 compliance reviews of the MICHild medical contractors, MDCH revised its review tool and process. In lieu of the annual compliance review site visit, MDCH required that throughout the fiscal year, contractors submit documentation of their compliance with a specified subset of the criteria in the review tool. Following each month's submissions, MDCH determined the contractors' level of compliance with the criteria that were assessed and provided feedback to each plan about its performance. For criteria with less than complete compliance, MDCH also specified its findings and requirements for a corrective action plan. Contractors then detailed the proposed corrective action, which was reviewed and approved, when acceptable, by MDCH prior to implementation.

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

1. *Administrative*
2. *Providers*
3. *Members*
4. *Quality*
5. *MIS*
6. *Fraud, Waste, and Abuse*

MICHild dental contractors:

For the 2012–2013 compliance reviews of the MICHild dental contractors, MDCH continued with the prior-year review tool and process. The review tools focused on contractual requirements in the following areas:

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

However, MDCH did not review all of the criteria for all of the standards. While the *Administration*; *Quality Assurance/Utilization Management*; and *Fraud, Waste, and Abuse* standards were reviewed in full, MDCH elected to focus only on those criteria for the *Provider* and *Enrollee Services* standards that had received a score of less than *Pass* in the previous review cycle by any of the MICHild dental contractors. For the *Provider* standard, MDCH reviewed two of the ten criteria, while the review of the *Enrollee Services* standard addressed seven of the 11 criteria.

### **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, 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
- ◆ 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 summarized 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)
- ◆ *Not Applicable (N/A)*—The requirement(s) did not apply to the contractor
- ◆ *Not Reviewed (N/R)*—The requirement(s) were not addressed in the compliance review

HSAG calculated a total compliance score for each standard, reflecting the degree of compliance with contractual requirements related to that area, and an overall score for each contractor across all standards. The total compliance scores were obtained by adding the weighted number of criteria that received a score of *Pass* (value: 1 point) to the weighted number of criteria that received a score of *Incomplete* (0.5 points), *Fail* (0 points), or *N/A* (0 points), then dividing this total by the total number of applicable criteria reviewed. Statewide averages were calculated by summing the individual contractor scores, then dividing that sum by the total number of applicable criteria reviewed across all medical contractors and separately across all dental contractors.

Some sections of this report present comparisons to prior-year performance. Results of the 2011–2012 and 2012–2013 compliance reviews are not fully comparable due to changes in the review tool and review process for medical contractors, as well as the exclusion of a number of criteria from the review for dental contractors. The number of criteria for the standards changed from the prior versions, impacting the compliance score when an MHP failed to demonstrate compliance with one or more of the requirements. Therefore, caution should be applied when making these comparisons.

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 1-4 (page 1-7) 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 Centers for Medicare & Medicaid Services (CMS) publication, *EQR Protocol 2: Validation of Performance Measures Reported by the MCO: A Mandatory Protocol for External Quality Review (EQR)*, Version 2.0, September 2012.<sup>2-1</sup>

### 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 medical 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 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 Attachment A, Worksheet 3, of the CMS performance measure validation (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.

<sup>2-1</sup> Department of Health and Human Services, Centers for Medicare & Medicaid Services. *EQR Protocol 2: Validation of Performance Measures Reported by the MCO: A Mandatory Protocol for External Quality Review (EQR)*, Version 2.0, September 2012. Available at: <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Quality-of-Care-External-Quality-Review.html>.



## 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 A of the CMS PMV protocol.

To assess the health plan encounter data used for performance measure reporting, HSAG prepared documentation requests for all MICHild medical contractors, which consisted of the ISCAT (Appendix 5, Attachment A, 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 medical contractors, with a timetable for completion and instructions for submission. HSAG assisted the MICHild medical 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 22, 2013. 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 2013 as the validation period, which encompassed the reporting periods of October 2012 through September 2013. MDCH developed and defined four performance measures for reporting and calculated plan-specific results using encounter data submitted by the MICHild medical contractors.

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

| Table 2-1—MICHild Performance Measures for SFY 2013 |   |
|---|---|
| 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<br>for the <i>Well-Child Visit</i> Measures |                                     |                  |
|---|-------------------------------------|------------------|
| Quarter   | Measurement Period                  | Reporting Period |
| Q1  | April 2011 through March 2012       | October 2012     |
| Q2  | July 2011 through June 2012         | January 2013     |
| Q3  | October 2011 through September 2012 | April 2013       |
| Q4  | January 2012 through December 2012  | July 2013        |

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 2012 through September 2013. The corresponding measurement period was September 2012 through August 2013. Throughout this report, encounter data results are presented by the reporting date.

**Table 2-3— Reporting Dates and Measurement Periods for the *Encounter Data Measures***

| Reporting Date     | Oct 2012  | Nov 2012 | Dec 2012 | Jan 2013 | Feb 2013 | Mar 2013 | Apr 2013 | May 2013 | Jun 2013 | Jul 2013 | Aug 2013 | Sept 2013 |
|--------------------|-----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| Measurement Period | Sept 2012 | Oct 2012 | Nov 2012 | Dec 2012 | Jan 2013 | Feb 2013 | Mar 2013 | Apr 2013 | May 2013 | Jun 2013 | Jul 2013 | Aug 2013  |

### ***Data Aggregation, Analysis, and How Conclusions Were Drawn***

During the validation, HSAG evaluated MDCH's data systems for processing of each type of data used for reporting the performance measures and identified overall strengths and areas for improvement for MDCH. Based on all validation activities, HSAG designated a validation finding to each performance measure, using the three possible validation designations listed in the CMS PMV protocol (i.e., *Report*, *Not Reported*, or *No Benefit*). These designations were determined by the magnitude of the errors detected for the audit elements, not by the number of audit elements determined to be not compliant based on the review findings. Consequently, it was possible that an error for a single audit element resulted in a designation of *Not Reported* 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 *Report*.

To draw conclusions and make overall assessments about the **quality** and **timeliness** of, and **access** to, care provided by the MICHild medical contractors using findings from the validation of performance measures, each measure was categorized to evaluate one or more of the three domains. Table 1-4 (page 1-7) shows HSAG's assignment of performance measures to these domains of performance.

### 3. Overall Findings

The following section of the report presents a two-year comparison of findings for the annual compliance reviews and validation of performance measures.

## Annual Compliance Review

MDCH conducted annual compliance reviews 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

The annual compliance reviews of the MICHild medical contractors assessed compliance with contractual requirements on six standards: *Administrative*; *Providers*; *Members*; *Quality*; *MIS*; and *Fraud, Waste, and Abuse*.

Table 3-1 presents the results from the current (2012–2013) and previous (2011–2012) reviews of all applicable criteria across all contractors. In addition to the range of compliance scores and the statewide averages for each of the six standards and the overall score, the table below presents the number and percentage of contractors that achieved 100 percent compliance for each standard or across all standards.

Caution should be applied when making comparisons between the two review cycles. The compliance review tool and review process for 2012–2013 underwent some revisions (as described in Section 2 of this report) that may have had an impact on the scores for some of the standards.

| Table 3-1—Comparison of Results From the Annual Compliance Reviews for MICHild Medical Contractors |                         |                   |           |                   |         |   |         |
|--|-------------------------|-------------------|-----------|-------------------|---------|---|---------|
| Standard   |                         | Compliance Scores |           |                   |         | Contractors in Full Compliance (Number/Percent) |         |
|  |                         | Range             |           | Statewide Average |         |   |         |
|  |                         | 2011–12           | 2012–13   | 2011–12           | 2012–13 | 2011–12   | 2012–13 |
| 1.   | Administrative          | 75% –100%         | 88%–100%  | 97%               | 98%     | 9/90%   | 9/90%   |
| 2.   | Providers               | 80%–100%          | 75%–100%  | 92%               | 87%     | 4/40%   | 1/10%   |
| 3.   | Members                 | 50%–100%          | 70%–100%  | 84%               | 88%     | 2/20%   | 3/30%   |
| 4.   | Quality                 | 93%–100%          | 81%–100%  | 96%               | 93%     | 5/50%   | 4/40%   |
| 5.   | MIS                     | 67%–100%          | 33%–100%  | 93%               | 86%     | 7/70%   | 7/70%   |
| 6.   | Fraud, Waste, and Abuse | 100%–100%         | 100%–100% | 100%              | 100%    | 10/100%   | 10/100% |
| Overall Score  |                         | 80%–100%          | 78%–97%   | 93%               | 92%     | 1/10%   | 0/0%    |

As shown in Table 3-1, performance of the medical MICHild contractors showed continued strong performance or improvement from the 2011–2012 to the 2012–2013 review cycle on several of the standards.

The *Fraud, Waste, and Abuse* standard continued to represent a statewide strength. All MICHild medical contractors continued to demonstrate full compliance with all requirements on this standard, achieving compliance scores of 100 percent.

Performance on the *Administrative* and *Members* standards resulted in higher statewide scores and an equal or higher number of contractors in full compliance with all requirements. Contractors addressed previously identified areas for improvement related to their Web sites and enrollee grievances and appeals.

The *Providers* and *Quality* standards had a decline for the statewide score and for the percentage of contractors in full compliance with all requirements. For the *Providers* standard, the number of contractors with 100 percent compliance decreased from four in the prior review cycle to one in 2012–2013. For several contractors (seven of the ten), the current compliance reviews identified opportunities for improvement related to demonstrating that covered services are available 24 hours a day, seven days a week.

Performance on the *Quality* standard resulted in a lower statewide score and fewer contractors in full compliance with all requirements. About one-third of the opportunities for improvement identified for this standard addressed a new criterion, which assessed contractors' compliance with MDCH-specified minimum performance standards for key performance measures (well-child visits and encounter data submissions). Another opportunity for improvement identified for several contractors addressed requirements related to program descriptions and MDCH approval notices for contractors' health promotion and education programs.

The decline in the statewide score on the *MIS* standard can be attributed mostly to the low performance of two of the contractors, while seven contractors were in full compliance with all requirements. Timely processing of claims for covered services rendered to enrollees was the most frequently identified opportunity for improvement on this standard (for three of the ten contractors).

Overall compliance scores increased or remained the same for five of the ten MICHild medical contractors; however, the statewide average overall score decreased. None of the medical MICHild contractors demonstrated full compliance with all requirements across the six standards in the 2012–2013 compliance review cycle.

## Dental Contractors

The annual compliance reviews of the MICHild dental contractors assessed compliance with contractual requirements on five standards: *Administration*; *Provider*; *Enrollee Services*; *Quality Assurance/Utilization Management*; and *Fraud, Waste, and Abuse*. Table 3-2 presents the results from the current (2012–2013) and previous (2011–2012) reviews of all applicable criteria across all contractors. In addition to the range of compliance scores and the statewide averages for each of the five standards and overall, the table below presents the number and percentage of contractors that achieved 100 percent compliance for each standard and overall across all five standards.

Caution should be applied when making comparisons between the two review cycles. MDCH did not review all of the criteria in the compliance review tool, as described in Section 2 of this report.

| Table 3-2—Comparison of Results From the Annual Compliance Reviews for MICHild Dental Contractors   |  |                   |          |                   |         |   |         |
|---|--|-------------------|----------|-------------------|---------|---|---------|
| Standard  |  | Compliance Scores |          |                   |         | Contractors in Full Compliance (Number/Percent) |         |
|   |  | Range             |          | Statewide Average |         |   |         |
|   |  | 2011–12           | 2012–13  | 2011–12           | 2012–13 | 2011–12   | 2012–13 |
| 1.  | Administration                               | 100%–100%         | 75%–100% | 100%              | 92%     | 3/100%  | 2/67%   |
| 2.  | Provider                                     | 95%–100%          | 75%–100% | 97%               | 92%     | 1/33%   | 2/67%   |
| 3.  | Enrollee Services                            | 64%–100%          | 86%–100% | 85%               | 95%     | 1/33%   | 2/67%   |
| 4.  | Quality Assurance/<br>Utilization Management | 67%–100%          | 67%–100% | 78%               | 89%     | 1/33%   | 2/67%   |
| 5.  | Fraud, Waste, and Abuse                      | 33%–100%          | 50%–100% | 78%               | 83%     | 2/67%   | 2/67%   |
| Overall Score   |  | 74%–100%          | 74%–100% | 89%               | 91%     | 1/33%   | 2/67%   |
| Please use caution when comparing the current results to prior review cycles, as the number of criteria reviewed in 2012–2013 was markedly reduced for two of the standards ( <i>Provider</i> and <i>Enrollee Services</i> ). |  |                   |          |                   |         |   |         |

Performance of the dental MICHild contractors improved from the 2011–2012 to the 2012–2013 review cycle, as shown in Table 3-2. Two of the three dental MICHild contractors demonstrated full compliance with all requirements across the five standards, while one contractor had opportunities for improvement on all standards.

