

## HMO's Member Outreach Pilot and Data Flow Assessment Enhance CRA Compliance



**To meet the risk score and reporting requirements of the commercial risk adjustment (CRA) program of the Affordable Care Act (ACA), a major HMO decided to pilot an outreach initiative to assess the health of its members as well as establish a CRA data monitoring program.**

### **Problems to Solve**

Knowledge is power, especially when it helps a major California HMO better understand and serve its thousands of members – and meet the risk score and reporting requirements of the commercial risk adjustment (CRA) program of the Affordable Care Act (ACA).

The CRA program is meant to stabilize premiums and keep payers from selecting only healthy enrollees for their ACA plans. Similar to Medicare risk adjustment audits, CRA uses the health status and demographic characteristics of enrollees to compute their risk scores – an estimate of the costliness of each enrollee. The program then redistributes funds from plans with lower-risk enrollees to plans with higher-risk enrollees.

The HMO had a general idea of its members' health care needs and risks, but lacked the CRA-required specificity needed to accurately capture the risk of its population or fully address the program's data and reporting requirements. To address this need and ensure a sufficiency of clinical resources, the HMO sought greater insight into the health status and demographics of its enrollees. The HMO also wanted to confirm it was submitting

accurate and complete CRA data.

The HMO decided to pilot an outreach initiative to assess the health of its members as well as establish a CRA data monitoring program. The HMO engaged Freed Associates (Freed) to develop and implement these efforts.

### **Strategy & Goals**

For the member outreach initiative, the HMO wished to identify the best and most cost-effective means of engaging with its members and determining their health – especially among its most chronically ill patients. This pilot program would serve as a template for more full-scale outreach initiatives.

The HMO specified its member outreach would be telephone-based, with representatives contacting members using several different types of prepared scripts based on patient demographics and needs. The representatives would then encourage patients to visit their nearest participating practitioner's office for a check-up.

As project manager for the pilot outreach program, Freed conceived and led the initiative's strategic planning, which included:

- **Organizing and conducting a value-stream mapping session for member outreach** – Determining sequential processes and steps for member outreach for the pilot program members and the entirety of the HMO's membership
- **Developing a short-term implementation plan** – Designing and executing a plan for conducting member outreach activities
- **Developing an approach for long-term implementation of ideal-state activities** – Based on lessons learned from the pilot outreach effort, determining long-term outreach implementation needs and steps
- **Developing processes to manage risks, issues, work plans and the documentation of implementation** – Attending to the complete details of a member outreach initiative, including determining who does what, when and why

At the same time, a robust effort was underway to document the current state of the HMO's CRA data flow, track key data flow performance indicators and define and implement a plan allowing the HMO to proactively manage its data risks and issues. The goal of this effort was to achieve an ideal set of processes and practices for future CRA data submissions.

### **Results**

The HMO's call center representatives reached out to several thousand members encouraging check-ins with their health practitioners. On the front end, this yielded a high degree of member engagement and compliance, demonstrating the value of this outreach. On the back end, the organization learned it needed additional full-time

employees to conduct and administer outreach and deliver greater consistency in handling patient scheduling.

The pilot program achieved multiple outcomes, including:

- **Determined best practices for member outreach** – This included the entirety of the HMO’s operating entities and membership
- **Organized best-practice activities** – Generated more than 150 best-practice activities, chronicled for application to organization-wide outreach
- **Developed an operational playbook** – Created a playbook of processes and activities for long-term outreach
- **Conducted stakeholder knowledge transfer** – Ensured that all pertinent departments and individuals were aware of best-practice activities
- **Developed CRA education for clinicians and coders** – Ensured that all involved clinicians and coders knew why, how and when the CRA outreach would be conducted

For the data flow assessment, the HMO achieved the following key outcomes:

- **Improved data flow monitoring** – Assessed enrollment, encounter and supplemental data completeness and quality
- **Established clear accountability and cross-functional support across all divisions of the HMO** – Ensured consistency of data submission activity
- **Developed an ideal state vision** – Created for each of the core data submission and post-submission processes

## Conclusion

Through the successful implementation of this pilot CRA-related outreach effort, the HMO determined best-practice processes and steps necessary for full-scale implementation across its membership. Through its data flow assessment efforts, the HMO ensured a higher degree of completeness and quality of its CRA data going to CMS.

These and other CRA-related initiatives enabled the HMO to significantly reduce its annual risk adjustment payments, meet CMS requirements for CRA program reporting and enhance the quality of care for its members.