

Encounter Data Quality Improvement Efforts

November 20, 2024

Data Reporting and Monitoring Webinar Series

Introduction

Amy Peterson
Chief, Managed Care Data Support Section

Agenda

- » Quality Measures for Encounter Data (QMED) Overview and QMED 2.0 Update
- » Identifying Providers with Encounter Data Reporting Issues

DHCS Staff

» Speakers

- **Christine Fesler**
- **Mike Niklas**

» Support

- Amy Peterson
- Alvin Bautista
- Abiy Gebereselassie
- Mei Shan Ng
- Xiaoyan Ma
- Soo Jung Kim

Questions & Answers

- » For **GENERAL** questions, please submit your question to the WebEx chat and please ensure that your questions are visible to all participants, because the host is not monitoring private chat to the host.
- » For **SPECIFIC** questions, please reach out to the appropriate Data Mailbox as will be instructed closer to the end of this presentation.

Before we move on

- » Today's webinar is being recorded.
- » The recorded video, script, and presentation materials will be uploaded to [Quality Webinar Series \(ca.gov\)](#).

Quality Measures for Encounter Data (QMED) Overview and QMED 2.0 Update

Christine Fesler
Chief, Data Quality Reporting Unit

Importance of High-Quality Encounter Data

Encounter data are records of Services rendered to health plan members That may be used to inform a spectrum of population health and clinical Care delivery functions.

Managed Care Plans (MCPs) are **contractually required** to provide DHCS with **high quality encounter data**, which the department relies on to support program and population health oversight and to fulfill federal reporting requirements for healthcare delivery. DHCS is, in turn, required to provide complete and accurate encounter data to CMS.

Sources of Encounter Data:

-  Members
-  Providers + Delegated Plans

Sources of Encounter Data:

-  MCPs

DHCS uses od encounter data:

- Capitated rate calculation
- Quality measure calculation
- Audits and investigations
- Reporting to CMS
- Population Health Management

Plan Resources to All Plan Letters and Enforcements

- » Encounter data quality expectations are outlined in the managed care contract and All-Plan Letters.
- » [Managed Care Plan Contract - Boilerplate 2024- Section 2.1.2](#)
- » Plans are Responsible for reviewing and keeping apprised of all DHCS posted "All Plan Letters":
 - <https://www.dhcs.ca.gov/formsandpubs/Pages/AllPlanLetters.aspx>
 - [APL14-009](#): Transaction of Encounter Data Submission to National Standard transactions (ASC X12 837 5010, NCPDP 2.2 or 4.2)
 - [APL14-019](#): Encounter Data Submission Requirements
 - [APL14-020](#): Quality Measures for Encounter Data

Ongoing Encounter Data Quality Improvement Efforts

DHCS is coordinating several department-wide initiatives to improve encounter data quality, utility, and reporting.

To drive improvements in encounter data quality, DHCS Enterprise Data and Information Management Division (EDIM) is:

- » **Centralizing a dedicated team** to refine internal encounter data reporting processes
- » **Increasing engagement with MCPs** to provide oversight, accountability and technical assistance
- » **Updating the QMED report** to better reflect DHCS' encounter data needs and expectations
- » **Developing a targeted provider encounter data improvement effort** to connect providers with technical support to address persistent encounter data reporting issues

