

CHIP RFA – Response to Public Comment

The purpose of this communication is to summarize and address the public feedback received on the draft Children’s Health Insurance Program (CHIP) RFA. DHS reviewed all comments and questions from the public comment period.

Introduction: CHIP provides free or low-cost health insurance to uninsured children and teens up to age 19 that are not eligible for or enrolled in Medical Assistance (MA). CHIP is available for families whose income is above the minimum federal poverty level (FPL) established for CHIP.

The CHIP managed care organization (MCO) contracts are ending November 30, 2018. A procurement must be conducted to procure CHIP services in all counties of the commonwealth. The Department of Human Services (DHS) is cognizant of the need for providers in underserved areas and is particularly interested in how applicants will address this problem.

On April 25, 2017 DHS released the draft CHIP RFA requesting public comments through May 24, 2017. DHS received over 60 comments, recommendations, and questions from eight organizations including MCOs, advocates, and other commonwealth stakeholders.

Response to Comments: DHS catalogued the comments, recommendations, and questions regarding the draft CHIP RFA by topic into the following table.

The table provides a summary of the comments in each category along with DHS’ response.

Comment Category	DHS Response
<p>MCO Prior Experience and Performance and Personnel Qualifications:</p> <p>Commenters requested clarification on submission requirements regarding “Personnel Qualifications and Staffing” and Prior Experience and Performance”.</p>	<p>MCO Prior Experience and Performance:</p> <p>Applicants are required to include experience in operating as a MCO to provide physical and mental health services for children in the CHIP. Experience shown should be work accomplished by individuals who will be assigned to this project as well as that of your company.</p> <p>Personnel Qualifications:</p> <p>Applicants are required to include the number of executive and professional personnel, analysts, auditors, researchers, programmers, consultants, etc., who will be engaged in the work. For key personnel, include the employee’s name and, through a resume or similar document, the Project personnel’s education and experience in operating a MCO to provide physical and mental health services for children in a CHIP.</p>

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<p>Complaints and Appeals:</p> <p>Commenters noted that “Enrollee Complaint, Grievance, and CHIP Review Process” was bookmarked in the draft RFA without details of the process.</p>	<p>Complaints and Appeals:</p> <p>Changes to 42 CFR Parts 431, 433, 438, et al. published May 6, 2016 to a great extent align CHIP with Medicaid regulations. The process and procedures for complaints and appeals is currently being developed for CHIP to comply with §457.1260 Grievance system. The requirements will be released when the RFA is published.</p>
<p>Definitions:</p> <p>Commenters noted some discrepancies in definitions.</p>	<p>Definitions:</p> <p>The final rule published May 6, 2016 includes language to align and provide greater clarity and uniformity to definitions. DHS is developing standardized definitions to be used agency wide. The definitions will be released when the RFA is published.</p>
<p>Marketing and Outreach:</p> <p>Comments and questions in this category are focused on the following:</p> <ul style="list-style-type: none"> • Limited English Proficiency (LEP) • Approval of Marketing Materials • Outreach Activities 	<p>Limited English Proficiency:</p> <p>The CHIP application processing system, paper application, and information captured by the CHIP Call Center all request and capture the preferred primary language of the caller.</p> <p>Information requirements for LEP include taglines in non-English language, and information regarding availability of written and oral translations and interpretations, both to be written in a font size no smaller than 18 point.</p> <p>Approval of Marketing Materials:</p> <p>§438.104 Marketing activities requires the advance approval of marketing material, not the distribution process.</p> <p>Outreach Activities:</p> <p>A number of commenters had questions regarding limitations of outreach activities associated with enrollments, including: locations, specific activities, offering coupons. CHIP will confirm the requirements and provide additional details when the RFA is published.</p>
<p>Timeline for Application submission:</p> <p>Commenter requested that DHS consider providing a 90-day timeframe for application submission.</p>	<p>Timeline for Application submission:</p> <p>This comment is under consideration and the timeline for application submission will be detailed when the RFA is published.</p>