Statewide average scores increased for three of the five standards—*Enrollee Services*; *Quality Assurance/Utilization Management*; and *Fraud, Waste, and Abuse*. Performance on the *Administration* and *Provider* standards resulted in lower statewide compliance scores than in the previous review cycle.

The percentage of dental contractors achieving a score of 100 percent remained unchanged at 67 percent (two of three contractors) for the *Fraud, Waste, and Abuse* standard; increased from 33 percent to 67 percent for the *Provider*, *Enrollee Services*, and *Quality Assurance/Utilization Management* standards; and decreased from 100 percent to 67 percent for the *Administration* standard.

The statewide average overall score increased from the 2011–2012 to the 2012–2013 review cycle, reflecting statewide strength and increased compliance with contractual requirements. Two of the dental MICHild contractors demonstrated full compliance with all requirements across the five standards and achieved an overall compliance score of 100 percent in the 2012–2013 compliance review cycle.

## Validation of Performance Measures

The following section presents findings for the validation of performance measures for the ten MICHild medical contractors. Appendices A–M of this report and the *State Fiscal Year 2013 Validation of Performance Measures Report for MICHild Managed Care Plans* 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. MDCH continued to report the same measures for SFY 2012–2013 that were reported in the previous year.

Table 3-3 lists the performance measures and shows the final validation results for the 2011–2012 and 2012–2013 validation cycles.

| Table 3-3—2011–2012 and 2012–2013 Performance Measure Validation Results |   |   |           |
|--|---|---|-----------|
| Performance Measure  |   | Percentage of Rates Scored<br><i>Fully Compliant/Report</i> |           |
|  |   | 2011–2012   | 2012–2013 |
| 1.   | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | 100%  | 100%      |
| 2.   | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | 100%  | 100%      |
| 3.   | <i>Encounter Data Reporting—Institutional and Professional</i>                | 100%  | 100%      |
| 4.   | <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 encounter and pharmacy data did not result in any concerns. For SFY 2012–2013, all performance measures rates were rated as *Report*, indicating that the measures were fully compliant with MDCH specifications.

The number of medical MICHild contractors included in the performance measure reporting continued to increase. One of the contractors who did not have an eligible population for reporting the well-child measures in the previous report was included in the current reporting for the last three quarters of SFY 2012–2013, thereby increasing the number of contractors with well-child results from nine contractors to ten. For the encounter data measures, the number of contractors included in the reporting remained the same, with all ten contractors included in all reporting months of SFY 2012–2013.

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 increased to 65 percent and 52 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—2011–2012 and 2012–2013 Results for Well-Child Performance Measures |   |   |               |     |     |     |               |      |      |      |
|---|---|---|---------------|-----|-----|-----|---------------|------|------|------|
| Performance Measure   |   | Quarterly Statewide Aggregated Total Rates and Number of Contractors Meeting the Standard |               |     |     |     |               |      |      |      |
|   |   |   | SFY 2011–2012 |     |     |     | SFY 2012–2013 |      |      |      |
|   |   |   | Q 1           | Q 2 | Q 3 | Q 4 | Q 1           | Q 2  | Q 3  | Q 4  |
| 1.  | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | Statewide Rate  | 64%           | 64% | 65% | 66% | 63%           | 63%  | 65%  | 65%  |
|   |   | Met the Standard  | 7/7           | 5/7 | 6/7 | 8/9 | 6/9           | 5/10 | 7/10 | 6/10 |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | Statewide Rate  | 49%           | 47% | 50% | 52% | 50%           | 49%  | 52%  | 54%  |
|   |   | Met the Standard  | 4/7           | 2/7 | 3/7 | 6/9 | 4/9           | 5/10 | 5/10 | 6/10 |

The statewide rates for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure met the MDCH standard of 65 percent for the last two reporting quarters in SFY 2012–2013, but they fell below the standard for the first two quarters.

Statewide aggregated total rates were lower than the rates for the previous SFY for three of the four quarters. Performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure represented an opportunity for improvement as for each quarter, at least three of the ten contractors—and up to five—had rates that fell below the MDCH standard.

The statewide rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure fell below the MDCH standard of 52 percent for the first two quarters of SFY 2012–2013, but they improved to meet the standard in the last two quarters. The number of contractors who met the



standard varied over the quarters of the reporting period, ranging from a low of four contractors in Quarter 1 to a high of six contractors in Quarter 4.

Statewide, performance on the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure continued to represent an opportunity for improvement. While the quarterly statewide aggregated rates improved compared to the prior-year rates, they continued to fall below the MDCH minimum performance standard for two of the four quarters in the SFY. Overall, about half of the contractors' rates fell below the MDCH standard, as was the case in the previous SFY.

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.

| Table 3-5—2011–2012 and 2012–2013 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   |
| 3.  | Encounter Data—<br>Institutional and Professional | 2011 – 2012 | 9/10                                       | 6/10 | 7/10 | 8/10 | 10/10 | 10/10 | 6/10  | 8/10  | 8/10  | 6/10  | 6/10  | 4/10  |
|   |   | 2012 – 2013 | 7/10                                       | 7/10 | 8/10 | 7/10 | 7/10  | 8/10  | 7/10  | 9/10  | 9/10  | 8/10  | 8/10  | 8/10  |
| 4.  | Encounter Data—<br>Pharmacy                       | 2011 – 2012 | 3/10                                       | 5/10 | 6/10 | 7/10 | 10/10 | 10/10 | 10/10 | 10/10 | 10/10 | 10/10 | 9/10  | 8/10  |
|   |   | 2012 – 2013 | 8/10                                       | 9/10 | 9/10 | 9/10 | 7/10  | 6/10  | 6/10  | 6/10  | 9/10  | 9/10  | 10/10 | 10/10 |

For the *Encounter Data—Institutional and Professional* measure, there was no reporting month during which all MICHild medical contractors met the performance standard, representing a decline in performance compared to the previous fiscal year when all contractors met the standard for two of the twelve months. Throughout the reporting year, most contractors—ranging from seven to nine contractors—met the MDCH standard. Compared to SFY 2011–2012, statewide results improved, with a higher percentage of contractors meeting the MDCH performance standard in eight of the 12 months of SFY 2012–2013. Overall, timely and complete reporting of institutional and professional encounter data improved.

For the *Encounter Data—Pharmacy* measure, all MICHild medical contractors met the performance standard for two of the 12 months in SFY 2012–2013. Throughout the reporting year, most contractors—ranging from six to ten contractors—met the MDCH standard. Compared to SFY 2011–2012, overall statewide results showed improvement, with a higher percentage of contractors meeting the MDCH performance standard in six of the 12 months of SFY 2012–2013. These results indicate that contractors improved compliance with requirements for complete and timely reporting of pharmacy encounter data.



### 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 2012–2013 EQR activities. For medical contractors, the appendices include 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—2012–2013 MICHild External Quality Review Appendices |         |   |
|--|---------|---|
| Appendix   | Acronym | Contractor Name                             |
| <b>Medical Contractors</b>                                     |         |   |
| A  | MBCM    | Blue Cross Blue Shield of Michigan          |
| B  | MCOV    | CoventryCares of Michigan, Inc.             |
| C  | MGVH    | Grand Valley Health Plan                    |
| D  | MHPL    | HealthPlus of Michigan                      |
| E  | MMID    | Midwest Health Plan                         |
| F  | MMOL    | Molina Healthcare of Michigan               |
| G  | MPRI    | Priority Health Government Programs, Inc.   |
| H  | MTHC    | Total Health Care                           |
| I  | MUNI    | UnitedHealthcare Community Plan             |
| J  | MUPP    | Upper Peninsula Health Plan                 |
| <b>Dental Contractors</b>                                      |         |   |
| K  | MDBC    | Blue Cross Blue Shield of Michigan (Dental) |
| L  | MDDM    | Delta Dental Plan of Michigan               |
| M  | MGDP    | Golden Dental Plan                          |

## Appendix A. Findings—Blue Cross Blue Shield of Michigan

### 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 Table A-1, which presents **MBCM**'s results from the 2012–2013 annual compliance review.

| Table A-1—Compliance Review Results for MBCM   |                                |                  |            |      |                |                        |           |
|--|--------------------------------|------------------|------------|------|----------------|------------------------|-----------|
| Standard   |                                | Number of Scores |            |      |                | Total Compliance Score |           |
|  |                                | Pass             | Incomplete | Fail | Not Applicable | MBCM                   | Statewide |
| 1.   | <i>Administrative</i>          | 4                | 0          | 0    | 0              | 100%                   | 98%       |
| 2.   | <i>Providers</i>               | 5                | 1          | 0    | 0              | 92%                    | 87%       |
| 3.   | <i>Members</i>                 | 5                | 0          | 0    | 0              | 100%                   | 88%       |
| 4.   | <i>Quality</i>                 | 8                | 0          | 0    | 0              | 100%                   | 93%       |
| 5.   | <i>MIS</i>                     | 2                | 1          | 0    | 0              | 83%                    | 86%       |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 3                | 0          | 0    | 0              | 100%                   | 100%      |
| Overall/Total  |                                | 27               | 2          | 0    | 0              | 97%                    | 92%       |
| Notes: The total compliance scores were obtained by adding the number of criteria that received a score of <i>Pass</i> to the weighted (multiplied by 0.5) number of criteria that received a score of <i>Incomplete</i> , then dividing this total by the total number of applicable criteria reviewed. |                                |                  |            |      |                |                        |           |

**MBCM** showed continued strong performance on the *Administrative*; *Quality*; and *Fraud, Waste, and Abuse* standards. The contractor demonstrated full compliance with all requirements, resulting in compliance scores of 100 percent for these standards.

For the *Members* standard, **MBCM** implemented corrective actions to address recommendations from the 2011–2012 review and achieved a score of 100 percent compliance in the current review cycle. **MBCM** ensured that its Web site included updates to policies and procedures and demonstrated compliance with the requirement for a grievance and appeal policy and process specific to the MICHild program.

The 2012–2013 compliance review resulted in recommendations for the *Providers* and *MIS* standards, representing opportunities for improvement for **MBCM**. The contractor achieved compliance scores of 92 percent and 83 percent, respectively, for these standards. For the *Providers* standard, **MBCM** should ensure that all MICHild members have access to contracted hospitals within 30 minutes or 30 miles of their home address and demonstrate through GeoAccess or other

reports that covered services are available 24 hours a day, seven days a week. To improve performance on the *MIS* standard, **MBCM** should ensure that 99 percent of clean claims are processed within 45 days.

**MBCM**'s performance on five of the six standards (*Administrative; Providers; Members; Quality; and Fraud, Waste, and Abuse*) and the overall compliance score of 97 percent equaled or exceeded the statewide scores, while compliance for the *MIS* standard fell below the statewide average.

**MBCM** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild contractor. The recommendations identified in the 2012–2013 compliance review addressed 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 2012–2013.

| Table A-2—Performance Measure Validation Results <i>for MBCM</i> |   |   |                   |
|--|---|---|-------------------|
| Performance Measure  |   | Findings  | Audit Designation |
| 1.   | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | No concerns identified with rate calculations; standard was met for all four reporting quarters.          | <i>Report</i>     |
| 2.   | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | No concerns identified with rate calculations; standard was met for three out of four reporting quarters. | <i>Report</i>     |
| 3.   | <i>Encounter Data—Institutional and Professional</i>                          | No concerns identified; standard was met for every month.   | <i>Report</i>     |
| 4.   | <i>Encounter Data—Pharmacy</i>  | No concerns identified; standard was met for every month.   | <i>Report</i>     |

The 2012–2013 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 2012–2013 quarterly rates for the well-child visit performance measures for **MBCM**; whether or not **MBCM** met the MDCH-specified minimum performance standards of 65 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 52 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 2012–2013 |           |           |           |           |
|   |   |                                  | 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%       | 65%       | 65%       | 65%       |
|   |   | Standard Met                     | Y         | Y         | Y         | Y         |
|   |   | Statewide                        | 63%       | 63%       | 65%       | 65%       |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | MBCM                             | 52%       | 50%       | 53%       | 54%       |
|   |   | Standard Met                     | Y         | N         | Y         | Y         |
|   |   | Statewide                        | 50%       | 49%       | 52%       | 54%       |

**MBCM**'s rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH-specified minimum performance standard of 65 percent in all four reporting quarters of SFY 2012–2013. **MBCM**'s rates for the first two quarters exceeded the statewide aggregated totals, while the contractor's rates for the third and fourth quarters were equal to the statewide rates.

