



# Iowa Department of Human Services

Kim Reynolds  
Governor

Adam Gregg  
Lt. Governor

Jerry R. Foxhoven  
Director

December 10, 2018

W. Charles Smithson  
Secretary of Senate  
State Capitol  
LOCAL

Carmine Boal  
Chief Clerk of the House  
State Capitol  
LOCAL

Dear Ms. Boal and Mr. Smithson:

Enclosed please find copies of reports to the General Assembly relative to Medicaid Level of Care Determinations Review.

This report was prepared pursuant to the directive contained in 2018 Senate File 2418.

Please feel free to contact me if you need additional information.

Sincerely,

Mikki Stier  
Deputy Director

MS/em

Enclosure

cc: Kim Reynolds, Governor

# ***Iowa Department of Human Services***



## ***Managed Care Organization (MCO) Level of Care Reassessment Analysis***

***November 30, 2018***

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## Executive Summary

The purpose of this report is to provide data from State Fiscal Year (SFY) 2017 through November 18, 2018, for reassessment requests completed by the Iowa Medicaid Enterprise (IME) contracted Quality Improvement Organization (QIO) for members enrolled in a Managed Care Organization (MCO) who are eligible and receiving waiver services. The MCO initial level of care (LOC) determinations are included in this report to provide a comparison and total number of LOC review determinations completed during this time frame.

Per Iowa Administrative Code (IAC) 441-83, LOC reassessments are to be completed at least annually and when the member's functional or medical status has changed in a way that may affect LOC eligibility. If the MCO determines a change in LOC is warranted, they will submit documentation to the IME contracted QIO to make the final reassessment determination.

## Method

The IME contracted QIO completes all initial LOC determinations and 100% of reassessment LOC changes submitted by the MCOs. The IME contracted QIO utilizes national best practices when completing LOC reviews to ensure that appropriate medically necessary services are provided to meet the member's needs.

## Data Provided

The IME contracted QIO completed initial LOC determinations and reassessment determinations submitted by Amerigroup Iowa, Inc. (AGP), AmeriHealth Caritas Iowa, Inc. (ACIA), and UnitedHealthcare Plan of the River Valley, Inc. (UHC). At the end of November 2017, ACIA ended their contract as a MCO for Iowa Medicaid members. The IME contracted QIO continues to determine LOC approvals and denials for initial and reassessment requests for AGP and UHC enrolled members.

## Review Findings

The IME contracted QIO completed a total 7,681 review determinations, from the reporting period of SFY 17 through November 18, 2018, for MCO enrolled members seeking LOC eligibility in a waiver program. Of the total reviews, 7,524 (98%) were initial LOC determinations and 157 (2%) were reassessment LOC change requests submitted by the MCOs. (See Table 6)

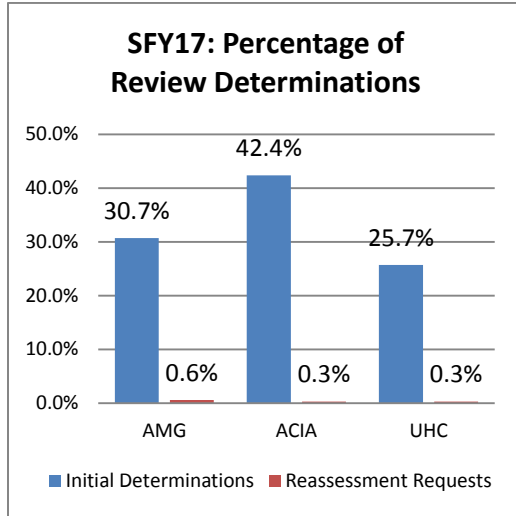
- **SFY17:** A total of 3,590 review determinations were completed by the IME contracted QIO. Data revealed 3,551 (98.9%) were initial determinations and 39 (1.1%) were reassessment LOC change requests.
- **SFY18:** A total of 2,479 review determinations were completed by the IME contracted QIO. Data revealed 2,386 (96.2%) were initial determinations and 93 (3.8%) were reassessment LOC change requests.
- **SFY19:** Data for SFY19 is from July 1, 2018 through November 18, 2018. A total of 1,612 review determinations were completed by the IME contracted QIO. Data revealed 1,587 (98.4%) were initial determinations and 25 (1.6%) were reassessment LOC change requests.

