Maryland HealthChoice Demonstration
Section §1115 Annual Report
Demonstration Year 24
7/1/2020 - 6/30/2021

Introduction

Now in its twenty-fourth year, Maryland implemented the HealthChoice program and moved its fee-for-service (FFS) enrollees into a managed care payment system following federal approval in 1996. Under the statewide health care reform program, the State enrolls individuals eligible through the demonstration into a managed care organization (MCO) for comprehensive primary and acute care or one of the demonstration's authorized health care programs.

The Maryland Department of Health's (the Department's) goal in implementing and continuing the demonstration is to improve the health status of low-income Marylanders by:

- Improving access to health care for the Medicaid population;
- Improving the quality of health services delivered;
- Providing patient-focused, comprehensive, and coordinated care designed to meet healthcare needs by providing each member a single "medical home" through a primary care provider (PCP);
- Emphasizing health promotion and disease prevention by providing access to immunizations and other wellness services, such as regular prenatal care; and
- Expanding coverage to additional low-income Marylanders with resources generated through managed care efficiencies.

Subsequent to the initial approval, Maryland has requested and received several program extensions and amendments. The waiver amendment approved in April 2020 allowed the Department to establish a limited Collaborative Care Model (CoCM) Pilot Program that will serve behavioral health care to a limited number of HealthChoice beneficiaries in their primary care setting beginning in July 2020.

Enrollment Information

Tables 1 and 2 below provide a comparison of enrollment counts between the previous and current years. These counts represent individuals enrolled at a point in time, as opposed to total member months.

Table 1. Enrollment Counts

Demonstration Populations	Participants as of June 30, 2020	Participants as of June 30, 2021	Year 24 Change	Year 24 Percent Change
Parents/Caretaker Relatives <116% Federal Poverty Level (FPL) and Former Foster Care	245,949	277,926	31,977	13.0%
Affordable Care Act (ACA) Expansion Adults	334,226	395,822	61,596	18.4%

Demonstration Populations	Participants as of June 30, 2020	Participants as of June 30, 2021	Year 24 Change	Year 24 Percent Change
Medicaid Children	468,135	515,474	47,339	10.1%
Supplemental Security Income (SSI)/ Blind or Disabled (BD) Adults	90,783	92,247	1,464	1.6%
SSI/BD Children	23,688	24,518	830	3.5%
Medically-Needy Adults	23,479	23,124	-355	-1.5%
Medically-Needy Children	6,557	6,531	-26	-0.4%
Sixth Omnibus Budget Reconciliation Act (SOBRA) Adults	12,142	12,821	679	5.6%
Maryland Children's Health Program (MCHP)	107,293	112,001	4,708	4.4%
MCHP Premium	34,945	34,023	-922	-2.6%
Presumptively Eligible Pregnant Women (PEPW)	0	-	0	N/A
Family Planning	12,207	13,348	1,141	9.3%
Increased Community Services (ICS)	29	26	-3	N/A
Women's Breast and Cervical Cancer Health Program (WBCCHP)	66	65	-1	N/A

Table 2. Enrollment as a Proportion of Total

Demonstration Populations	Share of Participants as of June 30, 2020	Share of Participants as of June 30, 2021	Share Change
Parents/Caretaker Relatives <116% Federal Poverty Level (FPL) and Former Foster Care	18.1%	18.4%	0.3%
Affordable Care Act (ACA) Expansion Adults	24.6%	26.2%	1.7%
Medicaid Children	34.4%	34.2%	-0.3%
Supplemental Security Income (SSI)/ Blind or Disabled (BD) Adults	6.7%	6.1%	-0.6%
SSI/BD Children	1.7%	1.6%	-0.1%
Medically-Needy Adults	1.7%	1.5%	-0.2%

Demonstration Populations	Share of Participants as of June 30, 2020	Share of Participants as of June 30, 2021	Share Change
Medically-Needy Children	0.5%	0.4%	0.0%
Sixth Omnibus Budget Reconciliation Act (SOBRA) Adults	0.9%	0.9%	0.0%
Maryland Children's Health Program (MCHP)	7.9%	7.4%	-0.5%
MCHP Premium	2.6%	2.3%	-0.3%
Presumptively Eligible Pregnant Women (PEPW)	0.0%	0.0%	0.0%
Family Planning	0.9%	0.9%	0.0%
Increased Community Services (ICS)	0.0%	0.0%	0.0%
Women's Breast and Cervical Cancer Health Program (WBCCHP)	0.0%	0.0%	0.0%

Table 3 provides member month counts for each month of the quarter and compares this quarter's totals against the previous quarter.

Table 3. Member Months

Eligibility Group	Total for Previous Quarter (ending Dec. 2020)	Current Quarter Month 1 (Jan. 2021)	Current Quarter Month 2 (Feb. 2021)	Current Quarter Month 3 (Mar. 2021)	Total for Quarter Ending Mar. 2021
Parent/Caretaker Relatives <116% FPL and Former Foster Care	807,765	273,667	275,432	277,926	827,025
ACA Expansion Adults	1,129,076	385,994	390,532	395,822	1,172,348
Medicaid Children	1,519,125	512,798	513,685	515,474	1,541,957
SSI/BD Adults	276,633	92,290	92,252	92,247	276,789
SSI/BD Children	71,942	24,189	24,369	24,518	73,076
Medically-Needy Adults	67,824	22,889	22,945	23,124	68,958
Medically-Needy Children	19,517	6,539	6,515	6,531	19,585

Eligibility Group	Total for Previous Quarter (ending Dec. 2020)	Current Quarter Month 1 (Jan. 2021)	Current Quarter Month 2 (Feb. 2021)	Current Quarter Month 3 (Mar. 2021)	Total for Quarter Ending Mar. 2021
SOBRA Adults[1]	42,998	14,634	14,639	12,821	42,094
MCHP	324,899	108,602	110,263	112,001	330,866
MCHP Premium	103,359	34,264	34,098	34,023	102,385
PEPW	-	-	-	-	-
Family Planning	39,754	13,417	13,387	13,348	40,152
ICS	81	24	26	26	76
WBCCHP	195	65	65	65	195

Outreach/Innovative Activities

Residential Treatment for Individuals with Substance Use Disorders

Effective July 1, 2017, the Department began providing reimbursement for up to two nonconsecutive 30-day stays annually for American Society of Addiction Medicine (ASAM) levels 3.7D, 3.7, 3.5 and 3.3. Effective January 1, 2019, the Department extended coverage for up to two nonconsecutive 30-day stays annually for ASAM 3.1 and for up to 15 days per month for ASAM 4.0. Effective January 1, 2020, the Department extended coverage for dual eligibles.

Table 4. Substance Use Disorder Residential Treatment Utilization Limited to Medicaid Funding, FY 2020[2]

Level of Service	No. of Participants	No. of Days
Level 3.7-WM	2,556	14,455
Level 3.7	2,822	41,540
Level 3.5	1,821	34,459
Level 3.3	658	12,693

[1] Substantive increases are observed over several MAGI demonstration populations, due to maintenance of effort requirements under the 2020 COVID-19 Public Health Emergency.

