State of Colorado

Department of Health Care Policy & Financing

Office of Medical Assistance

Quality Improvement Section

FY 07 Final Site Review Findings for Denver Health and Hospital Authority (DHHA)

August 2007

I. History, Purpose and Origin of Medicaid Managed Care Entity Site Review

As part of the Colorado Department of Health Care Policy and Financing's (the Department's) overall effort and commitment to ensure equitable and appropriate access, quality outcomes and timely care and services for Medicaid members, the Department developed and implemented an annual site review process in 1999. The Balanced Budget Act of 1997 specified additional requirements for managed care entities (MCEs). These requirements were incorporated into all FY03-04 MCE contracts. The Department began monitoring MCEs for the new requirements in addition to the existing requirements during the FY03-04 site review schedule. The objective of the site review is to evaluate all contracted MCEs for contractual and regulatory compliance.

II. Site Review Process

In FY03-04, the Department adopted the Centers for Medicare and Medicaid Services (CMS) protocol "Monitoring Medicaid Managed Care Organizations and Prepaid Inpatient Health Plans" (Final Version 1.0, February 11, 2003) as a guideline for the site review process. The site review process consists of a desk audit and a visit to the MCE's administrative offices.

A monitoring tool is used as a guide to assess contractual and regulatory compliance. Monitoring tool content is based on the MCE contract provisions, Colorado Regulations 10 CCR 2505-10, 8.000 *et seq* and 42 C.F.R. Section 438. *et seq*. Each provision is segmented into easy-to-measure elements, usually a sentence or sub-section of the contract or regulation. Each year the tool is updated with any changes and distributed to the MCEs for comment. The Department then considers the MCE comments and modifies the tool as necessary. Once approved, the tool is tailored to each MCE by removing some provisions scored as "Met" during the previous year's site review. The final monitoring tool is then used in the site reviews and a site review schedule is determined in conjunction with the MCEs.

After the monitoring tool is finalized, the desk audit begins. The desk audit consists of a document request, document submission and subsequent document review. A list of documents related to each provision is developed and requested from the MCE, in addition, a sample of encounter records are also requested. The MCE is given thirty days to assemble and produce the requested documents. Department staff then read each document for compliance with the applicable provision. Questions are noted for MCE staff interviews, which are conducted during the MCE office visit. Interview questions clarify desk audit material and assess process and procedure compliance. Interviews also provide an opportunity to explore any issues that were not fully addressed in documents and provide a better understanding of the MCE's performance.

The site review team then conducts a visit, usually two days in length, to the MCE's administrative offices. MCE staff meet with the site review team, explain related processes and procedures, and answer any questions the team may have. Results of the record reviews are reflected in the rating assigned to the respective provision or element.

The site review team rates each monitoring tool element as "Met", "Not Met" or "Not Applicable". Any element receiving a rating of "Not Met" will require a MCE corrective action. These ratings form the basis of the preliminary site review score.

Thirty days after the visit, a written Preliminary Site Review Report is sent to the MCE for their review and comment on any inaccuracies found in the initial report. The MCE has thirty days to respond to the Report. The Department reviews comments from the MCE and may make corrections based on those comments. The Final Site Review Report indicates areas of compliance and areas that require some type of action to achieve compliance. The MCE must submit its action plan to the Department for approval within thirty days of receiving the final report. The Department reviews and approves the corrective actions and related documents when completed until compliance is demonstrated.

III. FY07 Site Review Summary

This site review evaluated DHHA's compliance with five of fourteen contractual and/or regulatory areas. The five provisions reviewed this year included Audits and Reporting; Claims Processing; Confidentiality; Member Facilitation and Accommodation; and Member Rights and Responsibilities.

DHHA received a total score of 89%. DHHA demonstrated strength in several provisions during this site review: DHHA's policies and procedures are very well written and easy to understand; utilization review was exemplary and case management, at least those portions that the site reviewers were able to review, also showed remarkable improvement.

There are 24 corrective actions required as a result of this review.

DHHA has not addressed all elements scored "Partially Met" or "Not Met" from the FY06 site review. These are still subject to ongoing corrective action plans.

IV. FY07 Site Review Scoring

DHHA's compliance with 1,105 contractual and regulatory elements was assessed during this year's site review. The provisions were derived from the FY 06-07 contract between the Department and DHHA, Colorado Regulations 10 CCR 2505-10, 8.000 *et seq.* and the requirements 42 C.F.R. Section 438.*et seq*. The site review team rated each regulatory/contractual element and tallied the ratings for each provision. DHHA's overall score for this site review is 89%, computed by dividing the total number of provisions met by the total number of provisions rated.

