2015 Risk Adjustment for Encounter Data & Risk Adjustment Processing Systems Webinar

Thursday, June 11, 2015

Agenda

- Introduction

- CMS Updates

- Payment Year (PY) 2016 Announcement

- Operational Highlights

- ICD-10 Transition Planning

- EDS and RAPS Questions and Answers

- Closing and Evaluation

Session Guidelines

- This is a webinar session for MAOs and other entities submitting data to EDS and RAPS

- There will be opportunities to ask questions via the webinar during question and answer period(s)

Commonly Used Acronyms

Acronym	Definition
BHT	Beginning Hierarchical Transaction
CEM	Common Edits and Enhancements Module
CFR	Code of Federal Regulations
DOS	Date(s) of Service
EDDPPS	Encounter Data DME Processing and Pricing Sub-System
EDFES	Encounter Data Front-End System
EDIPPS	Encounter Data Institutional Processing and Pricing Sub-System
EDPPPS	Encounter Data Professional Processing and Pricing Sub-System
EDPS	Encounter Data Processing System
EDR	Encounter Data Record
EDS	Encounter Data System
EODS	Encounter Operational Data Store
FERAS	Front-End Risk Adjustment System
FFS	Fee-for-Service

Commonly Used Acronyms *(continued)*

Acronym	Definition
FTP	File Transfer Protocol
HCC	Hierarchical Condition Category
HH	Home Health
HIPPS	Health Insurance Prospective Payment System
ICN	Internal Control Number
MAOs	Medicare Advantage Organizations and other entities, including PACE organizations, Cost Plans and Demonstration Plans
MARx	Medicare Advantage Prescription Drug System
MMR	Monthly Membership Report
MOR	Monthly Output Report
PY	Payment Year
RAPS	Risk Adjustment Processing System
RAS	Risk Adjustment System
SNF	Skilled Nursing Facility
TPS	Third Party Submitter

CMS Updates

EDS Submission Timing Guidelines

- All risk adjustment data deadlines apply to encounter data submissions that will be used for payment purposes.

- Starting with 2014 dates of service (DOS), diagnoses submitted on encounter data records (EDRs) that meet risk adjustment criteria will be used in calculating risk scores.

- CMS will only use acceptable 2014 diagnoses from EDRs submitted by the final risk adjustment deadline for payment year 2015.

EDS Submission Timing Guidelines *(continued)*

- The submission of encounter data, CMS processing, and edit reporting in the Encounter Data Processing System (EDPS) requires more time than the similar processes implemented in the Risk Adjustment Processing System (RAPS).

- As with RAPS, organizations that submit data close to the risk adjustment submission deadline may not receive their edit reports until after the deadline.

EDS Submission Timing Guidelines *(continued)*

- To provide sufficient time for organizations to receive edit reports and submit corrected EDRs before the deadline, CMS strongly encourages organizations to submit EDRs (original, replacement/adjustment, and chart review EDRs) as soon as possible and to follow existing guidance on the frequency and timeliness of submissions.

EDS Submission Timing Guidelines *(continued)*

Timely Filing Guidance	
If Submission Type is…	**Submission Deadline is within…**
Full (Original) Encounter	13 months of the "from" Date of Service (DOS)
Adjustment Encounter	30 days of the MAOs adjudication date

Submission Frequency	
If the number of Medicare Enrollees is..	**Minimum Submission Frequency is…**
Greater than 100,000	Weekly
50,000 – 100,000	Bi-weekly
Less than 50,000	Monthly

PY 2014 Risk Adjustment Attestation

- The attestations for payment year 2014 (2013 DOS) are now available on HPMS.

- Please complete the applicable attestation (MAO/PACE, 1876 Cost Plan, 1833 HCPP) for your contract and submit to CMS via the path below by **Tuesday June 30, 2015 by 12AM PDT**:

    HPMS Home Page>Contract Management>Electronic Contracting>Contract Year 2014>Review and Certify Risk Adjustment Data

PY 2016 Announcement

CMS-HCC Risk Adjustment Model

- **CMS-HCC Risk Adjustment Model**:

  – For PY 2016 CMS will fully implement the 2014 CMS-HCC model.

  – The risk adjustment factors for the 2014 CMS-HCC model were published in the 2014 Announcement.