[2] Based On Claims Paid Through January 2, 2020. Data should be considered preliminary due to the Administrative Services Organization transition launch in January 2020 and the delay in data availability. The Department expects to report on residential SUD data next quarter when improvements have been made in the accuracy of Medicaid claims.

Level of Service	No. of Participants	No. of Days
Level 3.1	649	15,561
Total	**5,939**	**118,708**

Maternal Opioid Misuse (MOM) Model

The Department launched its Maternal Opioid Misuse (MOM) model in January 2020, with funding from the Center for Medicare and Medicaid Innovation (CMMI) and in collaboration with the Centers for Medicare and Medicaid Services (CMCS). The MOM model focuses on improving care for pregnant and postpartum Medicaid beneficiaries diagnosed with opioid use disorder (OUD). With over 21,000 individuals of childbearing age diagnosed with an OUD in Maryland, substance use is a leading cause of maternal death and has a significant impact on the approximately 1,500 infants born to Medicaid beneficiaries with OUD in Maryland per year. Utilizing HealthChoice managed care organizations (MCOs) as care delivery partners, the MOM model focuses on improving clinical resources and enhancing care coordination to Medicaid beneficiaries with OUD during and after their pregnancies.

Under the Maryland MOM model, HealthChoice MCOs will provide a set of enhanced case management services, standardized social determinants of health screenings and care coordination. Exact services and screenings were developed over the course of the MOM pre-implementation period (January 2020 - June 2021) and will be refined during the MOM transition period (July 2021 - June 2022), which is the first year of model services. During this quarter, the Department culminated its pre-implementation activities and finalized processes and workflows with the MCOs and the St. Mary's County Health Department in preparation for implementation on July 1, 2021. Cooperative agreement funding from CMMI will support per member, per month payments to the MCOs to conduct the model intervention during SFY 2022. To continue the payments in SFY 2022 forward, the Department included the MOM model as a new addition to the HealthChoice demonstration in the waiver renewal application submitted in late June.

Collaborative Care Model (CoCM) Pilot Program

The Department's CoCM Pilot Program began enrolling participants on July 1, 2020. During the second quarter, 95 participants were served across all of the sites. In the third quarter, 107 participants were served across the sites. In the fourth quarter, 100 participants were served across the sites.

Operational/Policy Developments/Issues

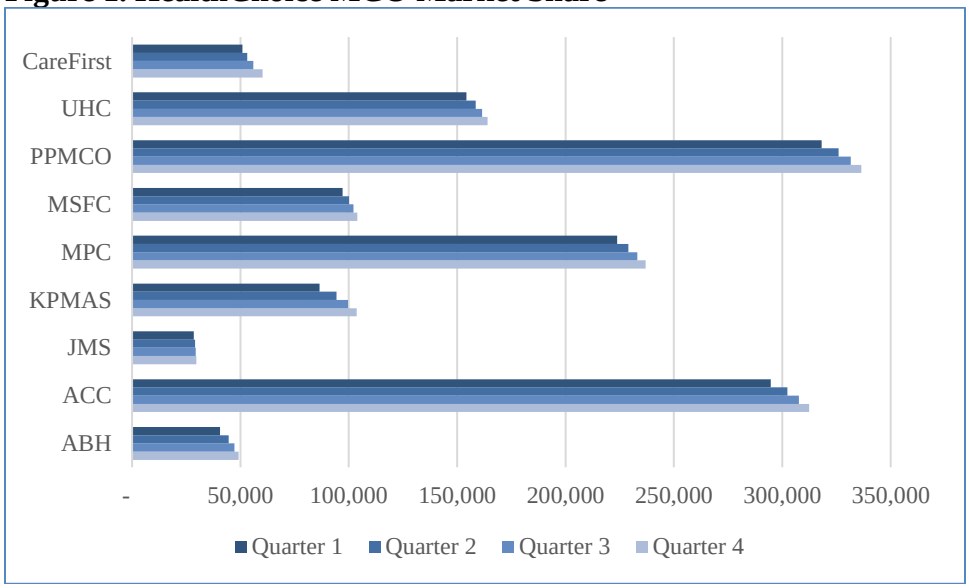
Market Share

As of the culmination of FY 2020, Quarter 4, there were nine MCOs participating in the HealthChoice program. The MCOs' respective market shares are as follows: Aetna (3.5 percent), Amerigroup (22.4 percent); Jai Medical Systems (2.1 percent); Kaiser Permanente (7.4 percent);

Maryland Physicians Care (17.0 percent); MedStar Family Choice (7.4 percent); Priority Partners (24.1 percent); CareFirst Community Health Plan of Maryland (4.3 percent); and United Healthcare (11.7 percent).

In October 2020, CareFirst BlueCross Blue Shield acquired University of Maryland Health Partners. Effective February 1, 2021, University of Maryland Health Partners was renamed CareFirst BlueCross BlueShield Community Health Plan of Maryland. The Department has been and continues to work with CareFirst staff to ensure the transition is smooth for members and providers.

Figure 1. HealthChoice MCO Market Share



Maryland Medicaid Advisory Committee (MMAC)

The MMAC met in April, May, and June of 2021. Due to COVID-19, all of the MMAC meetings were held via teleconference. These meetings covered a wide variety of topics, including general department updates, and waiver, state plan, and regulations changes. Because the State's legislature was in session, the MMAC was also briefed on pertinent Medicaid bills in April.

During the April meeting, the Department announced the §1115 waiver renewal submission along with information on the then upcoming public forums. The MMAC received a presentation from the Maryland Health Benefit Exchange (MHBE) on the impacts of the American Rescue Plan.

The Department briefed the MMAC on the most recent HealthChoice evaluation during the June MMAC. The report covered calendar year (CY) 2015 through 2019.

During the June meeting, the MMAC received a presentation from the Chesapeake Regional Information System for our Patients (CRISP) on immunization data. The Department presented

on the impacts of COVID-19 on the redetermination process. The MMAC also was briefed on the most recent Program of All Inclusive Care for the Elderly (PACE) data book.

Family Planning Program

The HealthChoice waiver allows the Department to provide a limited benefit package of family planning services to eligible women. The program covers medical services related to family planning, including office and clinic visits, physical examinations, certain laboratory services, treatments for sexually-transmitted infections, family planning supplies, permanent sterilization and reproductive health counseling, education and referrals. The Department has expanded eligibility under its Family Planning Program to lift the age limit, and open coverage to include men, effective July 1, 2018.

In conjunction with the most recent §1115 waiver amendment, the Department submitted a matching SPA with an effective date of July 1, 2018 to CMS. Based on conversations with CMS, the Department continues to operate a small portion, specifically postpartum pregnant women who do not qualify for full Medicaid, of its Family Planning Program under its §1115 waiver until the Family Planning Program can be integrated into the Maryland Health Connection (MHC). Women who receive pregnancy coverage will continue to be automatically-enrolled, if eligible, following the end of their pregnancy-related eligibility.

