Utilization Review in STAR+PLUS Medicaid Managed Care

Annual Report
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1. Executive Summary

Utilization review is a process in which assessments, service delivery plans, and supporting documentation are reviewed to:

- Determine if services are appropriate and timely to meet the needs of an individual;
- Evaluate the conduct of the assessments; and
- Evaluate the quality of the services delivered.

Within the health and human services programs, registered nurses (RNs) perform utilization reviews. These reviews serve as a tool to ensure public funds appropriated for these programs are spent effectively and individuals are receiving the services they need.

In 2013, the 83rd Legislature unanimously passed S.B. 348. The bill, codified in Title 4 Government Code Section 533.00281, Utilization Review for STAR+PLUS Medicaid Managed Care, directs the Health and Human Services Commission (HHSC) to establish an annual utilization review process for managed care organizations (MCOs) participating in the STAR+PLUS Medicaid managed care program. The bill grants HHSC discretion to determine which services the utilization review process will examine, but requires HHSC to include in the process a thorough investigation of each MCO’s policies and procedures for determining whether an individual or health plan member should be enrolled in the STAR+PLUS Home and Community Based Services (HCBS) program.

The process of conducting utilization reviews was implemented by HHSC during fiscal year 2014. Reviews, conducted in fiscal year 2015 by HHSC Utilization Management and Review (UMR) staff, were facilitated using a statewide statistically valid sample of members who were newly-enrolled in the STAR+PLUS HCBS program. Fiscal year 2015 review findings revealed MCOs faced challenges with determining whether the members had needs which could only be met through the STAR+PLUS HCBS program. Further, MCOs demonstrated the need for technical assistance on the use of accurate assessments for service planning and timeliness of the initiation of services included in the STAR+PLUS HCBS program to ensure health plan members are assessed in a timely manner and service plans accurately address the members’ needs.

Based on fiscal year 2015 reviews, HHSC UMR efforts for fiscal year 2016 were devoted to providing technical assistance and training to the STAR+PLUS MCOs on requirements of the STAR+PLUS HCBS program. Training included an overview on how to conduct assessments for service planning, appropriate development of service plans for HCBS, and timeliness of initial assessments and reassessment activities. HHSC required STAR+PLUS MCO service coordinators and contracted nursing staff to participate in all trainings on the timely development of a comprehensive, assessment-driven service plan provided by HHSC UMR staff. HHSC UMR staff also provided frequently asked questions (FAQs) to all STAR+PLUS MCOs after each training to provide clarification on follow-up questions.
Fiscal year 2016 outcomes included:

- Technical assistance and training for all STAR+PLUS MCOs;
- Development of a focused review at the end of the year; and
- Final capitation recoupment activity from fiscal year 2015 reviews.

UMR staff have begun the new round of sampled reviews. Early reviews, although preliminary, reveal the fiscal year 2016 technical assistance and training have resulted in noted improvement.

2. Background

**STAR+PLUS**
The STAR+PLUS Medicaid managed care program integrates the delivery of acute care services, pharmacy services, and long-term services and supports (LTSS) to individuals age 65 and older and to individuals under age 65 who have a disability, many of whom qualify for Supplemental Security Income (SSI) or SSI-related benefits. STAR+PLUS services and supports are delivered through five MCOs who contract with HHSC.

Enrollment in STAR+PLUS is mandatory for most adults receiving SSI, as well as adults who do not receive SSI (non-SSI), but who qualify for the STAR+PLUS HCBS program. Enrollment in STAR+PLUS was voluntary for children and young adults under the age of 21 who receive SSI and SSI-related Medicaid benefits until implementation of the STAR Kids managed care program on November 1, 2016.

**STAR+PLUS HCBS Program**
To be eligible for the STAR+PLUS HCBS program, an individual must be 21 years old, meet financial eligibility, have a nursing facility medical necessity level of care, and have an unmet need for at least one STAR+PLUS HCBS waiver service.

STAR+PLUS HCBS waiver services include:

- Personal assistance services (includes multiple service delivery options)
- Protective supervision
- In-home and out-of-home respite services
- Nursing services (in-home)
- Emergency response services (emergency call button)
- Home-delivered meals
- Minor home modifications
- Adaptive aids and medical equipment
- Medical supplies
- Therapies (physical, occupational, and speech)
- Dental services
- Supported employment
- Employment assistance
- Cognitive rehabilitation therapy
- Transition assistance services
- Financial management services
- Assisted living
• Adult foster care

3. Fiscal Year 2016 Activities

Organizational Development
With funding provided by the 2014-15 General Appropriations Act, S.B. 1, 83rd Legislature, Regular Session, 2013 (Article II, HHSC, Rider 66), HHSC developed the new UMR unit within the Medicaid and CHIP Division. The unit was fully-staffed for operations beginning in fiscal year 2015.

