Private Hospital Directed Payment
Joint Plan Partner & Hospital Meeting

Thursday, August 22nd, 2019

All participants are muted upon entry…

Please communicate via the **CHAT** feature

*Please type your question/comment here and click “Send”.*
Agenda

1. Introduction & Meeting Purpose  
   Eddie Calles, Senior Director of Network Development, Provider Network Management

2. Private Hospital Directed Payment (PHDP) Overview  
   Tim Reilly, Financial Consultant

3. Contract Services Flagging  
   Christopher Legaspi, Network Development Business Analyst III, Provider Network Management

4. Encounter Remediation  
   Greg White, Director, Healthcare Analytics

5. Anthem Blue Cross- Process Overview  
   Jamie Louwerens, GBD Finance Director

6. Blue Shield of California, Promise Health Plan - Process Overview  
   Patricia Molawvi, Chief Financial Officer – Introduction  
   Sophie Zeng, Encounter Reporting and Data Validation – Presenter

7. Kaiser Permanente- Process Overview  
   Helen Sermian, Director, Patient Finance and Accounting

8. Questions & Answers  
   L.A. Care Health Plan Team led by James Alvarez, Program Manager, Enterprise Shared Services
Introduction & Meeting Purpose

Eddie Calles, Senior Director of Network Development, Provider Network Management
Introduction & Meeting Purpose

• The purpose of this meeting is to discuss key issues related to the Private Hospital Directed Payment (PHDP) Program and to promote collaboration between L.A. Care Health Plan (L.A. Care), Plan Partners, and Hospitals.

• This includes:
  - Plan Partner work processes and how Hospitals should engage to address remediation and flagging issues
  - The workflow between Hospitals, Plan Partners, and L.A. Care as it relates to contract flagging and encounter remediation
  - California Department of Health Care Services (DHCS) updates regarding PHDP
  - Edifecs implementation and how it will affect PHDP
  - Identification of other areas where improvements can be made
PHDP Overview

Tim Reilly, Financial Consultant
PHDP Overview

- State updates
- PHDP overview

CMS/DHCS is transitioning the Hospital Quality Assessment Fee (HQAF) Program to the PHDP program to be more consistent with the final Medicaid regulations.

Why are we doing this work?
- The funding for both elements is currently worth billions to the Hospitals without costing DHCS funds to match federal participation.

How does the new program work?
- All of the funds previously available are placed in a pool to be distributed to the Hospitals. Hospitals will receive funding based on services provided that are in the State’s managed care database.
- The services must also be provided under a contract to be considered for payment.
- There must be a contractual relationships between L.A. Care, Plan Partners, Participating Physician Groups (PPGs) and Hospitals in an unbroken chain.
Contract Services Flagging

Christopher Legaspi, Network Development Business Analyst III, Provider Network Management
Contract Services Flagging

- DHCS set a tentative date (Friday, September 13th, 2019) for which the final pass file for FY17-18 Phase 2 will be made available.

- The timeline set below was developed using the tentative, Friday, September 13th date and is subject to change following DHCS’ release of the final pass file.

<table>
<thead>
<tr>
<th>Tentative Dates</th>
<th>Steps</th>
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<tbody>
<tr>
<td>Friday, 9/13/2019</td>
<td>DHCS releases final pass file.</td>
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<tr>
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<td>L.A. Care retrieves files and creates a file for each Plan Partner by Friday, September 13th.</td>
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<tr>
<td>Monday, 09/16/2019</td>
<td>L.A. Care uploads files to Plan Partners’ sFTP to populate Plan, Hospital, and Final contract statuses using feedback received during first pass by Monday, September 16th.</td>
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<td>L.A. Care will flag the Plan, Hospital, and Final contract statuses for non-Plan Partner records.</td>
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<tr>
<td>Wednesday, 09/18/2019</td>
<td>Plan Partners upload files to L.A. Care with Plan, Hospital, and Final Contract statuses filled in by Wednesday, September 18th.</td>
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<tr>
<td>Friday, 09/20/2019</td>
<td>L.A. Care compiles contract statuses from L.A. Care and Plan Partners.</td>
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<tr>
<td></td>
<td>L.A. Care creates files for each hospital and uploads files to the established sFTP by Friday, September 20th.</td>
</tr>
<tr>
<td>Monday, 09/23/2019</td>
<td>Hospitals review files, identify any discrepancies, and contact appropriate Plan to remediate.</td>
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<tr>
<td>Monday, 09/25/2019</td>
<td>For Plan Partner discrepancies, L.A. Care will not accept files or edits from Hospitals. Hospitals must work with the appropriate Plan Partner who will, in turn, submit to L.A. Care.</td>
</tr>
<tr>
<td>Monday, 09/30/2019</td>
<td>Plan Partners submit the final pass files to L.A. Care capturing all hospitals discussions and updates by September 25th.</td>
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- L.A. Care will add additional fields to identify the Plan Partner or the PPG. Please note these fields are meant for the use in the contract flagging process, and should not be altered; however, L.A. Care will remove those additional fields when submitting the final pass file to DHCS.
Contract Services Flagging