The Family Planning Program was integrated into MHC on February 1, 2020. Participants can now apply and renew their Family Planning coverage online. The SPA to transition participants out of the §1115 was approved in June 2020.

Enrollment as of the end of the quarter was 13,348 participants, with an average monthly enrollment of 13,384, an increase of 1.0 percent over the previous quarter.

Table 5. Average Quarterly Family Planning Enrollment

Q1 Enrollment	Percent Change	Q2 Enrollment	Percent Change	Q3 Enrollment	Percent Change	Q4 Enrollment	Percent Change
12,683	1.6%	13,171	3.9%	13,251	0.6%	13,384	1.0%

Table 6: Family Planning and Related Statistics, July 2019 through June 2020

No. of Individuals Enrolled in the Demonstration (Total with Any Period of Eligibility)	Total No. of Participants with a Family Planning Service	No. of Actual Births to Family Planning Demonstration Participants After Enrollment	Average Total Medicaid Expenditures for a Medicaid-funded Birth
16,835	2,058	242	$31,605

Rare and Expensive Case Management (REM) Program

The table below shows the status of REM program enrollment. Reasons for disenrollment or discharge from REM include aging out of the REM qualifying diagnosis, loss of HealthChoice eligibility, loss of Medicaid eligibility, death, or a request to return to managed care coverage.

Table 7. Current REM Program Enrollment

FY 2021	Referrals Received	Referrals Approved	Referrals Denied	REM Disenrollments	Currently Enrolled in REM
Quarter 1	179	149	34	97	4334
Quarter 2	221	161	49	80	4359
Quarter 3	263	217	53	81	4378
Quarter 4	297	240	61	89	4466

Table 8. REM Complaints

FY 2021 Q 4	Transportation	Dental	DMS/ DME	EPSDT	Clinical	Pharmacy	Case Mgt.	REM Intake	Other
REM Case Management Agencies	2	0	3	0	3	1	4	0	0
REM Hotline	0	0	0	0	0	0	0	0	0
Total	**2**	**0**	**3**	**0**	**3**	**1**	**4**	**0**	**0**

Table 9 displays the types and total of significant events reported by the case management agencies during this quarter. Agencies report this information on a monthly basis.

Table 9. REM Significant Events Reported by Case Managers

FY 2021 Q	DMS/ DME	Legal	Media	Other	Protective Services	Appeals	Services	Total
REM Enrollees	0	0	0	52	13	1	6	**72**

Increased Community Services (ICS) Program

Through the ICS Program, Maryland continued providing Medicaid State Plan benefits and home- and community-based services to residents aged 18 and over, enabling qualifying individuals to live at home with appropriate supports, as opposed to residing in a nursing facility. Under the terms of the 2016 waiver renewal, Maryland will increase enrollment incrementally over the course of the waiver to a maximum of 100 participants. As of June 30, 2021, there were 26 individuals enrolled in the ICS Program. The ICS Program does not currently have a registry. All new applicants begin receiving services upon approval of their application.

Maryland Children's Health Program (MCHP) and MCHP Premium Status/Update/Projections

Maryland moved its separate CHIP program, MCHP, and MCHP Premium, into the Medicaid expansion CHIP waiver in 2008, so that Maryland's entire CHIP program is operated as a Medicaid expansion. As of June 30, 2021, the Premium program had 34,023 participants, with MCHP at 112,001 participants.

HealthChoice Diabetes Prevention Program (HealthChoice DPP)

Throughout this reporting period, the Department continued to focus on implementing the HealthChoice DPP, and continued to convene MCOs through implementing the Coverage 2.0-Part 3: Building Capacity for Public and Private Payer Coverage of the National DPP Lifestyle Change Program (Coverage 2.0-Part 3) grant. As mentioned in previous reports, the purpose of this grant—funded by the Centers for Disease Control and Prevention (CDC)—is to continue sustainability work begun in the Medicaid and National DPP demonstration, which involved four of Maryland's nine MCOs, and subsequently through the three years of the Coverage 2.0 capacity-building grant.

As part of its Coverage 2.0-Part 3 work plan, the Department engaged the vendor Red House to develop a HealthChoice DPP media campaign, which launched on June 7, 2021 through Facebook and Google Paid Search. The goal of the campaign was to reach Maryland residents in key counties most in need of the HealthChoice DPP program. The campaign ended on June 30, 2021 and final performance metrics of the campaign are pending. The Department developed and provided informational materials to share with the MCOs to assist them in leveraging the social media campaign, and solicited feedback from two MCOs Consumer Advisory Boards, MedStar Family Choice and Priority Partners, to enhance the informational materials content for participant use.

Through an additional Part 3 funding stream received from CDC, the Department continued work with CRISP, the statewide HIE, to a develop a prediabetes flag within CRISP that will enable providers to be notified of potentially eligible patients at the point of care, and will allow CRISP to generate reports to MCOs of panels of their members who received the flag, so to enable further follow-up and connection with an available in-network DPP provider. The CRISP Prediabetes Flag went live to the nine MCOs on June 1, 2021. There continues to be further refinements around accurate BMI reporting.

The Department continues to work with all nine MCOs to incorporate lessons learned from the demonstration in the areas of operational and financial management systems building, quality improvement processes, and the identification, strengthening, and coordination of stakeholders' roles into the development of sustainable coverage models for the National DPP Lifestyle Change Program in Medicaid.

In this reporting period, the Department continued to address program implementation questions through and updated Frequently-Asked Questions (FAQ) document posted online, respond to questions received through a dedicated HealthChoice DPP mailbox and direct emails from

MCOs and DPP providers, and hold technical assistance calls with MCOS and DPP providers. Nearly all MCOs have now contracted with at least one DPP Provider, and most have now contracted with at least one virtual and one in-person DPP Provider. Two MCOs have chosen to become CDC-recognized organizations themselves, and offer the program to their members in-house.

CDC-recognized lifestyle change programs with pending, preliminary or full recognition status continued to apply to become Maryland Medicaid DPP providers through the online provider portal known as ePREP. As of the end of the quarter, twenty-three DPP providers were fully-enrolled. MCOs continued efforts to contract with eligible DPP providers and prepare member and provider materials.

Community Health Pilots

As of June 2021, six local government entities participate in the Community Health Pilots (CHP). Four Lead Entities (LEs) participate in the Assistance in Community Integration Services (ACIS) Pilot and two LEs in the Home Visiting Services (HVS) Pilot. The pilots are effective through December 31, 2021 and are scheduled to be funded for the duration of the five-year waiver period.

During this reporting period, CHP LEs continued telephonic service delivery due to COVID-19. For ACIS Pilots, this included allowing service provision via telecommunications methods. For HVS Pilots, LEs follow the Healthy Families America model guidance, which allows service provision via telecommunication methods.

