Status of Monitoring Under the All-Payer Model
March 12, 2014

Claudine Williams, Associate Director, Policy Analysis
Amanda Vaughan, Program Manager
Josh Campbell, Director Healthcare Advisory, KPMG LLP

Presentation Outline

- Background
- Reconciliation Process and Preliminary Results
- Data Considerations and Next Steps
- Access to Medicare Claims and Reconciliation

Background

Additional Data to Monitor New Waiver: Financial Data

In November 2013, the Commission approved regulations to expand the Volume and Revenue Report to collect billed charges and related volumes by rate center, patient residence status and Medicare Payer:

- In-state or out-of-state determined by zip code
- In-state or out-of-state by zip code with Medicare as payer
- In-state or out-of-state by zip code with Medicare FFS or Medicare Non-FFS (HMO) as payer

Staff Worked With Industry to Capture Necessary Data

- HSCRC staff met with hospital representatives to discuss the feasibility of submitting expanded data on a monthly basis and process for pulling information from multiple systems
- Over 3 month period, hospitals submitted 18 months of historical data collected via excel worksheet (Jul 2012-Dec 2013)
- Maryland Hospital Data Repository System was updated to accommodate new data elements and beginning with the February 2014 data submission, hospitals will be able to submit directly via EXCEL upload

Additional Data to Monitor New Waiver: Case Mix Data

- In October 2013, Commission staff approved regulations to change the case mix data submissions from quarterly to monthly, effective January 1, 2014.
- Beginning in March 2014, hospitals will submit January and February 2014 data
- Monthly reporting of case mix data will allow staff to reconcile charges by payer and residency and provide feedback to hospitals in a timely manner.

Reconciliation Process & Results

Compared Charges and Volume by Residency and Payer

HSCRC staff worked with KPMG (contracting with MHA) to compare Financial to Case Mix Data by Hospital for FY 2013 and CY 2013:

- Total All-Payer Charges
- In-state and Out-of-state All-Payer Charges
- Medicare and Non-Medicare Charges
- In-state and Out-of-state Medicare Charges
- Medicare FFS and Non-Medicare FFS (HMO) Charges
- In-state and Out-of-state Medicare FFS Charges

Statewide: Total Charges Reconcile Within Less Than 1%

- Hospital Quarterly submissions are expected to tie within 2%
- Total charges for All-Payer and Medicare reconcile within less than1%
- Total charges do not reconcile within 2%
  - Residency (Maryland/Non Maryland)
  - Medicare FFS and Medicare HMO
- HSCRC staff is contacting hospitals with large variances to resolve data issues

Statewide CY 2013 Reconciliation Results

Percent Agreement Between Financial & Case Mix Data			
	Total Charges	Maryland Resident	Non-Maryland Resident
All-Payer	0.40%	0.08%	3.47%
Medicare	0.33%	0.24%	1.33%
Medicare FFS	(0.95%)	(1.14%)	1.04%
Medicare HMO	15.07%	—	—

By Hospital: Wide Variation Between Sources

- Hospital-level variation due to:
  - Difficulty reconciling residency and payer breakouts to previously reported totals
  - Hospitals under-reporting or missing data in breakouts from non-FFS Medicare
  - IT challenges
  - Unclear residency assignment of patients with Invalid, Unknown/Missing or International ZIP codes

Next Steps

Next Steps in Reconciliation Process

- Contact hospitals with significant variation between financial and case mix data
- Audit base year (CY 2013) financial data with a focus on payer source and residency
- Instruct hospitals on how to report MD Residents in case mix and financial data consistently
  - Using comprehensive list of Maryland ZIP Codes provided HSCRC staff
  - Inclusion of Unknown, Missing and Invalid zip codes with Maryland residents
  - Using data element “County Code” “89” or zip code of “77777” to identify International patients
- Continue to reconcile case mix financial data on a monthly basis

Access to Medicare Claims Data and Reconciliation

Meetings with CMMI

- The goal is to have regular meetings with CMMI staff to discuss implementation details particularly, the data sources and the specific calculations to produce the data for the new waiver model test
- Discussion topics covered up-to-date include:
  - Criteria that will be used to calculate the Maryland per capital hospital expenditures
  - Data sources for expenditures and beneficiary residency
  - Reconciling hospitals that will be included in the per capita test
  - Overview of Global Budget methodology
  - Clarified how HSCRC can obtain access to claim-level National (including MD) data on a monthly basis for monitoring and compliance

High Priority Items to be Addressed

- Filing application for the release of National and Maryland Resident data to HSCRC for monthly monitoring and validation of waiver test calculations
  - National Claims will be accessed through CMS data ware-house and will take 45 days after the official request is submitted
  - Maryland Resident claims, which will include confidential elements may take longer period due to HIPPAA clearance process
- Develop plan to create a mechanism to implement Medicare EHR penalties that will go into effect in October 1, 2014
- Reconcile information from Medicare claims data with HSCRC data sets.