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<p>Number of MCOs per County: A number of comments questioned how many MCOs would be awarded per county.</p>	<p>Number of MCOs per County: DHS anticipates awarding a minimum of two MCO agreements for each county, but does not intend to limit the award to two MCO agreements.</p>
<p>Emergency Services: Commenters noted that language was confusing in differentiating between emergency assistance for issues such as services filling prescriptions and, assistance with completing enrollment applications.</p>	<p>Emergency Services: Section V.G.1 of the agreement has been changed to read Member Services and edited to include member services functions. The section was updated to provide a procedure for handling of calls requesting clinical information.</p>
<p>Hospice Services: Commenter indicated that this service should include concurrent care.</p>	<p>Hospice Services: Language was added to include concurrent palliative and curative care for the terminal illness as well as care for other conditions.</p>
<p>Developmental Screening: Commenter suggested adding a P4P related to developmental screening and strengthening language for coordination of care for those identified with a developmental delay.</p>	<p>Developmental Screening: DHS expects to incorporate a Pay For Performance (P4P) initiative in the future. Presently, a Performance Improvement Plan (PIP) is being developed to address developmental screening.</p>
<p>Fraud Waste and Abuse: Commenters had questions regarding required reporting, necessity of a dedicated investigator, and the fact that the Social Security Administration Death Master File (SSADMF) website is not a free service. Lastly, prior approval of Office of CHIP (OOC) for recovery of over payments and improper payments.</p>	<p>Fraud Waste and Abuse: DHS reviewed regulatory requirements and determined that reports are due annually as opposed to quarterly, SSADMF is a requirement regardless of cost, and the MCO must have a dedicated compliance officer, committee, and dedicated fraud and abuse staff. Regulations do not require prior approval for recoveries of over and improper payments.</p>

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<p>HEDIS and CAHPS:</p> <p>Commenter had concerns about defining measures in relation to CHIP goals for child health and wellbeing and also were concerned about MCOs not previously participating in CHIP; self-selecting HEDIS and CAHPS scores to be submitted as part of the RFA proposal.</p>	<p>HEDIS and CAHPS:</p> <p>For 2017, CHIP MCOs will report on 24 HEDIS measures. Many of the HEDIS measures are drawn from the Child Core Set and are aimed at CHIP's goal of providing quality health care to promote the health of the whole child. Performance on the HEDIS measures is reviewed, and based on the results, PIPs or Performance Measures may be instituted. CHIP MCOs are revalidated through NCQA every three years in addition to the requirements set by the Department of Health (DOH) for maintaining licensure. In order to assess plans that are not currently participating with CHIP, they are requested to report two years of HEDIS/CAHPS data from another of their product lines (commercial or MA) or to submit two years of HEDIS/CAHPS data from a state in which they participate in CHIP which is similar to Pennsylvania. MCOs may not 'self-select'. They must provide the most recent two years of data, and if using data from another state, must justify reasons for doing so.</p>
<p>MCO Provider Files:</p> <p>Commenter asked DHS to elaborate and define what is meant by screening and risk levels. What is meant by adjusting risk levels?</p>	<p>MCO Provider Files:</p> <p>The federal Department of Health and Human Services (DHHS) regulations require a state Medicaid agency to screen all initial applications, including applications for a new practice location, and any applications received in response to a re-enrollment or revalidation enrollment request based on a categorical risk level of "limited," "moderate," or "high." (42 CFR 455.450, Provider Screening and Enrollment). The Department assigns the categorical level of risk based on their assessment of the level of increased risk of fraud, waste or abuse associated with the provider type and specialty. The Department may adjust the provider's assigned risk level if they are determined to be at increased risk of fraud, waste or abuse (e.g. "limited" risk to "moderate" risk and from "moderate" risk to "high risk").</p>
<p>Medically Necessary Services:</p> <p>Commenter questioned how medical necessity is determined and how information obtained from the enrollee, enrollees family or caretaker is used in determining medical necessity.</p>	<p>Medically Necessary Services:</p> <p>The MCO must ensure that all services provided are medically necessary. The MCO must require that determinations of medically necessary services be documented in writing and conform to the provision of medically necessary as given in Section 2 (Definitions) of this agreement. Determination of medically necessary also includes medical information provided by an enrollee, the enrollee's family or caretaker, and a PCP, as well as other providers, programs or agencies that have evaluated the enrollee. A determination of medically necessary services must be made by qualified and trained CHIP providers with clinical expertise comparable to the prescribing provider.</p>

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<p>Notification of Cost:</p> <p>Commenter questioned the inclusion of cost of common medical procedures in newsletters.</p>	<p>Notification of Cost:</p> <p>DHS concluded that the requirement to include a fee schedule is impractical due to variation across providers and geographical areas. This Notification of Cost was removed.</p>
<p>Promoting Access to Primary Care and Optimal Health Outcomes:</p> <p>Commenter recommends that the RFA emphasize MCO initiatives to promote access to primary care and optimal health outcomes.</p>	<p>Promoting Access to Primary Care and Optimal Health Outcomes:</p> <p>DHS' primary goal is to provide a comprehensive, quality and affordable health care product to Pennsylvania children.</p>
<p>Provider Agreement and Provider Enrollment:</p> <p>Several Commenters noted that the agreement makes reference to a requirement for providers to be enrolled in MA and to follow MA regulations.</p>	<p>Provider Agreement and Provider Enrollment:</p> <p>DHS removed reference to MA and specified that MCO's and providers must be enrolled with the commonwealth and comply with all applicable state and federal regulations.</p>
<p>Provider Network:</p> <p>Commenter questioned what information was to be included in the on-line provider directory including specifics on appointment standards and wait times, submission of the provider directory and the focus on the network development particularly in underserved areas.</p>	<p>Provider Network:</p> <p>DHS notes that CHIP will follow the provider information requirements outlined in 42 U.S.C. 1396a(a)83(A). On-line directory must include name, specialty, address at which services are provided, telephone number, whether the physician or provider is accepting new patients and cultural/linguistic capabilities including languages spoken by the physician or a skilled medical interpreter. Directories must be updated at least monthly. Appointment standards are included in the agreement, but given that schedule load may vary from week to week, and emergencies may arise that impact the availability of appointment times, it does not seem feasible to post wait times on the MCO provider directories.</p> <p>MCOs must maintain adequate network capacity per DOH regulations throughout their service areas.</p>