Table 1

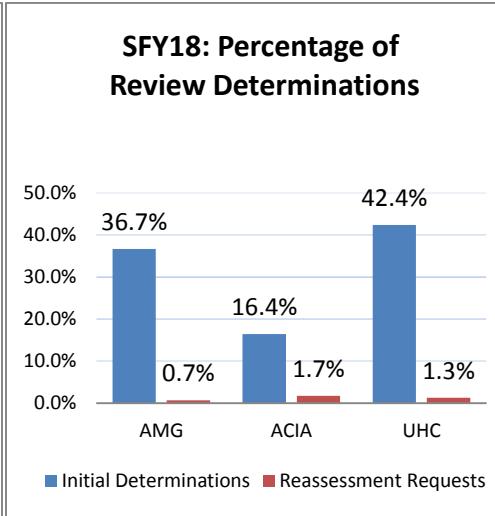
| SFY17        |             |               |             | SFY18       |               |             | SFY19       |               |             | SFY17 – SFY19 (Nov 18, 2018) |               |             |
|--------------|-------------|---------------|-------------|-------------|---------------|-------------|-------------|---------------|-------------|------------------------------|---------------|-------------|
| MCO          | Initial     | Reassess-ment | Total       | Initial     | Reassess-ment | Total       | Initial     | Reassess-ment | Total       | Initial                      | Reassess-ment | Total       |
| AMG          | 1103        | 20            | 1123        | 918         | 18            | 936         | 524         | 9             | 533         | 2545                         | 47            | 2592        |
| ACIA         | 1524        | 9             | 1533        | 410         | 42            | 452         | 0           | 0             | 0           | 1934                         | 51            | 1985        |
| UHC          | 924         | 10            | 934         | 1058        | 33            | 1091        | 1063        | 16            | 1079        | 3045                         | 59            | 3104        |
| <b>Total</b> | <b>3551</b> | <b>39</b>     | <b>3590</b> | <b>2386</b> | <b>93</b>     | <b>2479</b> | <b>1587</b> | <b>25</b>     | <b>1612</b> | <b>7524</b>                  | <b>157</b>    | <b>7681</b> |

Tables 2 through 6 provide data on the percentage of initial determinations and reassessment requests by MCO.