**MBCM**'s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure met the MDCH-specified minimum performance standard of 52 percent for the first, third, and fourth quarters, but they fell below the standard for the second quarter. **MBCM**'s rates met or exceeded the statewide aggregate rates for all four quarters.

**MBCM** maintained its strong performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure, continuing to meet the minimum performance standard for all four quarters of SFY 2012–2013. The contractor improved performance on the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, increasing the number of quarters in which the contractor met the minimum performance standard from two quarters in 2011–2012 to three quarters in the current validation cycle. **MBCM** should continue efforts to increase rates 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 best practices for treatment and prevention. **MBCM** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

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 2012–2013                               |     |     |      |     |     |     |     |     |     |     |     |
|   |   | Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV) |     |     |      |     |     |     |     |     |     |     |     |
|   |   | 2012   |     |     | 2013 |     |     |     |     |     |     |     |     |
|   |   | Oct  | Nov | Dec | Jan  | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
| 3.  | Encounter Data—Institutional and Professional | Y  | Y   | Y   | Y    | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 4.  | Encounter Data—Pharmacy                       | Y  | Y   | Y   | Y    | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |

For the *Encounter Data—Institutional and Professional* measure, **MBCM** met the MDCH standard for all 12 reporting months of SFY 2012–2013.

**MBCM**’s rates for the *Encounter Data—Pharmacy* measure met the MDCH performance standard for all 12 reporting months.

**MBCM** continued to show strong performance related to its encounter data submissions (both institutional/professional and pharmacy) during SFY 2012–2013, maintaining compliance with the MDCH minimum performance standard throughout the entire State fiscal year.

**MBCM** should continue efforts to maintain the strong performance in meeting the MDCH minimum performance standards for encounter data submissions.

## Appendix B. Findings—CoventryCares of Michigan, Inc.

### 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 **MCOV**'s compliance with federal and State requirements related to the six standards shown in Table B-1, which presents **MCOV**'s results from the 2012–2013 annual compliance review.

| Table B-1—Compliance Review Results for MCOV   |                                |                  |            |      |                |                        |           |
|--|--------------------------------|------------------|------------|------|----------------|------------------------|-----------|
| Standard   |                                | Number of Scores |            |      |                | Total Compliance Score |           |
|  |                                | Pass             | Incomplete | Fail | Not Applicable | MCOV                   | Statewide |
| 1.   | <i>Administrative</i>          | 4                | 0          | 0    | 0              | 100%                   | 98%       |
| 2.   | <i>Providers</i>               | 6                | 0          | 0    | 0              | 100%                   | 87%       |
| 3.   | <i>Members</i>                 | 4                | 1          | 0    | 0              | 90%                    | 88%       |
| 4.   | <i>Quality</i>                 | 7                | 1          | 0    | 0              | 94%                    | 93%       |
| 5.   | <i>MIS</i>                     | 3                | 0          | 0    | 0              | 100%                   | 86%       |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 3                | 0          | 0    | 0              | 100%                   | 100%      |
| Overall/Total  |                                | 27               | 2          | 0    | 0              | 97%                    | 92%       |
| Notes: The total compliance scores were obtained by adding the number of criteria that received a score of <i>Pass</i> to the weighted (multiplied by 0.5) number of criteria that received a score of <i>Incomplete</i> , then dividing this total by the total number of applicable criteria reviewed. |                                |                  |            |      |                |                        |           |

**MCOV** demonstrated continued strong performance on the *Administrative*; *MIS*; and *Fraud, Waste, and Abuse* standards and achieved full compliance with all requirements, resulting in compliance scores of 100 percent.

For the *Providers* standard, **MCOV** implemented corrective actions to address recommendations from the 2011–2012 review and achieved a score of 100 percent compliance in the current review cycle. **MCOV** revised its contract language concerning transferring members to another provider if the member's health or safety is in jeopardy and providers not being prohibited from advocating on behalf of a member in any grievance. The contractor demonstrated compliance with the requirements for after-hours accessibility through a re-audit study.

**MCOV**'s performance on the *Members* standard resulted in a compliance score of 90 percent. While **MCOV** successfully addressed the recommendation from the 2011–2012 review by revising the member handbook to include all additional contract requirements, the 2012–2013 compliance review identified a new opportunity for improvement related to timely mailing of new member ID

cards. **MCOV** should revise its policy and procedures to reflect the correct file to be used for mailing member ID cards and member enrollment packets.

For the *Quality* standard, the 2012–2013 compliance review resulted in a compliance score of 94 percent with one recommendation. **MCOV** should develop an action plan or improvement strategies for the well-child and encounter data performance measures that did not meet the MDCH-specified minimum performance standard.

**MCOV**'s performance on all six standards, as well as the overall score of 97 percent, matched or exceeded the statewide scores.

**MCOV** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild contractor. The opportunities for improvement identified in the 2012–2013 compliance review addressed 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 B-2 lists the performance measures and presents the validation findings and audit designations for SFY 2012–2013.

| Table B-2—Performance Measure Validation Results for MCOV |   |  |                   |
|---|---|--|-------------------|
| Performance Measure                                       |   | Findings   | Audit Designation |
| 1.  | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | No concerns identified with rate calculations; standard was met for only one of four reporting quarters. | <i>Report</i>     |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | No concerns identified with rate calculations; standard was met for two out of four reporting quarters.  | <i>Report</i>     |
| 3.  | <i>Encounter Data—Institutional and Professional</i>                          | No concerns identified; standard was met for six of the 12 months.                                       | <i>Report</i>     |
| 4.  | <i>Encounter Data—Pharmacy</i>  | No concerns identified; standard was met for five of the 12 months.                                      | <i>Report</i>     |

The 2012–2013 validation findings for **MCOV** reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table B-2.



Table B-3 presents the reported SFY 2012–2013 quarterly rates for the well-child visit performance measures for **MCOV**; whether or not **MCOV** met the MDCH-specified minimum performance standards of 65 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 52 percent for *Well-Child Visits in the Seventh Through Eleventh Years of Life*; and the aggregated statewide rates across all MICHild medical contractors.

| Table B-3—Well-Child Performance Measure Rates for MCOV |   |                                  |           |           |           |           |
|---|---|----------------------------------|-----------|-----------|-----------|-----------|
| Performance Measure                                     |   | Reported Rates for SFY 2012–2013 |           |           |           |           |
|   |   |                                  | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 |
| 1.  | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | MCOV                             | 45%       | 44%       | 68%       | 62%       |
|   |   | Standard Met                     | N         | N         | Y         | N         |
|   |   | Statewide                        | 63%       | 63%       | 65%       | 65%       |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | MCOV                             | 56%       | 55%       | 38%       | 40%       |
|   |   | Standard Met                     | Y         | Y         | N         | N         |
|   |   | Statewide                        | 50%       | 49%       | 52%       | 54%       |

**MCOV**'s third quarter rate for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH-specified minimum performance standard of 65 percent, but it fell below the standard for the other three quarters of SFY 2012–2013. **MCOV**'s rate for the third quarter exceeded the statewide rate. Performance in the first, second, and fourth quarter was lower than the statewide aggregated totals.

**MCOV**'s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure for the first and second quarters exceeded the MDCH-specified minimum performance standard of 52 percent and the statewide rates. **MCOV**'s performance in the third and fourth quarter fell below the MDCH standard as well as the statewide aggregated totals for these quarters.

This is **MCOV**'s first full year of reporting rates for the well-child measures; therefore, performance for SFY 2012–2013 cannot be compared to the prior year. **MCOV** should continue efforts to increase rates 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 best practices for treatment and prevention. **MCOV** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.



Table B-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 B-4—Encounter Data Performance Measure Rates for MCOV |   |  |     |     |      |     |     |     |     |     |     |     |     |
|---|---|--|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|
| Performance Measure   |   | Reported Rates for SFY 2012–2013                               |     |     |      |     |     |     |     |     |     |     |     |
|   |   | Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV) |     |     |      |     |     |     |     |     |     |     |     |
|   |   | 2012   |     |     | 2013 |     |     |     |     |     |     |     |     |
|   |   | Oct  | Nov | Dec | Jan  | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
| 3.  | Encounter Data—Institutional and Professional | N  | N   | Y   | N    | N   | Y   | N   | Y   | Y   | Y   | N   | Y   |
| 4.  | Encounter Data—Pharmacy                       | N  | Y   | Y   | Y    | N   | N   | N   | N   | Y   | Y   | Y   | Y   |

For the *Encounter Data—Institutional and Professional* measure, **MCOV** met the MDCH standard for six of the 12 reporting months of SFY 2012–2013.

**MCOV**'s rates for the *Encounter Data—Pharmacy* measure fell below the MDCH standard for five reporting dates and met the performance standard for the remaining months of SFY 2012–2013.

The contractor's performance showed a decline in submitting the institutional/professional and pharmacy encounter data during the measurement period of SFY 2012–2013, decreasing the number of months in which the MDCH performance standard was met by one month for each of the two measures.

**MCOV** should ensure that encounter files are submitted accurately and on time according to the contract requirements and continue its efforts to consistently meet the MDCH 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 2012–2013 annual compliance review.

| Table C-1—Compliance Review Results for MGVH   |                                |                  |            |      |                |                        |           |
|--|--------------------------------|------------------|------------|------|----------------|------------------------|-----------|
| Standard   |                                | Number of Scores |            |      |                | Total Compliance Score |           |
|  |                                | Pass             | Incomplete | Fail | Not Applicable | MGVH                   | Statewide |
| 1.   | <i>Administrative</i>          | 4                | 0          | 0    | 0              | 100%                   | 98%       |
| 2.   | <i>Providers</i>               | 4                | 0          | 1    | 1              | 80%                    | 87%       |
| 3.   | <i>Members</i>                 | 5                | 0          | 0    | 0              | 100%                   | 88%       |
| 4.   | <i>Quality</i>                 | 7                | 1          | 0    | 0              | 94%                    | 93%       |
| 5.   | <i>MIS</i>                     | 2                | 0          | 0    | 1              | 100%                   | 86%       |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 3                | 0          | 0    | 0              | 100%                   | 100%      |
| Overall/Total  |                                | 25               | 1          | 1    | 2              | 94%                    | 92%       |
| Notes: The total compliance scores were obtained by adding the number of criteria that received a score of <i>Pass</i> to the weighted (multiplied by 0.5) number of criteria that received a score of <i>Incomplete</i> , then dividing this total by the total number of applicable criteria reviewed. |                                |                  |            |      |                |                        |           |

**MGVH** demonstrated continued strong performance on the *Administrative*; *Members*; and *Fraud, Waste, and Abuse* standards and improved performance on the *MIS* standard, achieving full compliance with all requirements on these standards.

For the *Providers* and *Quality* standards, the 2012–2013 compliance review identified recommendations for improvement, resulting in compliance scores for these standards of 80 percent and 94 percent, respectively. **MGVH** should submit a model pharmacy benefit manager contract and a policy or process that addressees the requirement to notify MDCH of any changes in the pharmacy benefit manager. **MGVH** should develop improvement strategies or action plans to address the well-child and encounter data performance measures that did not meet the MDCH-specified standards.

The 2011–2012 compliance review identified opportunities for improvement for the *Providers* and *MIS* standards for **MGVH**. However, the due dates for the required corrective action plans had not

passed at the time of the 2012–2013 compliance review. MDCH will assess **MGVH**’s follow-up on the prior recommendations during the next review cycle.

**MGVH**’s compliance scores on all standards except the *Providers* standard, as well as the overall compliance score of 94 percent, matched or exceeded the statewide scores.