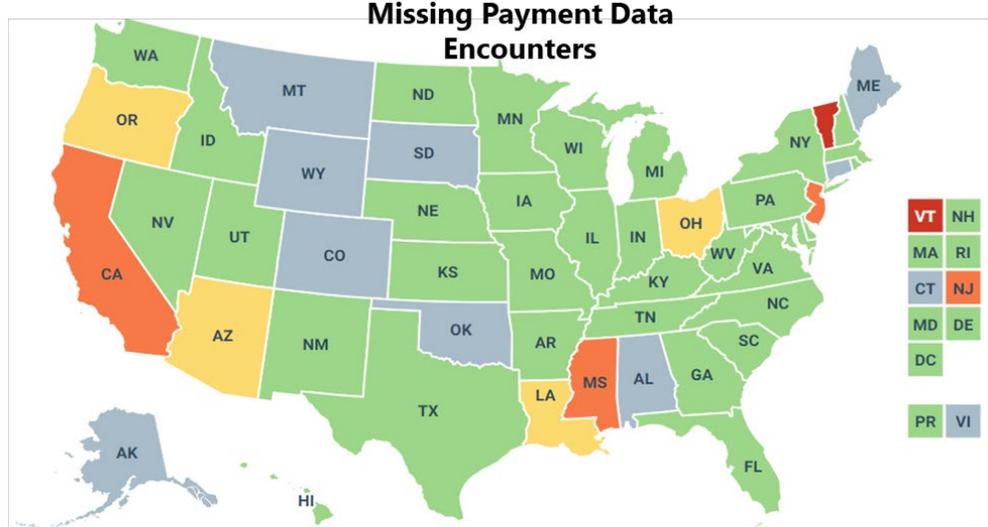
Overview of Encounter Data Improvement Efforts

- » DHCS is updating its Medi-Cal encounter data reporting expectations, documentation, and reporting processes using a collaborative multi-pronged approach to improve encounter data quality, including:
- » Refreshing its encounter data improvement program goals and strategy to support oversight and accountability
- » Expanding and re-organizing a dedicated team to maintain reports and engage with managed care plans (MCPs) to support oversight, accountability and technical assistance

Overview of Encounter Data Improvement Efforts (Continued)

- » Developing a program that will connect targeted providers with technical vendors to address persistent encounter data reporting issues
- » Improving coordination and communication with MCPs to promote encounter data quality improvement
- » Updating reports used to assess encounter data quality including the Quality Measures for Encounter Data (QMED) report

QMED Refresh -> Alignment with Federal Reporting Requirements



DQ Assessment*	% MC Encounters with Zero, Missing, or Neg Payment Amt:
Low concern	$X \leq 10\%$
Medium concern	$10\% < x \leq 20\%$
High concern	$20\% < x \leq 50\%$
Unusable	$X > 50\%$

- » **California**
 - DQ Assessment: **HIGH CONCERN**
 - DQ ASSESSMENT CALCULATION MEASURES
 - # MC Encounters: **133,847,956**
 - % MC Encounters with Zero, Missing, or Neg Payment Amt: **40.5**
- » **Per CMS:** California has room to improve its quality of encounter data

QMED Refresh = Collaboration:

- » DHCS partnering with MCPs to align on CMS requirements - we are in this together!
- » QMED 2.0 will cover high-priority T-MSIS issues as well as state-level contract requirements and business needs.

* [CMS DQ Atlas: Missing Payment Data - Encounters](#)

QMED



QMED – Program Purpose and Background

The QMED report contains measures of encounter data completeness, accuracy, reasonableness, and timeliness (CART) and is used by DHCS to monitor the quality of encounter data submitted by MCPs.

- » QMED guidance was first published in January 2015 (v1) and was last updated in April 2024 (v1.1) to recalibrate QMED measures due to the impact of pharmacy carve-out on MCPs
- » The public-facing QMED report outlines eight threshold measures to compute plan grades and 20 Informational measures for monitoring purposes
- » Only MCPs are subject to QMED, and most are performing well on currently calculated QMED 1.1 measures
- » Plans receive grades in their quarterly QMED Report

State of California - Health and Human Services Agency Department of Health Care Services Encounter Data Quality Report Card 2023Q4									
Encounter Data Grade Point Average (ED-GPA): 2.0									
Plan Code	Encounter Data Quality Grade	Quarterly Data Quality Grade	Quarterly Averaged Rate	Quarterly Dimensional Rates			Previous QDQG		
				Completeness	Reasonability	Timeliness	2023Q3	2023Q2	2023Q1
■	Low-Performing	Unacceptable	75.00%	100.00%		50.00%	A	A	U
■	Low-Performing	Unacceptable	75.00%	100.00%		50.00%	A	A	A