RxHCC Risk Adjustment Model

- For PY 2016 CMS will implement the updated RxHCC model, including the following changes:
  - Updated to reflect the 2016 Benefit Structure;
  - Updated to the data years used to calibrate the model;
  - Clinical update to the diagnoses in some HCCs;
  - Inclusion of MAPD data in the model calibration; and
  - Actuarial adjustment to Chronic Viral Hepatitis C RxHCC.

- The risk adjustment factors for the updated model were published in the 2016 Announcement.

Using EDS Diagnoses for Risk Score Calculation

- For PY 2015 (DOS 2014), diagnoses for risk score calculation will also come from Encounter Data (ED). Valid diagnoses from the Risk Adjustment Processing System (RAPS), Fee-for-Service (FFS) and encounter data will be used in equal measures with no weighting.

- For PY 2016 (DOS 2015), CMS will blend the risk scores: Portion of risk score from 90% RAPS & FFS diagnoses + Portion of risk score from 10% ED and FFS diagnoses = Blended 2016 risk score.

  - For PACE organizations PY 2016 (DOS 2015) risk score calculations CMS will continue to use the same method as used for PY 2015, which is to use diagnoses from RAPS, FFS and ED in equal measure (with no weighting).

Adjustments to Risk Scores

2016 MA Coding Pattern Adjustment:
The MA coding pattern difference adjustment is 5.41 percent for payment year 2016

2016 Normalization Factors

Model	Factor
Clinically Revised CMS-HCC model implemented in 2014	0.992
CMS-HCC model for PACE plans	1.042
ESRD Dialysis/Transplant model	0.990
ESRD Functioning Graft model	1.042
RxHCC model	0.939

CMS-HCC Risk Model
Risk Score Calculation for PY 2016

For PY 2016 risk scores will be calculated independently and then blended:

- **Portion of risk score from 90% RAPS & FFS**

  - [(raw risk score from RAPS + FFS diagnoses) / (PY 2016 normalization factor)] X (1 – PY 2016 coding adjustment factor) X 90% = portion of the risk score from RAPS & FFS

- **Portion of risk score from 10% ED & FFS**

  - [(raw risk score from ED + FFS diagnoses) / (PY 2016 normalization factor)] X (1 – PY 2016 coding adjustment factor) X 10% = portion of the risk score from ED & FFS

- **Blended risk score** = RAPS & FFS portion of the risk score + the ED and FFS portion of the risk score.

CMS-HCC Risk Model
Example Risk Score (RS) Calculation for PY 2016

	RAPS and FFS	ED and FFS
Raw RS= Demographic Factors + Diagnostic Coefficients	0.758	0.758
Normalized RS = Raw RS / PY 2016 Normalization Factor	0.758 / 0.992 = 0.764	0.758 / 0.992 = 0.764
MA coding adjusted RS = Normalized RS X (1 – PY 2016 Coding Adjustment Factor)	0.764 X (1 – 0.0541) = 0.723	0.764 X (1 – 0.0541) = 0.723
Blending of the RSs	0.723 X 0.90 = 0.651	0.723 X 0.10 = 0.072

