

# **MICHILD EXTERNAL QUALITY REVIEW REPORT**

(FY2014 Appropriation Bill - Public Act 59 of 2013)

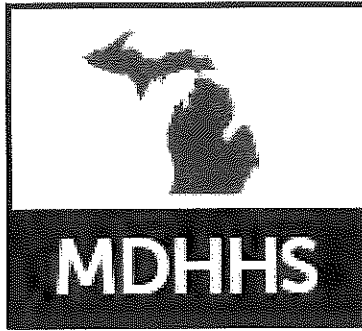
**Within 30 days receipt of final report  
from contractors**

**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.



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# 2013–2014 MICHILD EXTERNAL QUALITY REVIEW TECHNICAL REPORT

April 2015



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## ACKNOWLEDGMENTS AND COPYRIGHTS

**CAHPS<sup>®</sup>** refers to the Consumer Assessment of Healthcare Providers and Systems and is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ).

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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, healthcare 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 healthcare 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 13 medical and two dental contractors represented in this report:

- ◆ Blue Cross Blue Shield of Michigan (MBCM)
- ◆ CoventryCares of Michigan, Inc. (MCOV)
- ◆ Grand Valley Health Plan (MGVH)
- ◆ Harbor Health Plan (MHAR)<sup>1-1</sup>
- ◆ HealthPlus of Michigan (MHPL)
- ◆ McLaren Health Plan (MMCL)<sup>1-2</sup>
- ◆ HAP Midwest Health Plan (MMID)<sup>1-3</sup>
- ◆ Molina Healthcare of Michigan (MMOL)
- ◆ Physicians Health Plan—FamilyCare (MPHP)<sup>1-4</sup>
- ◆ Priority Health Choice, Inc. (MPRI)
- ◆ Total Health Care (MTHC)
- ◆ UnitedHealthcare Community Plan (MUNI)
- ◆ Upper Peninsula Health Plan (MUPP)
- ◆ Delta Dental Plan of Michigan (MDDM)
- ◆ Golden Dental Plan (MGDP)

<sup>1-1</sup> Enrollment of MICHild members began in March 2014.

<sup>1-2</sup> Enrollment of MICHild members began in November 2013.

<sup>1-3</sup> Midwest Health Plan changed its name to HAP Midwest Health Plan effective July 1, 2014.

<sup>1-4</sup> Enrollment of MICHild members began in December 2013.

## 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 2013–2014. Appendices A–O 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 nine<sup>1-5</sup> contracted MICHild medical contractors during state fiscal year (SFY) 2013–2014. Table 1-1 shows the statewide aggregated results.

Table 1-1—Summary of Data From the 2013–2014 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>	100%–100%	9	100%
2. <i>Providers</i>	67%–100%	2	89%
3. <i>Members</i>	60%–100%	6	91%
4. <i>Quality</i>	88%–100%	5	97%
5. <i>MIS</i>	83%–100%	8	98%
6. <i>Fraud, Waste, and Abuse</i>	83%–100%	5	93%
Overall Score	83%–98%	0	94%

The statewide average overall score of 94 percent across all standards and MICHild medical contractors reflected strong performance on the compliance reviews. The *Administrative* standard showed both the highest statewide average score of 100 percent and the highest number—all nine contractors—achieving 100 percent compliance with requirements related to the organizational chart, administrative position descriptions, and the governing body of the contractors.

The *MIS* standard represented another area of strong performance for the medical MICHild contractors, with eight of the nine 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 information systems capabilities to support data collection and analysis, claims processing procedures, and electronic enrollment and disenrollment processes.

<sup>1-5</sup> MBCM began transitioning its MICHild enrollees to other MICHild contractors effective October 1, 2013, and was not contractually required to participate in the annual compliance review. MHAR, MMCL, and MPHP joined the MICHild program during the course of the fiscal year.

With a statewide average score of 89 percent and only two of the contractors in full compliance with all requirements, the *Providers* standard represented the largest opportunity for improvement. The 2013–2014 compliance review identified opportunities across all criteria on this standard.

While most contractors received recommendations related to the *Members*; *Quality*; and *Fraud, Waste, and Abuse* standards, statewide average scores of 91 percent, 97 percent and 93 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 2013–2014 annual compliance reviews. Table 1-2 shows the statewide aggregated results across the two dental contractors.

Table 1-2—Summary of Data From the 2013–2014 Annual Compliance Review of MICHild Dental Contractors				
Standard		Range of Contractors' Scores	Number of Contractors With 100 Percent Compliance	Statewide Average Score
1.	Administration	75%–100%	1	88%
2.	Provider	100%–100%	2	100%
3.	Enrollee Services	86%–100%	1	93%
4.	Quality Assurance/ Utilization Management	83%–100%	1	92%
5.	Fraud, Waste, and Abuse	100%–100%	2	100%
Overall Score		95%–97%	0	96%

The statewide average overall score across all standards and both MICHild dental contractors was 96 percent, with no contractors achieving an overall compliance score of 100 percent.

The *Provider* and *Fraud, Waste, and Abuse* standards represented statewide strengths, as both contractors demonstrated full compliance with all requirements and achieved compliance scores of 100 percent.

For the three remaining standards (*Administration*, *Enrollee Services*, and *Quality Assurance/Utilization Management*), one of the two MICHild dental contractors demonstrated full compliance with all requirements, while the other contractor received compliance scores ranging from 75 percent to 86 percent, with a total of four recommendations for improvement across the standards.

The results of this annual compliance review identified areas of strengths for the MICHild dental contractors but no statewide opportunities for improvement.



## **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.

HSAG validated the four performance measures developed and defined by MDCH—as shown in Table 1-3. MDCH required the MICHild contractors to report the well-child measures quarterly and to submit encounter data reporting measures monthly based on the contractors' prior month's encounters. MDCH then calculated the plan-specific results using encounter data submitted by the MICHild medical contractors.

HSAG assessed several aspects of the calculation of performance measures that were crucial to the process. These included data integration, data control, and documentation of performance measure calculations. HSAG determined that MDCH's processes were acceptable.

HSAG identified overall strengths and areas for improvement for MDCH. Knowledgeable staff and continuity of the MICHild team remained noted strengths. MDCH continued to track and review all encounter data monthly for timeliness and completeness and provided feedback to the contractors about their submissions. MDCH minimized the potential for errors through automated report productions and thorough review by various department staff.

Due to the challenges for smaller-volume contractors in meeting the minimum performance standards for encounter data submissions, MDCH made modifications to account for the enrollment in the MICHild plans.

Several MICHild contractors continued to fall short of the minimum performance standards for the encounter data measures. MDCH should continue to work with these contractors to ensure that encounter data are complete. 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. As recommended last year, 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 and general statistical concepts.

The validation activities for SFY 2014 resulted in validation designations of *Report* for all reported 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 2014		
	Percentage Range	Total Across All Contractors
<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	70%–90%	75%
<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	70%–100%	75%
<i>Encounter Data Reporting—Institutional and Professional</i>	69%–100%	83%
<i>Encounter Data Reporting—Pharmacy</i>	64%–100%	81%
<p>Notes: Results for the well-child visit performance measures were based on ten contractors as three of the contractors did not yet have an eligible population for reporting.</p> <p>Results for the encounter data reporting performance measures were based on varying numbers of MICHild medical contractors as three of the contractors did not yet have data for the encounter data reporting measures for several months of the SFY. Beginning with the June 2014 reporting period, all 13 contractors were included in the reporting.</p>		

Statewide performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure improved, with an increase in the percentage of contractors who met the MDCH minimum performance standard, from 62 percent in the prior year to 75 percent in the current validation cycle. Results for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure improved as well, increasing the percentage of contractors who met the MDCH minimum performance standard from 51 percent in 2012–2013 to 75 percent in 2013–2014.

Performance on the encounter data reporting measures was stronger than in the prior year, as reflected in an increase of contractors who met the minimum performance standard from 74 percent to 83 percent for the *Institutional and Professional* data reporting and from 78 percent to 81 percent for the *Pharmacy* data reporting.

## 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, healthcare 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 improved performance in the **quality** domain. Statewide, 75 percent of all reported quarterly rates for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* and the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measures met or exceeded the respective MDCH-specified minimum performance standard. For the encounter data reporting measures (*Institutional/Professional* and *Pharmacy*), statewide performance improved as well.

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>	✓	✓	✓
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>	✓	✓	✓
Performance Measures—Medical <sup>1-6</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>	✓		

<sup>1-6</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 2013–2014 compliance reviews. MDCH conducted the annual compliance reviews of the MICHild contractors from October 2013 through August 2014.