QMED Refresh -> QMED 2.0



A QMED refresh is necessary to reflect new encounter data reports, pharmacy carve-out, T-MSIS requirements, and evolving business priorities:

- » Since April 2024, DHCS has made several recent updates to QMED, including:
 - Moving the calculation of numerous QMED measures to other internal reports

Additional updates are needed to better reflect the Department's evolving business and encounter data needs, including:

- New federal T-MSIS reporting requirements
- New CalAIM-related program requirements (e.g., Enhanced Care Management and Community Supports)
- Updates to MCP contract requirements (e.g., reporting Enhanced Care Management and Community Supports encounters) ¹⁶

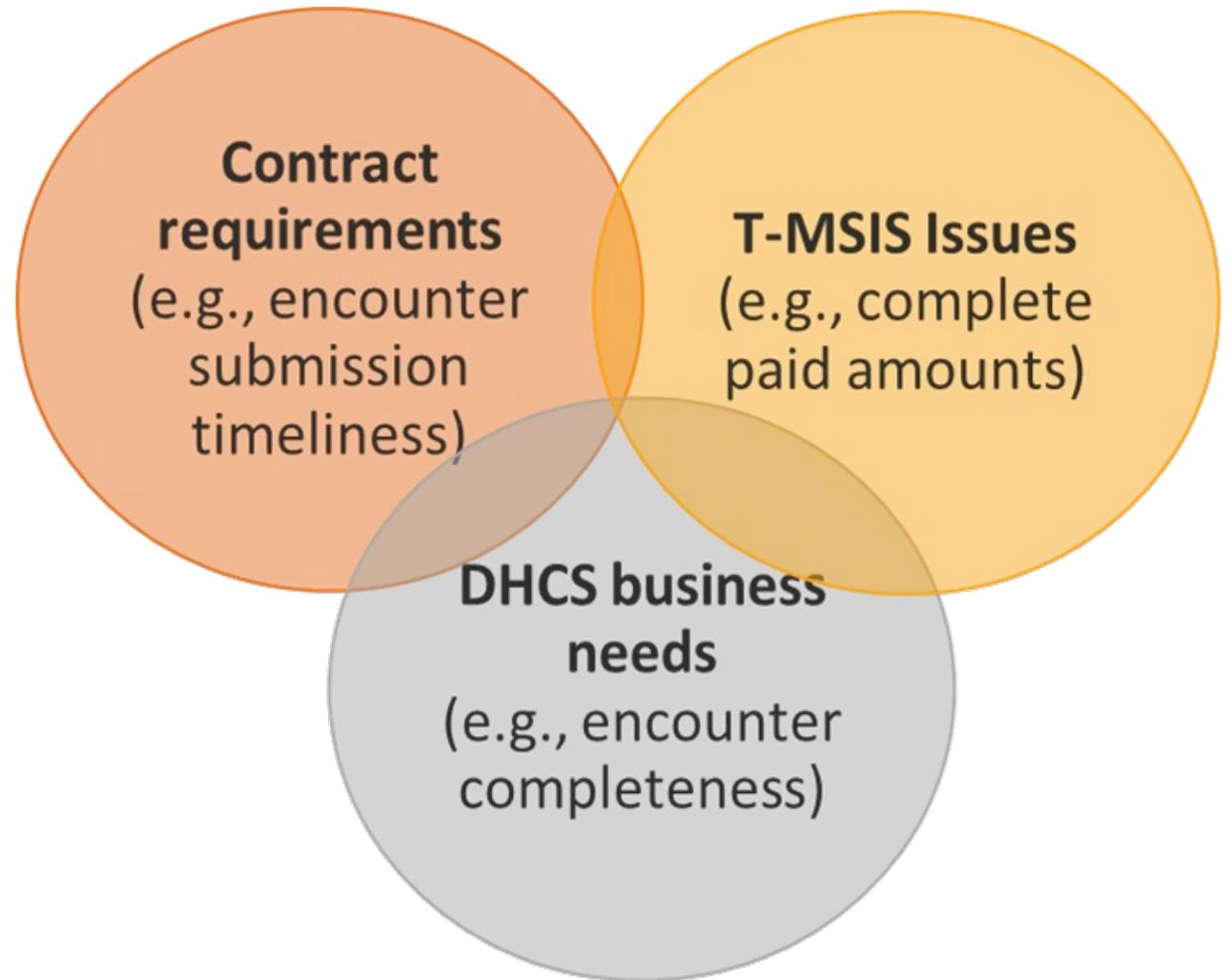
QMED 2.0 Update – Measure Topics



QMED 2.0 Measure Priorities

The QMED 2.0 measures are aligned with DHCS priority areas including:

- » Contract requirements
- » T-MSIS
- » DHCS business needs



QMED 2.0 Measure Dimensions

QMED 1.1 CART Dimensions

- » Completeness
- » Accuracy
- » Reasonableness
- » Timeliness

QMED 2.0 UC-CART Dimensions

- » Completeness
- » Accuracy
- » Reasonableness
- » Timeliness
- » **Uniqueness**
- » **Consistency**

QMED 2.0 Measure Topics

QMED 2.0 will retain several measures from QMED 1.1 and introduce new topics and measures for QMED 2.0.

» Existing Measure Topics*

- National Provider Identifier (NPIs) completeness
- Timely submissions of encounters (MCPs' to DHCS and Providers to Managed Care Plans)
- Expected encounter volume; Actual visits compared to Expected visits
- Consistency between encounters and other sources of information (e.g., 274 Provider File)
- Denials not corrected; Denials not resubmitted timely; Denials as a percent of all encounters
- Duplicate encounters

*DHCS will be developing new quality *measures* for several existing QMED 1.1 measure topics

QMED 2.0 Measure Topics (Continued)

