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## **Findings and Opinion of Advantage Health Plan Enrollment Issues**

### **Introduction**

I was retained to examine Advantage Health Plan's claims concerning the enrollment process established under Contract Number POHC-2002-D-0002 set forth in CAB D-1263 and to provide a report of my findings and opinions to a reasonable degree of professional certainty thereon. The District, through its Enrollment Broker (EB), provides participants eligible for managed care a choice of MCO plans and primary care providers through a fair and meaningful enrollment process. In order to ensure unbiased and equitable distribution of auto-assignments, the District established an auto-assignment algorithm used by the Enrollment Broker (EB) to auto-assign eligibles among the MCOs. This document provides insight into the auto-assignment process and why I believe Advantage's understanding of it is not consistent with the actual process, as developed and implemented by the District.

### **Questions Presented**

1. Did the District comply with the auto-assignment process as stated in Contract POHC-2002-D-0002?
2. Did the District breach its contract by not conducting a fair and equitable auto-assignment process which resulted in a loss of enrollees for Advantage Health Plan?
3. Does the contract provide that all MCO's, including Advantage, will receive an equal number of Medicaid eligible participants enrolled in its plan?

### **Documents Reviewed**

The documents reviewed in development of this analysis were:

- Advantage Health Plan Core Contract (Contract No. POHC-2002-D-0002)
- Advantage Health Plan Complaint CAB No. D-1263
- The auto-assignment algorithm established for Contract No. POHC-2002-D-0002
- Supplemental Appeal File Exhibit 10

### **Analysis**

In accordance with the procedures set forth in the contract, the Enrollment Broker provides eligible participants 30 days to voluntarily select an MCO. If an eligible participant does not select an MCO within the 30 day period, an MCO will be automatically assigned for that eligible participant. This process is referred to as "auto-assignment". The auto-assignment algorithm is based on a round-robin process where each MCO's position in the assignment order is stored in the Enrollment Broker's system. In accordance with the auto-assignment algorithm, when auto-assigning an eligible participant, the EB

system first checks to see if any other enrollees associated with the participant's case is already assigned to an MCO. If so, the participant being auto assigned will be assigned to the same MCO as the other enrollee(s) in the household. If there is more than one MCO associated with the case, then the EB will auto assign the Enrollee to the MCO of the head of household. If no MCO is associated with the case, then the "round robin" process is used, where each MCO is assigned a position that is stored in the EB's database. At this point in the process, this group of Medicaid eligible persons is generally referred to under the terms of the contract as "the default." The contract provides that the MCOs will receive an equal share of the default. The first auto-assign participant is assigned to the first MCO in order; the next encountered auto-assign participant is assigned the next MCO, and so on until all auto-assignments of the day have been completed. This process of the auto assignment of the default does not mean that each MCO shall receive an equal number of participants enrolling in their plan.

*For example*, consider a scenario where there are two participating MCOs in the program. Refer to them as "MCO X" and "MCO Z". A situation may occur where two cases are scheduled to be auto-assigned. "Case 1" has two enrollees scheduled for auto-assignment and "Case 2" has five enrollees. Since "MCO X" is the first in order to receive the first of the auto-assignments, it will be assigned "Case 1" with two enrollees. "MCO Z" will be assigned "Case 2" with five enrollees. The cases in this example vary in actual Medicaid eligible persons to be assigned because part of the algorithm is that members of the same family are not separated in the auto-assignment process. Each MCO received one auto-assignment; however, there was a difference of 3 in the actual number of enrollees auto-assigned. The auto-assignment process was equitable; the number of members assigned was not equal.

Advantage's complaint states that they were "...to receive its equal share of default enrollees". This is not an accurate statement and it is misleading. The contract does not provide for Advantage to receive an equal share of enrollees. The contract provides for "an equal share of the default." However, there is no guarantee that there will be a default. Nor is there a guarantee that a default, should it exist, will have cases that have an equal number of enrollees. Further, enrollment is an entirely separate issue from the auto-assignment of a default. An MCO can receive an equal share of the auto-assignment of the default and fail to obtain any enrollment of those participants auto-assigned. Nothing in the contract of the auto-assignment algorithm promises or guarantees that an MCO will receive equal enrollment of participants.

Based on the contract definition, an enrollee is defined as "a person eligible for the District's Medicaid program who is **enrolled** in a Medicaid Managed Care Program contracted health plan." Based on this definition, you aren't considered an "enrollee" until enrollment in an MCO becomes effective.

Although a participant may be auto-assigned to an MCO, the participant may change MCOs prior to becoming an "enrollee" of an MCO. A participant is given an opportunity, once auto-assigned, to change MCOs prior to the effective date of the enrollment into their MCO.

*For example*, if today is November 14, 2011 and I was auto assigned to "MCO X", but my actual enrollment date for "MCO X" is not until December 1, 2011, then I am not yet an actual enrollee. Prior to becoming an enrollee (which in this case is December 1<sup>st</sup>); I may change my enrollment from "MCO X"

to "MCO Z". Although, I was auto-assigned to "MCO X", I still have the opportunity to change to another MCO prior to the start of my enrollment date.

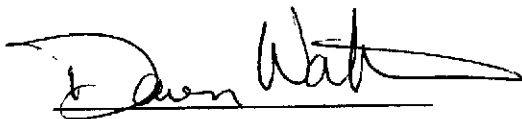
In addition, there may be other scenarios where a default auto-assignment was made but an MCO transfer maybe required and granted due to due medical necessity or other good cause reasons. These MCO transfers are done at the discretion of the District.

### **Conclusions**

The auto-assignment process does not ensure that an equal amount of enrollees will be distributed among the MCOs, it simply ensures that an equal amount default assignments will be distributed. A default assignment refers to the actual number of cases, not enrollees. A case (also considered a household) may consist of multiple eligible participants or enrollees. The District's goal, when auto-assigning, is to keep families together to promote continuity of care and ease of use for enrollees. During my experience as Operations Manager and Program Manager for the enrollment broker program, I have learned that families tend to want to go to the same doctors and stay within the same health plan so that they can better manage their health care needs (i.e., appointment times, transportation, and familiarity with doctors).

After reviewing the complaint filed by Advantage Health Plan, the auto-assignment algorithm, as well as, the contract in which their work as a Managed Care Organization (MCO) for the District was performed, it is my opinion that:

- Advantage has not alleged any facts that if considered true would indicate that the District failed to comply with the auto-assignment process as stated in Contract POHC-2002-D-0002;
- Advantage has not alleged any facts that if considered true would indicate that the District breached its contract by not conducting a fair and equitable auto-assignment process which resulted in a loss of enrollees for Advantage Health Plan;
- Neither Contract POHC-2002-D-0002 nor the auto-assignment algorithm require that Advantage receive an equal number of enrollees as the other MCOs;
- Advantage has not alleged any facts that if considered true would establish that there was indeed a default to be auto-assigned;
- The Contract POHC-2002-D-0002 and the auto-assignment algorithm establish an enrollment process that may never result in each MCO receiving an equal number of enrollees;
- Simply alleging that one MCO has more enrollment than another does not mean that the contract terms governing enrollment were breached by the District.



Damon Watkins



Date