#### MICHild Medical Contractors:

For the 2013–2014 compliance reviews of the MICHild medical contractors, MDCH continued the review process implemented in the prior cycle. 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 2013–2014 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*

### **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, websites, 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

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 2012–2013 and 2013–2014 compliance reviews are not fully comparable. The number of contractors—both medical and dental—included in the compliance reviews decreased compared to 2012–2013. For the dental contractors, MDCH did not review all criteria for all standards in the prior review cycle. The 2013–2014 compliance review returned to a full review of all criteria in each standard. Caution should be applied when making comparisons between the results of the 2012–2013 and 2013–2014 compliance reviews.

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 performance measure validation (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:

- ♦ **Information Systems Capabilities Assessment Tool (ISCAT) or the HEDIS Record of Administration, Data Management, and Processes (Roadmap)**—The MICHild health plans that underwent a 2014 NCQA HEDIS Compliance Audit by an NCQA-Licensed Organization (LO) were required to submit a completed HEDIS 2014 Roadmap. The MICHild health plans that did not undergo a HEDIS 2014 Compliance Audit were required to submit a completed ISCAT that provided information on their information systems, processes used for collecting and processing data, and processes used for performance measure calculation. Upon receipt by HSAG, the ISCAT or Roadmap underwent a cursory review to ensure that each section was complete and all applicable attachments were present. HSAG then thoroughly reviewed all documentation, noting any potential issues, concerns, and items that needed additional clarification. Where applicable, HSAG used the information provided in the ISCAT or Roadmap to begin completion of the review tools.
- ♦ **Final Audit Report (FAR)**—The MICHild health plans that underwent a HEDIS 2014 Compliance Audit were required to submit the FAR that was completed by the LO who conducted their HEDIS 2014 Compliance Audit. HSAG reviewed the FAR for any findings related to information system issues that would impact the accuracy of health plan encounter data.
- ♦ **Source code (programming language) for the performance measures**—MDCH submitted source code for each of the performance measures to HSAG. HSAG completed a line-by-line review of the supplied source code to ensure compliance with MDCH's FY 2014 *Michigan MICHild Managed Care Performance Monitoring Specifications*. HSAG identified areas of deviation from the specifications, evaluating the impact to the measure and assessing the degree of bias (if any).
- ♦ **Supporting documentation** (examples of which are detailed in Attachment A, Worksheet 3, of the CMS PMV protocol)—The MICHild health plans and MDCH submitted documentation to HSAG that provided additional information to complete the validation process, including

<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>.

policies and procedures; file layouts; system flow diagrams; system log files; and data collection process descriptions. The validation team reviewed all supporting documentation, with issues or clarifications flagged for further follow-up.

### Pre-Audit Strategy

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

To assess the health plan encounter data used for performance measure reporting, HSAG prepared for all MICHild medical contractors documentation requests 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 health plans with a timetable for completion and instructions for submission. For health plans that underwent a HEDIS 2014 Compliance Audit with an organization licensed by the NCQA, HSAG requested that they submit completed HEDIS 2014 Roadmap and Final Audit Report. For health plans that did not undergo a HEDIS 2014 Compliance Audit, HSAG provided an ISCAT (Appendix 5 of the CMS PMV protocol) to complete. HSAG assisted the MICHild health plans 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. The agenda was forwarded to MDCH approximately one month prior to the on-site visit. MDCH approved the agenda and provided all requested documentation prior to the on-site visit.

### On-Site Activities

HSAG conducted an on-site visit to MDCH on October 14, 2014. 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 2014 as the validation period, which encompassed the reporting periods of October 2013 through September 2014. 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 2014	
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>
3.	<i>Encounter Data Reporting—Institutional and Professional</i>
4.	<i>Encounter Data Reporting—Pharmacy</i>

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

Table 2-2—Measurement and Reporting Periods for the <i>Well-Child Visit Measures</i>		
Quarter	Measurement Period	Reporting Period
Q1	April 2012 through March 2013	October 2013
Q2	July 2012 through June 2013	January 2014
Q3	October 2012 through September 2013	April 2014
Q4	January 2013 through December 2013	July 2014

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 2013 through September 2014. The corresponding measurement period was September 2013 through August 2014. Throughout this report, encounter data results are presented by the reporting date.

Table 2-3— Reporting Dates and Measurement Periods for the <i>Encounter Data Measures</i>												
Reporting Date	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014	Sept 2014
Measurement Period	Sept 2013	Oct 2013	Nov 2013	Dec 2013	Jan 2014	Feb 2014	Mar 2014	Apr 2014	May 2014	Jun 2014	Jul 2014	Aug 2014

### 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.

## 5. 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–O 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*; *Management Information Systems (MIS)*; and *Fraud, Waste, and Abuse*.

Table 3-1 presents the results from the current (2013–2014) and previous (2012–2013) 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.

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			
		2012–13	2013–14	2012–13	2013–14	2012–13	2013–14
1.	<i>Administrative</i>	88%–100%	100%–100%	98%	100%	9/90%	9/100%
2.	<i>Providers</i>	75%–100%	67%–100%	87%	89%	1/10%	2/22%
3.	<i>Members</i>	70%–100%	60%–100%	88%	91%	3/30%	6/67%
4.	<i>Quality</i>	81%–100%	88%–100%	93%	97%	4/40%	5/56%
5.	<i>MIS</i>	33%–100%	83%–100%	86%	98%	7/70%	8/89%
6.	<i>Fraud, Waste, and Abuse</i>	100%–100%	83%–100%	100%	93%	10/100%	5/56%
Overall Score		78%–97%	83%–98%	92%	94%	0/0%	0/0%
Please use caution when comparing the current results to prior review cycles, as the as the number of medical contractors changed from ten contractors in 2012–2013 to nine in 2013–2014.							

MDCH contracted with 13 MICHild medical contractors in 2013–2014; however, only nine of these contractors were required to participate in the compliance review process, as one contractor had

begun transitioning its members in preparation to exiting the MICHild program while three new contractors joined the MICHild program during the course of the fiscal year. The total number of medical MICHild contractors included in the compliance review decreased from ten in 2012–2013 to nine in 2013–2014. Therefore, the results of the two review cycles are not fully comparable.

As shown in Table 3-1, on several standards the medical MICHild contractors showed continued strong performance as well as improvement from the 2012–2013 to the 2013–2014 review cycle.

Statewide average scores increased for five of the six standards, as did the overall statewide score. The *MIS* standard saw the largest increase—from 86 percent in 2012–2013 to 98 percent in the current review cycle. The remaining standards saw an increase in the statewide scores ranging from 2 to 4 percentage points.

The *Administrative* standard represented a statewide strength, with all medical contractors in full compliance with all requirements, resulting in a statewide score of 100 percent.

Performance on the *Members* standard reflected improved performance, as most contractors successfully addressed prior recommendations related to new member packets, member handbooks, and member newsletters. The statewide score increased by 3 percentage points to 91 percent, as six contractors—compared to three previously—met all requirements on this standard.

Performance on the *Quality* standard improved after contractors successfully addressed prior recommendations related to health promotion and education programs and improved compliance with minimum performance standards on key performance measures. The statewide score increased to 97 percent.

Contractors' performance on the *MIS* standard represented a statewide strength, with only one opportunity for improvement identified across all contractors and criteria.

Performance on the *Fraud, Waste, and Abuse* standard declined, with both the statewide score decreasing from 100 percent in the prior cycle to 93 percent in 2013–2014 and the number of contractors in full compliance decreasing from ten to five.

While most contractors improved their performance on the *Providers* standard and addressed prior recommendations successfully, there were several continued recommendations related to availability and accessibility of covered services. This standard represented the largest opportunity for improvement for the MICHild medical contractors, with the lowest statewide score and lowest number of contractors in full compliance.

Overall compliance scores increased for seven of the nine MICHild medical contractors, decreased for one, and remained the same for one. The statewide average overall score increased as well. No medical MICHild medical contractors demonstrated full compliance with all requirements across the six standards in the 2013–2014 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 (2013–2014) and previous (2012–2013) 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, as the number of MICHild dental contractors changed from three contractors in 2012–2013 to two in 2013–2014, and MDCH returned to a full review of all criteria on the *Provider* and *Enrollee Services* standards, thereby markedly increasing the number of criteria reviewed in the current cycle.

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			
		2012–13	2013–14	2012–13	2013–14	2012–13	2013–14
1.	<i>Administration</i>	75%–100%	75%–100%	92%	88%	2/67%	1/50%
2.	<i>Provider</i>	75%–100%	100%–100%	92%	100%	2/67%	2/100%
3.	<i>Enrollee Services</i>	86%–100%	86%–100%	95%	93%	2/67%	1/50%
4.	<i>Quality Assurance/ Utilization Management</i>	67%–100%	83%–100%	89%	92%	2/67%	1/50%
5.	<i>Fraud, Waste, and Abuse</i>	50%–100%	100%–100%	83%	100%	2/67%	2/100%
Overall Score		74%–100%	95%–97%	91%	96%	2/67%	0/0%
Please use caution when comparing current results to prior review cycles, as the number of dental contractors changed from three contractors in 2012–2013 to two in 2013–2014; and the number of criteria reviewed in the current cycle was markedly increased for two of the standards ( <i>Provider</i> and <i>Enrollee Services</i> ).							