During Q4, the Department worked to renew Interagency Agreements with each LE. Rate negotiations were also completed during this quarter. All negotiations were successful and each LE continues to be contracted for the reminder of the HealthChoice waiver period. In June of 2021, the Department applied to renew its §1115 waiver. The Department has requested modifications to both CHP Pilots in that application. The application included an expansion from 600 to 900 spaces for the ACIS Pilot and an eligibility age expansion from two years to three years for the HVS Pilot.

The HVS pilot LEs have enrolled a total of 36 families through June 2021. HVS LEs are partnering with local community-based organizations to provide educational and support groups for participating families. LEs continue devising strategies to improve family engagement and virtual home visiting experience by testing a hybrid model of virtual and in-person home-visits. One LE hosted a Home Visiting Spirit Week in recognition of Child Abuse Prevention Month. They provided special group sessions, dress up days, staff awards, and a dress up contest for staff and families. LEs continue to provide opportunities for families and support staff with skills development to improve health outcomes for at-risk expectant families and their young children.

As of June 2021, approximately 387 participants are enrolled in the ACIS Pilot and receiving supportive housing services, representing 65 percent of the pilot's statewide total enrollment cap. LEs continue to improve processes related to pilot enrollment, such as using the Medicaid

Eligibility Verification System, partnering with local community organizations, and improving best practices for working with ACIS-enrolled participants. LEs continue to deal with complications due to the ongoing Public Health Emergency (PHE).

One LE continues to work closely with mobile crisis options, their Emergency Room Diversion team, local public schools, Headstart programs, and develop relationships at the local hospital to better assist ACIS enrollees. Another LE is working with one of Maryland's MCOs to streamline referrals into the ACIS Pilot.

The Department continues to provide technical assistance and guidance to ACIS LEs as they deliver services under the national PHE. The ACIS Pilot continues to accept applications on a rolling basis. Lead local government entities are encouraged to apply for the remaining 180 statewide ACIS beneficiary spaces.

Expenditure Containment Initiatives

The Department, in collaboration with the Hilltop Institute, has worked on several different fronts to contain expenditures. The culmination of the Department and the Hilltop Institute's efforts are detailed below.

HealthChoice Financial Monitoring Report (HFMR)

During this quarter, Myers & Stauffer (the Department's contracted audit firm) finalized all MCO financial reviews for 2019, and the MCOs' reported incurred but not reported (IBNR) was independently evaluated. Consolidated reports were also prepared. Instructions and templates for 2020 data were provided to the MCOs in March. These reports reflect Service Year 2020 MCO experience as of March 31, 2021 and were due on May 18, 2021.

MCOs provided Service Year 2020 HFMR reports (including Financial Templates) as of March 31, 2021 during May 2021. These data are used by the rate-setting team and Optumas (the Department's contracted actuarial firm) to assist in the HealthChoice trend analysis, regional analysis and for the validation process of CY 2022 HealthChoice rates. Unadjusted consolidated 2020 HFMRs by region were provided to all MCOs on June 23, 2021. MCOs will have an opportunity to update their Service Year 2020 experience in November. Updated instructions will likely be provided in September of 2021.

MCO Rates

CY 2022 Rate Setting

The rate setting team performed a variety of activities in support of the CY 2022 HealthChoice Rates. They co-facilitated the third, fourth, and fifth 2021 HealthChoice MCO rate setting meetings, held on April 23, May 26, and June 23, respectively. Topics discussed included:

- Mid-year adjustments of HIV and geographic/demographic rates;
- Presentation of final Departmental and MCO issues;
- Review of adult hearing experience for CY 2020;

- Review of the Hepatitis C settlement calculation;
- Review of the CY 2020 risk corridor calculation;
- Review of REM enrollment trends;
- Regional presentation;
- Base presentation;
- MCO outlier adjustment;
- Non-state plan service adjustments;
- HIV/AIDS drug carve-in current experience and trends;
- MCO encounter data validation;
- Maternal and child health supplemental funding as approved by the Maryland Health Services Cost Review Commission (HSCRC);
- Diabetes Prevention Program CY 2020 settlement;
- CY 2020 and CY 2021 risk corridors;
- Hepatitis C drug carve-in and timeline for settlement;
- 12-month postpartum coverage and constant cohort analysis;
- Preliminary CY 2022 geographic/demographic plan risk adjustments;
- Updated CY 2019/2020 constant cohort analysis;
- Risk assignment methodology for CY 2022 rates;
- The high-cost low-volume drug risk mitigation policy; and
- The Optumas trend presentation.

Additionally, the team provided Myers & Stauffer with proposed comments and revisions regarding nine 2019 MCO financial reviews, proposed comments and revisions regarding nine 2019 Miller & Newberg IBNR reviews, and participated with Myers & Stauffer and the Department on nine MCO exit conference calls during the month of April.

The team provided Optumas with the final audited 2019 financial base model, the 2019 re-insurance administrative cost adjustment, a 2019 efficiency adjustment that incorporates the exclusion of Kaiser Permanente from the rate base, the 2019 adult dental administrative cost adjustment, the prescription adult co-pay adjustment to the 2019 HealthChoice base, the hearing benefit adjustment to the 2019 HealthChoice base, base adjustments regarding non-state plan services to the 2019 HealthChoice base, cost shift adjustment of the PBM spread to the 2019 HealthChoice base, and the CY 2022 evaluation and management (E&M) fee adjustment bringing the 2019 base fees (excluding Kaiser) up to the new E&M Medicaid fees active on January 1, 2022.

The team also received initial preliminary MCO financials for 2020 and resolved outstanding issues and provided Optumas with preliminary detailed CY 2022 HealthChoice membership forecast, CY 2019/2020 HSCRC trend data (excluding Kaiser), CY 2020/2021 change in GME discount calculation for CY 2022 HealthChoice rates, CY 2022 budget adjustment for the Diabetes Prevention Program, the CY2019 base adjustment for high-cost drugs (excluding Kaiser) approved to be carved out of capitation for the CY2022 contract year, and provided the MCOs with consolidated preliminary CY 2020 financials (excluding Kaiser).

The team reviewed and provided feedback to the Department on the list of existing and new drugs proposed for inclusion in the high-cost low-volume drug policy for CY 2022 and met with staff of the Department on April 19 to discuss a potential base adjustment for changes in national guidelines on HealthChoice coverage policy for non-invasive prenatal tests. In conjunction with Optumas, the rate-setting team provided the Department with responses to proposed modifications to the CY 2022 rate setting process requested by the Maryland MCO Association. In collaboration with staff of the Department and Optumas, the team met with MCO representatives on June 7 to discuss these responses with MCO representatives.

CY 2021 HealthChoice Rate Setting

The rate-setting team provided HSCRC with restated monthly MCO membership in support of HSCRC trend analysis, provided the Department with first semi-annual rural access incentive calculation for 2021, and in conjunction with Optumas, provided draft responses to questions from the Maryland MCO Association regarding the CY 2021 mid-year adjustment. The team also participated in the June 11th conference call with HSCRC and Optumas regarding HSCRC update factors.