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<p>Third Party Liability (TPL):</p> <p>Commenters want to know what is specifically needed to be supplied by the MCO in relation to TPL resources.</p>	<p>TPL:</p> <p>The department will provide clarification when the RFA is published.</p>
<p>Value Based Purchasing (VBP) and P4P:</p> <ul style="list-style-type: none"> • How can this be done for the small CHIP population. • What is the timeframe and flexibility to transition to a new payment and delivery model? • More information is needed regarding VBP and P4P 	<p>Value Based Purchasing (VBP) and Pay for Performance (P4P):</p> <p>CHIP is moving towards a P4P model. However VBP will be included in future years of this RFA. Bidders should provide information as if VBP were being considered from day one of the new contract.</p>
<p>COMPASS system – importance of choosing an MCO:</p> <p>Commenter requested that either a statement be displayed reminding the applicant of the importance of choosing a contractor or that an applicant may not select No Preference for choosing an MCO.</p>	<p>COMPASS system – importance of choosing an MCO:</p> <p>‘No Preference’ is a valid choice. The Office of CHIP will explore adding language to the MCO selection page to educate the family on the importance of choosing an MCO.</p>
<p>Reference to the Client Information System (CIS) in lieu of the Electronic Client Information System (eCIS):</p> <p>Commenter requested verification that the eCIS system would be used instead of CIS.</p>	<p>Reference to the Client Information System (CIS) in lieu of the Electronic Client Information System (eCIS):</p> <p>All references to CIS/eCIS were validated to reference the appropriate Information System Application.</p>

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<p>IT system upgrades and transformations:</p> <p>Commenter states: additional information on how the IT transformation fits into the expected timeline of the RFA and the go live of the new contract will help inform responses to the RFA including future implementation timelines.</p>	<p>IT system upgrades and transformations:</p> <p>While creating and modifying the RFA timeline, the IT Transition project timeline is being reviewed.</p>
<p>834 files:</p> <p>Commenter requests Definition verification for Daily Membership File (834) and Monthly file (834) file.</p>	<p>834 files:</p> <p>File definitions including sources and outputs will be documented during detailed system design sessions of the IT Transition initiative.</p>
<p>CIS/eCIS access for MCOs:</p> <p>Commenter asks if CHIP MCOs need CIS or eCIS inquiry access since CHIP members will not be placed into CIS.</p>	<p>CIS/eCIS access for MCOs:</p> <p>Access to the appropriate data will be provided to the MCOs based on user roles and responsibilities.</p>
<p>Data files:</p> <p>Commenter states that Data files are the HealthChoices files - not sure we confirmed all these files apply to CHIP.</p>	<p>Data files:</p> <p>File types are being reviewed as part of the system design for the IT Transition initiative and will be documented accordingly.</p>
<p>Medical Loss Ratio (MLR):</p> <p>Commenter states: Can DHS clarify if the MLR threshold is 84% or 85%?</p>	<p>Medical Loss Ratio (MLR):</p> <p>The pertinent federal regulations, 42 CFR 457.1203(c) provides that the rates must be designed to reasonably achieve a medical loss ratio standard equal to at least 85% for the rate year. The federal regulation does not conflict with the state statute. The federal regulation requires an 85% medical loss ratio which satisfies the state requirement that the medical loss ratio be at least 84%.</p>
<p>Capitation Rates:</p> <p>Commenter states: Can DHS consider different capitation payment arrangements for different service areas?</p>	<p>Capitation Rates:</p> <p>If DHS enters into agreements as a result of this RFA, they will be full risk, capitated agreements. Regardless of the number of counties which are awarded to the MCO, DHS will have one agreement with the MCO that covers all awarded counties. The Office of CHIP may grant an MCO the opportunity to request rates by region. The MCO and DHS would need to come to agreement on the requested regions.</p>

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<p>Small Diverse Business (SDB) Scoring:</p> <p>A number of commenters requested details of SDB scoring, how will the scoring be calculated, and on a county level or service area in total?</p>	<p>Small Diverse Business Scoring:</p> <p>Details of SDB scoring and criteria will be included when the RFA is published.</p>