Performance of the dental MICHild contractors improved from the 2012–2013 to the 2013–2014 review cycle, as shown in Table 3-2. However, in the 2013–2014 compliance review cycle no dental provider achieved full compliance on all requirements across the five standards to result in an overall compliance score of 100 percent.

The 2013–2014 compliance reviews identified areas of statewide strengths—the *Provider* and *Fraud, Waste, and Abuse* standards—with both dental contractors in full compliance with all requirements.

Across the three standards with statewide compliance scores of less than 100 percent, the total number of recommendations across the two contractors included in both review cycles declined, reflecting statewide strength and increased compliance with contractual requirements.

The 2013–2014 compliance reviews identified no statewide opportunities for improvement for the MICHild dental contractors.

## 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 2014 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 2013–2014 that were reported in the previous year.

Table 3-3 lists the performance measures and shows the final validation results for the 2012–2013 and 2013–2014 validation cycles.

Table 3-3—2012–2013 and 2013–2014 Performance Measure Validation Results			
Performance Measure		Percentage of Rates Scored Fully Compliant/Report	
		2012–2013	2013–2014
1.	Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life	100%	100%
2.	Well-Child Visits in the Seventh Through Eleventh Years of Life	100%	100%
3.	Encounter Data Reporting—Institutional and Professional	100%	100%
4.	Encounter Data Reporting—Pharmacy	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 2013–2014, 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, from ten contractors in SFY 2012–2013 to 13 in the current validation cycle. The three new contractors who did not yet have an eligible population for reporting the well-child measures were, nevertheless, included in the reporting of the encounter data measures.

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—2012–2013 and 2013–2014 Results for Well-Child Performance Measures										
Performance Measure		Quarterly Statewide Aggregated Total Rates and Number of Contractors Meeting the Standard								
			SFY 2012–2013				SFY 2013–2014			
			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	63%	63%	65%	65%	65%	64%	66%	70%
		Met the Standard	6/9	5/10	7/10	6/10	7/10	7/10	9/10	7/10
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	Statewide Rate	50%	49%	52%	54%	53%	51%	55%	54%
		Met the Standard	4/9	5/10	5/10	6/10	7/10	6/10	10/10	7/10

The statewide rate for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure met or exceeded the MDCH standard of 65 percent for three of the four reporting quarters in SFY 2013–2014, but fell below the standard for the second quarter.

Statewide aggregated total rates increased compared to the rates for the previous SFY for all four quarters. Performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure continued to represent an opportunity for improvement as for each quarter some contractors' rates fell below the MDCH standard.

The statewide rate for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure fell below the MDCH standard of 52 percent for the second quarter of SFY 2013–2014, but met the standard for the remainder of the SFY. The number of contractors who met the standard increased for each quarter compared to the prior SFY. 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, one quarterly rate continued to fall below the MDCH minimum performance standard.

Overall, about 75 percent of the contractors' rates for the well-child measures met or exceeded the MDCH standard, an improvement over performance 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—2012–2013 and 2013–2014 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— Institutional and Professional	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
		2013 – 2014	7/10	9/10	10/10	10/10	9/11	10/12	12/12	11/12	9/13	9/13	9/13	11/13
4.	Encounter Data— Pharmacy	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
		2013 – 2014	10/10	10/10	10/10	9/10	7/11	8/12	10/12	10/12	9/13	10/13	10/13	10/13

For the *Encounter Data—Institutional and Professional* measure, all MICHild medical contractors met the performance standard for three of the twelve reporting months. Throughout the reporting year, most contractors—ranging from seven to 12 contractors—met the MDCH standard. Compared to SFY 2012–2013, statewide overall performance improved, with a higher percentage of contractors meeting the MDCH performance standard in SFY 2013–2014. 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 the first three reporting months of SFY 2013–2014. Throughout the reporting year, most contractors—ranging from seven to ten contractors—met the MDCH standard. Compared to SFY 2012–2013, overall statewide results showed improvement, with a higher percentage of contractors meeting the MDCH performance standard in SFY 2013–2014.

These results indicate that contractors improved compliance with requirements for complete and timely reporting of encounter data.



## 4. Appendices Introduction

### Overview

This Appendices Introduction section identifies the acronyms used throughout this report for the MICHild contractors. Table 4-1 presents the 13 MICHild medical contractors followed by the two MICHild dental contractors.

Each contractor-specific appendix presents the results of the 2013–2014 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—2013–2014 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	MHAR	Harbor Health Plan
E	MHPL	HealthPlus of Michigan
F	MMCL	McLaren Health Plan
G	MMID	HAP Midwest Health Plan
H	MMOL	Molina Healthcare of Michigan
I	MPHP	Physicians Health Plan—FamilyCare
J	MPRI	Priority Health Choice, Inc.
K	MTHC	Total Health Care
L	MUNI	UnitedHealthcare Community Plan
M	MUPP	Upper Peninsula Health Plan
<b>Dental Contractors</b>		
N	MDDM	Delta Dental Plan of Michigan
O	MGDP	Golden Dental Plan

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

### Annual Compliance Review

MBCM began transitioning its MICHild enrollees to other MICHild contractors effective October 1, 2013. MBCM was not contractually required to participate in the annual compliance review.

### 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-1 lists the performance measures and presents the validation findings and audit designations for SFY 2013–2014.

Table A-1—Performance Measure Validation Results for MBCM			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	No concerns were identified with rate calculations; standard was met for two reporting quarters.	<i>Report</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	No concerns were identified with rate calculations; standard was met for two reporting quarters.	<i>Report</i>
3.	<i>Encounter Data—Institutional and Professional</i>	No concerns were identified with rate calculations; standard was met for 11 of the 12 months.	<i>Report</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns were identified with rate calculations; standard was met for every month.	<i>Report</i>

The 2013–2014 validation findings for MBCM reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table A-1.

Table A-2 presents the reported SFY 2013–2014 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-2—Well-Child Performance Measure Rates for <b>MBCM</b>						
Performance Measure		Reported Rates for SFY 2013–2014				
			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%	64%	64%	66%
		Standard Met	Y	N	N	Y
		Statewide	65%	64%	66%	70%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MBCM	52%	51%	54%	50%
		Standard Met	Y	N	Y	N
		Statewide	53%	51%	55%	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 two of the four reporting quarters of SFY 2013–2014. **MBCM**'s rates for the first and second quarters were equal to the statewide aggregated totals, while the contractor's rate for the third and fourth quarters fell below 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 and third quarters, but fell below the standard for the second and fourth quarters. **MBCM**'s rate for the second quarter was equal to the statewide aggregate rate, but fell below the statewide rates for the remainder of the year.

**MBCM**'s performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure declined from the previous year, meeting the minimum performance standard for two of the four quarters of SFY 2013–2014. Similarly, the contractor's performance on the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure declined, decreasing the number of quarters in which the contractor met the minimum performance standard from four quarters in 2012–2013 to two 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 about health screening guidelines as well as best practices for treatment and prevention. **MBCM** should continue improvement efforts already in place and consider additional interventions to improve overall performance for pediatric and adolescent care measures.

Table A-3 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-3—Encounter Data Performance Measure Rates for MBCM													
Performance Measure	Reported Rates for SFY 2013–2014												
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)												
	2013			2014									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
3. <i>Encounter Data—Institutional and Professional</i>	N	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	Y

For the *Encounter Data—Institutional and Professional* measure, **MBCM** met the MDCH standard for 11 of the 12 reporting months of SFY 2013–2014.

**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 2013–2014, maintaining compliance with the MDCH minimum performance standard throughout almost 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 2013–2014 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%	100%
2. <i>Providers</i>	5	1	0	0	92%	89%
3. <i>Members</i>	3	2	0	0	80%	91%
4. <i>Quality</i>	7	1	0	0	94%	97%
5. <i>MIS</i>	3	0	0	0	100%	98%
6. <i>Program Integrity</i>	2	1	0	0	83%	93%
<b>Overall/Total</b>	<b>24</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>91%</b>	<b>94%</b>
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* and *MIS* standards and achieved full compliance with all requirements, resulting in compliance scores of 100 percent. For these standards, which represented areas of strength for the contractor, MCOV's scores matched or exceeded the statewide scores.

MCOV's performance on the *Providers* and *Quality* standards resulted in compliance scores of 92 percent and 94 percent, respectively. MCOV should submit surveys or studies that demonstrate the availability of covered services 24 hours per day, seven days per week. The contractor should continue efforts to consistently meet the minimum performance standards for well-child visits.

For the *Program Integrity* standard, the 2013–2014 compliance review resulted in a compliance score of 83 percent with one recommendation. MCOV should provide policies and procedures for the disclosure of beneficial ownership of 5 percent or more.