In conjunction with Department staff, the team finalized an internal document for the Office of Pharmacy Services on the High-Cost Low-Volume Drug Risk Mitigation Policy and met with Department staff on June 16 & June 28 to discuss the policy document.

CY 2020 and Prior HealthChoice Rate Setting

The rate-setting team provided the Department with MCO settlement calculations for adult hearing services during the CY 2020 period and provided Optumas with HealthChoice underwriting exhibit (Reported Basis) for CY 2020. The team met with staff of Myers & Stauffer, Optumas, and the Department to discuss results of the claims special project conducted by Myers and Stauffer on systemic issues related to the 2018 HFMRs and updated the CY 2020 ACA health insurance fee settlements provided to the Department with adjustments for Medicaid Quality Improvement Program (M-QIP) premiums.

For the Department's response to a JCR for results of the CY 2020 MCO risk corridor settlements, the team provided preliminary calculations of settlement recoveries based on Myers & Stauffer reviewed and adjusted components. For a request related to the §1115 waiver, the team prepared for the Department a projection model trending HealthChoice member months and expenditure from FY 2022 to FY 2027.

HealthChoice Capitation Rates

The team provided the Department with trauma calculations for April, May, and June 2021. They met with staff of the Department and actuaries on May 4 to discuss a response to CMS about the two-bucket calculations of plan-level medical loss ratio (MLR) implemented in CY 2016 for the ACA expansion populations vs. other HealthChoice beneficiaries. For the Department's annual submission to CMS regarding Medicaid upper payment limits (UPL), the

team provided FY 2020 total inpatient and outpatient visits, bed days, and expenditure by hospital NPI.

Financial/Budget Neutrality Development/Issues

The Department is in compliance with all reporting requirements for monitoring budget neutrality set forth in the General Financial Requirements sections of the Special Terms and Conditions (STCs).

Consumer Issues

The HealthChoice Help Line serves as the front line of the State's mandated central complaint program. The Help Line received 91,691 calls during this demonstration year. The Help Line assists waiver-eligible consumers with eligibility and enrollment questions and provides general education about managed care. Help Line staff explain to consumers how to work with their MCOs and how to access carved-out services, or services covered by Medicaid on a FFS basis.

When a consumer experiences a medically-related issue, such as difficulty getting appointments with a specialist, getting a prescription filled, or getting a service pre-authorized, the call is classified as a complaint. Complaints are referred to the State's Complaint Resolution Unit (CRU), which is staffed with registered nurses. If necessary, the CRU engages a local Ombudsman, who is stationed at the county-level health departments and has the ability to meet with the member face-to-face. If the MCO has issued a denial letter to a member and the member wishes to appeal the decision through the MCO, or if a member disagrees with the MCO's appeal decision and wishes to request a State Fair Hearing, the CRU will assist the member with these processes.

MCOs receive a complaint report each quarter so that they can monitor their performance in terms of the member complaint case handled by the HealthChoice Help Line. This report breaks down the complaints by type and by region. When needed, the Department meets with an MCO to discuss the report findings.

Table 10. Total Recipient Complaints (not including billing) - FY 2021[3]

MCO / Type of Service		Aetna Better Health (ABH)		Ameri-group (ACC)		JAI Medical Systems (JAI)		Kaiser Permanente (KP)		Maryland Physicians Care (MPC)		MedStar Family Choice (MSFC)		Priority Partners (PP)		United Healthcare (UHC)		University of Maryland Health Partners (UMHP)*		Sub Totals	
Fiscal Year		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Specialist	#	100	112	125	106	11	18	67	46	117	109	65	48	96	84	130	107	59	35	770	665
	%	13%	17%	16%	16%	1%	3%	9%	7%	15%	16%	8%	7%	12%	13%	17%	16%	8%	5%	29%	24%
Prenatal	#	29	54	45	99	5	8	47	75	30	63	23	59	46	104	37	89	12	33	274	584
	%	11%	9%	16%	17%	2%	1%	17%	13%	11%	11%	8%	10%	17%	18%	14%	15%	4%	6%	10%	21%
Pharmacy	#	10	8	42	98	14	15	23	35	104	132	43	53	105	122	127	146	21	32	489	641
	%	2%	1%	9%	15%	3%	2%	5%	5%	21%	21%	9%	8%	21%	19%	26%	23%	4%	5%	18%	23%
PCP	#	113	119	175	113	14	15	81	46	142	83	71	35	118	82	169	98	53	39	936	630
	%	12%	19%	19%	18%	1%	2%	9%	7%	15%	13%	8%	6%	13%	13%	18%	16%	6%	6%	35%	23%
Sub Totals	#	252	293	387	416	44	56	218	202	393	387	202	195	365	392	463	440	145	139	2,469	2,520
	%	10%	12%	16%	17%	2%	2%	9%	8%	16%	15%	8%	8%	15%	16%	19%	17%	6%	6%	92%	90%
All Complaint Totals	#	254	303	414	467	44	58	230	211	472	466	223	206	397	454	488	466	152	154	2,674	2,785
	%	9%	11%	15%	17%	2%	2%	9%	8%	18%	17%	8%	7%	15%	16%	18%	17%	6%	6%		
Other Categories		2	10	27	51	0	2	12	9	79	79	21	11	32	62	25	26	7	15	205	265

University of Maryland Health Partners (UMHP) transitioned to CareFirst BlueCross BlueShield Community Health Plan of Maryland (CareFirst CHPMD) as of 2/1/2021

There were 2,905 total MCO recipient complaints in FY 2021 compared to 3,607 in FY 2020 (all ages). This fiscal year, the total MCO recipient complaints decreased by nineteen percentage points. Ninety-two percent of the complaints (2,674) were related to access to care. The remaining eight percent (231) were billing complaints. The top three member complaint categories were accessing primary care providers (PCPs), specialists and pharmacy services. The categories not specified (Other Categories) for the non-billing complaints include appeals and grievances, access to therapies (occupational therapy-OT, physical therapy-PT, and speech therapy-ST), adult dental and vision services, and obtaining DME/DMS (Durable Medical Equipment/Durable Medical Supplies). Overall, Maryland Physicians Care and UnitedHealthcare had the highest percentage of complaints (18 percent of all care-related complaints), which were mainly attributed to difficulty accessing pharmacy services.

The number of prenatal care complaints decreased from 584 to 274. Prenatal complaints comprised 10 percent of total complaints, compared to 21 percent in the previous fiscal year. All pregnant women were connected with an MCO network prenatal care provider and referred to Administrative Care Coordination Units (ACCUs) at the local health department for follow-up and education. In addition, 234 pregnant women called the Help Line for general information. These women were also referred for follow-up and education.

[3] Sourced from CRM.