Quality Assurance Plan
A UMR quality assurance (QA) workgroup, established in 2014, developed an internal Quality Assurance Plan (QAP), with input from UMR staff and HHSC management. The QAP directs the activities of the UMR QA team, by defining and documenting the goals, planned activities, timeframes, responsible staff, and reporting parameters. The plan provides a program overview and includes an annual work plan.

QA Activities Fiscal Year 2016
The UMR QA workgroup continued to implement a variety of QA activities as directed by the updated internal QAP during fiscal year 2016. The workgroup strengthened the work plan by adding four new domains for review with corresponding measures and reporting parameters to comprehensively reflect UMR activities. The UMR management team became involved in collecting data for two of the newly-introduced domains to evaluate UMR nurses' performance during MCO on-site review visits and during member home visits.

No reliability studies were conducted in fiscal year 2016, as no review sampling occurred due to the focus of fiscal year 2016 UMR activities on technical assistance and training for the STAR+PLUS MCOs on the requirements of the STAR+PLUS HCBS program. UMR QA activities continued to identify areas for improvement, inform UMR management of workload allocation and progress, encourage the continued use of these types of QA studies to inform future actions, and promote continuous improvement of utilization review activities.

4. Fiscal Year 2016 Review Activities

UMR staff established the following goals for fiscal year 2016:

• Training and technical assistance for each STAR+PLUS MCO;
• Focused review in STAR+PLUS HCBS program; and
• Finalize fiscal year 2015 recoupment activities.

Training and Technical Assistance
Training and technical assistance in fiscal year 2016 addressed areas of needed improvement and knowledge gaps among MCOs regarding assessment and service planning requirements, as identified in the fiscal year 2015 reviews. UMR staff determined the identified areas of needed improvement were consistent across all five STAR+PLUS HCBS program MCOs. While UMR staff noted these areas may be marked for re-assessment in future risk-based reviews, UMR staff also determined the opportunity to reinforce the ultimate goal of achieving positive member
outcomes in LTSS community settings. The members served by the STAR+PLUS HCBS program are some of the most medically fragile adults in these settings. These members are classified as Level 1 by the Uniform Managed Care Contract (UMCC), and are assessed and supported by RN service coordinators. Since these RN service coordinators develop member service plans, and observe member outcomes, HHSC determined that in-depth, direct education is an appropriate part of UMR’s process and associated activities.

UMR staff met with each STAR+PLUS MCO individually during November and December of 2015. UMR staff provided technical assistance presentations and discussion based on the reviews conducted in fiscal year 2015, which identified multiple areas where MCOs have continued opportunities for improvement related to the STAR+PLUS HCBS program. Areas of needed improvement included:

- Appropriateness and accuracy of the individual service plan (ISP) process:
  - Service coordinator exploration, documentation, and utilization of third-party resources and value-added services
  - Service coordinator development and documentation of individualized rationales/justifications for items and services on the ISP
  - Ensuring items and services listed on the ISP meet the member’s unmet need(s)
  - Ensuring applicable services are initiated on the effective date of the ISP

- Conducting Assessments:
  - When developing the ISP, service coordinators must assess for all available resources, and document on the required forms
  - Service coordinators should ensure indications on the Community Medical Necessity and Level of Care (MN/LOC) Assessment Instrument of the need for speech therapy, occupational therapy, physical therapy, and dental are addressed on the ISP, or in service coordinator documentation
  - All STAR+PLUS HCBS program members have a skilled nursing need as evidenced by medical necessity determination and MCO service coordinators must assess for, and address, skilled nursing needs for each STAR+PLUS HCBS program member
  - Items and services requested by the member, or identified as a need in MCO documentation, must be addressed by the MCO
  - MN/LOC submittal, processing and approval should be monitored by the MCO to ensure no delay in the eligibility for initiation of services included in the STAR+PLUS HCBS program for the member

- Timeliness:
  - The assessment process for STAR+PLUS HCBS must be completed within 45 days as outlined in the UMCC (this includes identifying members who are eligible for the STAR+ PLUS HCBS program, MN/LOC assessment, service plan development, and ISP posting)

UMR’s fiscal year 2015 review determined all MCOs are utilizing the assessments and forms required by contract. The reviews, however, revealed opportunities for service coordination staff training related to appropriate completion of, and relationship between, assessment forms and service planning documents. Through its reviews, UMR found inconsistencies between the skilled nursing needs identified on the MN/LOC and by the MCO registered nurse assessors’
documentation. Skilled nursing needs were not appropriately addressed in the development of the ISP through the STAR+PLUS HCBS Program, via informal supports, third-party resources, or other sources.