**MGVH** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild contractor. The opportunities for improvement identified in the 2012–2013 compliance review addressed 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 C-2 lists the performance measures and presents the validation findings and audit designations for SFY 2012–2013.

| Table C-2—Performance Measure Validation Results <i>for MGVH</i> |   |  |                   |
|--|---|--|-------------------|
| Performance Measure  |   | Findings   | Audit Designation |
| 1.   | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | No concerns identified with rate calculations. However, standard was met for only one of four reporting quarters, and encounter data submission was not met for all 12 months. | <i>Report</i>     |
| 2.   | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | No concerns identified with rate calculations. However, standard was not met for all reporting quarters, and encounter data submission was not met for all 12 months.          | <i>Report</i>     |
| 3.   | <i>Encounter Data—Institutional and Professional</i>                          | Standard was not met for all 12 months.  | <i>Report</i>     |
| 4.   | <i>Encounter Data—Pharmacy</i>  | Standard was not met for 10 of the 12 months.  | <i>Report</i>     |

The 2012–2013 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 2012–2013 quarterly rates for the well-child visit performance measures for **MGVH**; whether or not **MGVH** met the MDCH-specified minimum performance standards of 65 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 52 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 2012–2013 |           |           |           |           |
|   |   |                                  | 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                             | 53%       | 58%       | 78%       | 63%       |
|   |   | Standard Met                     | N         | N         | Y         | N         |
|   |   | Statewide                        | 63%       | 63%       | 65%       | 65%       |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | MGVH                             | 50%       | 50%       | 33%       | 45%       |
|   |   | Standard Met                     | N         | N         | N         | N         |
|   |   | Statewide                        | 50%       | 49%       | 52%       | 54%       |

**MGVH**'s rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* fell below the MDCH-specified minimum performance standard of 65 percent in three of the four reporting quarters, exceeding the performance threshold and the statewide aggregate rate for the third quarter of SFY 2012–2013. **MGVH**'s rates fell below the statewide aggregate rates for the remainder of the SFY.

**MGVH**'s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure fell below the MDCH-specified minimum performance standard of 52 percent for all quarters of SFY 2012–2013. **MGVH**'s performance equaled the statewide rate for the first quarter, exceeded the statewide rate for the second quarter, and fell below the statewide rates for the third and fourth quarters.

**MGVH** had a decline in performance on the *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* measures, decreasing the number of quarters in which the contractor met the minimum performance standard from three and four quarters, respectively, in 2011–2012 to meeting the standard for one quarter for the 3-to-6-year measure and falling below the standard for the entire fiscal year for the 7-to-11-year measure in the current validation cycle. **MGVH** should continue efforts to increase rates 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 best practices for treatment and prevention. **MGVH** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

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 2012–2013                               |     |     |      |     |     |     |     |     |     |     |     |
|   |   | Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV) |     |     |      |     |     |     |     |     |     |     |     |
|   |   | 2012   |     |     | 2013 |     |     |     |     |     |     |     |     |
|   |   | Oct  | Nov | Dec | Jan  | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
| 3.  | Encounter Data—Institutional and Professional | N  | N   | N   | N    | N   | N   | N   | N   | N   | N   | N   | N   |
| 4.  | Encounter Data—Pharmacy                       | N  | N   | N   | N    | N   | N   | N   | N   | N   | N   | Y   | Y   |

For the *Encounter Data—Institutional and Professional* measure, **MGVH** did not meet the MDCH standard for any of the 12 reporting months of SFY 2012–2013.

**MGVH**'s rates for the *Encounter Data—Pharmacy* measure met the MDCH standard for two reporting months (August and September 2013) and fell below the performance standard for the remaining months of SFY 2012–2013.

**MGVH**'s performance declined from the previous year, decreasing the number of months during which the MDCH minimum performance standard was met. For the *Encounter Data—Institutional and Professional* measure, the number of months during which the standard was met declined from four in SFY 2011–2012 to none in the current validation cycle. **MGVH**'s performance on the *Encounter Data—Pharmacy* measure declined from meeting the standard for six months in SFY 2011–2012 to only two months in SFY 2012–2013. **MGVH** should continue its efforts to consistently meet the MDCH minimum performance standards for accurate and timely 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 **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 2012–2013 annual compliance review.

| Table D-1—Compliance Review Results for MHPL   |                                |                  |            |      |                |                        |           |
|--|--------------------------------|------------------|------------|------|----------------|------------------------|-----------|
| Standard   |                                | Number of Scores |            |      |                | Total Compliance Score |           |
|  |                                | Pass             | Incomplete | Fail | Not Applicable | MHPL                   | Statewide |
| 1.   | <i>Administrative</i>          | 4                | 0          | 0    | 0              | 100%                   | 98%       |
| 2.   | <i>Providers</i>               | 4                | 2          | 0    | 0              | 83%                    | 87%       |
| 3.   | <i>Members</i>                 | 4                | 1          | 0    | 0              | 90%                    | 88%       |
| 4.   | <i>Quality</i>                 | 6                | 2          | 0    | 0              | 88%                    | 93%       |
| 5.   | <i>MIS</i>                     | 3                | 0          | 0    | 0              | 100%                   | 86%       |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 3                | 0          | 0    | 0              | 100%                   | 100%      |
| Overall/Total  |                                | 24               | 5          | 0    | 0              | 91%                    | 92%       |
| Notes: The total compliance scores were obtained by adding the number of criteria that received a score of <i>Pass</i> to the weighted (multiplied by 0.5) number of criteria that received a score of <i>Incomplete</i> , then dividing this total by the total number of applicable criteria reviewed. |                                |                  |            |      |                |                        |           |

**MHPL** demonstrated continued strong performance on the *Administrative*; *MIS*; and *Fraud, Waste, and Abuse* standards and achieved full compliance with all requirements, resulting in compliance scores of 100 percent.

The *Providers*, *Members*, and *Quality* standards represented opportunities for improvement as the 2012–2013 compliance review resulted in recommendations for these standards. **MHPL** received a compliance score of 90 percent for the *Members* standard. **MHPL** should submit policies and procedures that demonstrate a process for mailing new member ID cards and member packets. The contractor followed up on the recommendation from the 2011–2012 compliance review and demonstrated compliance with the requirements for grievance and appeal policies and procedures.

**MHPL**'s performance on the *Providers* standard resulted in a compliance score of 83 percent. The contractor **MHPL** should ensure that its contracts include provisions for the immediate transfer of enrollees to another provider when their health or safety is in jeopardy. The contractor should demonstrate that covered services are available 24 hours a day, seven days a week.

For the *Quality* standard, **MHPL** received a compliance score of 88 percent. The contractor should submit policies and procedures for, as well as documentation showing MDCH approval of, health promotion and education programs and provide policies and procedures for its utilization management program.

**MHPL**'s scores for the *Administrative; Members; MIS; and Fraud, Waste, and Abuse* standards matched or exceeded the statewide scores, while scores for the remaining two standards (*Providers and Quality*), as well as the overall score of 91 percent, were lower than the statewide scores.

**MHPL** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild contractor. The opportunity for improvement identified in the 2012–2013 compliance review addressed 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 D-2 lists the performance measures and presents the validation findings and audit designations for SFY 2012–2013.

| 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> | No concerns identified with rate calculations; standard was met for three of the four reporting quarters. | <i>Report</i>     |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | No concerns identified with rate calculations; standard was met for two of the four reporting quarters.   | <i>Report</i>     |
| 3.  | <i>Encounter Data—Institutional and Professional</i>                          | No concerns identified; standard was met for all 12 months.   | <i>Report</i>     |
| 4.  | <i>Encounter Data—Pharmacy</i>  | No concerns identified; standard was met for nine of the 12 months.                                       | <i>Report</i>     |

The 2012–2013 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 2012–2013 quarterly rates for the well-child visit performance measures for **MHPL**; whether or not **MHPL** met the MDCH-specified minimum performance standards of 65 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 52 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 2012–2013 |           |           |           |           |
|   |   |                                  | 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                             | 66%       | 69%       | 65%       | 61%       |
|   |   | Standard Met                     | Y         | Y         | Y         | N         |
|   |   | Statewide                        | 63%       | 63%       | 65%       | 65%       |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | MHPL                             | 44%       | 53%       | 50%       | 54%       |
|   |   | Standard Met                     | N         | Y         | N         | Y         |
|   |   | Statewide                        | 50%       | 49%       | 52%       | 54%       |

**MHPL**'s rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH-specified minimum performance standard of 65 percent and matched or exceeded the statewide aggregate rates in the first three reporting quarters. **MHPL**'s rate fell below the standard and the statewide rate for the fourth quarter of SFY 2012–2013.

**MHPL**'s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure met the MDCH-specified minimum performance standard of 52 percent for the second and fourth quarter of the SFY, but they fell below the MDCH standard for the first and third quarters. **MHPL**'s rates exceeded the statewide aggregate rates for the second quarter, fell below the statewide rate for the first and third quarters, and matched the statewide rate for the fourth quarter of SFY 2012–2013.

**MHPL** had a decline in performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure, meeting the minimum performance standard for three quarters of SFY 2012–2013 (as compared to four in the previous validation cycle). The contractor improved performance on the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, increasing the number of quarters in which the contractor met the minimum performance standard from one quarter in SFY 2011–2012 to two quarters in the current validation cycle. The contractor should continue efforts to increase rates 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 best practices for treatment and prevention. **MHPL** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.



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 2012–2013                               |     |     |      |     |     |     |     |     |     |     |     |
|   |   | Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV) |     |     |      |     |     |     |     |     |     |     |     |
|   |   | 2012   |     |     | 2013 |     |     |     |     |     |     |     |     |
|   |   | Oct  | Nov | Dec | Jan  | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
| 3.  | Encounter Data—Institutional and Professional | Y  | Y   | Y   | Y    | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 4.  | Encounter Data—Pharmacy                       | Y  | Y   | Y   | Y    | Y   | N   | N   | N   | Y   | Y   | Y   | Y   |

For the *Encounter Data—Institutional and Professional* measure, **MHPL** met the MDCH standard for all 12 reporting months of SFY 2012–2013.

**MHPL**'s rates for the *Encounter Data—Pharmacy* measure fell below the MDCH standard for three of the reporting dates (March–May 2013) and met the performance standard for the remaining months of SFY 2012–2013.

The contractor worked to ensure that encounter files were submitted accurately and on time according to the contract requirements and achieved improvement in submitting the institutional/professional encounter data during the measurement period of SFY 2012–2013. **MHPL** increased the number of reporting periods in which the MDCH standard was met by one and met the standard for the entire fiscal year. Compliance with the performance standard for the pharmacy encounter data showed a decline from the previous year, with the contractor meeting the MDCH standard for nine reporting months (compared to 11 in the previous validation cycle).

**MHPL** 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 **MMID**'s compliance with federal and State requirements related to the six standards shown in Table E-1, which presents **MMID**'s results from the 2012–2013 annual compliance review.

| Table E-1—Compliance Review Results for MMID   |                                |                  |            |      |                |                        |           |
|--|--------------------------------|------------------|------------|------|----------------|------------------------|-----------|
| Standard   |                                | Number of Scores |            |      |                | Total Compliance Score |           |
|  |                                | Pass             | Incomplete | Fail | Not Applicable | MMID                   | Statewide |
| 1.   | <i>Administrative</i>          | 4                | 0          | 0    | 0              | 100%                   | 98%       |
| 2.   | <i>Providers</i>               | 5                | 1          | 0    | 0              | 92%                    | 87%       |
| 3.   | <i>Members</i>                 | 3                | 1          | 1    | 0              | 70%                    | 88%       |
| 4.   | <i>Quality</i>                 | 6                | 2          | 0    | 0              | 88%                    | 93%       |
| 5.   | <i>MIS</i>                     | 3                | 0          | 0    | 0              | 100%                   | 86%       |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 3                | 0          | 0    | 0              | 100%                   | 100%      |
| Overall/Total  |                                | 24               | 4          | 1    | 0              | 90%                    | 92%       |
| Notes: The total compliance scores were obtained by adding the number of criteria that received a score of <i>Pass</i> to the weighted (multiplied by 0.5) number of criteria that received a score of <i>Incomplete</i> , then dividing this total by the total number of applicable criteria reviewed. |                                |                  |            |      |                |                        |           |

**MMID** demonstrated continued strong performance on the *Administrative* and *Fraud, Waste, and Abuse* standards and achieved full compliance with all requirements.

**MMID** addressed the recommendation from the 2011–2012 compliance review for the *MIS* standard and demonstrated that the customer services screen in its MIS system presents information about the member's parent or guardian as the responsible party. The contractor achieved a compliance score of 100 percent during the current review cycle, demonstrating full compliance with all requirements on this standard.

