

Encounter Data Compliance Special User Group

February 16, 2012

HEALTHCARE MANAGEMENT
CONSULTING COMPANY

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Agenda

- Introduction
- Encounter Data Process Overview
- Encounter Data Compliance
- Questions and Answers
- Resources
- Closing Remarks

Introduction

- The purpose of this session is to provide Compliance Officers and staff within Medicare Advantage Organizations (MAOs) and other entities with information regarding Encounter Data compliance requirements.
- If time allows, there will be a question and answer session at the end of the call.

MAOs and Other Entities

- CMS requires the following types of organizations to submit encounter data:
 - Medicare Advantage (MA) Plans
 - Medicare Advantage-Prescription Drug (MA-PD) Plans
 - Health Maintenance Organizations (HMOs)
 - Special Needs Plans (SNPs)
 - Local Preferred Provider Organizations (PPOs)
 - Regional PPOs
 - Employer Group Health Plans
 - Programs of All-Inclusive Care for the Elderly (PACE) Plans
 - Cost Plans (1876 Cost HMOs/CMPs and 1833 HCPPs)
 - Medical Savings Account (MSA)
 - Private Fee-for-Service Plans (PFFS)
 - Religious Fraternal Benefit Plans (RFBs)
 - Provider Sponsored Organizations (PSO)

Encounter Data Process Overview

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Encounter Data

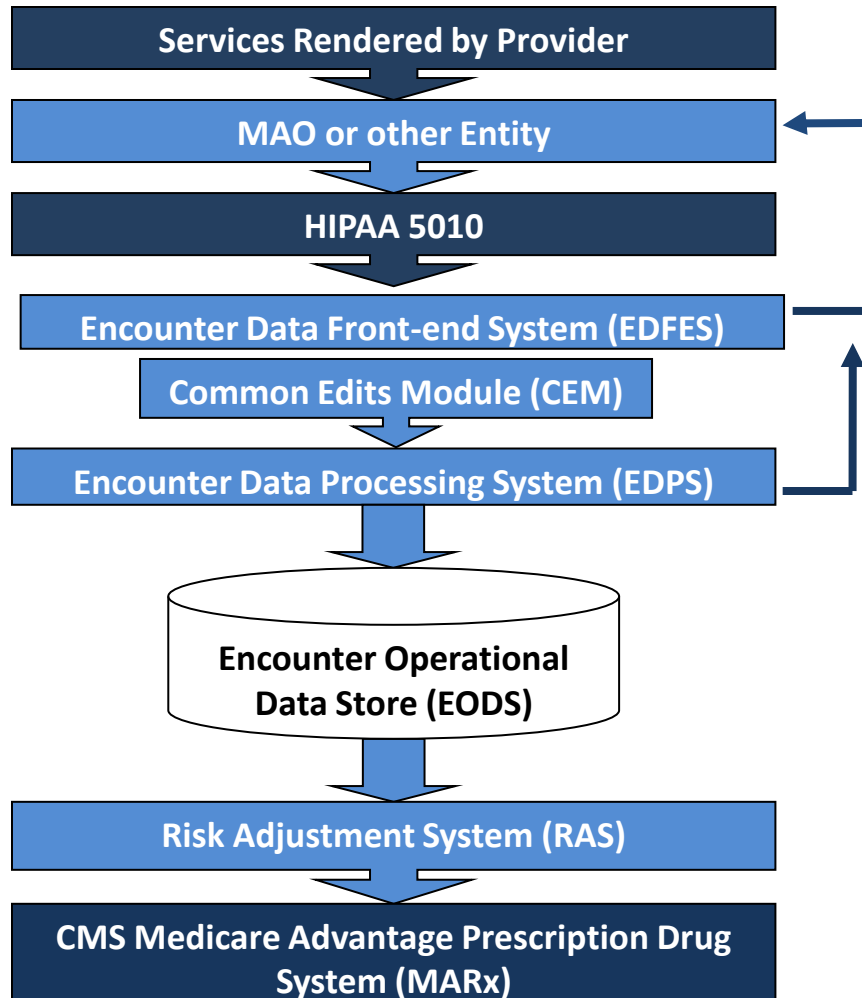
Encounter data is designed to optimize the risk adjustment and MA payment system by providing important information for CMS to measure and analyze MA utilization and cost.

Encounter Data

MAOs and other entities are required to:

- Submit encounter data electronically using the ANSI X12 V5010.
 - Professional data – Errata for ASC X12N 837/005010X222A1.
 - Institutional data – Errata for ASC X12N837/005010X223A2.
- Include data from all providers and specialties.
- Certify that systems accurately apply rules required for encounter data processing before submitting production data.
- Adhere to timeliness, accuracy, quantity, and quality guidelines.

Encounter Data Process



Encounter Data

User

Group

Thursday, February 16, 2012

3:00 P.M. – 4:00 P.M., ET

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Encounter Data Outreach

- Successful implementation of the Encounter Data System (EDS) is dependent upon Medicare Advantage Organizations (MAOs) and other entities understanding the process of collecting and submitting accurate, complete, and timely encounter data.
- To ensure successful implementation, CMS is putting a Compliance Program for Encounter Data in place.

