



# Polk HealthCare Plan

## Citizens Oversight Committee

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# Snapshot: Potential Plan Membership

- Opportunity to speak with previous Polk HealthCare Plan working member's family
- Discussion regarding coverage for prior member and her elimination from Plan in Sept 2008
- Discussion regarding impact to her life and her family members' lives
- Focus on provision of primary care services and coverage of prescription drugs

# Provider FAQ

- Recent Provider FAQ addressed:
  - Operational changes in policy due to Managed Care Optimizer claims processing system
    - Changes in the way prior authorizations, or approvals, are processed
    - Changes to the way claims are processed
  - Clarification of Covered/Excluded Services
  - Physician/Public Comment Form

# Provider FAQ

- Key Changes in Policy
  - Retroactive requests for approval will be denied
  - Providers paid only for Covered Services
  - Requirement to send in CPT codes initially to obtain a prior approval
  - Requirement to send CPT code revisions/updates when procedures that had been approved are altered for legitimate reasons
  - Reasons for denials of approvals or claims
  - Ability to provide public comment

# Snapshot: Provider Relations

- One meeting with local area provider to discuss:
  - Ideas about the Plan
  - Role of primary care and specialty care
  - Willingness to serve as a medical home for members
  - Willingness to extend office hours to ensure access to care
- Feedback:
  - Grateful to be able to provide input and feedback
  - Willing to consider options regarding primary care
  - Put some potential ideas on the table regarding extension of office hours

# Snapshot: Health Plan Financial/Data Analyst

- Position will include responsibility for:
  - Claims Analysis
    - Identification of trends affecting Plan finances
    - Overview of claims expenditures
  - Budgeting
    - Supports the Plan by developing and updating Plan budget
  - Predictive Modeling
    - Identifies health care trends for the future based on tracking and trending of prior patterns

# Phase I: Managed Care Optimizer

- Phase I: Automating Claims Payment
- Current Status: Running Parallel Systems
  - Ensure integrity of policy to facilitate accurate claims payment
  - Some features requiring additional testing to ensure accuracy of claims payment policy
  - Developing final processes for managing pieces of the MCO puzzle
  - Actionable Reports

# Phase II: Managed Care Optimizer (MCO)

- Project Budget Overview
  - Original Project Budget (MCO PO): \$659,250.00
  - Current Project Total Expenditures: \$527,224.95
  - Budget Balance: \$132,025.05

# Moving Forward: Phase II

- Milliman Care Guidelines & ClaimCheck are needed to fully automate business intelligence in a way that makes sense for the Plan.
- Nearly all health plans have some version of both of these products.
- ClaimCheck is the premier product for claims auditing.
- Milliman is one of two medical management software products.

