

Risk Adjustment Payment Reconciliation Workbook

Scenario 1A (Slide 10)

- 74-year old female
- Resides in the community
- Diagnoses submitted (4296 and 70710)
- Standardized bid = \$400
- County Intra-Service Area Adjustment (ISAR) Factor = .78
- Beneficiary premium = \$35

Base Factor

Include gender, age, Medicaid, and Disability as applicable

Determine HCCs

Diagnosis Code 4296 =

Diagnosis Code 70710 =

Calculate the Raw Risk Score

Determine the Base Factors and the Diagnostic Factors. The models are additive, so after identifying each of the coefficients associated with the beneficiary demographics and health status (HCC), sum the weights to derive a **raw** risk score.

	Risk Adjustment Factors (Coefficients)
Base Factor	
Diagnostic Factor	
Total Raw Risk Score	

Apply the Normalization Factor and MA Coding Intensity

Normalization Factor for 2012

$$\boxed{} \div \boxed{} = \boxed{} \quad (\text{Round}) \quad \boxed{}$$

Coding Intensity Factor for 2012

$$\boxed{} \times \boxed{1 - } = \boxed{} \quad (\text{Round}) \quad \boxed{}$$

What is the Final Risk Score =

Scenario 1B (Slide 11)

What is the total monthly payment for the beneficiary?

Calculate the Plan's Monthly Payment

- Standardized ("1.0") A/B bid = \$400
- Premium = \$35 (Plan's bid above benchmark; therefore, premium applied)
- The plan's county ISAR factor = 0.78
- The risk factor = 1.053

Standardized Bid * ISAR Factor = plan-specific county payment rate for this plan

$$\boxed{} \times \boxed{} = \boxed{}$$

Plan-Specific County Payment Rate * Risk Score +/- premium or rebate = Monthly Payment for this beneficiary

$$\left(\boxed{} \times \boxed{} \right) \pm \boxed{} = \boxed{}$$

Scenario 2 (Slide 14)

If a beneficiary turned 65 in October 2010, enrolled in Part B, and resides in the community, what would the factor code be for: Initial 2011?, Midyear 2011?, Initial 2012?, Midyear 2012?

Select the correct answer:

1. "E", "E", "E", "C"
2. "E", "C", "C", "C"
3. "E", "E", "C", "C"

Scenario 3 (Slide 33)

Given the data provided in the table, would the plan receive a 2008 Final Reconciliation payment for each of these members? Why or Why not?

HIC#	Last Name	First Initial	8/2009 MMR Reported Risk Score	ARC 25 (Y/N)	Reconciliation or Prospective Risk Score	Enrollment in Plan	Would plan receive 2008 Final Reconciliation Payment? Why?
123456789A	Doe	J	1.348	N ARC - blank	Prospective risk score	Disenrolled in 2/2007 and reenrolled in 1/2009	
998877665A	Blue	G	not on MMR			Disenrolled in 2/2007 30/2008	
001122334A	Green	B	1.182	Y Also ARC 37	Part C Reconciliation risk score Part D Reconciliation risk score	Disenrolled in 3/2007 and reenrolled in 1/2008	
987654321B	Smith	J	not on MMR			Disenrolled in 4/2007	