Blended RS for PY2016 :	0.651 + 0.072 = *0.723*

EDS Operational Highlights

Beneficiary Edits Update

Beneficiary Edits Scenario

Plan ABC is reconciling their MAO-002 reports and has received multiple beneficiary edits (reject and informational) for the same rejected encounter. They are unable to determine how to reconcile these edits.
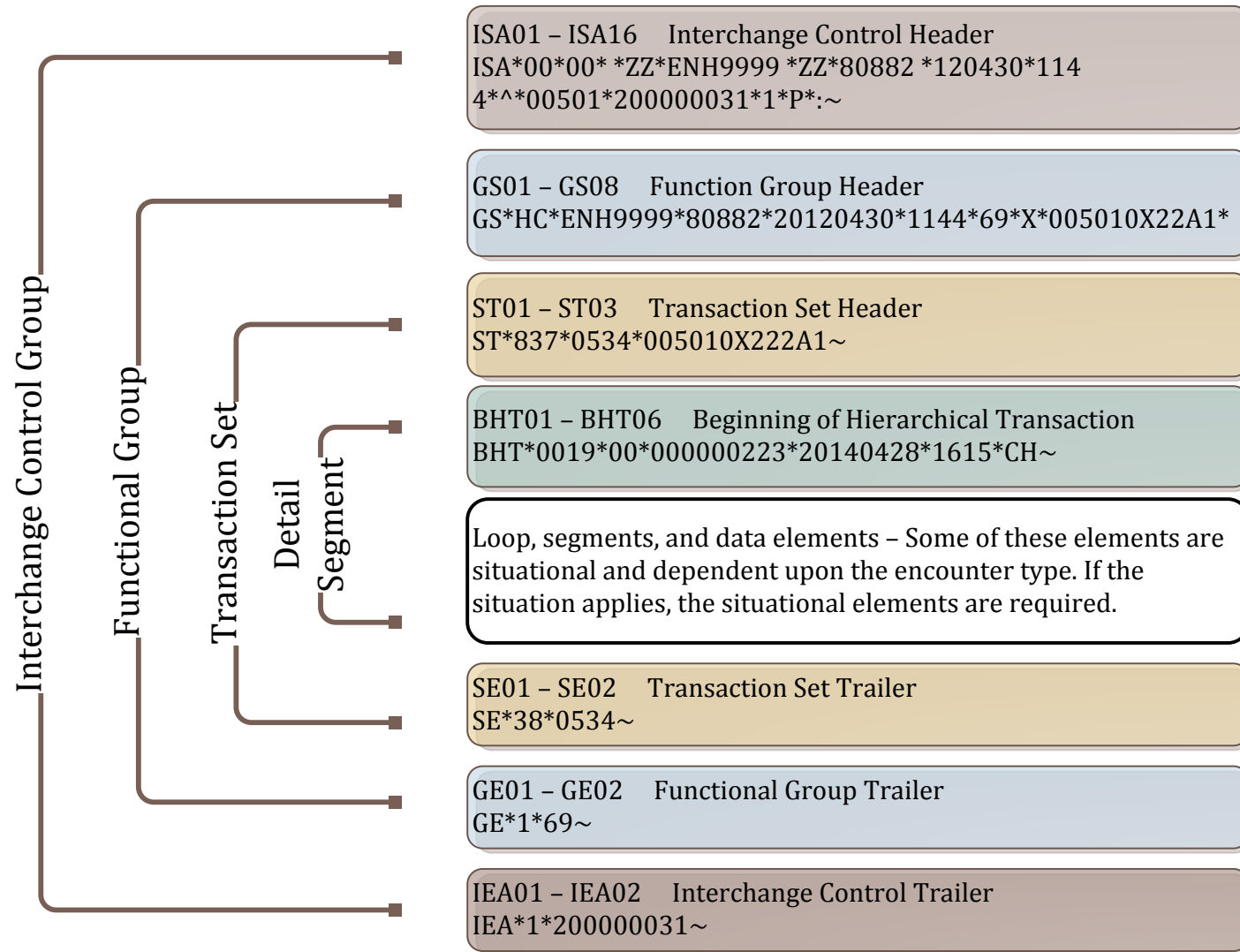
Encounter Line Number	Encounter Status	Error	Error Description
000	Rejected	02120	Beneficiary Gender Mismatch
001	Rejected	03101	Invalid Gender for CPT/HCPCS

NOTE: If an *Error Description* displays next to an *Encounter Status* 'accepted', the edit is informational. The MAO should take corrective action.

Beneficiary Edits Scenario - Reconciliation

Interchange Control Group
Functional Group
Transaction Set
Detail
Segment

ISA01 – ISA16   Interchange Control Header
ISA*00*00* *ZZ*ENH9999 *ZZ*80882 *120430*1144*^*00501*200000031*1*P*:~

GS01 – GS08   Function Group Header
GS*HC*ENH9999*80882*20120430*1144*69*X*005010X22A1*

ST01 – ST03   Transaction Set Header
ST*837*0534*005010X222A1~

BHT01 – BHT06   Beginning of Hierarchical Transaction
BHT*0019*00*000000223*20140428*1615*CH~

Loop, segments, and data elements – Some of these elements are situational and dependent upon the encounter type. If the situation applies, the situational elements are required.

SE01 – SE02   Transaction Set Trailer
SE*38*0534~

GE01 – GE02   Functional Group Trailer
GE*1*69~

IEA01 – IEA02   Interchange Control Trailer
IEA*1*200000031~

Note: The file structure overview populated on this slide is an example and does not provide full details for submission of all situational loops, segments, and data elements in the 837-P or 837-I.

Beneficiary Edits Scenario – Header Level Reject Edit

- 02120 – At the encounter header level (000), the gender submitted does not match the gender stored in the Member Beneficiary Database (MBD).
- Header level rejects cause the encounter, including all service lines, to be rejected.