The *Member* standard represented the largest opportunity for improvement for MCOV. The 2013–2014 compliance review resulted in a compliance score of 80 percent, with two recommendations. MCOV should continue efforts to comply with the requirement for timely mailing of new member packets and identification cards and revise the MICHild member handbook as required by contract, submitting it to MDCH for approval.

MCOV's performance on three of the six standards (*Members, Quality, and Program Integrity*), as well as the overall score of 94 percent, fell below 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 2013–2014 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 2013–2014.

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 were identified with rate calculations; standard was met for two reporting quarters.	<i>Report</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	No concerns were identified with rate calculations; standard was met for two reporting quarters.	<i>Report</i>
3.	<i>Encounter Data—Institutional and Professional</i>	No concerns were identified with rate calculations; standard was met for every month.	<i>Report</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns were identified with rate calculations; standard was met for 11 of the 12 months.	<i>Report</i>

The 2013–2014 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 2013–2014 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 2013–2014				
			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	57%	72%	70%	63%
		Standard Met	N	Y	Y	N
		Statewide	65%	64%	66%	70%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MCOV	48%	52%	55%	50%
		Standard Met	N	Y	Y	N
		Statewide	53%	51%	55%	54%

MCOV’s second and third quarter rates of SFY 2013–2014 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 the rates for the first and fourth quarters fell below the standard and below the statewide aggregated total rates. MCOV’s rates for the second and third quarters exceeded the statewide rates.

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

MCOV improved its performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure, meeting the minimum performance standard for two quarters in the current SFY as compared to only one quarter in SFY 2012–2013. For the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, the contractor’s performance remained unchanged from the prior-year results, having two reporting quarters in which the MDCH performance standard was met. 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 about health screening guidelines as well as best practices for treatment and prevention. MCOV should continue improvement efforts already in place and 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 2013–2014												
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)												
	2013			2014									
	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	N	Y	Y	Y	Y	Y	Y	

For the *Encounter Data—Institutional and Professional* measure, MCOV met the MDCH standard for all 12 reporting months of SFY 2013–2014.

MCOV's rates for the *Encounter Data—Pharmacy* measure met the MDCH standard for 11 of the 12 reporting months of SFY 2013–2014.

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 encounter data during the measurement period of SFY 2013–2014. The contractor improved its performance in submitting the institutional/professional and pharmacy encounter data during the measurement period of SFY 2013–2014, markedly increasing the number of months in which the MDCH performance standard was met for each of the two measures.

MCOV should 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 2013–2014 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.	Administrative	4	0	0	0	100%	100%
2.	Providers	5	1	0	0	92%	89%
3.	Members	5	0	0	0	100%	91%
4.	Quality	7	1	0	0	94%	97%
5.	MIS	3	0	0	0	100%	98%
6.	Program Integrity	3	0	0	0	100%	93%
Overall/Total		27	2	0	0	97%	94%
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*, *MIS*, and *Program Integrity* standards and achieved full compliance with all requirements on these standards, which represented areas of strength for the contractor.

For the *Providers* and *Quality* standards, the 2013–2014 compliance review identified recommendations for improvement, resulting in compliance scores for these standards of 92 percent and 94 percent, respectively. MGVH should revise the hospital contracts to include provisions for the immediate transfer of an enrollee to another network provider if the enrollee's health and safety is in jeopardy and complete the provider table with the applicable sections from the contracts. The contractor successfully addressed the recommendation from the prior review and met the requirements for pharmacy contracts. MGVH followed the recommendation to implement improvement strategies to increase performance on the well-child and encounter data performance measures and met the MDCH-specified standards for this review cycle. The contractor should submit a report on the tobacco cessation programs and provide more detail on the pharmacotherapy services covered for tobacco cessation.

MGVH’s compliance scores on all standards except the *Quality* 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 2013–2014 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 2013–2014.

Table C-2—Performance Measure Validation Results for MGVH			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	No concerns were identified with rate calculations; standard was met for three reporting quarters.	<i>Report</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	No concerns were 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 were identified with rate calculations; standard was met for five of the 12 months.	<i>Report</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns were identified with rate calculations; standard was met for four of the 12 months.	<i>Report</i>

The 2013–2014 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 2013–2014 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 2013–2014				
			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	63%	83%	83%	100%
		Standard Met	N	Y	Y	Y
		Statewide	65%	64%	66%	70%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MGVH	57%	80%	70%	91%
		Standard Met	Y	Y	Y	Y
		Statewide	53%	51%	55%	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 as well as the statewide rate in the first reporting quarter of SFY 2013–2014, while exceeding the MDCH performance threshold and the statewide aggregate rates for the second, third, and fourth quarters of SFY 2013–2014.

MGVH’s rates for the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure exceeded the MDCH-specified minimum performance standard of 52 percent for all quarters of SFY 2013–2014. MGVH’s performance also exceeded the statewide rates for all four quarters of the reporting year.

MGVH markedly improved 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—increasing the number of quarters in which the contractor met the minimum performance standard from one and zero quarters, respectively, in 2012–2013 to meeting the standard for three quarters for the 3-to-6-year measure and 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 about health screening guidelines as well as best practices for treatment and prevention. MGVH should continue improvement efforts already in place and 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 2013–2014												
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)												
	2013			2014									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
3. <i>Encounter Data—Institutional and Professional</i>	N	N	Y	Y	N	Y	Y	Y	N	N	N	N	
4. <i>Encounter Data—Pharmacy</i>	Y	Y	Y	Y	N	N	N	N	N	N	N	N	

For the *Encounter Data—Institutional and Professional* measure, MGVH met the MDCH standard for five of the 12 reporting months of SFY 2013–2014.

MGVH’s rates for the *Encounter Data—Pharmacy* measure met the MDCH standard for the first four reporting months and fell below the performance standard for the remaining months of SFY 2013–2014.

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 encounter data during the measurement period of SFY 2013–2014. MGVH’s performance improved from the previous year, increasing 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 increased from none in SFY 2012–2013 to five in the current validation cycle. MGVH’s performance on the *Encounter Data—Pharmacy* measure improved from meeting the standard for two months in SFY 2012–2013 to four months in SFY 2013–2014.

MGVH should continue its efforts to consistently meet the MDCH minimum performance standards for accurate and timely encounter data submissions.

## Annual Compliance Review

MHAR was not included in the 2013–2014 annual compliance review cycle as the contractor began enrollment of MICHild members in March 2014.

## 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-1 lists the performance measures and presents the validation findings and audit designations for SFY 2013–2014.

Table D-1—Performance Measure Validation Results for MHAR			
	Performance Measure	Findings	Audit Designation
1.	Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life	MHAR was not required to report this measure.	Not Reported
2.	Well-Child Visits in the Seventh Through Eleventh Years of Life	MHAR was not required to report this measure.	Not Reported
3.	Encounter Data—Institutional and Professional	No concerns were identified with rate calculations for the four months of available data. The standard was not met for any month.	Report
4.	Encounter Data—Pharmacy	No concerns were identified with rate calculations for the four months of available data. The standard was not met for any month.	Report

The 2013–2014 validation findings for MHAR reflected an audit designation of *Not Reported* for the two well-child measures as the contractor did not yet have an eligible population for reporting. The encounter data measures were *Fully Compliant* with MDCH specifications, as noted in Table D-1.

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

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

Due to the later enrollment date for MICHild members, MHAR was not required to report data for the first eight reporting dates of October 2013 through May 2014. MHAR reported rates for the reporting dates of June through September 2014.

Table D-2—Encounter Data Performance Measure Rates for MHAR												
Performance Measure	Reported Rates for SFY 2013–2014 Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
	2013			2014								
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3. <i>Encounter Data—Institutional and Professional</i>									N	N	N	N
4. <i>Encounter Data—Pharmacy</i>									N	N	N	N

For the *Encounter Data—Institutional and Professional* measure, MHAR did not meet the MDCH standard for any of the four applicable reporting months of SFY 2013–2014.

MHAR's rates for the *Encounter Data—Pharmacy* measure for June through September 2014 fell below the MDCH performance standard.

MHAR should work to 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 MHPL's compliance with federal and State requirements related to the six standards shown in Table E-1, which presents MHPL's results from the 2013–2014 annual compliance review.

Table E-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%	100%
2. <i>Providers</i>	6	0	0	0	100%	89%
3. <i>Members</i>	5	0	0	0	100%	91%
4. <i>Quality</i>	6	2	0	0	88%	97%
5. <i>MIS</i>	3	0	0	0	100%	98%
6. <i>Program Integrity</i>	3	0	0	0	100%	93%
<b>Overall/Total</b>	<b>27</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>97%</b>	<b>94%</b>
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 *Program Integrity* standards and achieved full compliance with all requirements, resulting in compliance scores of 100 percent. MHPL also implemented corrective actions to address 2012–2013 recommendations related to provider contract provisions; access and availability of services; and new member packets and identification cards, to achieve 100 percent compliance on the *Providers* and *Members* standards. For these standards, representing areas of strength for the contractor, the compliance scores matched or exceeded the statewide scores.