» **New Measure Topics**

- Duplicate service lines
- Paid amounts
- Encounters for Enhanced Care Management and Community Supports

QMED 2.0 Update - Grading



High-Level Overview of QMED 1.1 Grading

Plan parents are the accountable entity that receive QMED Report Cards and are responsible for the quality and completeness of the encounter data that is submitted to DHCS.

- » 1. Each plan is assigned an Encounter Data Quality Grade (EDQG) based on performance by quality dimension and quarter
- » 2. Each plan parent is assigned an Encounter Data Grade Point Average (EDGPA) that is based on their plan(s) EDQG
- » 3. Each plan parent receives the EDQG for each of their plans and their overall EDGPA in their quarterly QMED Report Card

Draft QMED 2.0 Grading Approach

- » **DHCS is aiming to simplify grading for QMED 2.0.**
- » QMED 2.0 will leverage a simplified grading approach where plans may be characterized as compliant, needs improvement, or non-compliant based on their current and recent performance.
 - **Compliant: High Quality Data** - Plan passes all the Threshold measures in the current quarter
 - **Needs Improvement:** New or Inconsistent Data Quality Issues - Plan fails one or more of the same measures no more than once in the previous 3 quarters
 - **Non-Compliant:** Persistent Data Quality Issues - Plans fails one or more Threshold measure(s) in the current quarter and has failed one or more of the same measure(s) in two or more of the previous three quarters
- » Grading for plans will no longer be calculated by quality dimension.
- » More detailed information on plan parent grading will be presented in 2025.

QMED 2.0 Update – Thresholds



Thresholds

- » In QMED 2.0, measure thresholds may change over time depending on DHCS business needs and plan performance, with the goal of driving continuous improvements in encounter data quality.

