

MEMO

TO: Director Corcoran, Ohio Department of Medicaid

FROM: American College of Emergency Physicians, Ohio Chapter
Leading Age Ohio
Ohio Academy of Family Physicians
Ohio Alliance of Recovery Providers
Ohio Association for the Treatment of Opioid Dependence
Ohio Association of Community Health Centers
Ohio Children's Hospital Association
Ohio Community Corrections Association
Ohio Counseling Association
Ohio Dental Association
Ohio Emergency Medicine Physicians Alliance
Ohio Hospital Association
Ohio Pharmacists Association
Ohio Psychiatric Physicians Association
Ohio Renal Association
Ohio Speech & Hearing Government Affairs Coalition
Ohio State Medical Association
The Ohio Children's Alliance
The Ohio Council of Behavioral Health and Family Services Providers

DATE: July 30, 2019

RE: Ohio Reprocurement of Managed Care Contracts

The organizations listed above have been working together for several months to analyze our universal concerns with provisions of Ohio's current contracts with its Managed Care Plans (MCPs). We offer the following list of recommendations for your consideration in the reprocurement of Ohio's contracts with the MCPs. Efforts were made to model these recommendations after what is already being done in other states, as well as in Ohio's commercial insurance marketplace. We believe that inclusion of the following provisions in Ohio's contracts with the MCPs will ensure increased capacity and access to care for Medicaid consumers. We know that there is considerably more detail to relate on each of these principles, and we stand ready to assist Ohio Medicaid in its efforts.

1) Prompt pay

- a. 14 days from the date of submission to pay clean claims

- i. “Clean claims” are defined as those not needing additional information from the provider for processing
 - ii. “Pended claims” are defined as “clean claims” that require additional processing by the MCP (not the provider). MCP must give timely notice to provider with detail on which specific claims are pended along with the rationale for the delay in processing. Pended claims must also be paid within the 14 days from date of submission prompt pay window.
- b. 18% penalty (equal to the commercial insurance prompt pay penalty) for claims paid after 30 days
 - i. Penalty is paid to provider
 - ii. Prompt payment is an element of quality ratings for plans by providers
 - 1. 99% quality rating may result in lessened penalty provisions
- c. Timely and reasonable resolution of payment disputes
 - i. Each individual payment dispute not resolved in a timely and reasonable way becomes an individual violation subject to enforceable penalties

2) Reimbursement rates

- a. MCPs must pay rates that are sufficient to maintain network adequacy and access to care
- b. MCPs and providers may engage in value-based contracting on an individual, contractual basis
 - i. Quality measures for value-based contracting must be patient and provider aligned

3) All products clauses shall be prohibited

4) Timely Submission

- a. Providers shall have 365 days from date of service to submit claims (Same as the Medicaid fee for service standard)

5) Claims denials

- a. Require specific “EOD” or explanation of denial
 - i. EOD codes/rationales/descriptions shall be standardized among all Ohio Medicaid Payers using the Claims Readjustment Codes (CARC) and Remittance Advice Remark Codes (RARC) and include the dollar amount impacted.
- b. Prohibit policies that universally deny or initiate claims review based solely on CPT code.

6) Credentialing

- a. Shall be centralized through Ohio Medicaid by July 1, 2019; MCPs are prohibited from having their own secondary/separate credentialing process.

- b. It shall allow for electronic transmission of documentation from providers to ODM with a single process to be accepted by all MCPs
- c. Credentialing shall recognize deemed status with national accreditation and state certification
- d. Agency level credentialing shall continue for those agency provider types where currently allowed

7) Medical Necessity Determinations

- a. Shall use standardized criteria following Ohio Medicaid standards
- b. Internal review of medical necessity determinations shall be expedited and finalized in not more than 14 calendar days.
- c. MCPs shall all follow a standardized, expedited appeal process for denials based on medical necessity
 - i. Denials shall be reviewed on appeal by independent, appropriately credentialed subject matter expert (i.e., BH denials require review by BH licensed provider type)

8) Network Adequacy

- a. Establish specific requirements for access based on time and distance, with special considerations for all levels of care.
 - i. In addition to time and distance standards, network adequacy may also be determined by consideration of the rate of utilization of out of network providers by type as defined by ODM. If the out-of-network utilization rate is 200% or more of the rate of primary care providers out of network utilization, it shall not be considered adequate.
- b. Create a process for ODM to actively monitor, validate, and report on network adequacy for primary care and all specialties at least quarterly and in all regions.
- c. Establish enforceable penalties and fines for failure to meet network adequacy requirements.
 - i. If ODM finds that an MCP's network is inadequate under ODM contractual standards, ODM will refer the MCP to ODI for a market conduct study.

9) Payment Recoupment

- a. Set requirements for MCP recovery of overpayment to specific circumstance and time periods with requirements for prior notice and appeal rights. (This would not apply to instances of fraud.)
- b. Require MCP to specifically and clearly identify which claims recoupment is sought for by requiring detail including patient name, service date, amount of perceived overpayment, and explanation of overpayment.
- c. Retroactive recoupment shall be reported to Ohio Medicaid by the MCP.

- d. Prohibit MCPs from recouping payment related to retroactive disenrollment and permit the MCP to retain premium payments already used to pay claims submitted by the providers.
- e. If an MCP using sampling methodologies to identify overpayments, require the MCP to accept a provider's review of actual claims and allow provider to identify underpayments from MCPs and seek recovery of additional compensation if underpayments are discovered
- f. Revise Ohio's recoupment statute of limitations from 5 years to 2 years to mirror the more equitable standard in other states.

10) Provider Termination

- a. For determination not based on fraud or loss of provider license, MCP must create a process for provider notification and right to appeal
- b. Notice and appeal process must be completed prior to the providers clients or the public being notified by provider termination.