Regulatory/Contractual Topics	# Provisions	# Provisions Met	# Provisions Not Met	# Provisions N/A	Percentage
1. Audits and Reporting	57	38	7	12	84%
2. Claims Processing	477	292	36	149	89%
3. Confidentiality	225	157	7	61	96%

Regulatory/Contractual Topics	# Provisions	# Provisions Met	# Provisions Not Met	# Provisions N/A	Percentage
4. Member Facilitation and Accommodation	236	155	23	58	87%
5. Member Rights and Responsibilities	110	85	16	9	84%
Total	**1105**	**727**	**89**	**289**	**89%**

Details regarding DHHA's compliance with the individual elements can be found in a separate Detail Report attached to this document (Appendix A). For the convenience of the reader, a shorter Excerpted Detail Report, which lists "Not Met" elements, as well those other elements which have suggestions and recommendations, is also attached to this report (Appendix B).

"Met" and "NA" provisions with suggestions and recommendations.

Twenty one provisions have additional commentary from the Site Reviewers suggesting improvements and other changes. Because the commentary in the findings is necessary to understand the recommendations, these are not listed here.

Corrective Actions for "Not Met" provisions:

Audits and Reporting Section

1. DHHA shall demonstrate that it has taken corrective measures to assure that all encounter data submissions in the future will be accurate and will be accompanied by the proper certification.
2. DHHA shall demonstrate that it notifies the Department's fiscal agent on a monthly basis, by telephone or in writing, of any third party payers, excluding Medicare, that it has identified.

Claims Processing Section

3. DHHA shall conduct at least one statistically valid internal audit of encounter claims data in the next contract cycle.
4. DHHA shall demonstrate a mandatory compliance plan and administrative and management arrangements or procedures that are designed to guard against fraud and abuse in provider billings.
5. DHHA shall demonstrate compliance with the claims payment procedures as required by Section 10-16-106.5, C.R.S. (2004), as amended.
6. DHHA shall demonstrate compliance with the requirements and limitations regarding abortions, hysterectomies and surgical sterilizations, including maintaining certifications and documentation, as specified in 42 C.F.R. Section 441(F).

7. DHHA shall demonstrate that each Member's medical record accurately represents the full extent of care provided to the Member, that the record is legible and that it is maintained in detail consistent with good medical and professional practices.

Confidentiality Section

8. DHHA shall assure the Department there will be full compliance with 45 CFR part 164 subpart E and other privacy laws and regulations.

Member Facilitation and Accommodation Section

9. DHHA shall demonstrate effective coordination with the Member's mental health providers to facilitate the delivery of mental health services, as appropriate.
10. DHHA shall demonstrate that clearly written criteria and procedures are made available to all Participating Providers, staff and Members regarding how to initiate case planning.
11. DHHA shall demonstrate that individuals receive needs assessments at necessary times other than at initial enrollment.
12. DHHA shall demonstrate that it advises newly enrolled Members with Special Health Care Needs that they may continue to receive Covered Services from ancillary Providers at the level of care received prior to enrollment, for a period of seventy-five (75) calendar days, as specified in Section 25.5-5-406(1)(g), C.R.S. (2006).
13. DHHA shall demonstrate that it and its providers are fully in compliance with 42 C.F.R. Section 489.102(d) and, by reference, 42 C.F.R. 417.436(d) concerning the implementation of Advance Directives.
14. DHHA shall demonstrate that it develops and/or provides cultural competency training programs, as needed, to the network Providers and staff regarding: (a) health care attitudes, values, customs, and beliefs that affect access to and benefit from health care services, and (b) the medical risks associated with the Client population's racial, ethical and socioeconomic conditions.
15. DHHA shall demonstrate that it facilitates culturally and linguistically appropriate care by establishing and maintaining policies, and then effectively implementing them, to reach out to specific cultural and ethnic Members for prevention, health education and treatment for diseases prevalent in those groups.
16. DHHA shall demonstrate that it maintains and implements policies to provide health care services that respect individual health care attitudes, beliefs, customs and practices of Members related to cultural affiliation.
17. DHHA shall demonstrate that it provides Members with hearing impairments access to TDD, or other equivalent methods, in a way that promotes accessibility and availability of Covered Services.
18. DHHA shall demonstrate that it reviews all Member print materials for a sixth grade reading level and appropriate cultural references.

19. DHHA shall demonstrate that its physicians initiate referrals and coordinate care by specialists, subspecialists and community-based organizations in a way that effectively promotes continuity as well as cost-effectiveness of care.
20. DHHA shall demonstrate that its procedures and criteria for making Referrals and coordinating care by specialists, subspecialists and community-based organizations effectively promote continuity as well as cost-effectiveness of care.
21. DHHA shall demonstrate that Member information is available for Members with visual impairments, including, but not limited to, Braille, large print, or audiotapes.
22. For Members who cannot read, DHHA shall demonstrate that member information is available on audiotape.

Member Rights and Responsibilities Section

23. DHHA shall demonstrate that it has established and maintains written policies and procedures acknowledging the Member's right to be free from any form of restraint or seclusion used as a means of coercion, discipline, convenience or retaliation.
24. DHHA shall demonstrate that its Member Handbook includes general information about services and complete statements concerning Member rights and responsibilities as listed in the contract and Exhibit D.