**MMID**'s performance on the *Providers* standard resulted in a compliance score of 92 percent with one continued recommendation. The contractor should continue efforts to demonstrate compliance with the requirement that providers are available 24 hours a day, seven days a week.

**MMID**'s performance on the *Quality* standards resulted in two recommendations and a compliance score of 88 percent. **MMID** addressed the recommendation from the 2011–2012 compliance review

and demonstrated compliance with the requirement for Quality Improvement and Utilization Management policies and procedures. **MMID** should submit approval notices for health promotion and education programs and provide improvement strategies to increase rates for the well-child and encounter data performance measures that fell below the MDCH standard.

The *Members* standard represented the greatest opportunity for improvement for **MMID** with a compliance score of 70 percent. **MMID** addressed the recommendation from the 2011–2012 compliance review and provided an approved member handbook. The contractor should continue efforts to address the 2011–2012 recommendation related to mailing new member ID cards and member packets. **MMID** should revise its policy and process to reflect the correct file to be used for mailing new member documents and revise the tracking log to show receipt of the correct monthly enrollment file. The contractor should ensure that it distributes MICHild newsletters twice a year.

**MMID**'s scores for the *Administrative; Provider; MIS; and Fraud, Waste, and Abuse* standards matched or exceeded the statewide scores, while performance on the *Members* and *Quality* standards, as well as the overall score of 90 percent, were lower than the statewide scores.

**MMID** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild contractor. The opportunities for improvement identified in the 2012–2013 compliance review addressed 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 E-2 lists the performance measures and presents the validation findings and audit designations for SFY 2012–2013.

| Table E-2—Performance Measure Validation Results for MMID                        |  |                   |
|--|--|-------------------|
| Performance Measure  | Findings   | Audit Designation |
| 1. <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | <b>MMID</b> was not required to report data for the first quarter. No concerns were identified with rate calculations. However, the standard was not met for any of the three reporting quarters, and encounter data submission was not met for nine of the 12 months. | <i>Report</i>     |
| 2. <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | <b>MMID</b> was not required to report data for the first quarter. No concerns were identified with rate calculations. However, the standard was not met for two of the three reporting quarters, and encounter data submission was not met for nine of the 12 months. | <i>Report</i>     |
| 3. <i>Encounter Data—Institutional and Professional</i>                          | Standard was met for three of the 12 months.   | <i>Report</i>     |
| 4. <i>Encounter Data—Pharmacy</i>  | Standard was met for 11 of the 12 months.  | <i>Report</i>     |

The 2012–2013 validation findings for **MMID** reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table E-2.

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 for the first quarter of SFY 2012–2013, as shown in Table E-2, because the contractor began enrolling MICHild members later than other contractors, in May 2011. Therefore, the contractor’s performance was not compared to the MDCH-specified minimum performance standards or the statewide aggregate rates for that quarter.

Table E-3 presents the reported SFY 2012–2013 quarterly rates for the well-child visit performance measures for **MMID**; whether or not **MMID** met the MDCH-specified minimum performance standards of 65 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 52 percent for *Well-Child Visits in the Seventh Through Eleventh Years of Life*; and the aggregated statewide rates across all MICHild medical contractors.

| Table E-3—Well-Child Performance Measure Rates <i>for</i> MMID |   |                                  |           |           |           |           |
|--|---|----------------------------------|-----------|-----------|-----------|-----------|
| Performance Measure  |   | Reported Rates for SFY 2012–2013 |           |           |           |           |
|  |   |                                  | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 |
| 1.   | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | MMID                             |           | 52%       | 61%       | 46%       |
|  |   | Standard Met                     |           | N         | N         | N         |
|  |   | Statewide                        |           | 63%       | 65%       | 65%       |
| 2.   | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | MMID                             |           | 47%       | 57%       | 50%       |
|  |   | Standard Met                     |           | N         | Y         | N         |
|  |   | Statewide                        |           | 49%       | 52%       | 54%       |

**MMID**'s rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* fell below the MDCH-specified minimum performance standard of 65 percent in all three quarters for which the contractor reported rates. **MMID**'s rates were lower than the statewide aggregated totals for the three quarters reported.

**MMID**'s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure met the MDCH-specified minimum performance standard of 52 percent and exceeded the statewide aggregate rate for the third quarter, but they fell below the standard and the statewide aggregate rates for the second and fourth quarters.

This was **MMID**'s first full year of reporting rates for the well-child measures; therefore, performance for SFY 2012–2013 cannot be compared to the prior year. **MMID** should continue efforts to increase rates 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 best practices for treatment and prevention. **MMID** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

Table E-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 E-4—Encounter Data Performance Measure Rates for MMID |   |  |     |     |      |     |     |     |     |     |     |     |     |
|---|---|--|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|
| Performance Measure   |   | Reported Rates for SFY 2012–2013                               |     |     |      |     |     |     |     |     |     |     |     |
|   |   | Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV) |     |     |      |     |     |     |     |     |     |     |     |
|   |   | 2012   |     |     | 2013 |     |     |     |     |     |     |     |     |
|   |   | Oct  | Nov | Dec | Jan  | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
| 3.  | Encounter Data—Institutional and Professional | N  | N   | N   | N    | N   | N   | N   | Y   | Y   | N   | Y   | N   |
| 4.  | Encounter Data—Pharmacy                       | Y  | Y   | Y   | Y    | N   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |

For the *Encounter Data—Institutional and Professional* measure, **MMID** met the MDCH standard for three of the 12 reporting months in SFY 2012–2013.

**MMID**'s rates for the *Encounter Data—Pharmacy* measure fell below the MDCH standard for one reporting date (February 2013) and met the MDCH performance standard for the remaining months of SFY 2012–2013.

**MMID** continued to achieve rates for the *Encounter Data—Institutional and Professional* measure that fell below the MDCH standard for most of SFY 2012–2013. The contractor showed improvement in submitting the pharmacy encounter data during the measurement period of SFY 2012–2013 and increased the number of reporting months in which the MDCH performance standard was met from eight in SFY 2011–2012 to 11 in the current validation cycle.

**MMID** should work to ensure that encounter files were submitted accurately and on time according to the contract requirements and continue its efforts to consistently meet the minimum performance standards for encounter data submissions.

## Appendix F. Findings—Molina Healthcare of Michigan

### 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 2012–2013 annual compliance review.

| Table F-1—Compliance Review Results for MMOL   |                                |                  |            |      |                |                        |           |
|--|--------------------------------|------------------|------------|------|----------------|------------------------|-----------|
| Standard   |                                | Number of Scores |            |      |                | Total Compliance Score |           |
|  |                                | Pass             | Incomplete | Fail | Not Applicable | MMOL                   | Statewide |
| 1.   | <i>Administrative</i>          | 4                | 0          | 0    | 0              | 100%                   | 98%       |
| 2.   | <i>Providers</i>               | 5                | 1          | 0    | 0              | 92%                    | 87%       |
| 3.   | <i>Members</i>                 | 4                | 1          | 0    | 0              | 90%                    | 88%       |
| 4.   | <i>Quality</i>                 | 8                | 0          | 0    | 0              | 100%                   | 93%       |
| 5.   | <i>MIS</i>                     | 3                | 0          | 0    | 0              | 100%                   | 86%       |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 3                | 0          | 0    | 0              | 100%                   | 100%      |
| Overall/Total  |                                | 27               | 2          | 0    | 0              | 97%                    | 92%       |
| Notes: The total compliance scores were obtained by adding the number of criteria that received a score of <i>Pass</i> to the weighted (multiplied by 0.5) number of criteria that received a score of <i>Incomplete</i> , then dividing this total by the total number of applicable criteria reviewed. |                                |                  |            |      |                |                        |           |

**MMOL** showed continued strong performance on the *Administrative*; *MIS*; and *Fraud, Waste, and Abuse* standards. The contractor demonstrated full compliance with all requirements, resulting in compliance scores of 100 percent for these standards.

The contractor successfully addressed the 2011–2012 recommendation for the *Quality* standard. **MMOL** demonstrated compliance with requirements related to disease management programs, resulting in a compliance score of 100 percent for this standard.

The *Providers* and *Members* standards represented opportunities for improvement for **MMOL**, with compliance scores of 92 percent and 90 percent, respectively. For the *Providers* standard, **MMOL** should demonstrate that the number of primary care providers is adequate and that covered services are available 24 hours a day, seven days a week.

**MMOL** addressed the 2011–2012 recommendation for the *Members* standard and revised its Web site to meet all contract requirements. The contractor should review its processes to ensure that the



correct file is used to mail ID cards and new member packets. **MMOL** should develop a report that shows the dates of receipt of the enrollment file, mailing of the ID cards, and mailing of the new member packets.

**MMOL**'s performance on all standards, as well as the overall score of 97 percent, matched or exceeded the statewide scores.

**MMOL** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild contractor. The 2012–2013 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 F-2 lists the performance measures and presents the validation findings and audit designations for SFY 2012–2013.

| Table F-2—Performance Measure Validation Results <i>for MMOL</i> |   |   |                   |
|--|---|---|-------------------|
| Performance Measure  |   | Findings  | Audit Designation |
| 1.   | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | No concerns identified with rate calculations; standard was met for all four reporting quarters.          | <i>Report</i>     |
| 2.   | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | No concerns identified with rate calculations; standard was met for three out of four reporting quarters. | <i>Report</i>     |
| 3.   | <i>Encounter Data—Institutional and Professional</i>                          | No concerns identified; standard was met for every month.   | <i>Report</i>     |
| 4.   | <i>Encounter Data—Pharmacy</i>  | No concerns identified; standard was met for every month.   | <i>Report</i>     |

The 2012–2013 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 2012–2013 quarterly rates for the well-child visit performance measures for **MMOL**; whether or not **MMOL** met the MDCH-specified minimum performance standards of 65 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 52 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 2012–2013 |           |           |           |           |
|   |   |                                  | 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                             | 68%       | 76%       | 71%       | 66%       |
|   |   | Standard Met                     | Y         | Y         | Y         | Y         |
|   |   | Statewide                        | 63%       | 63%       | 65%       | 65%       |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | MMOL                             | 51%       | 54%       | 63%       | 73%       |
|   |   | Standard Met                     | N         | Y         | Y         | Y         |
|   |   | Statewide                        | 50%       | 49%       | 52%       | 54%       |

**MMOL**'s rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH-specified minimum performance standard of 65 percent and exceeded the statewide aggregate rates in all four reporting quarters of SFY 2012–2013.

**MMOL**'s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure met the MDCH-specified minimum performance standard of 52 percent in three of the four reporting quarters of SFY 2012–2013, falling below the standard for the first quarter. The contractor's rates exceeded the statewide aggregate rates all four quarters.

**MMOL** maintained its strong performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure, continuing to meet the minimum performance standard for all four quarters of SFY 2012–2013. For the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, the contractor's performance decreased from the prior-year results, resulting in three (as compared to four in SFY 2011–2012) reporting quarters in which the MDCH performance standard was met. **MMOL** should continue efforts to increase rates 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 best practices for treatment and prevention. **MMOL** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

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 <i>for</i> MMOL |  |  |     |     |      |     |     |     |     |     |     |     |     |
|--|--|--|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|
| Performance Measure  |  | Reported Rates for SFY 2012–2013                               |     |     |      |     |     |     |     |     |     |     |     |
|  |  | Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV) |     |     |      |     |     |     |     |     |     |     |     |
|  |  | 2012   |     |     | 2013 |     |     |     |     |     |     |     |     |
|  |  | 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   | Y   | Y   |

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

**MMOL**'s rates for the *Encounter Data—Pharmacy* measure met the performance standard for the entire SFY 2012–2013.

The contractor worked to ensure that encounter files were submitted accurately and on time according to the contract requirements, showing improvement in submitting the institutional/professional and pharmacy encounter data during the measurement period of SFY 2012–2013 and increasing the number of months in which the MDCH performance standard was met from 11 months in SFY 2011–2012 to 12 months in the current validation cycle.

