

Increasing the accuracy and completeness of Medicare Advantage encounter data

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Today's presentation

- Summarize work of past year
 - Review background
 - Summarize validation of Medicare Advantage (MA) encounter data files
 - Discuss the outlook for encounter data
- Vote on the draft recommendation

Background

- The Balanced Budget Act of 1997 required the collection of encounter data for inpatient hospital services and permitted the Secretary to collect encounter data for other services
- Initial efforts to collect encounter data were abandoned
- In 2008, CMS amended MA regulations to collect detailed encounter data for all Medicare services
- In 2012, CMS began collecting encounter data from plans

Complete encounter data would have significant value to Medicare program

- Provide program oversight of the Medicare benefit for the beneficiaries enrolled in MA
 - More than \$200 billion in spending on MA
 - More than 20 million enrollees in MA (1/3 of all beneficiaries)
- Inform and generate new policies
- Simplify administration and strengthen program integrity

Validation of MA encounter data files and comparison to other data sources

- Face validation of MA encounter data files
- For each setting we checked that:
 - MA contracts have any data at all
 - Reported enrollees match CMS's beneficiary enrollment database
- Where available, we compare MA encounter data for each setting to other data sources of MA utilization
 - Do the same enrollees appear in both data sets?
 - Do enrollees' dates of service *roughly* match?

External data show MA encounter data to be incomplete, 2015

Independent comparison data sets	Enrollees match	Dates of service match
Inpatient stays: MedPAR	90%	78%
Dialysis services: Risk adjustment indicator	89	NA
Home health services: OASIS	46	NA
Skilled nursing stays: MDS	49	NA

Current feedback and incentives unlikely to sufficiently improve encounter data

- CMS provides limited feedback about encounter data completeness and accuracy
 - Report cards address total records and one comparison to external data (inpatient stays)
 - Performance metrics address timing and consistency with RAPS data; have low thresholds
- Plans have incentive to submit encounter data for risk adjustment; complete data are not required
- CMS and plans should now focus on encounter data completeness and accuracy

Strategy to improve encounter data

- Expand performance metric framework and provide feedback to plans
- Apply a payment withhold to increase incentive to submit complete and accurate data
- Collect encounter data through Medicare Administrative Contractors (MACs), if necessary

Expand performance metric framework

- Current performance metrics focus on timing of data submissions and comparisons to RAPS data
- Compliance focus on outlier plans does not address the scope of incomplete and inaccurate data across plans
- Performance metric framework should be improved to:
 - Add additional measures based on comparisons to external and plan-generated data
 - Provide feedback to improve the performance of all plans and expand public reporting

Apply a payment withhold

- Withhold a percentage of each plan's monthly payment
- Returned amounts would be proportional to the degree of incompleteness and inaccuracy in submitted data
- Applied to all plans, addressing widespread incompleteness in the data
- Standards would increase over time, but withhold policy could be phased out once data are complete and accurate

Collect encounter data through Medicare Administrative Contractors (MACs), if necessary

- Providers or clearinghouses would submit MA claims directly to MACs
- MACs would forward claims to MA plans for payment and to CMS for compilation into encounter data
- Similar to current processes used for collecting FFS claims and MA information-only claims and for forwarding claims to third parties
- Situations where MACs would be used:
 - For any MA organizations that prefer to use MACs,
 - For individual MA organizations that fail to meet thresholds, or
 - For all MA organizations if program-wide thresholds are not met

Timeline for improving encounter data

Spring 2020 Notify plans of new performance metrics and withhold standards; provide feedback to plans based on performance for recent years

PY 2021 Apply payment withhold

Spring 2021 Notify plans of process for using MACs and thresholds that would trigger their use

PY 2022 Apply MAC thresholds; MA organizations could opt to use MACs

Early 2023 Assess thresholds and notify plans if MAC use will be required

PY 2024 Potential use of MACs for required plans

Future work to improve encounter data

- Expand performance metric framework to assess physician, outpatient hospital, and other Part B services
 - Develop comparisons for subsets of these services (e.g., Part D event or inpatient data)
 - Develop comparisons of aggregate completeness (e.g., plan bids)
- Continue to evaluate whether incentives and performance metrics are having intended effect
 - Compare encounter data to utilization information reported in plan bids
 - Expand audit activities to encompass encounter data