ICRC | Integrated Care Resource Center

TIP SHEET

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Tips to Improve Medicare-Medicaid Integration Using D-SNPs:

Using Medicare Program Audit Reports to Improve Managed Care Organization Oversight

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The Centers for Medicare & Medicaid Services (CMS) periodically conducts Medicare program audits of organizations sponsoring Medicare Advantage plans, including Dual Eligible Special Needs Plans (D-SNPs). To help oversee their contracts with D-SNPs and Medicaid managed care organizations, states may find Medicare program audit reports issued by CMS, available from the Medicare-Medicaid Coordination Office (MMCO), to be useful tools.

States can use the results of Medicare program audits to identify performance issues impacting dually eligible beneficiaries' receipt of care coordination, long-term services and supports, durable medical equipment, and other services, and incorporate that information into their audit and oversight activities. Insights from Medicare program audits can help states and CMS to coordinate their audit activities in order to improve D-SNP performance across Medicare and Medicaid benefits. States may be interested in potential issues revealed by Medicare program audits including:

- Authorization, appeal, and grievance issues within a D-SNP's Medicare operations that may also occur in its companion Medicaid managed long-term services and supports plan.
- Inadequate Medicare Part C compliance program mechanisms that may point to similar issues in the D-SNP's Medicaid operations.
- Care coordination issues that impact both Medicare and Medicaid benefits, such as transitions of care between hospitals and nursing facilities.

Using Program Audit Summary Information

States can find audit summary information for Medicare Part C and Part D sponsors from prior year audits on the CMS Medicare program audit results website.[1,2] CMS selects sponsors to audit based on a variety of information, including risk assessments, audit referrals, and whether CMS audited the sponsor in the current three-year audit cycle. Medicare Part C and D program audits assess the following areas:

- Compliance Program Effectiveness (CPE);
- Part D Formulary and Benefit Administration (FA);
- Part D Coverage Determinations, Appeals, and Grievances (CDAG);

- Part C Organization Determinations, Appeals, and Grievances (ODAG); and
- Special Needs Plans Model of Care (SNP-MOC).

Of these, states may be most interested in the SNP-MOC audit area because it evaluates D-SNP performance in three critical domains: (1) population to be served - enrollment verification; (2) care coordination; and (3) plan performance monitoring and evaluation of the model of care. The care coordination domain is especially relevant for Medicaid benefits. Specifically, CMS samples a sponsor's case file documentation for issues in health risk assessment administration, individual care plan appropriateness and implementation, interdisciplinary care team appropriateness, development and implementation of individual care plans, and coordination of transitions across care settings. According to the 2017 Program Audit Enforcement Report, the three most common issues found by SNP-MOC audits in 2017 were:[3]

States may be most interested in the Special Needs Plan-Model of Care audit area because it evaluates D-SNP performance in three domains critical to achieving integrated care for dually eligible beneficiaries.

- Sponsor did not conduct comprehensive annual reassessments for enrollees within one year of initial assessment or within one year of a previous health risk assessment, or as often as the health of enrollees require.
- Sponsor did not show documentation of interdisciplinary care team coordination of member care.
- Sponsor did not develop individualized care plans for enrollees.

States may also find the ODAG audit area informative for Medicaid, particularly as CMS now has responsibility for unifying D-SNP Medicare and Medicaid grievances and appeals processes under the Bipartisan Budget Act.[4] According to the 2017 Program Audit Enforcement Report, the three most common issues found by ODAG audits in 2017 were:

- Sponsor did not fully investigate and/or take actions to appropriately address all issues raised in grievances.
- Sponsor did not notify enrollees and providers, if the providers requested the services, of its decisions within 72 hours of receipt of expedited organization determination requests.
- Sponsor did not include in its denial letters adequate rationales, correct/complete information specific to denials, or language easily understandable to enrollees.

While the final audit reports are not available publicly, the CMS website includes general historical audit information for each sponsor on the number of corrective and enforcement actions taken by CMS, audit progress, the audit year, and other elements.[5] By clicking on each sponsor listed, states can also find audit close-out letters and other documents, such as civil monetary penalty notices. Note, the website is updated only after all CMS action has been taken. And, because the audits are reported at the parent organization-level, they may not provide states with clear information on an embedded D-SNP's performance in a particular state.

State Example: Illinois

In January 2016, a Medicare Advantage organization sponsoring a Medicare-Medicaid Plan (MMP) in Illinois received a *Notice of Imposition of Immediate Intermediate Sanctions (Suspension of Enrollment and Marketing) for Medicare Advantage-Prescription Drug and Prescription Drug Plan* from CMS. Compliance violations resulted in enrollees experiencing delays or denials in receiving medical services and prescription drugs, and increased out of pocket costs for medical services and prescription drugs. As a result of the federal audit, CMS suspended enrollment into all of the plan sponsor's Medicare products until further notice. This included a suspension of MMP enrollment in Illinois.