Table 11. Recipient Complaints under age 21 (not including billing) - FY 2021[4]

MCO / Type of Service		Aetna Better Health (ABH)		Ameri-group (ACC)		JAI Medical Systems (JAI)		Kaiser Permanente (KP)		Maryland Physicians Care (MPC)		MedStar Family Choice (MSFC)		Priority Partners (PP)		United Healthcare (UHC)		University of Maryland Health Partners (UMHP)*		Sub Totals	
Fiscal Year		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
PCP	#	36	33	55	48	5	4	31	19	45	27	17	12	44	42	46	32	16	12	295	229
	%	12%	14%	19%	21%	2%	2%	11%	8%	15%	12%	6%	5%	15%	18%	16%	14%	5%	5%	49%	38%
Specialist	#	10	19	28	27	3	3	30	11	26	16	10	8	18	15	32	28	10	7	167	134
	%	6%	14%	17%	20%	2%	2%	18%	8%	16%	12%	6%	6%	11%	11%	19%	21%	6%	5%	28%	22%
Pharmacy	#	1	5	12	25	1	0	1	7	18	19	12	7	14	28	17	21	2	6	78	118
	%	1%	4%	15%	21%	1%	0%	1%	6%	23%	16%	15%	6%	18%	24%	22%	18%	3%	5%	13%	19%
Prenatal	#	2	9	11	15	0	0	3	3	1	8	3	10	5	7	5	12	2	4	32	68
	%	6%	13%	34%	22%	0%	0%	9%	4%	3%	12%	9%	15%	16%	10%	16%	18%	6%	6%	5%	11%
Sub Totals	#	49	66	106	115	9	7	65	40	90	70	42	37	81	92	100	93	30	29	572	549
	%	9%	12%	19%	21%	2%	1%	11%	7%	16%	13%	7%	7%	14%	17%	17%	17%	5%	5%		
All EPSDT Complaint Totals	#	49	67	108	129	9	7	70	44	97	78	46	40	86	114	103	99	33	31	601	609
	%	8%	11%	18%	21%	1%	1%	12%	7%	16%	13%	8%	7%	14%	19%	17%	16%	5%	5%		
Other Categories		0	1	2	14	0	0	5	4	7	8	4	3	5	22	3	6	3	2	29	60

University of Maryland Health Partners (UMHP) transitioned to CareFirst BlueCross BlueShield Community Health Plan of Maryland (CareFirst CHPMD) as of 2/1/2021

There were 601 member complaints (non-billing) for recipients under age 21, or 22 percent of the total complaints (601 of 2,674) in FY 2021. The top complaint category was access to primary care providers (PCPs). Amerigroup was a major contributor to the complaints for recipients under age 21.

The analysis of complaints by adults versus children (under 21) revealed that access to care is the main issue for both adults and children. Adults seek assistance accessing specialists as well as primary care providers while children (under 21) most often report difficulty accessing a primary care provider.

[4] Source from CRM.

Table 12. Total Recipient Billing Complaints - FY 2021[5]

MCO / Type of Service		Aetna Better Health (ABH)		Ameri-group (ACC)		JAI Medical Systems (JAI)		Kaiser Permanente (KP)		Maryland Physicians Care (MPC)		MedStar Family Choice (MSFC)		Priority Partners (PP)		United Healthcare (UHC)		University of Maryland Health Partners (UMHP)*		Sub Totals	
Fiscal Year		2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
PCP	#	9	16	15	54	1	3	9	12	19	27	4	16	6	41	4	16	1	14	68	199
	%	13%	8%	22%	27%	1%	2%	13%	6%	28%	14%	6%	8%	9%	21%	6%	8%	1%	7%	29%	24%
Emergency	#	6	18	11	57	0	0	11	24	6	47	4	28	10	66	5	32	3	11	56	283
	%	11%	6%	0%	20%	0%	0%	0%	8%	0%	17%	0%	10%	0%	23%	0%	11%	0%	4%	24%	34%
Laboratory /Test	#	2	8	4	26	0	1	2	3	13	30	1	10	8	18	5	13	1	4	36	113
	%	6%	7%	11%	23%	0%	1%	6%	3%	36%	27%	3%	9%	22%	16%	14%	12%	3%	4%	16%	14%
Specialist	#	4	4	4	13	1	1	4	11	6	9	4	9	8	12	5	13	1	3	37	75
	%	11%	5%	11%	17%	3%	1%	11%	15%	16%	12%	11%	12%	22%	16%	14%	17%	3%	4%	16%	9%
Sub Totals	#	21	46	34	150	2	5	26	50	44	113	13	63	32	137	19	74	6	32	197	670
	%	11%	7%	17%	22%	1%	1%	13%	7%	22%	17%	7%	9%	16%	20%	10%	11%	3%	5%	85%	82%
All Billing Complaint Totals	#	24	57	36	180	2	9	27	59	55	140	14	78	39	165	27	98	7	36	231	822
	%	10%	7%	16%	22%	1%	1%	12%	7%	24%	17%	6%	9%	17%	20%	12%	12%	3%	4%		
Other Categories		3	11	2	30	0	4	1	9	11	27	1	15	7	28	8	24	1	4	34	152

University of Maryland Health Partners (UMHP) transitioned to CareFirst BlueCross BlueShield Community Health Plan of Maryland (CareFirst CHPMD) as of 2/1/2021

Enrollee billing complaints comprised eight percent of total MCO complaints in FY 2021. Overall, the top bill type was Primary Care Providers (PCPs), which comprised 29 percent of all MCO billing complaints. Other categories are the billing complaints related to inpatient services, urgent care centers, DME/DMS, therapies, pharmacy, and optional services such as adult dental and vision. Maryland Physicians Care had the highest percentage of billing complaints.

MCOs are required to respond to all recipient grievances and complaints. The CRU works with MCOs on behalf of the consumer to resolve the complaint. Once a plan is in place, the CRU refers the case to the ACCUs at the local health departments for follow-up to ensure the complaint has been resolved. When trends are identified, the HealthChoice Medical Advisor makes an inquiry to the MCO. If potential policy issues, systems issues, or barriers are identified, the MCO may be directed to take corrective action.

Legislative Update

The Maryland General Assembly convened its 2021 session on January 13, 2021 and it adjourned on April 12, 2021. The legislature approved the following bills that affect Maryland's Medicaid program:

[5] Source: CRM.

