



Review of June Report Chapter: Program Integrity in Medicaid Managed Care

Medicaid and CHIP Payment and Access Commission
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Overview

- MACPAC study
- Findings
- Issues for the future

MACPAC Work to Date

- Environmental scan of existing state and federal program integrity practices
- Stakeholder interviews
 - 10 state Medicaid agencies
 - 5 state MFCUs
 - 3 managed care organizations (MCOs)
 - Several federal stakeholders, including HHS OIG
- Presentations from federal and state managed care program integrity experts

Chapter Overview

- Program integrity in managed care
 - Differences between FFS and managed care
 - Federal, state and MCO program integrity activities
- Assessment of Medicaid managed care program integrity activities
 - Key findings
- Issues for future consideration

Program Integrity in Managed Care

- Differences between FFS and managed care create the potential for new or different kinds of program integrity risks that require program-specific safeguards
- Federal and state responsibilities shift when states implement managed care delivery systems
- MCOs have direct program integrity responsibilities and must cooperate with Medicaid fraud investigations

Key Findings

- State emphasis on managed care program integrity varies widely
- State functions that have traditionally been separated are increasingly being brought together
- There is still a need for greater collaboration among the state program integrity and managed care staff, MFCUs, and MCOs
- Differences between MCO and state program integrity approaches create challenges for oversight agencies

Key Findings, Continued

- Data quality is important for program integrity, continues to be a concern
- States use different incentives to encourage MCOs to rigorously pursue program integrity
- The provisions of the Medicaid managed care final rule are still being implemented
 - CMS continues to issue subregulatory guidance
 - States and MCOs have asked for more clarity on several issues

Summary

- Findings indicate that recent changes in federal guidance have the potential to help strengthen Medicaid managed care program integrity
- Federal government has not issued complete guidance; states and MCOs have not yet developed all of the necessary infrastructure
- There is no clear statutory or regulatory intervention identified at this time
 - Based on these findings, MACPAC's June 2011 recommendations are still relevant

Issues for the Future

- Research into specific provisions of the rule
 - Encounter data validation
 - Incentives for investments in additional PI tools
 - Improved sharing of provider screening data
 - How to measure effectiveness and return on investment
- Application of program integrity guidance to other delivery and payment systems
- Monitoring and assessment of new provisions as they are rolled out



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