MHPL's performance on the *Quality* standard represented an opportunity for improvement. MHPL successfully addressed the recommendations from the 2012–2013 review to submit policies and procedures for its health promotion and education programs and for its utilization management program. The 2013–2014 compliance review resulted in two new recommendations for this standard. MHPL should provide documentation that tobacco cessation services are available to all members, including pregnant women and members under 18 years of age, and continue efforts to consistently meet the minimum performance standard for the well-child visit measure for children 7

to 11 years of age. MHPL's score for the *Quality* standard of 88 percent fell below the statewide score.

MHPL's overall score of 97 percent exceeded the statewide overall score.

MHPL 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 2013–2014 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 2013–2014.

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

The 2013–2014 validation findings for MHPL reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table E-2.



Table E-3 presents the reported SFY 2013–2014 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 E-3—Well-Child Performance Measure Rates for MHPL						
Performance Measure		Reported Rates for SFY 2013–2014				
			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%	65%	68%	64%
		Standard Met	Y	Y	Y	N
		Statewide	65%	64%	66%	70%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MHPL	49%	51%	53%	53%
		Standard Met	N	N	Y	Y
		Statewide	53%	51%	55%	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 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 2013–2014.

**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 third and fourth quarters of the SFY, but fell below the MDCH standard for the first and second quarters. **MHPL**'s rates matched the statewide aggregate rate for the second quarter, but fell below the statewide rates for the remaining quarters of SFY 2013–2014.

**MHPL** continued to meet the minimum performance standard for the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure for three quarters of the SFY. On the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, **MHPL** continued to meet the minimum performance standard for two of the four quarters in the 2013–2014 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 about health screening guidelines as well as best practices for treatment and prevention. **MHPL** should continue improvement efforts already in place and 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 MHPL												
Performance Measure	Reported Rates for SFY 2013–2014											
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
	2013			2014								
	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	N	Y	Y	Y	Y	Y	N	Y

For the *Encounter Data—Institutional and Professional* measure, MHPL met the MDCH standard for all 12 reporting months of SFY 2013–2014.

MHPL’s rates for the *Encounter Data—Pharmacy* measure fell below the MDCH standard for two of the reporting dates and met the performance standard for the remaining months of SFY 2013–2014.

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 encounter data during the measurement period of SFY 2013–2014. MHPL continued its strong performance on the *Encounter Data—Institutional and Professional* measure and met the standard for the entire fiscal year. Compliance with the performance standard for the pharmacy encounter data improved from the previous year, with the contractor meeting the MDCH standard for ten reporting months (compared to nine in the previous validation cycle).

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

## Annual Compliance Review

MMCL was not included in the 2013–2014 annual compliance review cycle as the contractor began enrollment of MICHild members in November 2013.

## 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-1 lists the performance measures and presents the validation findings and audit designations for SFY 2013–2014.

Table F-1—Performance Measure Validation Results for MMCL			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MMCL was not required to report this measure.	<i>Not Reported</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MMCL was not required to report this measure.	<i>Not Reported</i>
3.	<i>Encounter Data—Institutional and Professional</i>	No concerns were identified with rate calculations; standard was met for six of the eight months.	<i>Report</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns were identified with rate calculations; standard was met for five of the eight months.	<i>Report</i>

The 2013–2014 validation findings for MMCL reflected an audit designation of *Not Reported* for the two well-child measures as the contractor did not yet have an eligible population for reporting. The encounter data measures were *Fully Compliant* with MDCH specifications, as noted in Table F-1.

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

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

Due to the later enrollment date for MICHild members, MMCL was not required to report data for the first four reporting dates of October 2013 through January 2014. MMCL reported rates for the reporting dates of February through September 2014.

Table F-2—Encounter Data Performance Measure Rates <i>for</i> MMCL													
Performance Measure		Reported Rates for SFY 2013–2014											
		Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
		2013			2014								
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
3.	Encounter Data— Institutional and Professional					N	N	Y	Y	Y	Y	Y	Y
4.	Encounter Data— Pharmacy					N	N	Y	Y	Y	Y	Y	N

For the *Encounter Data—Institutional and Professional* measure, MMCL met the MDCH standard for six of the eight applicable reporting months of SFY 2013–2014.

MMCL’s rates for the *Encounter Data—Pharmacy* measure met the MDCH performance standard for five of the eight applicable reporting months.

MMCL should work to 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 **MMID**'s compliance with federal and State requirements related to the six standards shown in Table G-1, which presents **MMID**'s results from the 2013–2014 annual compliance review.

Table G-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%	100%
2.	<i>Providers</i>	5	1	0	0	92%	89%
3.	<i>Members</i>	4	0	1	0	80%	91%
4.	<i>Quality</i>	7	1	0	0	94%	97%
5.	<i>MIS</i>	3	0	0	0	100%	98%
6.	<i>Program Integrity</i>	3	0	0	0	100%	93%
Overall/Total		26	2	1	0	93%	94%
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*, *MIS*, and *Program Integrity* standards and achieved full compliance with all requirements. These standards represented areas of strength for the contractor.

**MMID**'s performance on the *Providers* standard resulted in a compliance score of 92 percent. The contractor successfully addressed the recommendation from the prior review to demonstrate compliance with the requirement that providers are available 24 hours a day, seven days a week. The 2013–2014 compliance review resulted in the recommendation to incorporate provisions into its contracts for the immediate transfer of an enrollee to another health plan network provider if the enrollee's health or safety is in jeopardy.

**MMID**'s performance on the *Quality* standards resulted in a compliance score of 94 percent. **MMID** addressed the recommendation from the 2012–2013 compliance review to submit approval notices for health promotion and education programs. However, **MMID** should continue efforts to

increase rates for the well-child and encounter data performance measures and consistently meet the MDCH standards.

The *Members* standard represented the greatest opportunity for improvement for **MMID** with a compliance score of 80 percent. The contractor should continue efforts to address the prior recommendation and revise its policy and procedure to document the correct timelines and process for mailing new member packets and identification cards.

**MMID**'s scores for the *Administrative*, *Providers*, *MIS*, and *Program Integrity* standards matched or exceeded the statewide scores, while performance on the *Members* and *Quality* standards—as well as the overall score of 93 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 2013–2014 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 2013–2014.

Table G-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>	No concerns were identified with rate calculations; standard was met for one reporting quarter.	<i>Report</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	No concerns were identified with rate calculations; standard was met for two reporting quarters.	<i>Report</i>
3.	<i>Encounter Data—Institutional and Professional</i>	No concerns were identified with rate calculations; standard was met for 11 of the 12 months.	<i>Report</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns were identified with rate calculations; standard was met for ten of the 12 months.	<i>Report</i>

The 2013–2014 validation findings for **MMID** reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table G-2.

Table G-3 presents the reported SFY 2013–2014 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 G-3—Well-Child Performance Measure Rates for MMID						
Performance Measure		Reported Rates for SFY 2013–2014				
			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	62%	53%	67%	56%
		Standard Met	N	N	Y	N
		Statewide	65%	64%	66%	70%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MMID	50%	48%	56%	61%
		Standard Met	N	N	Y	Y
		Statewide	53%	51%	55%	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 three of the four quarters in SFY 2013–2014. **MMID**'s rate for the third quarter met the standard and exceeded the statewide rate, while rates for the remaining quarters were lower than the statewide aggregated totals.

**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 and fourth quarter of SFY 2013–2014, but fell below the standard and the statewide aggregate rates for the first and second quarters.

**MMID** improved its performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure, meeting the minimum performance standard for one quarter in the current SFY as compared to no quarter in SFY 2012–2013. For the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, the contractor's performance also improved compared to the prior-year results, having two reporting quarters in which the MDCH performance standard was met. **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 about health screening guidelines as well as best practices for treatment and prevention. **MMID** should continue improvement efforts already in place and 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 MMID													
Performance Measure	Reported Rates for SFY 2013–2014												
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)												
	2013			2014									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
3. <i>Encounter Data—Institutional and Professional</i>	N	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	N	N	Y	Y	

For the *Encounter Data—Institutional and Professional* measure, **MMID** met the MDCH standard for 11 of the 12 reporting months in SFY 2013–2014.

**MMID**'s rates for the *Encounter Data—Pharmacy* measure fell below the MDCH standard for two reporting dates (June and July 2014) and met the MDCH performance standard for the remaining months of SFY 2013–2014.

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 encounter data during the measurement period of SFY 2013–2014. **MMID** improved its performance on the *Encounter Data—Institutional and Professional* measure, achieving rates that met the MDCH standard for almost all of SFY 2013–2014. The contractor's performance on the *Encounter Data—Pharmacy* measure showed a slight decline, decreasing the number of reporting months in which the MDCH performance standard was met from 11 in SFY 2012–2013 to ten in the current validation cycle.

