



COOK COUNTY HEALTH
& HOSPITALS SYSTEM
CCHHS

Medicaid Managed Care/Managed Care Organizations (MCOs)

May 19, 2016

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Current Approach

- Obtain agreements
 - Medicaid Managed Care
 - Selected employer and exchange based plans
 - Specialty Networks
- Include all system components
 - Inpatient and Outpatient Hospital Services
 - Primary and Specialty Care physicians
 - Behavioral Health
 - Pharmacy



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MCO Contract Features

- Rates typically set by Illinois Department of Healthcare and Family Services (HFS) or Centers for Medicare and Medicaid Services (CMS)
- Credentialing completed by CCHHS
- Claim reconciliation process favors MCO
- Operational requirements embedded in provider manuals but tied to contract
- Pay for Performance (P4P) varies widely in terms of reimbursement and effort required



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CCHHS Executed Contracts as of May 2016

Plan Name	Lines of Business	Services Contracted	Effective Date	CCHHS Members
Aetna Better Health	ICP,FHP/ACA MMAI	Hospitals, PCP and SCP, Rx	9/11 – ICP 9/15- remaining	4,728
Family Health Network	FHP/ACA	Hospitals, SCP only	1/1/16	N/A
Harmony	FHP/ACA	Hospitals, PCP and SCP, Rx	10/31/15	9,322
Meridian	ICP,FHP/ACA MMAI	Hospitals, PCP and SCP, Rx	12/1/14	900
Illinicare	ICP	Hospitals, PCP and SCP, Rx	7/1/10	1,607
Blue Cross/Blue Shield	ICP,FHP/ACA MMAI	Hospitals, PCP and SCP, Rx	4/1/16	TBD

ACA – Single adults eligible for Medicaid due to eligibility expansion

FHP – Families, pregnant women

ICP – Seniors and people with disabilities who are eligible for Medicaid, but not Medicare

MMAI (Medicare/Medicaid Alignment Initiative) – Enrolls those who are eligible for both Medicare and Medicaid into one place with one set of rules

PCP – Primary Care Provider

SCP – Specialty Care Provider

Contracts in Progress

- Molina
- Fresenius-specialty network, not operational until 1/17
- Next Level Health



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CCHHS Managed Care Revenues (CountyCare excluded)

	Managed Care Revenues November 30 th YTD	Revenue Drivers
2013	\$44,375,590	HFS movement of ICP to MCOs-CCHHS with 2 ICP Contracts
2014	\$71,194,465	Improved compliance with inpatient review requirements
2015	\$167,429,354	CCHHS network participation grows from 2 to 5 agreements
2016	\$109,784,975 (Dec – April)	<ul style="list-style-type: none"> • Begin receiving pay for performance revenue, began prior authorization. • Seeks compensation for services provided without contract • FHN and BC Contract • Multiple pharmacy agreements



Challenges for CCHHS

MCO Information Flow

- National players; silos, communication delayed
- Staff that is forward facing often without knowledge, skills to interface effectively

MCO Infrastructure Requirements

- MCOs downstream plan functions to provider groups and require specific types of staff related to the administration of those functions



CCHHS Completed Managed Care Activities

- Hired Director of Managed Care Operations
- Implemented Prior Authorization for procedures requiring inpatient stay and outpatient diagnostic testing
- HEDIS (**H**ealth **E**ffectiveness **D**ata Information **S**et) workgroup formed to support pay for performance



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Short-Term CCHHS Activities

Complete Infrastructure development

- Staffing of managed care department
- Vehicle for direct providers to understand rules of road for major payers
- Develop new capabilities
 - Utilization Management
 - Claims payment
 - Reporting



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Short-Term CCHHS Strategies

Develop systems, processes and tracking to improve performance

- Increase P4P revenue 25%
- Prior authorization for 90% of eligible procedures
- Reduce denials for levels of care or lack of medical necessity
- Determine additional ways to leverage existing infrastructure to increase revenue e.g. eConsult, care coordination

Engage physicians

- Support prior authorization/concurrent review/quality activities
- Complete implementation of Care Management Workgroups

Develop wisdom

- Develop common understanding of what is an acceptable contract for CCHHS
- Carefully consider arrangements that require significant infrastructure investment without a clear understanding of upside potential
- Determine cost/benefit of pursuing expanded risk contracts



CCHHS Long-Term Strategic Recommendations

Compete on value

- Be able to demonstrate that CCHHS provides timely, effective and efficient care in the most appropriate setting; easy to deal with, responsive and understands managed care

Grow membership

- Support efforts at member retention, be the provider of choice for the MCO, offer support to minimize transitions for members impacted by network disruption.

Influence MCO strategy

- Seek membership on advisory councils, committees and serve as pilot sites for new MCO programs



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