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

## Appendix G. Findings—Priority Health Government Programs, Inc.

### 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 G-1, which presents **MPRI**'s results from the 2012–2013 annual compliance review.

| Table G-1—Compliance Review Results for MPRI   |                                |                  |            |      |                |                        |           |
|--|--------------------------------|------------------|------------|------|----------------|------------------------|-----------|
| Standard   |                                | Number of Scores |            |      |                | Total Compliance Score |           |
|  |                                | Pass             | Incomplete | Fail | Not Applicable | MPRI                   | Statewide |
| 1.   | <i>Administrative</i>          | 4                | 0          | 0    | 0              | 100%                   | 98%       |
| 2.   | <i>Providers</i>               | 3                | 3          | 0    | 0              | 75%                    | 87%       |
| 3.   | <i>Members</i>                 | 3                | 1          | 1    | 0              | 70%                    | 88%       |
| 4.   | <i>Quality</i>                 | 5                | 3          | 0    | 0              | 81%                    | 93%       |
| 5.   | <i>MIS</i>                     | 0                | 2          | 1    | 0              | 33%                    | 86%       |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 3                | 0          | 0    | 0              | 100%                   | 100%      |
| Overall/Total  |                                | 18               | 9          | 2    | 0              | 78%                    | 92%       |
| Notes: The total compliance scores were obtained by adding the number of criteria that received a score of <i>Pass</i> to the weighted (multiplied by 0.5) number of criteria that received a score of <i>Incomplete</i> , then dividing this total by the total number of applicable criteria reviewed. |                                |                  |            |      |                |                        |           |

**MPRI** demonstrated continued strong performance on the *Administrative* and *Fraud, Waste, and Abuse* standards and achieved full compliance with all requirements, resulting in compliance scores of 100 percent.

**MPRI** achieved a compliance score of 81 percent on the *Quality* standard. **MPRI** should submit written utilization criteria, time frames for standard and expedited authorization decisions, and current UM program documents that include disease management/case management activities and show that the contractor does not provide incentives to compensate decision makers to deny, limit, or discontinue medically necessary services. The contractor should provide documentation to show that reporting of communicable diseases is required and submit program descriptions for all health promotion and education programs. **MPRI** successfully addressed the recommendation from the 2011–2012 review and provided policies, procedures, and program descriptions for disease management programs available to members.

**MPRI**'s performance on the *Providers* standard resulted in a compliance score of 75 percent. **MPRI** should ensure that its provider directory includes hospital affiliations for contracted providers. The contractor received a continued recommendation to provide documentation of adequate access to primary care providers and hospitals and to demonstrate that covered services are available 24 hours a day, seven days a week. **MPRI** should submit reports to demonstrate that its policies and procedures undergo regular monitoring for review and updates.

The *Members* standard represented an opportunity for improvement for **MPRI** with a compliance score of 70 percent. **MPRI** should continue efforts to address the 2011–2012 recommendations to correct its policies and procedures for mailing ID cards and new member packets based on the correct enrollment file and to revise and update, as necessary, its member handbook and submit the handbook to MDCH for approval. **MPRI** successfully addressed the recommendation from the 2011–2012 review related to obtaining Office of Financial and Insurance Regulation (OFIR) approval for its grievance and appeal procedures.

The *MIS* standard represented the largest opportunity for improvement for **MPRI**, with a compliance score of 33 percent. The contractor should demonstrate its ability to track member grievances and appeals and show that member and parent/guardian demographic information, languages spoken, and race/ethnicity are captured for each member. **MPRI** should continue efforts to address the recommendation for a policy and action plan to ensure that clean claims are processed within the required time frames.

**MPRI**'s scores for the *Administrative* and *Fraud, Waste, and Abuse* standards matched or exceeded the statewide scores, while the contractor's compliance scores for the remaining four standards (*Providers*, *Members*, *Quality*, and *MIS*) as well as the overall compliance score of 78 percent fell below the statewide scores.

**MPRI** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild contractor. The opportunities for improvement identified in the 2012–2013 compliance review addressed 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 G-2 lists the performance measures and presents the validation findings and audit designations for SFY 2012–2013.

| Table G-2—Performance Measure Validation Results <i>for MPRI</i> |   |   |                   |
|--|---|---|-------------------|
| Performance Measure  |   | Findings  | Audit Designation |
| 1.   | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | No concerns identified with rate calculations. However, standard was met for only one of four reporting quarters. | <i>Report</i>     |
| 2.   | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | No concerns identified with rate calculations. However, standard was met for only one of four reporting quarters. | <i>Report</i>     |
| 3.   | <i>Encounter Data—Institutional and Professional</i>                          | No concerns identified. Standard was met for all 12 months.   | <i>Report</i>     |
| 4.   | <i>Encounter Data—Pharmacy</i>  | Standard was not met for nine of the 12 months.   | <i>Report</i>     |

The 2012–2013 validation findings for **MPRI** reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table G-2.

Table G-3 presents the reported SFY 2012–2013 quarterly rates for the well-child visit performance measures for **MPRI**; whether or not **MPRI** met the MDCH-specified minimum performance standards of 65 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 52 percent for *Well-Child Visits in the Seventh Through Eleventh Years of Life*; and the aggregated statewide rates across all MICHild medical contractors.

| Table G-3—Well-Child Performance Measure Rates for MPRI |   |                                  |           |           |           |           |
|---|---|----------------------------------|-----------|-----------|-----------|-----------|
| Performance Measure                                     |   | Reported Rates for SFY 2012–2013 |           |           |           |           |
|   |   |                                  | 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                             | 19%       | 30%       | 50%       | 65%       |
|   |   | Standard Met                     | N         | N         | N         | Y         |
|   |   | Statewide                        | 63%       | 63%       | 65%       | 65%       |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | MPRI                             | 8%        | 18%       | 34%       | 52%       |
|   |   | Standard Met                     | N         | N         | N         | Y         |
|   |   | Statewide                        | 50%       | 49%       | 52%       | 54%       |

**MPRI**'s rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH-specified minimum performance standard of 65 percent as well as matched the statewide aggregate rate for the fourth quarter of SFY 2012–2013. **MPRI**'s rates fell below the MDCH standard and the statewide rates for the remainder of the SFY.

**MPRI**'s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure met the MDCH-specified minimum performance standard of 52 percent for the fourth quarter of SFY 2012–2013. **MPRI**'s rates fell below the MDCH standard for the first three quarters and were lower than the statewide rates for all four quarters.

**MPRI** continued to show weak performance on the *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* measures, achieving rates that fell below the MDCH-specified minimum performance standards for three of the four quarters. **MPRI** should continue efforts to increase rates 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 best practices for treatment and prevention. **MPRI** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.



Table G-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 G-4—Encounter Data Performance Measure Rates for MPRI |   |  |     |     |      |     |     |     |     |     |     |     |     |
|---|---|--|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|
| Performance Measure   |   | Reported Rates for SFY 2012–2013                               |     |     |      |     |     |     |     |     |     |     |     |
|   |   | Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV) |     |     |      |     |     |     |     |     |     |     |     |
|   |   | 2012   |     |     | 2013 |     |     |     |     |     |     |     |     |
|   |   | Oct  | Nov | Dec | Jan  | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
| 3.  | Encounter Data—Institutional and Professional | Y  | Y   | Y   | Y    | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 4.  | Encounter Data—Pharmacy                       | Y  | Y   | Y   | Y    | Y   | N   | N   | N   | Y   | Y   | Y   | Y   |

For the *Encounter Data—Institutional and Professional* measure, **MPRI** met the MDCH standard for all 12 reporting months of SFY 2012–2013.

**MPRI**'s rates for the *Encounter Data—Pharmacy* measure fell below the MDCH standard for the three reporting dates of SFY 2012–2013 (March–May 2013) and met the performance standard for the remaining months of the SFY.

**MPRI**'s performance related to submission of both institutional/professional and pharmacy encounter data showed improvement compared to the prior-year performance. The contractor increased the number of months during which the MDCH standard was met from nine to 12 months for the institutional/professional encounter data, and from eight to nine months for the pharmacy encounter data. **MPRI** should continue efforts to consistently meet the MDCH performance standards by ensuring that encounter files are submitted accurately and on time according to the contract requirements.

## 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 H-1, which presents **MTHC**'s results from the 2012–2013 annual compliance review.

| Table H-1—Compliance Review Results for MTHC   |                                |                  |            |      |                |                        |           |
|--|--------------------------------|------------------|------------|------|----------------|------------------------|-----------|
| Standard   |                                | Number of Scores |            |      |                | Total Compliance Score |           |
|  |                                | Pass             | Incomplete | Fail | Not Applicable | MTHC                   | Statewide |
| 1.   | <i>Administrative</i>          | 4                | 0          | 0    | 0              | 100%                   | 98%       |
| 2.   | <i>Providers</i>               | 5                | 1          | 0    | 0              | 92%                    | 87%       |
| 3.   | <i>Members</i>                 | 4                | 1          | 0    | 0              | 90%                    | 88%       |
| 4.   | <i>Quality</i>                 | 8                | 0          | 0    | 0              | 100%                   | 93%       |
| 5.   | <i>MIS</i>                     | 3                | 0          | 0    | 0              | 100%                   | 86%       |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 3                | 0          | 0    | 0              | 100%                   | 100%      |
| Overall/Total  |                                | 27               | 2          | 0    | 0              | 97%                    | 92%       |
| Notes: The total compliance scores were obtained by adding the number of criteria that received a score of <i>Pass</i> to the weighted (multiplied by 0.5) number of criteria that received a score of <i>Incomplete</i> , then dividing this total by the total number of applicable criteria reviewed. |                                |                  |            |      |                |                        |           |

**MTHC** demonstrated continued strong performance on the *Administrative*; *Quality*; *MIS*; and *Fraud, Waste, and Abuse* standards. **MTHC** achieved full compliance with all contractual requirements, resulting in a compliance score of 100 percent for each standard.

**MTHC**'s performance on the *Providers* standard resulted in a compliance score of 92 percent. The contractor should revise the ancillary contracts to include provisions stating that the provider is not prohibited from discussing treatment options with enrollees or advocating on behalf of the enrollee in any grievance or utilization review process.

**MTHC** received a compliance score of 90 percent on the *Members* standard. The contractor should develop and submit a policy and procedure for mailing new member ID cards and new member packets within ten business days of receiving the monthly audit enrollment file.

Follow-up on prior recommendations was not required, as the 2011–2012 compliance review had not resulted in any recommendations for improvement for **MTHC**.

**MTHC**'s scores for all standards and the overall score of 97 percent matched or exceeded the statewide average scores.

**MTHC** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild contractor. The recommendations from the 2012–2013 compliance review addressed 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 2012–2013.

| Table H-2—Performance Measure Validation Results <i>for MTHC</i> |   |  |                   |
|--|---|--|-------------------|
| Performance Measure  |   | Findings   | Audit Designation |
| 1.   | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | No concerns identified with rate calculations; standard was met for all four reporting quarters.                     | <i>Report</i>     |
| 2.   | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | No concerns identified with rate calculations. However, standard was not met for any of the four reporting quarters. | <i>Report</i>     |
| 3.   | <i>Encounter Data—Institutional and Professional</i>                          | No concerns identified; standard was met for every month.  | <i>Report</i>     |
| 4.   | <i>Encounter Data—Pharmacy</i>  | No concerns identified; standard was met for every month.  | <i>Report</i>     |

The 2012–2013 validation findings for **MTHC** reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table H-2.

Table H-3 presents the reported SFY 2012–2013 quarterly rates for the well-child visit performance measures for **MTHC**; whether or not **MTHC** met the MDCH-specified minimum performance standards of 65 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 52 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 MTHC |   |                                  |           |           |           |           |
|---|---|----------------------------------|-----------|-----------|-----------|-----------|
| Performance Measure                                     |   | Reported Rates for SFY 2012–2013 |           |           |           |           |
|   |   |                                  | 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                             | 71%       | 70%       | 67%       | 75%       |
|   |   | Standard Met                     | Y         | Y         | Y         | Y         |
|   |   | Statewide                        | 63%       | 63%       | 65%       | 65%       |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | MTHC                             | 43%       | 41%       | 44%       | 49%       |
|   |   | Standard Met                     | N         | N         | N         | N         |
|   |   | Statewide                        | 50%       | 49%       | 52%       | 54%       |

**MTHC**’s rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH-specified minimum performance standard of 65 percent and exceeded the statewide aggregate rates in all four reporting quarters of SFY 2012–2013.

**MTHC**’s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure fell below the MDCH-specified minimum performance standard of 52 percent and were lower than the statewide rates for the entire SFY 2012–2013.