As a result, Illinois had its External Quality Review Organization (EQRO) conduct a focused review in February 2016 to evaluate if the findings identified in the CMS audit had an impact on the delivery of services to Illinois Medicaid beneficiaries enrolled in the plan sponsor's Illinois Medicaid plans. During the on-site review, Illinois' EQRO requested all files for the Medicaid Integrated Care Plan (ICP) and MMP enrollees in the following categories for the time period of November 2015 through January 2016: authorizations, denials, grievances, and pharmacy authorizations and denials. The EQRO selected a random sample of five files from each category. The EQRO reviewed them with plan staff to provide clarity and perspective to the documents and to obtain further information to determine the plan's compliance with requirements.

At the conclusion of the on-site review, the EQRO confirmed that there were no immediate concerns regarding the services delivered to the plan sponsor's Illinois Medicaid ICP or MMP beneficiaries. However, the EQRO identified and recommended opportunities for the improvement of plan systems and processes to support the delivery of required services.

Obtaining CMS Audit Reports

State Medicaid agencies can use their contracts with D-SNPs to require them to share Medicare program audit reports. Tennessee's D-SNP contracts, for example, state that plans "shall make available to TennCare upon request all information regarding the Contractor's performance for the D-SNP plan, including (but not limited to) HEDIS, CAHPS, and HOS data, Medicare Advantage Star Quality ratings, including poor performing icons, notices of non-compliance, audit findings and corrective action plans."[6]

States can also contact MMCO to request delivery of final Medicare program audit reports of parent organizations of contracted D-SNPs. CMS will deliver the final program audit report when the report is delivered to the parent organization. ***Interested states should email MMCOcapsmodel@cms.hhs.gov to request delivery of D-SNP program audit reports and provide an email address of responsible state Medicaid officials who should receive the reports.***

Building Knowledge

For more information about oversight and monitoring of health plans that serve dually eligible beneficiaries, see the following Integrated Care Resource Center (ICRC) resources:

- "How States Can Monitor Dual Eligible Special Needs Plan Performance: A Guide to Using CMS Data Resources" (Technical Assistance Tool, January 2018): http://www.integratedcareresourcecenter.com/PDFs/ICRC_How_States_Can_Monitor_DSNP_Performance%201.26.18.pdf

- "State Monitoring and Oversight of Managed Long-Term Services and Supports Care Programs" (Webinar, September 2014): http://www.integratedcareresourcecenter.net/PDFs/ICRC_SHC_MLTSS_Oversight_9_23_2014_FINAL2.pdf

ICRC staff are also available to provide technical assistance to states wishing to explore the use of CMS audit reports. Requests for ICRC technical assistance can be sent to ICRC@chcs.org.

TIPS TO IMPROVE MEDICARE-MEDICAID ALIGNMENT USING D-SNPS SERIES

This tip sheet series describes policy steps states can take to improve the integration of Medicare Advantage Dual Eligible Special Needs Plans (D-SNPs) with their Medicaid behavioral health and managed long-term services and supports programs. Better integration of Medicare and Medicaid helps to promote higher-quality more coordinated care for dually eligible beneficiaries.

ABOUT THE INTEGRATED CARE RESOURCE CENTER

The ***Integrated Care Resource Center*** is a national initiative of the Centers for Medicare & Medicaid Services Medicare-Medicaid Coordination Office to help states improve the quality and cost-effectiveness of care for Medicare-Medicaid enrollees. The state technical assistance activities provided by the *Integrated Care Resource Center* are coordinated by **Mathematica Policy Research** and the **Center for Health Care Strategies**. For more information, visit **www.integratedcareresourcecenter.com**.

ENDNOTES

[1] For more information on CMS audits, see the "2017 Program Audit Enforcement Report", "2017 Medicare Parts C and D Program Audit Protocols and Data Requests", and "2018 MMP Audit Protocols and Data Requests." Available at: https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/ProgramAudits.html

[2] For MMPs, CMS uses two unique audit areas: Service Authorization Requests, Appeals and Grievances (SARAG) and Care Coordination Quality Improvement Program Effectiveness (CCQIPE). States can use the results of these MMP audits as guides for issues that may arise in D-SNPs, especially D-SNPs operated in the same state as the MMPs, and/or by the same parent organization.

[3] See the "2017 Program Audit Enforcement Report" for more information on common issues found in CMS audits. Available at: https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/Downloads/2017ProgramAuditEnforcementReport.pdf

[4] See section 50311(b) of the Bipartisan Budget Act of 2018 for more information on unified grievance and appeals processes for D-SNPs. Available at: https://www.congress.gov/bill/115th-congress/house-bill/1892/text

[5] **"**Program Audit Results." Available at: https://www.cms.gov/Medicare/Compliance-and-Audits/Part-C-and-Part-D-Compliance-and-Audits/ProgramAuditResults.html

[6] See Tennessee's 'Special Needs Plan (SNP) Services for Medicare/Medicaid Dual Eligibles' contracts at: https://www.tn.gov/tenncare/information-statistics/tenncare-contracts.html