- **HB589** (Budget Reconciliation and Financing Act) transfers $100 million of premium tax liability assessment to Medicaid provider reimbursement; creates Maternal and Child Health Population Improvement Fund to invest in maternal and child health population health improvement through Medicaid and public health programs.
- **HB34/SB278** (MSDE & MDH – School-Based Health Center Standards – Telehealth) requires MSDE & MDH to allow health care practitioners at school-based health centers to provide services through telehealth.
- **HB141/SB275** (MDH – Residential Service Agencies – Training Requirements) requires each RSA to ensure that direct care or supervisory staff are trained to provide the care required by clients, including 3 hours of on-line or in-person training regarding dementia.
- **HB547/SB485** (Md. Medical Assistance Program – Dental Prophylaxis Care & Oral Health Exams) effective Jan. 1, 2022, prohibits Medicaid from including a frequency limitation on dental prophylaxis care or oral health exams that requires them to be provided at an interval greater than 120 days within a plan year.
- **HB598/SB469** (Md. Medical Assistance Program – Applied Behavior Analysis Sciences – Reimbursement) prohibits Medicaid reimbursement of applied behavior analysis services provided to enrollees from requiring the presence or availability of the parent or caregiver of the enrollee in the setting where the services are provided.
- **SB3/HB123** (Preserve Telehealth Access Act of 2021) requires Medicaid to provide health care services delivered through telehealth regardless of the location of the enrollee at the time services are rendered, and to allow a distant-site provider to provide services to an enrollee from any location at which the services may be delivered through telehealth (MDH to obtain any federal authority necessary to implement these requirements).
- **SB14/HB742** (Compensation to Individual Erroneously Convicted, Sentenced & Confined (The Walter Lomax Act) authorizes ALJ to direct the appropriate State agency or service provider to provide the individual 'free of charge health care & dental care for at least five years after release from confinement.'
- **SB514/HB565** (Health Facilities – Hospitals – Medical Debt Protection) requires hospitals to report to annually to HSCRC on the total number of patients who incur bad debt and the total dollar amount of costs of hospital services provided but not collected; a hospital's debt collection policy must provide a mechanism for a patient to modify the terms of their payment plan, and prohibit the hospital from collecting debt owed by a patient who is eligible for free or reduced-cost care and limits the amount of interest the hospital may charge on a bill; hospitals must offer an installment plan to patients who incur medical debt.
- **SB923** (Md. Medical Assistance Program – Eligibility) requires Medicaid coverage of comprehensive medical and other health care services (including dental services) for pregnant enrollees for the duration of the pregnancy and for one year immediately following the end of the woman's pregnancy.

Quality Assurance/Monitoring Activity

The Medical Benefits Management Administration (MBMA) is responsible for contracting and oversight of the HealthChoice program within the Maryland Department of Health. MBMA ensures compliance with the initiatives established in 42 CFR 438, Subpart D, and that all MCOs

that participate in the HealthChoice program apply these principles universally and appropriately. The functions and infrastructure of MBMA support efforts to identify and address quality issues efficiently and effectively. Quality monitoring, evaluation, and education through enrollee and provider feedback are integral parts of the managed care process and help to ensure that health care is not compromised. The Division of HealthChoice Quality Assurance (DHQA) within MBMA is primarily responsible for coordinating quality activities and monitoring CMS quality improvement requirements for the HealthChoice program.

The Department contracts with three vendors for its quality assurance activities:

- Qlarant Quality Solutions, Inc. (Qlarant) is the external quality review organization (EQRO) for the Department. Qlarant is responsible for performance improvement project validation; performance measure validation for the Value-Based Purchasing Initiative; compliance reviews to ensure MCOs comply with 42 CFR 438, Subpart D and 42 CFR 438.330; MCO network adequacy validation; encounter data validation; clinical quality studies focused on MCO appeals, grievances, and pre-service denials; and development of an annual consumer report card to assist HealthChoice enrollees with MCO selection.
- MetaStar, Inc. (MetaStar) is the HEDIS Compliance Auditor for the Department. MetaStar is responsible for ensuring compliance with the National Committee for Quality Assurance (NCQA) guidelines for reporting Healthcare Effectiveness Data and Information Set (HEDIS) measures, including onsite audits of MCO systems and processes to report data. MetaStar also reviews and approves the Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey sample frame. At the end of the audit cycle, MetaStar compiles a comprehensive report with trending MCO performance on the HEDIS measures.
- Center for the Study of Services, Inc. (CSS) is the survey administration vendor for the Department. CSS administers the CAHPS surveys for adults and children, as well as the Primary Care Provider (PCP) Satisfaction Survey. CSS monitors compliance with survey protocols and compiles reporting on the results of both survey efforts.

Consistent with updates in earlier reports, the Department is actively making adjustments to reporting and record collecting due to COVID-19.

An update on quality assurance activity progress appears in the next chart.

Activity	Vendor	Status	Comments
Systems Performance Review (SPR)	Qlarant	In Progress	Qlarant finalized MCO Interim SPR reports and notified ABH, CFCHP, KPMAS, and PPMCO of CAP closures. Qlarant continued drafting the CY 2020 Executive Summary Report. The draft CY 2021 Standards and Guidelines and the draft CY 2021 MCO Orientation Manual are in development for the next comprehensive review.
EPSDT Medical Record Review	Qlarant	In Progress	The Department approved the revised CY 2020 methodology as well as the CY 2021 EPSDT orientation manual. The CY 2021 EPSDT orientation manual was disseminated to the MCOs. Qlarant conducted their nurse reviewer training, received the requested data sample frame from Hilltop, and requested medical records from provider offices via fax and MCOs (where appropriate). Qlarant began the medical record review on 7/1/2021.
Consumer Report Card (CRC)	Qlarant	In Progress	Qlarant submitted the draft CY 2022 IRS and Methodology for the Department review and approval in June 2021.
Performance Improvement Projects (PIPs)	Qlarant	Complete	Qlarant developed and presented a training session in May 2021 for the MCOs to help them utilize the new, approved PIP reporting templates. The Department and Qlarant collaborated in the review and approval of the quarterly lead screening PIP reports in June 2021. PIP report resubmission is required for ACC due to a lack of reporting on their intervention outcomes.
Encounter Data Validation (EDV)	Qlarant	In Progress	Qlarant submitted the draft CY 2021 orientation manual and the sample data request for CY 2020 reviews for the Department review and approval in June 2021. The Department approved the CY 2021 orientation manual and Qlarant disseminated it to the MCOs in June 2021. The Department approved the sample data request and Qlarant submitted their request to Hilltop in June 2021. Qlarant continues to draft the provider medical request letters.
Network Adequacy Validation (NAV)	Qlarant	In Progress	Qlarant conducted their surveyor and validator training in May 2021 and started conducting the activity on June 1, 2021.
Quarterly Review of Appeals, Grievances, and Pre-Service Denials (GAD)	Qlarant	Complete	Qlarant finalized the Quarter 1 reporting for GAD. Highlights are listed below. The next quarterly report, Quarter 2, will be due on July 30, 2021 for review by Qlarant.
HEDIS Audits and Reporting (HEDIS)	MetaStar	Complete	Results from HEDIS Year 2020 show that Maryland HealthChoice MCOs are high performing across the majority of measures and within each measure domain. For a majority of the HEDIS measures that the MCOs were required to report, almost every MCO performed above the National HEDIS mean, reflecting that superior care is consistently delivered to HealthChoice participants.