Encounter Data Outreach

- Various outreach efforts have been established to keep the industry abreast of developments and updates.
 - Industry Update sessions
 - Workgroups
 - User Group sessions
 - Customer Service & Support Center (CSSC)
 - EDS Inbox
 - Encounter Data Newsletter

Encounter Data Compliance Standards

Encounter Data Compliance

Compliance standards will be monitored per contract ID in the following areas:

- Timeliness of submission
 - Quantity (volume) of submission
 - Quality of submission
 - Accuracy of submission
- CMS has worked with the industry to develop timeliness standards
 - Benchmarks are being developed for quantity, quality, and accuracy of submission

Timeliness

- Certification Timeline - system certification must be performed according to schedule
 - Encounter Data Front End System (EDFES)
 - Encounter Data Processing System (EDPS)
 - Professional
 - Institutional
 - Durable Medical Equipment
- Submission frequency
- Timely filing rule adherence (13-Month Rule)
- Chart review submission

Certification Timelines

| | Testing Begins | Deadline for Initial Submission of Encounters | Testing Ends/Deadline for Certification |
|--------------------------|----------------|---|---|
| Front-end Certification | 9/15/11 | N/A | 1/03/12 |
| Professional Encounters | 1/4/12 | 2/29/12 | 3/30/12 |
| Institutional Encounters | 3/30/12 | 4/30/12 | 5/30/12 |
| DME Encounters | 5/7/12 | 6/1/12 | 7/2/12 |

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Front-End Compliance Status

- The deadline to meet front-end certification was January 3, 2012.
- MAOs and other entities who are not front-end certified should do so immediately.

Certification Status as of 02/14/2012*:

| | |
|-----------------------------------|------------|
| Total Plans | 587 |
| Total Plans Not Certified | 69 |
| Local CCP (Coordinated Care Plan) | 51 |
| Cost | 15 |
| Private Fee for Service | 3 |

*These figures exclude PACE and Chronic Demo Plans.

Submission Frequency

- MAOs and other entities are required to submit data based on the tiered scale determined by the number of Medicare enrollees per contract.

| Number of Medicare Enrollees | Minimum Submission Frequency |
|------------------------------|------------------------------|
| Greater than 100,000 | Weekly |
| 50,000-100,000 | Bi-weekly |
| Less than 50,000 | Monthly |

- These are the minimum requirements.
- MAOs and other entities will be monitored on a quarterly basis

Timely Filing Rule

13-Month Timely Filing Rule

- Encounters must be submitted 13 Months from the date of service.
- This rule allows MAOs and other entities an extra month beyond the FFS timely filing limit (12-months).
- Allows more time to receive and process encounters accurately prior to MAOs and other entities transmitting them to CMS.

Chart Review Submission

Chart Review Timely Filing

- This rule allows submission of chart review data up to a maximum 25 months from the earliest date of service in the collection period and 13 months from the latest date of service in the data collection period.
- Allows more time to conduct medical review and meet data submission deadlines for Risk Adjustment processing.

Compliance Strategy

Compliance Actions

- Initial compliance rollout will focus on timeliness.
- Encounter data compliance will be integrated into the agency- wide compliance program.
- Tiered approach to compliance monitoring.
 - Compliance Alert
 - Notice of Non-Compliance (NONC)
 - Warning
 - Business Plan
 - Corrective Action Plan (CAP)

Compliance Actions

As published in the 12/2/11 HPMS memo: 2013 Application Cycle Past Performance Review Methodology, each level of compliance action will carry a point value.

| Action | Points |
|------------------------|--------|
| Compliance Alert | 0 |
| NONC | 1 |
| Warning | 3 |
| Business Plan | 4 |
| Corrective Action Plan | 6 |

**Official
Compliance
Actions**

Compliance Actions

Compliance actions and associated points can ultimately result in the following consequences for MAOs and other entities:

- Service area expansion limitations
- Limitations on the ability to enter into new contracts
- Negative impact (reduction) on plan star rating
- Performance audits

Compliance Alert

- Initial alert of non-compliance
- Serves as an indication to MAOs and other entities of unsuccessful compliance adherence
- Unofficial compliance action (0 points)

Note: CMS may elect to send Compliance Alerts to all or select contracts regarding adherence to compliance guidelines.

Compliance Actions

- Notice of Non-compliance (NONC)
 - Mildest type of letter
 - Does not contain specific language regarding further compliance escalation or other consequences should the behavior/non-compliance continue.
 - MAOs and other entities must take immediate action, per the specifications of the NONC

Compliance Actions

- Warning Letter
 - Formal communication that describes the consequences of continued non-compliance
- Warning Letter with a Business Plan
 - The matter is serious enough to warrant a written response from the organization, but not significant enough to warrant a CAP
- Corrective Action Plan
 - Persistent problem that requires ongoing monitoring by CMS.