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

## Appendix H. 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 H-1, which presents MMOL's results from the 2013–2014 annual compliance review.

Table H-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%	100%
2.	<i>Providers</i>	6	0	0	0	100%	89%
3.	<i>Members</i>	5	0	0	0	100%	91%
4.	<i>Quality</i>	8	0	0	0	100%	97%
5.	<i>MIS</i>	3	0	0	0	100%	98%
6.	<i>Program Integrity</i>	2	1	0	0	83%	93%
Overall/Total		28	1	0	0	98%	94%
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*, *Quality*, and *MIS* standards. The contractor demonstrated full compliance with all requirements, resulting in compliance scores of 100 percent for these standards.

The contractor successfully addressed the 2012–2013 recommendation for the *Providers* and *Members* standards. MMOL demonstrated compliance with requirements related to the availability of covered services and process for mailing new member packets and identification cards, resulting in compliance scores of 100 percent. These standards represented additional areas of strength for MMOL.

The 2013–2014 compliance review identified an opportunity for improvement on the *Program Integrity* standard. MMOL should provide documentation showing provisions for prompt response to detected offenses and for development of corrective action initiatives for providers.

MMOL’s performance on all standards—except the *Program Integrity* standard—as well as the overall score of 98 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 2013–2014 compliance review also identified an opportunity for improvement that 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 2013–2014.

Table H-2—Performance Measure Validation Results <i>for</i> MMOL		
Performance Measure	Findings	Audit Designation
1. <i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	No concerns were 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 were 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 were identified with rate calculations; standard was met for every reporting month.	<i>Report</i>
4. <i>Encounter Data—Pharmacy</i>	No concerns were identified with rate calculations; standard was met for every reporting month.	<i>Report</i>

The 2013–2014 validation findings for **MMOL** reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table H-2.

Table H-3 presents the reported SFY 2013–2014 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 H-3—Well-Child Performance Measure Rates for MMOL						
Performance Measure		Reported Rates for SFY 2013–2014				
			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	71%	78%	71%	78%
		Standard Met	Y	Y	Y	Y
		Statewide	65%	64%	66%	70%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MMOL	58%	60%	65%	64%
		Standard Met	Y	Y	Y	Y
		Statewide	53%	51%	55%	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 2013–2014.

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 all four reporting quarters of SFY 2013–2014. The contractor’s rates exceeded the statewide aggregate rates all four quarters.

MMOL maintained its 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 2013–2014. For the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, the contractor’s performance—meeting the MDCH performance standard in all four quarters—reflected improvement from the prior-year results. 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 about health screening guidelines as well as best practices for treatment and prevention. MMOL should continue improvement efforts already in place and 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 MMOL												
Performance Measure	Reported Rates for SFY 2013–2014											
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
	2013			2014								
	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 2013–2014.

The contractor worked to ensure that encounter files were submitted accurately and on time according to the contract requirements, maintaining strong performance in submitting the institutional/professional and pharmacy encounter data during the measurement period of SFY 2013–2014 and meeting the MDCH performance standards in every month 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 I. Findings—Physicians Health Plan—FamilyCare

### Annual Compliance Review

MPHP was not included in the 2013–2014 annual compliance review cycle as the contractor began enrollment of MICHild members in December 2013.

### 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-1 lists the performance measures and presents the validation findings and audit designations for SFY 2013–2014.

Table I-1—Performance Measure Validation Results <i>for</i> MPHP			
Performance Measure		Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	MPHP was not required to report this measure.	<i>Not Reported</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MPHP was not required to report this measure.	<i>Not Reported</i>
3.	<i>Encounter Data— Institutional and Professional</i>	No concerns were identified with rate calculations; standard was met for three out of seven months.	<i>Report</i>
4.	<i>Encounter Data— Pharmacy</i>	No concerns were identified with rate calculations; standard was met for three out of seven months.	<i>Report</i>

The 2013–2014 validation findings for MPHP reflected an audit designation of *Not Reported* for the two well-child measures as the contractor did not yet have an eligible population for reporting. The encounter data measures were *Fully Compliant* with MDCH specifications, as noted in Table I-1.

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

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

Due to the later enrollment date for MIChild members, **MPHP** was not required to report data for the first five reporting dates of October 2013 through February 2014. **MPHP** reported rates for the reporting dates of March through September 2014.

Table I-2—Encounter Data Performance Measure Rates for MPHP												
Performance Measure		Reported Rates for SFY 2013–2014										
		Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)										
		2013			2014							
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Sep
3.	Encounter Data—Institutional and Professional						N	Y	N	N	N	Y
4.	Encounter Data—Pharmacy						N	N	N	N	Y	Y

For the *Encounter Data—Institutional and Professional* measure, **MPHP** met the MDCH standard for three of the seven applicable reporting months of SFY 2013–2014.

**MPHP**'s rates for the *Encounter Data—Pharmacy* measure met the MDCH performance standard for three of the seven applicable reporting months.

**MPHP** should work to 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 MPRI's compliance with federal and State requirements related to the six standards shown in Table J-1, which presents MPRI's results from the 2013–2014 annual compliance review.

Table J-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%	100%
2.	<i>Providers</i>	3	2	1	0	67%	89%
3.	<i>Members</i>	2	2	1	0	60%	91%
4.	<i>Quality</i>	8	0	0	0	100%	97%
5.	<i>MIS</i>	2	1	0	0	83%	98%
6.	<i>Program Integrity</i>	2	1	0	0	83%	93%
Overall/Total		21	6	2	0	83%	94%
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* standard and achieved full compliance with all requirements, resulting in a compliance score of 100 percent.

MPRI addressed the recommendations from the 2012–2013 compliance review and achieved a compliance score of 100 percent on the *Quality* standard. MPRI submitted documentation of its quality improvement and utilization policies and procedures as well as requirements for reporting of communicable diseases and provided program descriptions for all health promotion and education programs.

These standards represented areas of strength for MPRI.

MPRI's performance on the *Providers* standard resulted in a compliance score of 67 percent. MPRI successfully addressed the 2012–2013 recommendation to ensure that its provider directory includes hospital affiliations for contracted providers. The contractor received continued recommendations to demonstrate that covered services are available 24 hours a day, seven days a



week and to submit monitoring reports demonstrating policy and procedure review and updates. **MPRI** should provide a MICHild provider appeal log to demonstrate that it has a provider appeal process in place to resolve provider claim and authorization disputes.

**MPRI**'s performance on the *MIS* standard resulted in a compliance score of 83 percent. The contractor successfully addressed two of the recommendations from the 2012–2013 compliance review. The contractor demonstrated its ability to track member grievances and appeals and that clean claims are processed within the required time frames. **MPRI** should continue efforts to address the recommendation that race and ethnicity are captured for each member.

For the *Program Integrity* standard, **MPRI** achieved a compliance score of 83 percent. The contractor should submit policies and procedures addressing requirements for reporting beneficial ownership of 5 percent or more.

The *Members* standard represented the largest opportunity for improvement for **MPRI** with a compliance score of 60 percent. **MPRI** successfully addressed the recommendation from the 2012–2013 review related to updating its member handbook. **MPRI** should continue efforts to address the prior recommendation and provide a report detailing the process for mailing identification cards and new member packets based on the correct enrollment file. The contractor should correct language in its grievance and appeal procedures, provide a policy for nonexpedited appeals, and submit the policies for approval. **MPRI** should submit a policy and procedure demonstrating that the contractor develops and distributes MICHild newsletters twice a year.

**MPRI**'s scores for the *Administrative* and *Quality* standards matched or exceeded the statewide scores, while the contractor's compliance scores for the remaining standards (*Providers*, *Members*, *MIS*, and *Program Integrity*) as well as the overall compliance score of 83 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 2013–2014 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 2013–2014.

Table J-2—Performance Measure Validation Results for MPRI			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	No concerns were identified with rate calculations; standard was met for three reporting quarters.	<i>Report</i>
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	No concerns were identified with rate calculations; standard was met for three reporting quarters.	<i>Report</i>
3.	<i>Encounter Data—Institutional and Professional</i>	No concerns were identified with rate calculations; standard was met for nine of the 12 months.	<i>Report</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns were identified with rate calculations; standard was met for ten of the 12 months.	<i>Report</i>

The 2013–2014 validation findings for **MPRI** reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table J-2.

Table J-3 presents the reported SFY 2013–2014 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 J-3—Well-Child Performance Measure Rates for MPRI						
Performance Measure		Reported Rates for SFY 2013–2014				
			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	66%	55%	70%	71%
		Standard Met	Y	N	Y	Y
		Statewide	65%	64%	66%	70%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MPRI	55%	42%	63%	62%
		Standard Met	Y	N	Y	Y
		Statewide	53%	51%	55%	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 exceeded the statewide aggregate rates for the first, third, and fourth quarter of SFY 2013–2014. **MPRI**'s rate fell below the MDCH standard and the statewide rate for the second quarter 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 and exceeded the statewide aggregate rates for the first, third, and fourth quarter of SFY 2013–2014. **MPRI**'s second quarter rate fell below the MDCH standard and the statewide rates for the second quarter.