Encounter Line Number	Encounter Status	Error	Error Description
000	Rejected	02120	Beneficiary Gender Mismatch
001	Rejected	03101	Invalid Gender for CPT/HCPCS

Beneficiary Edits Scenario – Service Line Informational Edit

Encounter Line Number	Encounter Status	Error	Error Description
000	Rejected	02120	Beneficiary Gender Mismatch
001	Rejected	03101	Invalid Gender for CPT/HCPCS

- 03101 – The procedure code is not appropriate for the beneficiary gender.
- Service line level (001, 002, 003, etc.) informational edits will display as 'rejected' when the encounter is rejected at the header level (000), identifying data that may require updates in the MAOs internal processing system.

Avoiding Duplicate EDS Submissions

Avoiding Duplicate EDS Submissions

- The EDS routinely receives multiple submissions of encounter files with duplicate data elements.

- This practice results in the generation of duplicate validation edits on the submitter's MAO-002 Report.

Avoiding Duplicate EDS Submissions *(continued)*

- MAOs should wait for receipt of MAO-002 reports to properly reconcile encounter data files.

- MAOs should NOT include previously submitted EDRs in batched encounters.

- MAOs should only submit adjudicated encounters with changes in data from the original encounter data submission.

Avoiding Duplicate EDS Submissions *(continued)*

- Avoiding duplicate encounter submissions will allow the EDS to process all encounters more efficiently and cost-effectively so that timely and accurate reporting can continue.

Duplicate Submission

EDS identifies a duplicate if all of the following data elements are submitted more than once on a full encounter:

Professional	Institutional
Health Insurance Claim Number (HICN)	Health Insurance Claim Number (HICN)
Date of Service (DOS)	Date of Service (DOS)
Procedure Code and up to 4 modifiers	Procedure Code
Paid Amount (2320 AMT02/2430 SVD02)	Paid Amount (2320 AMT02/2430 SVD02)
Billed Amount	Billed Amount
Place of Service (POS)	Type of Bill (TOB)
Rendering Provider NPI	Billing Provider NPI
	Revenue Code

EDS Submission – Ambulance Services ZIP Code

Missing Ambulance Pick-Up ZIP Code

- The EDPS will post informational error code 20530 "Missing Ambulance Pick-up Zip Code" if a valid five (5) digit or nine (9)-digit ZIP code is not populated (the field is blank) for the ambulance pick-up location for Institutional ambulance service encounters when revenue code 0540 is used and loop 2300 HI01-02= 'A0'.

Loop 2300 Segment HI – Value Information

HI*BE:A0::**cannot be blank**~

Invalid Ambulance Pick-Up Location

- The EDPS will post informational error code 20520 "Invalid Ambulance Pick-up Location" if ambulance service encounters do not contain a valid five (5)-digit or nine (9)-digit ZIP code when revenue code 0540 is used and loop 2300 HI01-02= 'A0'.

- The ambulance pick-up location valid ZIP Code +4 should be provided.

- If a valid +4 cannot be populated, use '9998' as the +4 extension (XXXXX99.98).

Invalid Ambulance Pick-Up Location – Acceptable Submission Examples

Loop 2300 Segment HI – Value Information

HI*BE:A0::**2030410.92**~

Valid 9-digit ZIP

Loop 2300 Segment HI – Value Information

HI*BE:A0::**3456799.98**~

Valid 5-digit ZIP+4 default

Multiple Ambulance Pick-Up Locations

- The EDPS will post reject error code 20525 "Multiple Ambulance Pick-up Locations" if a single ambulance service encounter contains more than one (1) iteration of a ZIP code populated in loop 2300 segment HI where HI01-02= 'A0'.

Encounter Line Number	Encounter Status	Error	Error Description
000	Accepted	-	-
001	Rejected	20525	Multiple Ambulance Pick-up Locations
002	Accepted	-	-

International Classification of Diseases, 10th Edition (ICD-10) Transition Planning

ICD-10 Transition Planning

- The required transition to ICD-10 is scheduled to occur on October 1, 2015.

- As proposed in the 2016 Advance Notice, the data collection year for risk scores used for 2016 payment will use diagnoses from the prior calendar year (CY2015).