Compliance Actions Taken to Date

- CMS has engaged in various pre-Compliance measures in order to assist plans, including:
 - Issuing Compliance Notifications via HPMS
 - 11/22/2011 – EDFES Compliance Notification
 - 12/23/2011 – Final EDFES Compliance Notification
 - Outreach via CSSC
- CMS is now initiating the formal Encounter Data Compliance Program:
 - March 1, 2012 - Compliance Alerts
 - March 15, 2012 – Notice of Non-compliance(NONC)
 - March 30, 2012 – Warning Letter

Front-End Certification Compliance Timeline

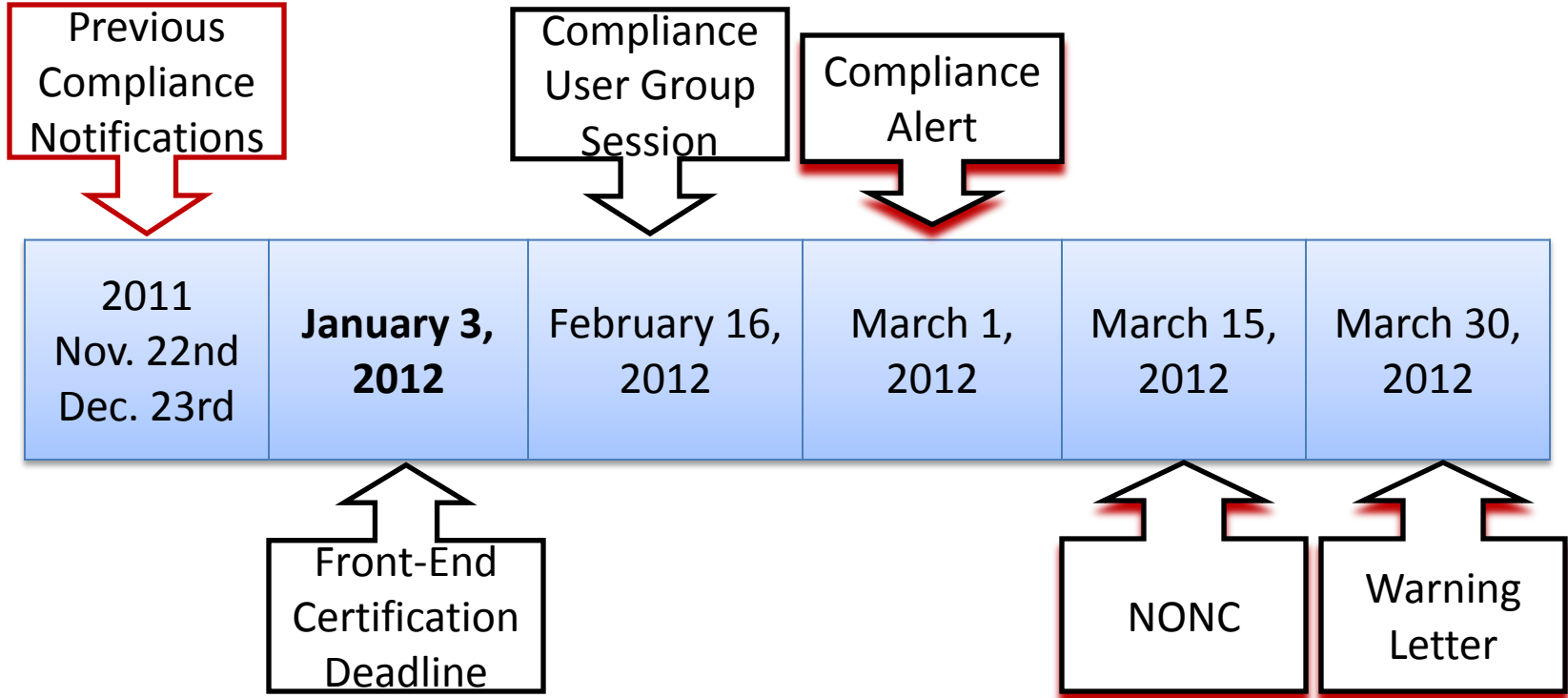
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Resources

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- HIPAA Overview:
https://www.cms.gov/HIPAAGenInfo/01_Overview.asp#TopOfPage
- Washington Publishing Company:
<http://www.wpc-edi.com/>
- CSSC Operations:
<http://www.csscooperations.com/internet/cssc.nsf/Home>

Resources *(cont'd)*

- Encounter Data Outreach Registration: www.tarsc.info
- CMS: www.cms.gov
- EDS Inbox: eds@ardx.net
- X12 Version 5010 Standards: http://www.cms.gov/Version5010andD0/01_overview.asp

User Group Dates

REMINDER: The next User Group session will be held on Thursday, March 1, 2012 from 3:00 PM EST – 4:00 PM EST.

Please remember to review the latest Companion Guide published at www.csscooperations.com.

Questions & Answers

Closing Remarks