The link between medical necessity and the ISP development is a basic principle of the STAR+PLUS HCBS Program. A holistic nursing process for development of an ISP should include the assessments, an interview with the member/authorized representative and family, and a thorough investigation of available resources. UMR determined these identified gaps and links could be resolved and reinforced through comprehensive education.

To address the fiscal year 2015 findings noted above, the HHSC UMR unit hosted a series of webinars for STAR+PLUS MCOs for approximately 1,750 STAR+PLUS HCBS program RN service coordinators and their support staff. The series is a “by nurses, for nurses” training focusing on a comprehensive, assessment-driven service plan. The required assessments and forms used for the STAR+PLUS HCBS program are paired with the nursing process, and this training provides specific direction for completion of the assessment and reassessment process.

HHSC required all current STAR+PLUS MCO service coordination staff and any contracted nursing staff to participate in the webinars or listen to the archived webinars. Future STAR+PLUS MCO service coordination staff are required to participate as well.

UMR conducted eight live webinars with 500-650 participants per webinar. UMR provided FAQs for each webinar, along with archived recordings and electronic copies of each presentation for service coordinators to view. Topics for the webinars included:

- **MN/LOC Training** (February 18, 2016): Completing the MN/LOC assessment to paint a picture of the individual’s health status to drive the plan of care. The comprehensive assessment generates an updated, accurate picture of the individual’s current health status. Introduction of indicators on the MN/LOC assessment indicating a possible need for items/services.
- **Third-Party Resources (TPR), Non-HCBS STAR+PLUS Waiver Services Form, Proposed Nursing Service Plan** (March 3, 2016): Training for the revised non-HCBS STAR+PLUS Waiver Services form. This webinar included an introduction to the new nursing service plan, delegated nursing and health maintenance activities (HMAs) to be piloted in fiscal year 2017 and a future change to the functional assessment addendum.
- **Community First Choice (CFC) 101** (March 8-9, 2016): An overview of CFC and coordination with the STAR+PLUS HCBS program.
- **Rationale for HCBS STAR+PLUS Waiver Items and Services, Individual Service Plan-STAR+PLUS Waiver** (March 17, 2016): Using the Rationale for HCBS STAR+PLUS Waiver Items and Services form to write member-specific rationale to complete the service plan.
• Nursing Facility Service Coordination (March 31, 2016): An overview of managed care and service coordination in the nursing facility and the transition from nursing facility to community.

• CFC and Habilitation Part 2 (April 28, 2016): A review of CFC 101, with a special focus on habilitation, and coordination with the STAR+PLUS HCBS program.

• Transitions and High Needs (May 19, 2016): Direction for developing a service plan for members who are transitioning into the STAR+PLUS HCBS program from a children’s program or members with complex medical needs.

In addition to providing the presentation, webinar recording, and FAQs after each session, UMR staff also surveyed service coordinators and service coordination staff for their feedback.

Focused Review on Use of Ventilators in the Community Setting
During fiscal year 2016, HHSC UMR staff performed a focused review in response to stakeholder input regarding STAR+PLUS HCBS members on ventilators in the community setting. UMR’s goal was to determine each member's health and safety and appropriate receipt of items and services to meet their needs in the community setting.

UMR analyzed data collected and reported deficiencies based on findings for each STAR+PLUS MCO. The results of the ventilator review were discussed with each MCO. Each MCO was provided updated lists of all HCBS ventilator-dependent members in the community for follow-up review by the MCO. Through collaboration with UMR and each MCO, potential health and safety concerns were identified and addressed as appropriate. This work continues through HHSC’s ventilator stakeholder workgroup.

Recoupment Activities
UMR recommended recoupment actions based on the fiscal year 2015 reviews, which met certain criteria relating to MCOs inappropriately placing members in the STAR+PLUS HCBS program. Recoupments were based on the difference between the STAR+PLUS HCBS risk group payment made to the MCOs and the Medicaid state plan risk group payment. Recoupments were on based on the following criteria:

• Initial ISPs assessing and indicating need for personal assistance services (PAS) only and a functional assessment score not meeting the criteria for the STAR+PLUS HCBS program
• Initial MN/LOC assessments submitted to the State Medicaid contractor prior to obtaining the required physician signature

MCOs were provided the opportunity to submit information, claims and encounter data to address the UMR unit's initial recoupment list and using the above-referenced criteria. HHSC completed its final data analysis after MCOs provided requested rebuttal information. Letters were sent to all five STAR+PLUS MCOs in October 2016 containing each MCO's individual recoupment amount, along with detailed recoupment methodology and payment requirements.
5. Continued UMR Activities

UMR staff continue to identify areas for HHSC to provide clearer contract and policy language, which in turn will ensure greater consistency of adherence to STAR+PLUS HCBS program requirements and member experience across health plans.