**MPRI** showed improved 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 met the MDCH-specified minimum performance standards for three of the four quarters, as compared to one quarter in the prior year. **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 about health screening guidelines as well as best practices for treatment and prevention. **MPRI** should continue improvement efforts already in place and 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 MPRI												
Performance Measure	Reported Rates for SFY 2013–2014											
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
	2013			2014								
	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	N	N	N	Y
4. <i>Encounter Data—Pharmacy</i>	Y	Y	Y	N	N	Y	Y	Y	Y	Y	Y	Y

For the *Encounter Data—Institutional and Professional* measure, MPRI met the MDCH standard for nine of the 12 reporting months of SFY 2013–2014.

MPRI’s rates for the *Encounter Data—Pharmacy* measure fell below the MDCH standard for the two reporting dates of SFY 2013–2014 (January–February 2014) and met the performance standard for the remaining months of the SFY.

The contractor worked to ensure that encounter files were submitted accurately and on time according to the contract requirements. MPRI’s performance on the *Encounter Data—Institutional and Professional* measure showed a decline from the prior reporting period, meeting the standard for nine months, as compared to 12 months in SFY2012–2013. The contractor increased the number of months during which the MDCH standard was met from nine to ten months for the pharmacy encounter data.

MPRI should continue efforts to consistently meet the MDCH 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 MTHC's compliance with federal and State requirements related to the six standards shown in Table K-1, which presents MTHC's results from the 2013–2014 annual compliance review.

Table K-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%	100%
2.	<i>Providers</i>	4	2	0	0	83%	89%
3.	<i>Members</i>	5	0	0	0	100%	91%
4.	<i>Quality</i>	8	0	0	0	100%	97%
5.	<i>MIS</i>	3	0	0	0	100%	98%
6.	<i>Program Integrity</i>	2	1	0	0	83%	93%
Overall/Total		26	3	0	0	95%	94%
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*, and *MIS* standards. MTHC achieved full compliance with all contractual requirements, resulting in a compliance score of 100 percent for each standard.

MTHC also received a compliance score of 100 percent on the *Members* standard. The contractor implemented corrective actions and successfully addressed the 2012–2013 recommendation to 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.

These standards represented areas of strength for MTHC.

MTHC's performance on the *Providers* and *Program Integrity* standards resulted in compliance scores of 83 percent, representing opportunities for improvement. The contractor should continue efforts to address the prior recommendation to 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 should provide reports demonstrating regular monitoring and updating of policies and procedures. For the *Program Integrity* standard, the contractor should submit policies and procedures addressing beneficial ownership of 5 percent or more and provide a sample disclosure statement.

MTHC's scores for the *Administrative*, *Member*, *Quality*, and *MIS* standards and the overall score of 95 percent matched or exceeded the statewide average scores, while the contractor's performance on the *Providers* and *Program Integrity* standards resulted in compliance scores that fell below the statewide 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 2013–2014 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 K-2 lists the performance measures and presents the validation findings and audit designations for SFY 2013–2014.

Table K-2—Performance Measure Validation Results for MTHC			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	No concerns were 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 were 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 were identified; standard was met for every month.	<i>Report</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns were identified; standard was met for every month.	<i>Report</i>

The 2013–2014 validation findings for MTHC reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table K-2.

Table K-3 presents the reported SFY 2013–2014 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 K-3—Well-Child Performance Measure Rates for MTHC						
Performance Measure		Reported Rates for SFY 2013–2014				
			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	68%	83%	79%	74%
		Standard Met	Y	Y	Y	Y
		Statewide	65%	64%	66%	70%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MTHC	55%	57%	60%	55%
		Standard Met	Y	Y	Y	Y
		Statewide	53%	51%	55%	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 2013–2014.

MTHC’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 were higher than the statewide rates for the entire SFY 2013–2014.

MTHC maintained its 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 2013–2014. For the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, the contractor’s performance improved markedly compared to the prior-year results, when MTHC met the MDCH performance standard for no 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 about health screening guidelines as well as best practices for treatment and prevention. MTHC should continue improvement efforts already in place and consider additional interventions to improve overall performance for pediatric and adolescent care measures.

Table K-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 K-4—Encounter Data Performance Measure Rates for MTHC												
Performance Measure	Reported Rates for SFY 2013–2014											
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)											
	2013			2014								
	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, MTHC met the MDCH standard for all 12 reporting months of SFY 2013–2014.

MTHC's rates for the *Encounter Data—Pharmacy* measure met the performance standard for the entire SFY 2013–2014.

The contractor worked to ensure that encounter files were submitted accurately and on time according to the contract requirements, maintaining strong performance on the *Encounter Data—Institutional and Professional* and *Encounter Data—Pharmacy* measures and meeting the MDCH performance standards for all 12 months during the measurement period of SFY 2013–2014.

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



## Appendix L. Findings—UnitedHealthcare Community Plan

### Annual Compliance Review

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

MDCH evaluated MUNI's compliance with federal and State requirements related to the six standards shown in Table L-1, which presents MUNI's results from the 2013–2014 annual compliance review.

Table L-1—Compliance Review Results for MUNI							
Standard		Number of Scores				Total Compliance Score	
		Pass	Incomplete	Fail	Not Applicable	MUNI	Statewide
1.	<i>Administrative</i>	4	0	0	0	100%	100%
2.	<i>Providers</i>	5	1	0	0	92%	89%
3.	<i>Members</i>	5	0	0	0	100%	91%
4.	<i>Quality</i>	8	0	0	0	100%	97%
5.	<i>MIS</i>	3	0	0	0	100%	98%
6.	<i>Program Integrity</i>	3	0	0	0	100%	93%
<b>Overall/Total</b>		<b>28</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>98%</b>	<b>94%</b>
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 *Program Integrity* standard and achieved full compliance with all requirements, resulting in a compliance score of 100 percent.

MUNI also achieved compliance scores of 100 percent on the *Administrative*, *Members*, *Quality*, and *MIS* standards after implementing corrective actions to address recommendations from the 2012–2013 compliance review. The contractor documented that enrolled members make up one-third of the Board's membership, ensured that new member ID cards and welcome kits were mailed on time according to the contract requirements, and demonstrated compliance with the requirement that the member handbook is reviewed annually and submitted to MDCH for approval. For the *Quality* standard, MUNI addressed the recommendation related to health promotion and health education programs available to members and improved performance on the well-child performance measure that did not meet the MDCH standard. The prior recommendations for the *MIS* standard—which were successfully addressed by the contractor—included demonstrating the information system's ability to capture and report information about enrollee satisfaction and access, ensuring that clean claims are processed within the required time frames, and submitting documentation

showing how information about languages spoken is captured and displayed on the customer services screen.

These standards represented areas of strength for **MUNI**.

The 2013–2014 compliance review identified one opportunity for improvement for **MUNI** on the *Providers* standard, resulting in a compliance score of 92 percent. The contractor implemented corrective actions and successfully addressed one of the 2012–2013 recommendations for this standard. **MUNI** demonstrated compliance with the requirements for notifying 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**'s performance on the six standards and the overall score of 98 percent matched or exceeded the statewide scores.

**MUNI** 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 2013–2014 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 L-2 lists the performance measures and presents the validation findings and audit designations for SFY 2013–2014.

Table L-2—Performance Measure Validation Results for MUNI			
Performance Measure		Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	No concerns were 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 were 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 were identified with rate calculations; standard was met for every month.	<i>Report</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns were identified with rate calculations; standard was met for every month.	<i>Report</i>

The 2013–2014 validation findings for **MUNI** reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table L-2.

Table L-3 presents the reported SFY 2013–2014 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 L-3—Well-Child Performance Measure Rates for MUNI						
Performance Measure		Reported Rates for SFY 2013–2014				
			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%	72%	74%	70%
		Standard Met	Y	Y	Y	Y
		Statewide	65%	64%	66%	70%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MUNI	61%	52%	68%	62%
		Standard Met	Y	Y	Y	Y
		Statewide	53%	51%	55%	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 all four quarters of SFY 2013–2014. The contractor's rates matched or exceeded the statewide aggregate rates for the entire 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 2013–2014.

**MUNI**'s performance on the *Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life* measure improved, increasing the number of months during which the MDCH performance standard was met from two in the prior year to four in SFY 2013–2014. The contractor maintained strong performance on the *Well-Child Visits in the Seventh Through Eleventh Years of Life* measure, continuing to meet the MDCH performance standard for the entire SFY 2013–2014. **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 about health screening guidelines as well as best practices for treatment and prevention. **MUNI** should continue improvement efforts already in place and consider additional interventions to improve performance for pediatric and adolescent care measures.

