Network Adequacy in Managed Care

Medicaid and CHIP Payment and Access Commission

Moira Forbes
Presentation overview

• Background and context
• Federal network oversight standards
• Approach
• Findings
Background and context

- Commissioners have raised questions about the adequacy of managed care oversight.
- Centers for Medicare & Medicaid Services (CMS) is considering two regulatory actions that could affect oversight of access to care.
- Several oversight provisions of current rules went into effect in 2018.
Federal standards for Medicaid managed care network oversight

• Develop network adequacy standards and access requirements for various provider types
• Require managed care organizations (MCOs) to document compliance with network standards
• List network adequacy standards and access requirements in the state quality strategy
• Make the standards publicly available online
• Monitor service availability and accessibility
• Impose sanctions if necessary
Approach

• Collect and review publicly available state network oversight documents

• Determine how states:
  – make network adequacy standards publicly available
  – define adequacy and access standards and metrics
  – stipulate requirements in MCO contracts
  – monitor provider networks and access
  – enforce contracts, respond to deficiencies

• Searched for information on 20 states of the 42 with comprehensive managed care
Availability of state quality strategies and network standards

- States are required to make key program documents available online
  - Managed care program network adequacy standards
  - State quality strategy (including network standards)
  - MCO base or model contract
- Staff located documents for 14 of 20 states
  - Few states have standalone network standards
  - All states have a draft or final quality strategy
  - Some provide a model contract while others post copies of actual MCO contracts; in a few states we could not locate any version of the MCO contract
Network adequacy and access standards

- States use multiple provider network standards
  - Time and distance (required), with separate urban/rural limits
  - Provider-to-member ratios, esp. for primary care
  - Appointment scheduling and wait time standards
- Very few states included metrics or standards to measure access or network adequacy
- Most states described network oversight in terms of contract compliance and access monitoring in terms of visits, clinical outcomes
Contract requirements

• States require MCOs to submit a variety of network adequacy reports
  – Complete network files
  – Provider participation reports
  – Provider termination lists

• Network adequacy indicators may be included in other required reports (e.g., complaints)

• Many states require MCOs to develop a comprehensive network development plan
Monitoring procedures

• States must validate compliance, monitor access, and oversee MCO performance

• States use multiple methods to monitor MCOs
  – Review MCO-supplied data and reports
  – Conduct or require MCO to conduct surveys
  – Validate networks as part of external quality review
  – Use geocoding software to assess time and distance
  – Verify compliance with timeliness standards

• Contracts and quality strategies did not generally include performance metrics
Enforcement mechanisms

• States have several enforcement mechanisms
  – Corrective action
  – Fines, liquidated damages, civil monetary penalties
  – Intermediate sanctions (e.g., enrollment suspension)
  – Sanctions (e.g., contract termination)

• Most states do not provide specific enforcement mechanisms for failure to meet access standards or report network data

• About a third of states specify financial penalties for access or network reporting failures
Summary of findings

• It is difficult to locate many documents online despite federal transparency requirements
• State contracts and quality strategies describe program expectations but do not say how information is used for monitoring or oversight
• Lack of performance metrics makes it difficult to understand what level of deficiency triggers corrective action or contract sanctions
• Further discussion with states and stakeholders could provide a more fulsome picture
Network Adequacy in Managed Care

Medicaid and CHIP Payment and Access Commission

Moira Forbes