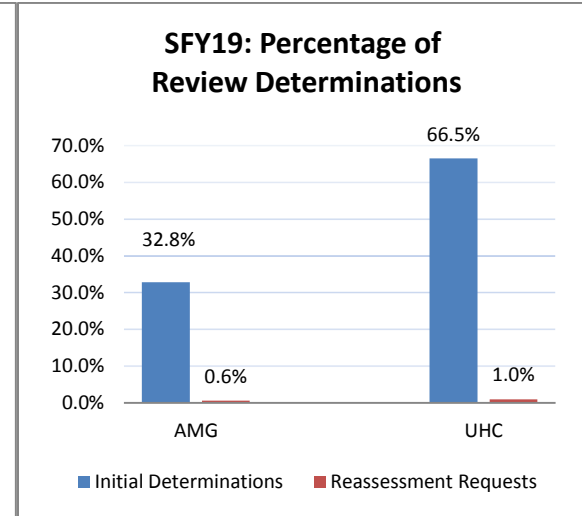
**Table 2**



**Table 3**



**Table 4**

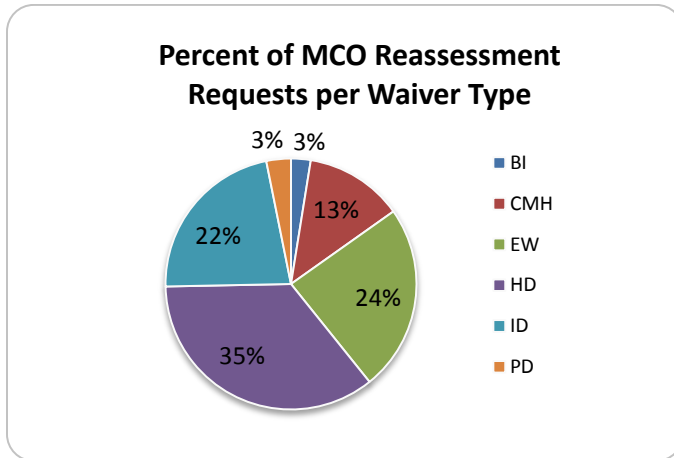


The MCOs requested final determinations from the IME contracted QIO for a higher LOC, lower LOC and to deny LOC. Of the 158 reassessment LOC change requests submitted by the MCOs, 35% were HD Waiver, 24% for Elderly Waiver (EW), 22% for ID Waiver, 13% CMH Waiver, 3% PD Waiver and 3% were BI Waiver. (See Table 5)

**Table 5**

| SFY          | MCO  | Reassessment Requests | QIO Approved Change in LOC | QIO Denied Change LOC | QIO Approved Unspecified LOC Change Request | QIO Denied Unspecified LOC Change Request |
|--------------|------|-----------------------|----------------------------|-----------------------|---|---|
| SFY17        | AMG  | 20                    | 9                          | 9                     | 0   | 2   |
|              | ACIA | 9                     | 6                          | 1                     | 2   | 0   |
|              | UHC  | 10                    | 5                          | 4                     | 1   | 0   |
| SFY18        | AMG  | 18                    | 7                          | 8                     | 1   | 2   |
|              | ACIA | 42                    | 6                          | 3                     | 14  | 19  |
|              | UHC  | 33                    | 10                         | 8                     | 13  | 2   |
| SFY19*       | AMG  | 9                     | 1                          | 5                     | 2   | 1   |
|              | UHC  | 16                    | 3                          | 4                     | 6   | 3   |
| <b>Total</b> |      | <b>158</b>            | <b>47 (30%)</b>            | <b>43 (27%)</b>       | <b>39 (25%)</b>                             | <b>29 (18%)</b>                           |

**Table 6**



\*ACIA ended their contract as a MCO provider for the state of Iowa Medicaid members mid SFY18.

The IME contracted QIO:

- Approved 47 (30%) reassessment change requests for higher or lower change in LOC.
- Denied 43 (27%) reassessment change requests for higher or lower change in LOC.
- Approved LOC for 39 (25%) reassessment requests for unspecified change in LOC requests such as:
  - The IME contracted QIO previously approved LOC for less than 365 days. MCO requests reassessment review to determine if the member continues to meet LOC
  - MCO submitted reassessment requests for “LOC review” without specific requests for higher or lower LOC
- Denied LOC for 29 (18%) reassessment change requests for unspecified change in LOC requests. (see Table 8)
  - The IME contracted QIO previously approved LOC for less than 365 days. MCO requests reassessment review to determine if the member continues to meet LOC
  - MCO submitted reassessment change requests for “LOC review” without specific request for higher or lower LOC

## Summary

The data from the reporting period, SFY 17 through November 18, 2018, indicates that out of all assessment determinations made, less than 1% of reassessment change requests were received from each MCO individually and a combined percentage of 2%.

In SFY17, the IME contracted QIO identified a trend with the MCOs submitting reassessment change requests for a higher level of care for MCO members whose care needs exceeded the per member capitation rate. The IME contracted QIO determined members may require multiple services; however the services, treatments and care needs did not meet criterion and IAC requirements to approve a higher level of care. The IME contracted QIO provided guidance to the MCOs indicating this is not an appropriate rationale to increase LOC. Following the discussion with the MCOs, the IME contracted QIO identified a decrease in this type of request.

The IME contracted QIO continues to work with each MCO in determining the appropriate LOC for the MCO member population, who have applied for Home and Community Based Services (HCBS) waiver programs or require a reassessment determination, based on the annual assessment findings.