Table L-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 L-4—Encounter Data Performance Measure Rates for MUNI													
Performance Measure	Reported Rates for SFY 2013–2014												
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)												
	2013			2014									
	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 2013–2014.

MUNI’s rates for the *Encounter Data—Pharmacy* measure met the MDCH standard for all 12 months of SFY 2013–2014.

MUNI worked to ensure that encounter files were submitted accurately and on time according to the contract requirements. The contractor maintained its strong performance on the *Encounter Data—Institutional and Professional* and *Encounter Data—Pharmacy* measures, continuing to meet the MDCH standard for every month during the measurement period of SFY 2013–2014.

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 M-1, which presents MUPP's results from the 2013–2014 annual compliance review.

Table M-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%	100%
2.	<i>Providers</i>	4	2	0	0	83%	89%
3.	<i>Members</i>	5	0	0	0	100%	91%
4.	<i>Quality</i>	8	0	0	0	100%	97%
5.	<i>MIS</i>	3	0	0	0	100%	98%
6.	<i>Program Integrity</i>	3	0	0	0	100%	93%
<b>Overall/Total</b>		<b>27</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>97%</b>	<b>94%</b>
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*, *Members*, *Quality*, *MIS*, and *Program Integrity* standards, resulting in compliance scores of 100 percent. These standards represented areas of strength for MUPP.

MUPP's performance on the *Providers* standard resulted in a compliance score of 83 percent. The contractor implemented corrective actions and successfully addressed one of the recommendations from the 2012–2013 compliance review. MUPP submitted a description of its processes for notifying MDCH of any changes to the pharmacy benefits manager (PBM). MUPP should continue efforts to address the prior recommendation to provide the results of the survey to assess whether covered services are available 24 hours a day, seven days a week. The 2013–2014 compliance review also resulted in the recommendation to submit a copy of the pharmacy directory and make the pharmacy directory available on the contractor's Web site.

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 2013–2014 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 M-2 lists the performance measures and presents the validation findings and audit designations for SFY 2013–2014.

Table M-2—Performance Measure Validation Results for MUPP			
	Performance Measure	Findings	Audit Designation
1.	<i>Well-Child Visits in the Third, Fourth, Fifth, and Sixth Years of Life</i>	No concerns were 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 were identified with rate calculations; standard was met for three reporting quarters.	<i>Report</i>
3.	<i>Encounter Data—Institutional and Professional</i>	No concerns were identified with rate calculations; standard was met for 11 of the 12 months.	<i>Report</i>
4.	<i>Encounter Data—Pharmacy</i>	No concerns were identified with rate calculations; standard was met for every month.	<i>Report</i>

The 2013–2014 validation findings for MUPP reflected that the performance measures were fully compliant with MDCH specifications, as noted in Table M-2.

Table M-3 presents the reported SFY 2013–2014 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 M-3—Well-Child Performance Measure Rates for MUPP						
Performance Measure		Reported Rates for SFY 2013–2014				
			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	71%	69%	66%	67%
		Standard Met	Y	Y	Y	Y
		Statewide	65%	64%	66%	70%
2.	<i>Well-Child Visits in the Seventh Through Eleventh Years of Life</i>	MUPP	54%	58%	58%	45%
		Standard Met	Y	Y	Y	N
		Statewide	53%	51%	55%	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 matched or exceeded the statewide aggregate rates in all four reporting quarters of SFY 2013–2014.

**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 and exceeded the statewide aggregate rates for the first, second and third quarters of SFY 2013–2014. The contractor's rate in the fourth quarter fell below the MDCH standard and the statewide rate.

**MUPP** maintained its 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 performance resulted in rates that met the performance standard in three of the four quarters of SFY 2013–2014, a decrease from 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 about health screening guidelines as well as best practices for treatment and prevention. **MUPP** should continue improvement efforts already in place and consider additional interventions to improve overall performance for pediatric and adolescent care measures.



Table M-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 M-4—Encounter Data Performance Measure Rates for MUPP													
Performance Measure	Reported Rates for SFY 2013–2014												
	Meeting the Standard: Yes (Y) , No (N), or Rate Not Valid (NV)												
	2013			2014									
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	
3. <i>Encounter Data—Institutional and Professional</i>	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	
4. <i>Encounter Data—Pharmacy</i>	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 11 of the 12 reporting months of SFY 2013–2014.

MUPP’s rates for the *Encounter Data—Pharmacy* measure met the MDCH performance standard for all 12 months of SFY 2013–2014.

MUPP worked to ensure that encounter files were submitted accurately and on time according to the contract requirements. The number of months in which the MDCH performance standard for *Encounter Data—Institutional and Professional* was met decreased from 12 in the prior validation cycle to 11 in SFY 2013–2014. The contractor maintained 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 N. 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 N-1, which presents MDDM's results from the 2013–2014 compliance review.

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

Standard	Number of Scores			Total Compliance Score	
	Pass	Incomplete	Fail	MDDM	Statewide
1. <i>Administration</i>	1	1	0	75%	88%
2. <i>Provider</i>	10	0	0	100%	100%
3. <i>Enrollee Services</i>	11	0	0	100%	93%
4. <i>Quality Assurance/ Utilization Management</i>	2	1	0	83%	92%
5. <i>Fraud, Waste, and Abuse</i>	3	0	0	100%	100%
<b>Overall/Total</b>	<b>27</b>	<b>2</b>	<b>0</b>	<b>97%</b>	<b>96%</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.

MDDM demonstrated continued strong performance on the *Provider*; *Enrollee Services*; and *Fraud, Waste, and Abuse* standards, demonstrated full compliance with all requirements, and achieved compliance scores of 100 percent for these standards.

MDDM's performance on the *Administration* and *Quality Assurance/Utilization Management* standards resulted in compliance scores of 75 percent and 83 percent, respectively. The 2013–2014 review identified one opportunity for improvement for each of the two standards. The contractor should ensure that it provides timely notification to MDCH of any personnel changes. While MDDM identified performance outcome measures, the contractor has not yet established any goals or standards for these measures. The contractor should identify standards for the selected outcome measures and develop and report on specific improvement strategies.

MDDM's performance on *Provider*; *Enrollee Services*; and *Fraud, Waste, and Abuse*—as well as the overall compliance score of 97 percent—met or exceeded the statewide scores.

**MDDM** demonstrated strengths across the domains of **quality** and **timeliness** of, and **access** to, services provided by the MICHild dental contractor. The opportunities for improvement identified in the 2013–2014 compliance review addressed all three domains.

## Annual Compliance Review

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

MDCH evaluated MGDGP's compliance with federal and State requirements related to the five standards shown in Table O-1, which presents MGDGP's results from the 2013–2014 compliance review.

**Table O-1—Compliance Review Results for MGDGP**

Standard	Number of Scores			Total Compliance Score	
	Pass	Incomplete	Fail	MGDP	Statewide
1. <i>Administration</i>	2	0	0	100%	88%
2. <i>Provider</i>	10	0	0	100%	100%
3. <i>Enrollee Services</i>	9	1	1	86%	93%
4. <i>Quality Assurance/ Utilization Management</i>	3	0	0	100%	92%
5. <i>Fraud, Waste, and Abuse</i>	3	0	0	100%	100%
<b>Overall/Total</b>	<b>27</b>	<b>1</b>	<b>1</b>	<b>95%</b>	<b>96%</b>
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.					

MGDP demonstrated its strongest performance on the *Administration*; *Provider*; *Quality Assurance/Utilization Management*; and *Fraud, Waste, and Abuse* standards, demonstrating full compliance with all requirements and achieving compliance scores of 100 percent after implementing corrective actions to address the recommendations from the 2012–2013 review. These standards represented areas of strength for MGDGP.

MGDP improved the quality of its monthly encounter data submissions and ensured that all required data elements were included. The contractor revised the credentialing/recredentialing policy to include provisions for regular review of government exclusion and debarment lists. MGDGP demonstrated compliance with requirements for policies, procedures, and processes for assessing outcomes as well as access to and quality of care for enrollees. The contractor addressed the recommendations for the *Fraud, Waste, and Abuse* standard to develop provisions for internal monitoring and auditing of federal and State fraud and abuse standards and to 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 on the *Enrollee Services* standard resulted in a compliance score of 86 percent. The contractor should continue efforts to address all required components in its policies and procedures governing the resolution of grievances and appeals and ensure that the reading level of the entire member handbook is at or below the 6.9 grade reading level.

MGDP's performance on the *Administration; Provider; Quality Assurance/Utilization Management; and Fraud, Waste, and Abuse* standards matched or exceeded the statewide scores, while performance on the *Enrollee Services* standard as well as the overall compliance score of 95 percent fell below the statewide scores.

MGDP 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 2013–2014 compliance review addressed all three domains.