Thresholds (Continued)

QMED 1.1 (Current)

- » Only Threshold measures are used in plan grading
- » Report Card includes Threshold and Informational measures
- » Measures are not actively transitioned between Informational and Threshold
- » No process in place to update or retire measures

QMED 2.0 (Future)

- » No change
- » No change
- » Measures will transition from Informational to Threshold and vice versa over time depending on plan performance and DHCS business needs
- » Measures will be maintained as Informational for monitoring purposes; full retirement is under the discretion of DHCS

Phased Rollout

MCPs (currently subject to QMED 1.1) will be the only plans initially subject to QMED 2.0, and other capitated plans (e.g., specialty, dental, behavioral health) will be phased in over time.



**Draft Timeline
for QMED 2.0
Implementation**

- **DHCS posts QMED 2.0 Methodology on public website**
- Early 2025

- **DHCS begins sharing QMED 2.0 Report Cards Quarterly with Managed Care Plans**
- Q2 2025

- **Warning letters issued if data quality does not improve**
- One year after the first report card is issued

DHCS' Questions for Plans

- » Do plans have any feedback on changes they would like to see to QMED measures or the QMED Report Card development and distribution process?
- » What guidance would plans find most useful to support adoption of QMED 2.0 (e.g., written documentation, webinars, office hours)?
- » Please provide feedback to DHCS on these questions or other QMED-related topics at: DataQualityReportingUnit@dhcs.ca.gov

Identifying Providers with Encounter Data Reporting Issues

Mike Niklas

Chief, Data Quality Improvement Section

Addressing Persistent Medi-Cal Data Reporting Gap

DHCS aims to identify and address encounter data reporting issues at the MCP and provider level in the coming years.

Key considerations:

- » DHCS is required to meet federal **CMS requirements related to encounter data completeness and accuracy.**
- » MCPs are **contractually obligated** to provide accurate and timely encounter data to DHCS.
- » However, MCPs may **collectively confront challenges** with receiving complete and accurate encounter data from select providers, which may not present an individual reporting concern, but which **can result in persistent and critical reporting issues** for the state.

Addressing Persistent Medi-Cal Data Reporting Gap

Key considerations continued:

- » DHCS is considering opportunities to partner with MCPs to support select providers that face persistent encounter data reporting challenges
 - In order to be successful in these efforts, DHCS would likely **rely on MCPs** to help identify individual providers that fail to submit complete or timely encounter data
 - These efforts would build on previous initiatives supported by Integrated Healthcare Association and the California Medical Association

Questions for discussion:

- » What guidance can DHCS provide MCPs to help identify providers experiencing persistent encounter data reporting challenges?

Questions ?

Communication & Resources

Communication

- » Data group mailboxes
 - DHCS Documentation Center Access requests: DataExchange@dhcs.ca.gov
 - MCDSS Webinar Support: MCDSS@dhcs.ca.gov
 - QMED 2.0: DataQualityReportingUnit@dhcs.ca.gov
- » If the message is urgent, please mark [URGENT] in Subject line followed by name of data file.

Supporting Documents

- » PACES Custom Error Messages
 - MMC (v2.0)
- » Coordination of Benefits Addenda - v1.2
- » XSD Schema - Encounter Validation Response (EVR) Description (v1.2)
- » Standard implementations for both 277 and 999 (no DHCS companion guide is available for these transactions)
- » **Note:** DHCS Documentation
Center Access requests: dataexchange@dhcs.ca.gov

Medi-Cal Managed Care Documents

» MCP Companion Guides

- 837I (v3.9)
- 837P (v3.7)
- 837D (v2.3)
- NCPDP 2.2 (Release 2.6)
- NCPDP 4.2 (Release 2.2)

» **Note:** DHCS Documentation

Center Access requests: dataexchange@dhcs.ca.gov

Next Webinar Preview

- » **For December, we will focus on PCPA data updates and Year-In-Review.**
- » Meeting Information
 - Date: December 11, 2024
 - Time: 10 a.m. to 11 a.m.
- » Please note that the schedule and/or topic may be subject to change. We will notify you if any changes occur.

Thank you!

Please send any questions and comments about the webinar series or this event to MCDDSS@dhcs.ca.gov