UMR recommends continued enhancement via technical assistance to the service coordination process to further ensure:

- Timely and adequate response to member’s needs and change in health status;
- Seamless care coordination and continuity of care;
- Skilled nursing needs of members are appropriately assessed and met;
- Evaluation and follow-up on service plans;
- Coordinated access to an array of providers and third-party covered services; and
- Technical assistance and training.

UMR will continue to develop risk-based review methodology and a flexible tool able to address all review contingencies. Fiscal year 2017 reviews will incorporate the entire STAR+PLUS HCBS population, inclusive of reassessments and Medical Assistance Only (MAO) members. This general review will help measure the effectiveness of UMR's webinar education. UMR staff have begun the new round of sampled reviews. Early reviews, although preliminary, reveal the fiscal year 2016 technical assistance and training have resulted in noted improvement. Review results will be communicated in late fiscal year 2017.

6. Conclusion

Based on direction from S.B. 348, HHSC was able to quickly establish the new UMR unit within the Medicaid and CHIP Division. Over a short period of time, protocols, review tools, a quality assurance plan, and internal tracking systems have been developed. Additionally, the UMR unit successfully employed referral processes to Medicaid and CHIP Health Plan Management, resulting in members receiving needed and previously-identified services. UMR also established internal communications with multiple internal HHSC divisions. The UMR RNs not only provide clinical expertise to the UMR process, but also offer additional skill sets to complement the ongoing development process for the unit's activities, while permitting a peer-to-peer discourse with MCO service coordinators to ensure best outcomes for health plan members. The addition of UMR activities has added valuable input to existing managed care contract management functions at HHSC.

Each of the MCOs were receptive to the fiscal year 2015 findings and technical assistance provided by UMR staff in fiscal year 2016. The STAR+PLUS MCOs expressed willingness to continually improve internal processes and procedures to meet HCBS requirements, and other opportunities for improvement.

HHSC used the findings from fiscal year 2015 reviews to develop the fiscal year 2017 review methodology. The continued expansion of UMR review protocols in fiscal year 2017, including sampling all members receiving STAR+PLUS HCBS waiver services, will help provide the basis for future data-driven, risk-based reviews. UMR staff have begun the new round of sampled
reviews. Early reviews, although preliminary, reveal the fiscal year 2016 technical assistance and training have resulted in noted improvement.

HHSC is committed to fulfilling the intent of S.B. 348. UMR staff will continue to provide consultation as necessary on various types of issues, including medically-complex high-needs individuals, complaints, and issues related to individuals transitioning from services for children to adult benefit packages.
### List of Acronyms

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<tr>
<th>Acronym</th>
<th>Full Name</th>
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<tbody>
<tr>
<td>CFC</td>
<td>Community First Choice</td>
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<tr>
<td>CHIP</td>
<td>Children's Health Insurance Program</td>
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<tr>
<td>FAQ</td>
<td>Frequently Asked Question</td>
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<td>FY</td>
<td>Fiscal Year</td>
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<tr>
<td>HCBS</td>
<td>Home and Community-Based Services</td>
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<td>HHSC</td>
<td>Health and Human Services Commission</td>
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<td>ISP</td>
<td>Individual Service Plan</td>
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<td>LTSS</td>
<td>Long-Term Services and Supports</td>
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<td>MAO</td>
<td>Medical Assistance Only</td>
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<td>MCO</td>
<td>Managed Care Organization</td>
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<td>MN/LOC</td>
<td>Medical Necessity/Level of Care</td>
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<td>QA</td>
<td>Quality Assurance</td>
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<td>QAP</td>
<td>Quality Assurance Plan</td>
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<td>RN</td>
<td>Registered Nurse</td>
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<td>S.B.</td>
<td>Senate Bill</td>
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<td>SSI</td>
<td>Supplemental Security Income</td>
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<td>STAR</td>
<td>State of Texas Access Reform</td>
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<td>TPR</td>
<td>Third-Party Resource</td>
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<td>Uniform Managed Care Contract</td>
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