• For FY18-19, Phase 1:
  - DHCS has yet to inform L.A. Care of the exact timeline. L.A. Care will provide more details in future meetings once this information is received.
  - L.A. Care is working internally to improve the overall process for contract flagging. We plan to share a more streamlined process prior to the next phase of contract flagging.
Encounter Remediation

Greg White, Director, Healthcare Analytics
Encounter Submissions for 01/01/2018

• A bug was identified that affected the processing of some encounter data.
• Claims with more than 50 lines were held in a suspended status and did not get a “Rejected” status, so they were not included in the “Rejection Data Files” we distributed to you. We are continuing to investigate this and any other issues.
• For the issue of the claims with more than 50 lines, there is nothing that needs to be done from the provider’s end. These will be re-extracted and sent back through the process as the bug has been addressed.
Edifecs - Process Updates

Overview of Improvements:

• Edifecs Smart Trading (ST) went live June 2018. Submissions after this date will have included improvements and rejections included in a “new” rejection file.

• Edifecs Encounter Management (EM) (backend and submission portion) is in the process of going live now.

• The new Edifecs tool should minimize the Optum Translation Validation Monitor (OTVM) rejection issues by performing the edits on the front end; therefore, files with errors will be returned to the submitting party rather than suspend at L.A. Care.
  - However, rejections from DHCS will still need to be extracted and sent to providers.

• Extraction logic from claims system to encounter system was updated to lessen the rejections in that process.

• Work group is in place to synchronize paid claims criteria with encounter submission criteria to lessen these rejections.
L.A. County Encounters & Volume Chart Data

Anthem does not submit encounters for L.A. County members directly to DHCS. We submit to L.A. Care who may accept, reject, pend from us and then they submit to DHCS which may accept or reject from L.A. Care.

In Los Angeles county the hospital providers will receive a Volume Chart from DHCS and L.A. Care will receive a Volume Chart but, the Plan Partners of L.A. Care do not receive their own Volume Charts from DHCS and often need feedback to determine where remediation should occur (with L.A. Care, with Anthem or with Hospital)

⚠️ So many opportunities for fall-out + poor feedback loops
1. We recommend that providers set up a secure SFTP site with Anthem if they have not done so.

2. We recommend hospitals reconcile the DHCS published volume chart with their hospital records and only provide Anthem with data that is not on the Volume Charts (we will communicate preferred fields and format).

3. Once we receive variances we try to identify what step in the process something fell-out:

**Common Scenarios:**

- Evidence of DHCS Acceptance (most likely timing but, encourage hospitals to reach out to DHCS for potential Volume Chart logic issues or not having correct NPIs)
- Errors that can be corrected by L.A. Care or Anthem (L.A. Care provides a list of which things they will correct versus which things Plan Partners need to correct and also provides us with a list of rejections/errors).
- Issues that need to be corrected at the Provider-level and re-submitted to Anthem.
- We cannot find record of the claim/encounter (hospitals sometimes are not clear on whether Anthem or a delegated entity paid them).
Observations & Lessons Learned

- Early partnering and collaboration is key!! Both plans and partners benefit from improving the encounters process let’s work together.

- With > 120 contracted hospitals in California we expected more hospitals to come to us to reconcile but, noted that beyond large hospital systems the number of individual hospitals that reconciled with us or provided contract flagging status was small.

- Contract Status Flagging- sometimes it is difficult for us to see which hospitals we have contracts with that have sub-contracts with other hospitals. We are happy to update our contract-status flagging when provided with evidence of contract in place (helps support audit selections as well).