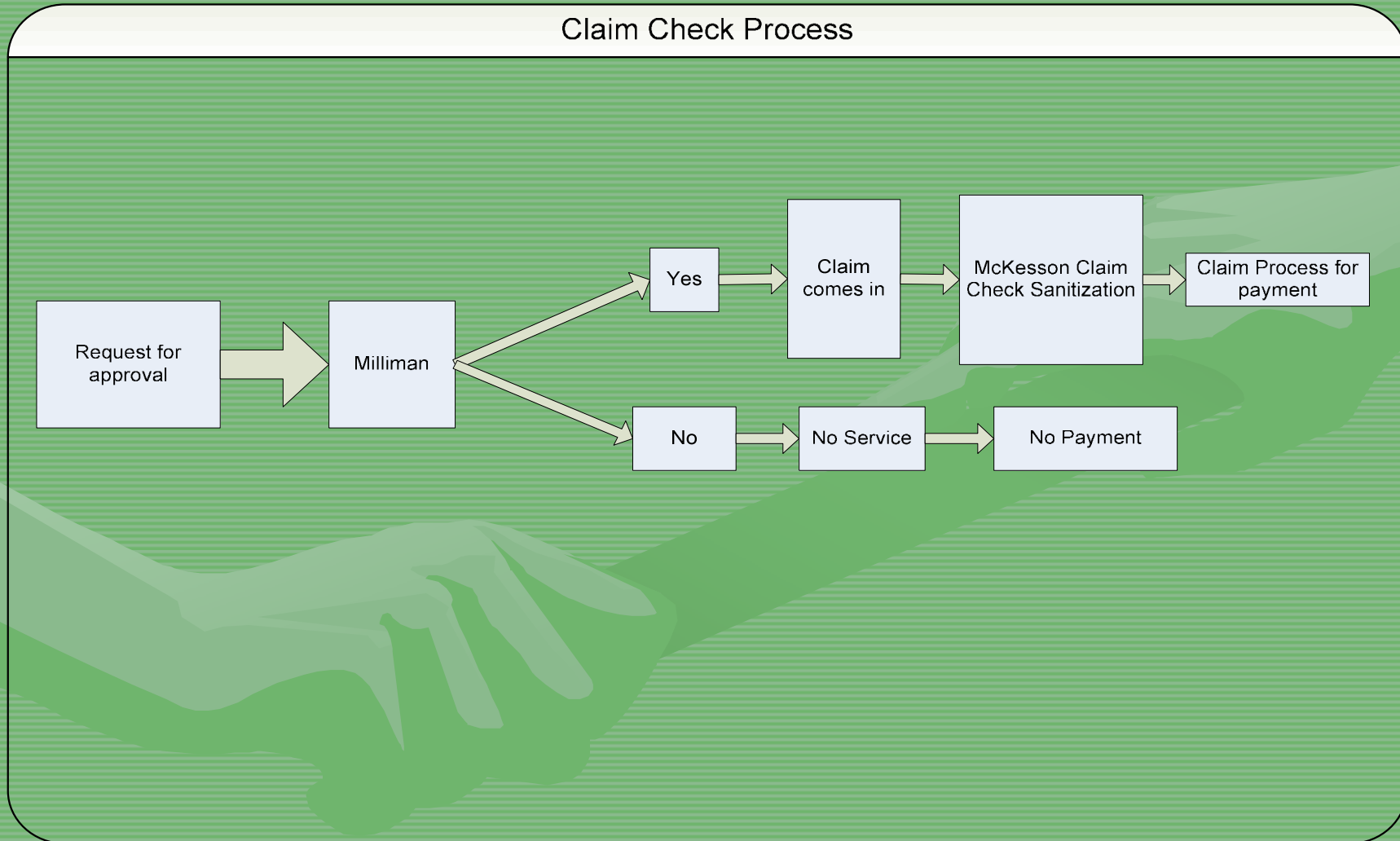
# Phase II: Claims Implementation

- Phase II: Standardization of Claims Billing Criteria
- McKesson ClaimCheck
- How many times can a procedure be performed appropriately from a clinical perspective?
  - Oldest U.S. healthcare company established in 1833
  - Industry leader in Code Auditing Products (1989)
  - Industry leader in public sector (18 states Medicaid programs, caid/care risk model MCOs)
  - Standard “sanitizing” software to ensure appropriate billing based upon industry standard clinical rationale
  - Four (4) million edits on claim combinations
  - Utilizes the expertise of industry professionals nationally regarding billing patterns (500 physicians, analytics, coders)
  - McKesson’s CMO works directly with CPT Editorial Panel

# Phase II: Medical Management Standardization

- Milliman Care Guidelines
  - Standardized Medical Management Criteria
  - Span the continuum of care, including chronic care management
  - Web-based product standard for health plans
  - Medical industry best practices/clinical guidelines
  - NCQA quality measures are integrated into product

# Claim Check Process



# Phase II: Managed Care Optimizer

- Project Budget Overview
- Milliman Guidelines
  - Approximately \$33,000.00 (5 year commitment)
- McKesson ClaimCheck
  - \$65,000 one time implementation fee
  - Approximatey \$52,000 for annual license fee (5 year commitment)
  - One-Time MCO Integration Fee of \$15,000
- TOTAL DIRECT BUDGET OUTLAY: \$165,000
- POTENTIAL SAVINGS: 2 - 6% reduction in medical reimbursement (approx. \$240,000 - \$720,000 - FY 2009/10) and the intangible value of increased administrative efficiencies

# Phase I and II Timelines

- As MCO is fully tested and implemented to pay claims processing, the Plan will be continuing to obtain provider and member input regarding new Plan policy.
- With introduction of Milliman and ClaimCheck, decisions regarding service requests and claims payment will be standardized according to national industry standard.

# Role of Medical Director

- Medical Director will assist in development of Plan policy and benefits design.
- Medical Director will meet with Plan staff members in late April to begin discussions regarding defining new policy and building it into operational processes and automation.
- Dr. Yanuck will provide leadership at future Utilization Review & Pharmacy & Therapeutics Committee meetings.

# Essential Building Blocks of Plan

- Automated Claims Processing System
- Handle of Financial Status
- Medical Director
- Medical Management Criteria Software
- Claims Coding Software
- New plan policy with benefits packages
- Comprehensive, integrated medical/social complex case management
- Efficiency in operations/management of resources allowing greater number of members to be served

# Questions?

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