- Therefore, both ICD-9 codes ('from' and 'through' DOS January 1, 2015 – September 30, 2015) and ICD-10 codes ('from' DOS October 1, 2015 – December 31, 2015) will be used in calculating 2016 risk scores.

ICD-10 Transition Planning *(continued)*

- 45 CFR 162 requires that MAOs and other entities meet the requirements for submission of ICD-10 diagnostic codes.

  - Protecting Access to Medicare Act of 2014 (PAMA), Section 212, Final Rule 79 FR 45128 extended the ICD-10 transition date to 10/1/15.

- EDS and RAPS submissions DOS on and after 10/1/15 must use ICD-10 codes.

- Submissions to both EDS and RAPS with DOS prior to 10/1/15 must use ICD-9 codes.

ICD-10 Transition Planning *(continued)*

- CMS will conduct closed RAPS validation testing with select MAOs in mid-June.

- CMS will conduct closed EDS validation testing with select MAOs also in the month of June.

- Once the system validation testing is complete, testing will begin for all MAOs.

- CMS will notify MAOs of testing dates through a CSSC Operations listserv.

EDS and RAPS Questions

Question #1 - EDS

When will the MAO-004 Report be available?

CMS is currently evaluating all comments and will communicate the final report layout as soon as it is available.

Question #2 - EDS

Does chart review have to be submitted in the 5010 837 format?

Yes, chart review data submitted to the EDS must be in the 5010 837 format.

Question #3 - EDS

When MAOs and other entities submit void/delete (CLM05-3='8') or subsequent correct/replace (CLM05-3=7) transactions to the EDPS using a previously accepted Internal Control Number (ICN) is the same ICN assigned to the corrected transaction?

No, the same ICN will not be assigned to the new transaction. Each submission will result in a newly assigned ICN. When submitting a correct/replace encounter for an encounter that was previously corrected/replaced, MAOs and other entities must use the ICN of the previously corrected/replaced encounter and not the ICN of the original encounter.

Question #4 - EDS

Is an MAO required to submit encounters that are denied by the MAO to the provider?

MAOs should submit all accepted and denied encounters to the EDS. The EDS definition of a denied encounter is a claim accepted and processed by the MAO for a rendered service; however, the MAO has denied partial or full payment for the service.

A rejected encounter is a claim that the MAO is unable to process in their internal claims processing system due to invalid or missing data. CMS strongly recommends that the MAO not submit this data to the EDS, as it is likely that the EDS will also reject the data.

Question #5 - EDS and RAPS

Does CMS have a guide for correcting error codes?

MAOs may reference the following documents to obtain error code descriptions and definitions for assistance with reconciling report errors or error prevention:

EDS – Error Code References	RAPS — Error Code References
• CMS 5010 Edits Spreadsheet • EDFES Error Code Look-up Tool • EDPS Error Code Look-up Tool • EDS Companion Guides	• RAPS-FERAS Error Code Lookup • RAPS Error Code Listing
CSSC Operations > Medicare Encounter Data > Edits	CSSC Operations > Risk Adjustment Processing System > Edits

Question #6 - EDS and RAPS

Will CMS accept ICD-9 codes in EDS and RAPS submissions for DOS after October 1, 2015?

No. MAOs must submit ICD-9 diagnosis codes only for services rendered on or prior to 9/30/15. Effective for DOS beginning 10/1/15, MAOs must submit ICD-10 CM codes instead of ICD-9 CM codes. ICD-10 CM codes must be used according to the appropriate descriptions provided in the ICD-10 CM code listing.

CMS coding resources:

http://www.cms.gov/Medicare/Coding/ICD9ProviderDiagnosticCodes/index.html?redirect=/ICD9ProviderDiagnosticCodes/01_overview.asp

Question #7 - EDS and RAPS

How will EDS data be used for Risk Score calculations in Payment Year (PY) 2015?