- Everyone has resource / technical constraints (both Hospitals and Plans)

- We had more than a few hospitals come to us late in the process. Remember that in L.A. County the Plan Partners deadlines will be much earlier than L.A. Care’s deadlines because they need time to consolidate data, accept feeds, etc.

- If you have an issue that is not being resolved quickly escalate by scheduling a call
Anthem PHDP Contacts

• Jamie Louwerens (Finance Director, CA Medicaid Health Plan)
  • jamie.louwerens@anthem.com

• David Mosher (Operations Director, CA Medicaid Health Plan)
  • david.mosher@anthem.com

• Hope Thomas (Encounters Director, West Region Medicaid Plans)
  • hope.thomas@anthem.com
Blue Shield of California
Promise Health Plan
Hospital Direct Payment Program
Introduction

• Patricia Mowlavi
  • CFO
  • Blue Shield of California Promise Health Plan

• Thomas Hurd
  • Enterprise Encounter Governance Program
  • Blue Shield of California Health Plan

• Sophie Zeng
  • Encounter Reporting and Data Validation
  • Blue Shield of California Promise Health Plan
Hospitals receive volume charts from Regulators

Hospitals conduct a **Gap Analysis**
- Identify any eligible records for services rendered that are not in the Volume Chart

Hospitals work with Blue Shield Promise:
- To determine how to **Close the Gap**
- To create a **Submission Plan**

Hospitals receive new volume chart with blank Contract Status
- Hospitals and Blue Shield Promise fill in Contract Status
Project Milestones

- Receive Volume Chart from regulators
- Cut off Date for Blue Shield Submission to L.A. Care
- Blue Shield Promise submits contract status to L.A. Care (Pass 1)
- Blue Shield Promise submits contract status to L.A. Care (Pass 2)

- Cut-off date for hospital submission to Blue Shield Promise
- Contract Status from Hospital is due to Blue Shield Promise (Pass 1)
- Contract Status from Hospital is due to Blue Shield Promise (Pass 2)
Best Practices

1. Encounter Submission
   - Submit all eligible encounter data to Blue Shield Promise
   - Submit in a timely manner
   - Submit correctly to avoid rejections.
   - Refer to the implementation guides and companion guides for proper submission habits in 837 file format

2. Gap Analysis
   - Conduct your Gap Analysis as soon as possible after receiving the volume charts
   - Look for the following:
     - Service was rendered but encounter data was not submitted to Blue Shield Promise
     - Encounter contained errors, but no correction & re-submission was made

3. Work closely with Blue Shield Promise
   - Don’t wait until the last minute!
   - Understand how to correct and re-submit any previously rejected encounter
   - Inform us for your submission plan
   - Fill out your contract status on time
Contact Us

Blue Shield Promise Encounter Team
Encounter_Ops@blueshieldca.com
(323)827-6830
Questions?
Kaiser Permanente
Kaiser as Delegate (Plan Partner Relationship)

Populate “Plan_Contract_Status”
Do we have contracts with the hospitals for these KP member encounters?

Populate “Hospital_Contract_Status”
Does hospital have contract with KP for these KP member encounters?

Populate “Final_Contract_Status” and submit to DHCS

Category 1
Plan Partner or Direct Contracts, capitated KP Members

Category 2
Plan Partners, not KP Membe... on FFS basis

Category 3
Other Plans (FFS)

KP members seeking care at both Kaiser and Non-Kaiser Hospitals

Medi-Cal managed care members seeking care at a Kaiser Hospital

Upon hospital outreach, KP works with KP contracting teams to reconcile any differences

Upon hospital outreach, KP works with KP contracting teams to reconcile any differences

Other Plans

KP will mark all Category 1 encounters as contracted and Category 2 / 3 as contracted if PHDP Amendment or Pricing Agreement has been executed

KP works with Contracted Plan to reconcile any differences

Plan Partner or Direct Contracts, capitated KP Members

Plan Partners, not KP Members so services paid to KP on FFS basis

Other Plans (FFS)
For any Kaiser encounter and PHDP related questions, please contact the following three (3) emails:

- PHDP - PHDP@kp.org
- Ashley M Cohen Little - Ashley.M.CohenLittle@kp.org
- Helen H. Serimian - Helen.H.Serimian@kp.org
As a reminder, please send any PHDP-related inquiries to: PNMProjects@lacare.org
THANK YOU!