**MTHC** maintained its strong performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure, continuing to meet the minimum performance standard for all four quarters of SFY 2012–2013. For the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, the contractor’s performance declined compared to the prior-year results, when **MTHC** met the MDCH performance standard for one quarter. **MTHC** should continue efforts to increase rates 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 best practices for treatment and prevention. **MTHC** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

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 MTHC |   |  |     |     |      |     |     |     |     |     |     |     |     |
|---|---|--|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|
| Performance Measure   |   | Reported Rates for SFY 2012–2013                               |     |     |      |     |     |     |     |     |     |     |     |
|   |   | Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV) |     |     |      |     |     |     |     |     |     |     |     |
|   |   | 2012   |     |     | 2013 |     |     |     |     |     |     |     |     |
|   |   | Oct  | Nov | Dec | Jan  | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
| 3.  | Encounter Data—Institutional and Professional | Y  | Y   | Y   | Y    | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 4.  | Encounter Data—Pharmacy                       | Y  | Y   | Y   | Y    | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |

For the *Encounter Data—Institutional and Professional* measure, **MTHC** met the MDCH standard for all 12 reporting months of SFY 2012–2013.

**MTHC**'s rates for the *Encounter Data—Pharmacy* measure met the performance standard for the entire SFY 2012–2013.

The contractor worked to ensure that encounter files were submitted accurately and on time according to the contract requirements, maintaining its strong performance on the *Encounter Data—Institutional and Professional* measure and showing improvement in submitting the pharmacy encounter data during the measurement period of SFY 2012–2013 by increasing by two the number of months in which the MDCH performance standard was met.

**MTHC** 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 **MUNI**'s compliance with federal and State requirements related to the six standards shown in Table I-1, which presents **MUNI**'s results from the 2012–2013 annual compliance review.

| Table I-1—Compliance Review Results for MUNI   |                                |                  |            |      |                |                        |           |
|--|--------------------------------|------------------|------------|------|----------------|------------------------|-----------|
| Standard   |                                | Number of Scores |            |      |                | Total Compliance Score |           |
|  |                                | Pass             | Incomplete | Fail | Not Applicable | MUNI                   | Statewide |
| 1.   | <i>Administrative</i>          | 3                | 1          | 0    | 0              | 88%                    | 98%       |
| 2.   | <i>Providers</i>               | 4                | 2          | 0    | 0              | 83%                    | 87%       |
| 3.   | <i>Members</i>                 | 3                | 2          | 0    | 0              | 80%                    | 88%       |
| 4.   | <i>Quality</i>                 | 6                | 2          | 0    | 0              | 88%                    | 93%       |
| 5.   | <i>MIS</i>                     | 0                | 3          | 0    | 0              | 50%                    | 86%       |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 3                | 0          | 0    | 0              | 100%                   | 100%      |
| Overall/Total  |                                | 19               | 10         | 0    | 0              | 83%                    | 92%       |
| Notes: The total compliance scores were obtained by adding the number of criteria that received a score of <i>Pass</i> to the weighted (multiplied by 0.5) number of criteria that received a score of <i>Incomplete</i> , then dividing this total by the total number of applicable criteria reviewed. |                                |                  |            |      |                |                        |           |

**MUNI** demonstrated continued strong performance on the *Fraud, Waste, and Abuse* standard and achieved full compliance with all requirements, resulting in a compliance score of 100 percent.

**MUNI**'s performance on the *Administrative* and *Quality* standards resulted in compliance scores of 88 percent. **MUNI** should document that enrolled members make up one-third of the Board's membership. For the *Quality* standard, **MUNI** received a continued recommendation related to health promotion and health education programs available to members and should submit documentation that these programs have been approved by MDCH. The contractor should document improvement strategies or action plans to improve performance on the well-child performance measure that did not meet the MDCH standard.

For the *Providers* standard, **MUNI** received a compliance score of 83 percent. The contractor implemented corrective actions and successfully addressed one of the 2011–2012 recommendations for this standard. **MUNI** demonstrated compliance with the requirements for provider contracts, but it should provide documentation describing the process for notification to MDCH of any changes in

the pharmacy benefit manager (PBM). The contractor should continue efforts to demonstrate that providers are available to provide covered services 24 hours a day, seven days a week.

**MUNI** received a compliance score of 80 percent for the *Members* standard. The contractor successfully addressed the 2011–2012 recommendation related to its grievance and appeal policy and notification letters and demonstrated full compliance with these requirements in the current review cycle. **MUNI** should continue efforts to ensure that new member ID cards and welcome kits are mailed on time according to the contract requirements. The contractor should ensure that the member handbook is reviewed annually and submitted to MDCH for approval.

The *MIS* standard represented the largest opportunity for improvement for **MUNI** with a compliance score of 50 percent. **MUNI** should demonstrate its ability to use its information system to capture and report information about enrollee satisfaction and access. The contractor should develop an action plan to ensure that clean claims are processed within the required time frames and submit documentation showing how information about languages spoken is captured and displayed on the customer services screen.

**MUNI**'s performance on five of the six standards and the overall score of 83 percent were lower than the statewide scores. Performance on the *Fraud, Waste, and Abuse* standard matched the statewide score.

**MUNI** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild contractor. The opportunities for improvement identified in the 2012–2013 compliance review addressed 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 I-2 lists the performance measures and presents the validation findings and audit designations for SFY 2012–2013.

| Table I-2—Performance Measure Validation Results <i>for MUNI</i> |   |   |                   |
|--|---|---|-------------------|
| Performance Measure  |   | Findings  | Audit Designation |
| 1.   | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | No concerns identified with rate calculations; standard was met for two of the four reporting quarters. | <i>Report</i>     |
| 2.   | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | No concerns identified with rate calculations; standard was met for all four reporting quarters.        | <i>Report</i>     |
| 3.   | <i>Encounter Data—Institutional and Professional</i>                          | No concerns identified; standard was met for every month.   | <i>Report</i>     |
| 4.   | <i>Encounter Data—Pharmacy</i>  | No concerns identified; standard was met for every month.   | <i>Report</i>     |

The 2012–2013 validation findings for **MUNI** reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table I-2.

Table I-3 presents the reported SFY 2012–2013 quarterly rates for the well-child visit performance measures for **MUNI**; whether or not **MUNI** met the MDCH-specified minimum performance standards of 65 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 52 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 MUNI |   |                                  |           |           |           |           |
|---|---|----------------------------------|-----------|-----------|-----------|-----------|
| Performance Measure                                     |   | Reported Rates for SFY 2012–2013 |           |           |           |           |
|   |   |                                  | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 |
| 1.  | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | MUNI                             | 67%       | 60%       | 63%       | 69%       |
|   |   | Standard Met                     | Y         | N         | N         | Y         |
|   |   | Statewide                        | 63%       | 63%       | 65%       | 65%       |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | MUNI                             | 57%       | 56%       | 54%       | 57%       |
|   |   | Standard Met                     | Y         | Y         | Y         | Y         |
|   |   | Statewide                        | 50%       | 49%       | 52%       | 54%       |

**MUNI**'s rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH-specified minimum performance standard of 65 percent for the first and fourth quarters of SFY 2012–2013. The contractor's rates exceeded the statewide aggregate rate in the same quarters and fell below the MDCH standard and the statewide rate for the remainder of the SFY.

**MUNI**'s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure met the MDCH-specified minimum performance standard of 52 percent for the entire fiscal year. **MUNI**'s rate were higher than the statewide rates for each quarter of SFY 2012–2013.

This was **MUNI**'s first full year of reporting rates for the well-child measures; therefore, performance for SFY 2012–2013 cannot be compared to the prior year. **MUNI** should continue efforts to maintain its strong performance and increase rates 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 best practices for treatment and prevention. **MUNI** should continue improvement efforts already in place and could consider additional interventions to improve performance for pediatric and adolescent care measures.

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 <i>for</i> MUNI |  |  |     |     |      |     |     |     |     |     |     |     |     |
|--|--|--|-----|-----|------|-----|-----|-----|-----|-----|-----|-----|-----|
| Performance Measure  |  | Reported Rates for SFY 2012–2013                               |     |     |      |     |     |     |     |     |     |     |     |
|  |  | Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV) |     |     |      |     |     |     |     |     |     |     |     |
|  |  | 2012   |     |     | 2013 |     |     |     |     |     |     |     |     |
|  |  | 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   | Y   | Y   |

For the *Encounter Data—Institutional and Professional* measure, **MUNI** met the MDCH standard for all 12 reporting months of SFY 2012–2013.

**MUNI**'s rates for the *Encounter Data—Pharmacy* measure met the MDCH standard for all 12 months of SFY 2012–2013.

**MUNI** worked to ensure that encounter files were submitted accurately and on time according to the contract requirements. The contractor improved its performance on the *Encounter Data—Institutional and Professional* measure, increasing the number of months during which the MDCH performance standard was met from ten in 2011–2012 to all 12 months for the current validation cycle. The contractor maintained its strong performance in submitting the pharmacy encounter data during the measurement period of SFY 2012–2013.

**MUNI** 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 **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 2012–2013 annual compliance review.

| Table J-1—Compliance Review Results for MUPP   |                                |                  |            |      |                |                        |           |
|--|--------------------------------|------------------|------------|------|----------------|------------------------|-----------|
| Standard   |                                | Number of Scores |            |      |                | Total Compliance Score |           |
|  |                                | Pass             | Incomplete | Fail | Not Applicable | MUPP                   | Statewide |
| 1.   | <i>Administrative</i>          | 4                | 0          | 0    | 0              | 100%                   | 98%       |
| 2.   | <i>Providers</i>               | 4                | 2          | 0    | 0              | 83%                    | 87%       |
| 3.   | <i>Members</i>                 | 5                | 0          | 0    | 0              | 100%                   | 88%       |
| 4.   | <i>Quality</i>                 | 8                | 0          | 0    | 0              | 100%                   | 93%       |
| 5.   | <i>MIS</i>                     | 3                | 0          | 0    | 0              | 100%                   | 86%       |
| 6.   | <i>Fraud, Waste, and Abuse</i> | 3                | 0          | 0    | 0              | 100%                   | 100%      |
| Overall/Total  |                                | 27               | 2          | 0    | 0              | 97%                    | 92%       |
| Notes: The total compliance scores were obtained by adding the number of criteria that received a score of <i>Pass</i> to the weighted (multiplied by 0.5) number of criteria that received a score of <i>Incomplete</i> , then dividing this total by the total number of applicable criteria reviewed. |                                |                  |            |      |                |                        |           |

**MUPP** demonstrated continued strong performance on the *Administrative*; *Quality*; *MIS*; and *Fraud, Waste, and Abuse* standards, resulting in compliance scores of 100 percent on these standards.

For the *Members* standard, **MUPP** addressed the recommendations from the 2011–2012 compliance review related to the MICHild member handbook and **MUPP**'s Web site. The contractor demonstrated full compliance with all requirements on this standard and achieved a compliance score of 100 percent in the current review cycle.

The 2012–2013 compliance review identified recommendations for improvement for the *Providers* standard, resulting in a compliance score of 83 percent. **MUPP** should submit a description of its processes for notifying MDCH of any changes to the pharmacy benefits manager (PBM). The contractor should provide the results of the current survey to assess whether covered services are available 24 hours a day, seven days a week.

MUPP's compliance scores on all standards except the *Providers* standard, as well as the overall compliance score of 97 percent, matched or exceeded the statewide scores.

MUPP demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild contractor. The opportunities for improvement identified in the 2012–2013 compliance review addressed 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 J-2 lists the performance measures and presents the validation findings and audit designations for SFY 2012–2013.

| Table J-2—Performance Measure Validation Results <i>for</i> MUPP |   |  |                   |
|--|---|--|-------------------|
| Performance Measure  |   | Findings   | Audit Designation |
| 1.   | <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i> | No concerns identified with rate calculations; standard was met for all four reporting quarters. | <i>Report</i>     |
| 2.   | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | No concerns identified with rate calculations; standard was met for all four reporting quarters. | <i>Report</i>     |
| 3.   | <i>Encounter Data—Institutional and Professional</i>                          | No concerns identified; standard was met for every month.  | <i>Report</i>     |
| 4.   | <i>Encounter Data—Pharmacy</i>  | No concerns identified; standard was met for every month.  | <i>Report</i>     |

The 2012–2013 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 2012–2013 quarterly rates for the well-child visit performance measures for **MUPP**; whether or not **MUPP** met the MDCH-specified minimum performance standards of 65 percent for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and 52 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 2012–2013 |           |           |           |           |
|   |   |                                  | 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                             | 67%       | 74%       | 70%       | 74%       |
|   |   | Standard Met                     | Y         | Y         | Y         | Y         |
|   |   | Statewide                        | 63%       | 63%       | 65%       | 65%       |
| 2.  | <i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>        | MUPP                             | 58%       | 52%       | 63%       | 60%       |
|   |   | Standard Met                     | Y         | Y         | Y         | Y         |
|   |   | Statewide                        | 50%       | 49%       | 52%       | 54%       |

**MUPP**'s rates for *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* met the MDCH-specified minimum performance standard of 65 percent and exceeded the statewide aggregate rates in all four reporting quarters of SFY 2012–2013.