In PY 2015 (2014 DOS), CMS will include all diagnoses that meet risk adjustment criteria from EDS, RAPS and FFS. We will be including the EDS diagnoses for the final PY 2015 risk score calculations (occurring in 2016). These diagnoses will be used in equal measure to calculate risk scores.
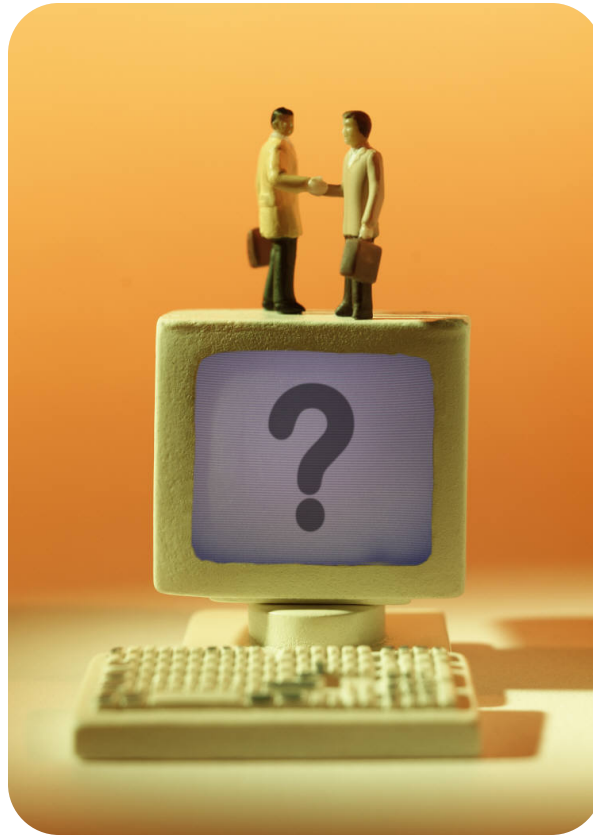
Question #8 - RAPS

Where can PACE organizations find an explanation of risk scores and the impact risk score reruns have on PACE?

Risk Adjustment information for MAOs, including PACE organizations, is available in the risk adjustment training materials (CSSC Operations > Risk Adjustment Processing System > Training).

Please note that PACE Organizations must follow the same rules and regulations as MAOs when submitting risk adjustment data, which will be used for risk score calculation.

Questions & Answers

Closing Remarks

Resources

Resource	Resource Link
CEM/CEDI Technical Reporting Formats	http://www.cms.gov/Medicare/Billing/MFFS5010D0/Technical-Documentation.html
Centers for Medicare & Medicaid Services (CMS)	http://www.cms.gov/
Customer Support and Service Center (CSSC) Operations	http://www.csscoperations.com csscoperations@palmettogba.com
EDS Inbox	encounterdata@cms.hhs.gov
Risk Adjustment Mailbox	riskadjustment@cms.hhs.gov
Technical Assistance Registration Service Center (TARSC)	http://www.tarsc.info/
X12 Version 5010 Standards	https://www.cms.gov/Regulations-and-Guidance/HIPAA-Administrative-Simplification/Versions5010andD0/index.html?redirect=/Versions5010andD0/
Washington Publishing Company	http://www.wpc-edi.com/content/view/817/1

Resources (*continued*)

Resource	Link
Medicare Advantage and Prescription Drug Plans Communications User Guide	http://www.cms.gov/Research-Statistics-Data-and-Systems/CMS-Information-Technology/mapdhelpdesk/Plan_Communications_User_Guide.html
RAPS Error Code Listing and RAPS-FERAS Error Code Lookup	http://www.csscoperations.com/internet/cssc3.nsf/docsCat/CSSC~CSSC%20Operations~Risk%20Adjustment%20Processing%20System~Edits?open&expand=1&navmenu=Risk^Adjustment^Processing^System||
CMS 5010 Edit Spreadsheet	http://www.csscoperations.com/internet/cssc3.nsf/docsCat/CSSC~CSSC%20Operations~Medicare%20Encounter%20Data~Edits?open&expand=1&navmenu=Medicare^Encounter^Data||
EDFES Edit Code Lookup	https://apps.csscoperations.com/errorcode/EDFS_ErrorCodeLookup
EDPS Error Code Look-up Tool	http://www.csscoperations.com/internet/cssc3.nsf/DocsCat/CSSC~CSSC%20Operations~Medicare%20Encounter%20Data~Edits~97JL942432?open&navmenu=Medicare^Encounter^Data||||

Contact Us

- Additional questions may also be submitted following the webinar to:

EncounterData@cms.hhs.gov

or

RiskAdjustment@cms.hhs.gov

- Questions submitted to other CMS mailboxes will be forwarded the risk adjustment or encounter data mailboxes as appropriate.

Evaluation

A formal request for evaluation feedback
will be sent at the conclusion of this session.

Please take a moment to note any feedback
you wish to give concerning this session.

Your Feedback is Important.

Thank You!

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