**MUPP**'s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* met the MDCH-specified minimum performance standard of 52 percent for all four quarters. The contractor's performance exceeded the statewide rates for the entire SFY.

**MUPP** maintained its strong performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure, continuing to meet the minimum performance standard for all four quarters. For the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, the contractor's improved performance resulted in rates that met the performance standard in all four quarters of SFY 2012–2013, an increase from only one quarter in the prior validation cycle. **MUPP** should continue efforts to maintain its strong performance and increase rates 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 best practices for treatment and prevention. **MUPP** should continue improvement efforts already in place and could consider additional interventions to improve overall performance for pediatric and adolescent care measures.

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 2012–2013                               |     |     |      |     |     |     |     |     |     |     |     |
|   |   | Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV) |     |     |      |     |     |     |     |     |     |     |     |
|   |   | 2012   |     |     | 2013 |     |     |     |     |     |     |     |     |
|   |   | Oct  | Nov | Dec | Jan  | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep |
| 3.  | Encounter Data—Institutional and Professional | Y  | Y   | Y   | Y    | Y   | Y   | Y   | Y   | Y   | Y   | Y   | Y   |
| 4.  | Encounter Data—Pharmacy                       | Y  | 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 all 12 reporting months of SFY 2012–2013.

**MUPP**'s rates for the *Encounter Data—Pharmacy* measure met the MDCH performance standard for all 12 months of SFY 2012–2013.

**MUPP** worked to ensure that encounter files were submitted accurately and on time according to the contract requirements, showing improvement in the *Encounter Data—Institutional and Professional* measure during the measurement period of SFY 2012–2013. The contractor increased the number of months in which the MDCH performance standard for institutional and professional encounter data was met from nine in the prior validation cycle to 12 in SFY 2012–2013. The contractor maintained its strong performance on the *Encounter Data—Pharmacy* measure and continued to meet the MDCH standard for every reporting month.

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



## 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 five standards shown in Table K-1, which presents **MDBC**'s results from the 2012–2013 compliance review.

**Table K-1—Compliance Review Results for MDBC**

| Standard  | Number of Scores |                   |             |                     | Total Compliance Score |                  |
|---|------------------|-------------------|-------------|---------------------|------------------------|------------------|
|   | <i>Pass</i>      | <i>Incomplete</i> | <i>Fail</i> | <i>Not Reviewed</i> | <b>MDBC</b>            | <b>Statewide</b> |
| 1. <i>Administration</i>                                | 2                | 0                 | 0           | 0                   | 100%                   | 92%              |
| 2. <i>Provider</i>                                      | 2                | 0                 | 0           | 8                   | 100%                   | 92%              |
| 3. <i>Enrollee Services</i>                             | 7                | 0                 | 0           | 4                   | 100%                   | 95%              |
| 4. <i>Quality Assurance/<br/>Utilization Management</i> | 3                | 0                 | 0           | 0                   | 100%                   | 89%              |
| 5. <i>Fraud, Waste, and Abuse</i>                       | 3                | 0                 | 0           | 0                   | 100%                   | 83%              |
| <b>Overall/Total</b>                                    | <b>17</b>        | <b>0</b>          | <b>0</b>    | <b>12</b>           | <b>100%</b>            | <b>91%</b>       |

The total compliance scores were obtained by adding the number of criteria that received a score of *Pass* to the weighted (multiplied by 0.5) number of criteria that received a score of *Incomplete*, then dividing this total by the total number of applicable criteria reviewed.

Please use caution when comparing the current results to prior review cycles, as the number of criteria reviewed in 2012–2013 was markedly reduced for two of the standards (*Provider* and *Enrollee Services*).

**MDBC** demonstrated strong performance across all standards. **MDBC** continued to achieve full compliance with all contractual requirements, resulting in compliance scores of 100 percent for each standard as well as for the overall score. **MDBC**'s performance exceeded all of the statewide scores.

The 2012–2013 compliance review did not identify any opportunities for improvement for **MDBC**.

**MDBC** did not receive any recommendations from the 2011–2012 compliance review. Therefore, follow-up on prior recommendations was not applicable to this contractor.

**MDBC** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild dental contractor.

## Appendix L. Findings—Delta Dental Plan of Michigan

### 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 five standards shown in Table L-1, which presents **MDDM**'s results from the 2012–2013 compliance review.

**Table L-1—Compliance Review Results for MDDM**

| Standard  | Number of Scores |                   |             |                     | Total Compliance Score |                  |
|---|------------------|-------------------|-------------|---------------------|------------------------|------------------|
|   | <i>Pass</i>      | <i>Incomplete</i> | <i>Fail</i> | <i>Not Reviewed</i> | <b>MDDM</b>            | <b>Statewide</b> |
| 1. <i>Administration</i>                                | 2                | 0                 | 0           | 0                   | 100%                   | 92%              |
| 2. <i>Provider</i>                                      | 2                | 0                 | 0           | 8                   | 100%                   | 92%              |
| 3. <i>Enrollee Services</i>                             | 7                | 0                 | 0           | 4                   | 100%                   | 95%              |
| 4. <i>Quality Assurance/<br/>Utilization Management</i> | 3                | 0                 | 0           | 0                   | 100%                   | 89%              |
| 5. <i>Fraud, Waste, and Abuse</i>                       | 3                | 0                 | 0           | 0                   | 100%                   | 83%              |
| <b>Overall/Total</b>                                    | <b>17</b>        | <b>0</b>          | <b>0</b>    | <b>12</b>           | <b>100%</b>            | <b>91%</b>       |

The total compliance scores were obtained by adding the number of criteria that received a score of *Pass* to the weighted (multiplied by 0.5) number of criteria that received a score of *Incomplete*, then dividing this total by the total number of applicable criteria reviewed.

Please use caution when comparing the current results to prior review cycles, as the number of criteria reviewed in 2012–2013 was markedly reduced for two of the standards (*Provider* and *Enrollee Services*).

**MDDM** demonstrated continued strong performance on the *Administration* and *Fraud, Waste, and Abuse* standards and achieved full compliance with all requirements, resulting in compliance scores of 100 percent for these standards.

**MDDM** implemented corrective actions for the 2011–2012 recommendations for the *Provider*, *Enrollee Services*, and *Quality Assurance/Utilization Management* standards, demonstrating full compliance with all requirements in the 2012–2013 review and achieving compliance scores of 100 percent.

For the *Provider* standard, **MDDM** provided an addendum to its Uniform Requirements of Delta Dental Premier Participation documents which included the required language that providers are not prohibited from advocating on behalf of the enrollee in any grievance, utilization review, or individual authorization process.

**MDDM** addressed the 2011–2012 recommendation for the *Enrollee Services* standard and developed a template for the Notice of Action letter that included the required information about expedited resolution of appeals and continuation of benefits pending the resolution of the appeal.

In response to the 2011–2012 recommendations, **MDDM** provided its Quality of Care—Work Instructions Policy that described the contractor’s process for handling quality of care complaints and inquiries, as well as activities to ensure access to and quality of services to members. **MDDM** developed and established performance outcome standards for (1) enrollees receiving at least one exam in a 12-month period and (2) enrollees receiving a dental visit by age 1.

**MDDM**’s performance on all standards, as well as the overall compliance score of 100 percent, exceeded the statewide scores.

The 2012–2013 compliance review did not identify any opportunities for improvement for **MDDM**.

**MDDM** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild dental contractor.

## 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 **MGBP**'s compliance with federal and State requirements related to the five standards shown in Table M-1, which presents **MGBP**'s results from the 2012–2013 compliance review.

**Table M-1—Compliance Review Results for MGBP**

| Standard  | Number of Scores |            |          |              | Total Compliance Score |            |
|---|------------------|------------|----------|--------------|------------------------|------------|
|   | Pass             | Incomplete | Fail     | Not Reviewed | MGBP                   | Statewide  |
| 1. Administration                               | 1                | 1          | 0        | 0            | 75%                    | 92%        |
| 2. Provider                                     | 1                | 1          | 0        | 8            | 75%                    | 92%        |
| 3. Enrollee Services                            | 5                | 2          | 0        | 4            | 86%                    | 95%        |
| 4. Quality Assurance/<br>Utilization Management | 1                | 2          | 0        | 0            | 67%                    | 89%        |
| 5. Fraud, Waste, and Abuse                      | 1                | 1          | 1        | 0            | 50%                    | 83%        |
| <b>Overall/Total</b>                            | <b>9</b>         | <b>7</b>   | <b>1</b> | <b>12</b>    | <b>74%</b>             | <b>91%</b> |

The total compliance scores were obtained by adding the number of criteria that received a score of *Pass* to the weighted (multiplied by 0.5) number of criteria that received a score of *Incomplete*, then dividing this total by the total number of applicable criteria reviewed.

Please use caution when comparing the current results to prior review cycles, as the number of criteria reviewed in 2012–2013 was markedly reduced for two of the standards (*Provider* and *Enrollee Services*).

**MGBP** demonstrated its strongest performance on the *Enrollee Services* standard with a compliance score of 86 percent. The contractor successfully addressed most of the recommendations from the 2011–2012 compliance review and demonstrated compliance with the requirements related to timely notification to MDCH of any program or site changes, instructions in the member handbook for choosing and changing a dentist, the Notice of Action letter template, and written guidelines to ensure that MICHild enrollees are provided covered services without regard to personal characteristics (race, color, creed, etc.) and are not denied a covered service or intentionally segregated from other persons receiving health care services. While the contractor updated its procedures to address complaints regarding the quality of dental services delivered by a contracted dental provider, **MGBP** should update its policies and procedures to include a process for referring quality of care grievances to the Michigan Dental Association's Peer Review Committee, including a description of how enrollees will receive information about that process.

**MGDP** should continue efforts to further reduce the reading level of its member handbook to at least a 6.9 grade reading level.

**MGDP**'s performance on the *Administration* and *Provider* standards resulted in compliance scores of 75 percent. The contractor should continue efforts to improve the quality of its monthly encounter data submissions and ensure that all required data elements are included. **MGDP** addressed the recommendation to develop a formal credentialing/recredentialing policy and procedure, but it should revise the policy to include provisions for a review of government exclusion and debarment lists every 30 days and demonstrate that such reviews are completed per the requirement.

**MGDP** achieved a compliance score of 67 percent on the *Quality Assurance/Utilization Management* standard. The contractor made progress in addressing the recommendations from the 2011–2012 compliance review. **MGDP** revised its Quality Assurance Program to include activities that ensure the access to and quality of services provided to its members. The contractor should submit these revisions to the National Association of Insurance Commissioners' (NAIC) System for Electronic Rate and Form Filing (SERFF) for approval. **MGDP** should continue its efforts to implement processes for assessing access to and quality of care for enrollees through a review of recall programs by providers.

The *Fraud, Waste, and Abuse* standard represented the largest opportunity for improvement for **MGDP**, with a compliance score of 50 percent. The contractor addressed the recommendation from the 2011–2012 review to develop and approve a compliance plan. The contractor included in its Provider Administrative Manual written procedures for compliance with federal and State fraud and abuse standards. However, **MGDP** should develop provisions for internal monitoring and auditing of federal and State fraud and abuse standards, prompt response to detected offenses of fraud and abuse, and development of corrective action initiatives. The contractor should document in its procedures that suspicion of fraud and/or abuse within any MDCH program is reported directly to MDCH, including directions as to how and where to make such a report.

**MGDP**'s performance resulted in an overall compliance score of 74 percent. All compliance scores for **MGDP** were lower than the statewide scores.

While **MGDP** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild dental contractor, the 2012–2013 compliance review identified opportunities for improvement in all three domains.