Activity	Vendor	Status	Comments
Value Based Purchasing Initiative (VBP)	Qlarant	Complete	Qlarant received encounter data measure codes and preliminary data for validation of Ambulatory and Lead Screening rates in April 2021 from Hilltop. Qlarant submitted VBP preliminary data validation results to the Department and Hilltop in April 2021.
CAHPS Survey Administration (CAHPS)	CSS	Complete	In Calendar Year (CY) 2020 the CAHPS® 5.0H Medicaid Adult and Child Member Satisfaction Surveys were mailed to enrollees to assess Measurement Year (MY) 2019 data. The final aggregated survey sample for the HealthChoice organizations included 12,150 adult members resulting in a response rate of 18 percent. For child members, the final overall survey sample included 29,241 members resulting in the NCQA response rate of 15 percent. There was a decline in overall response rate for both surveys largely due to the impact of the coronavirus pandemic.
PCP Satisfaction Survey Administration	CSS	Complete	The PCP Satisfaction Survey for CY 2020 (MY 2019) included Primary Care Providers (PCPs) from each of the nine HealthChoice MCOs that participate in Maryland's HealthChoice program. The PCPs were asked to rate their satisfaction with a specified MCO that they participate with through questions from a variety of composite categories. The final survey sample included 6,632 physicians enrolled in the HealthChoice program. 931 physicians completed the survey, resulting in the adjusted response rate of 15 percent.
Annual Technical Report (ATR)	Qlarant	In Progress	The Department and Qlarant collectively compiled a response to the CMS findings for previous ATR submissions in April. The Annual Technical Report was submitted to CMS by the deadline of April 30, 2021. Qlarant is currently developing the draft template for the Annual Technical Report for the upcoming measurement year.

Completed Activity Highlights:

- **Focused Reviews of Grievances, Appeals, and Denials (GAD)**
    - Annual Review
        - The activity reviewed grievances, appeals, and denials from the final two quarters of calendar year 2019 and the first two quarters of CY 2020. The grievance assessment found that two MCOs (UHC and UMHP) met resolution timeframe requirements in all four quarters. Seven MCOs (ABH, ACC, JMS, KPMAS, MSFC, and PPMCO) received one or more partially-met findings. Analysis of the appeals for MCOs revealed that four MCOs (JMS, MPC, MSFC, and UMHP) met appeal resolution timeframes for all four quarters with the remaining five MCOs (ABH, ACC, KPMAS, PPMCO, and UHC) having one or more quarters with partially-met findings. Overall, assessment of the MCO denials continued to demonstrate relatively strong and consistent results.
    - The first quarter of GAD was completed in May 2021.
        - Grievances Highlights
            - KPMAS and JMS had the highest grievance rate per 1000 members (4.08/4.06).
            - All MCOs met the turnaround time (TAT) requirements for member grievances except UHC, at 67 percent.
            - TAT compliance for provider grievances was met by all eight of the applicable MCOs (KPMAS continues to report no provider grievances).
        - Appeals Highlights
            - CareFirst and PPMCO had the highest appeal rate per 1000 members (1.47/1.1).
            - The following MCOs scored below the 100 percent threshold for compliance with appeal timeframes in at least one category: ABH (92 percent), ACC (97 percent, and UHC (92 percent). ABH and ACC have remained non-compliant in at least one category for the last four quarters. The Department is continuing to monitor the listed MCOs' performance in this area.
        - Denial Highlights
            - ABH and UHC have the highest denial rates per 1000 members (31.5/32.2).
            - ABH (89 percent) and JMS (75 percent) did not meet the standard medical determination TAT.
            - PPMCO did not meet the determination or notification timeframes for expedited requests (85 percent/85 percent).
            - MPC had the highest percentage of requests submitted with complete information (96 percent) and JMS had the highest approval rate (95 percent).
- **The Annual Technical Report (ATR)**
    - The ATR is a compilation of quality assurance activity reports for services and activities rendered during measurement years 2019 and 2020. The Department has listed highlights for each activity below. The full ATR can be found at:

https://health.maryland.gov/mmcp/healthchoice/Pages/Quality-Assurance-Activities-20200426-512.aspx

- **Systems Performance Review (SPR)**
  - There are eleven standards in the Systems Performance Review. For the interim review in CY 2019, Qlarant reviewed standards requiring a corrective action plan (CAP) or scored as baseline in the CY 2018 review. There were twenty-three CAPs required by all but one MCO (JMS) under this activity (see chart below for CAP breakdown per MCO).

Table 13: CAPs Required by MCO

CAPs Required	ABH	ACC	JMS	KPMAS	MPC	MSFC	PPMCO	UHC	UMHP
	5	3	0	4	2	1	3	1	4

- **Value-Based Purchasing (VBP)**
  - In CY 2019, there were nine measures that were evaluated among the nine MCOs. Three MCOs (JMS, KPMAS, and UMHP) earned net incentives while the remaining six MCOs (ABH, ACC, MPC, MSFC, PPMCO, and UHC) incurred net disincentives.
- **Performance Improvement Projects (PIPs)**
  - Eight MCOs (excluding Aetna) conducted two performance improvement projects analyzed in CY 2020 against HEDIS measures and Maryland encounter data measures.
  - For the Asthma Medication Ratio PIP, six MCOs (JMS, KPMAS, MPC, MSFC, PPMCO, and UMHP) demonstrated improvement over their HEDIS re-measurement 2 rates, while one MCO (ACC) experienced a decline in performance, and another MCO's (UHC) rate remained unchanged.
  - For the Lead Screening PIP, three of the eight MCOs (JMS, KPMAS and PPMCO) improved performance over their HEDIS re-measurement year 1 rates, two MCOs (ACC and UHC) declined in performance, and three MCOs (MPC, MSFC, and UMHP) remain unchanged in performance due to their election to report HEDIS 2019 audited rates for the HEDIS 2020 hybrid measures (NCQA allowed due to the impact of COVID-19). For the Maryland encounter data measure, six MCOs (JMS, KPMAS, MPC, MSFC, UHC, and UMHP) demonstrated improved performance over their re-measurement 1 rate and two MCOs (ACC and PPMCO) showed a decline.
- **Encounter Data Validation (EDV)**
  - Minimum compliance indicators for the Encounter Data Validation were set at 90 percent for the CY 2019 medical record review activity. No CAPs were required as all MCOs exceeded the 90 percent standard.
- **Early and Periodic Screening, Diagnostic and Treatment (EPSDT)**
  - The activity consisted of the assessment of over 2,625 medical records with a minimum compliance threshold for each of the five indicators set at 80 percent.
  - All MCOs met or exceeded the 80 percent minimum compliance threshold set by the Department for three of the five components. Additionally, all five component scores decreased when comparing the CY 2019 scores to the CY 2018 scores.

Health and Development History and Comprehensive Physical Exam decreased by six and four percentage points, respectively, and Laboratory Test/At-Risk Screenings and Immunizations decreased 21 and 22 percentage points, respectively. Health Education/Anticipatory Guidance remained more consistent, having only decreased by two percentage points.
    - For CY 2019, the medical record review process was changed to a full desktop review due to the COVID-19 public health emergency which impacted all scoring areas, particularly Laboratory Test/At-Risk Screenings and Immunizations.
- **Consumer Report Card (CRC)**
    - The 2020 Consumer Report Card can be found utilizing the following link: https://health.maryland.gov/mmcp/healthchoice/Documents/Consumer%20MCO%20Report%202020.pdf
- **Network Adequacy Validation (NAV)**
    - The activity assessed quality, timeliness, and the accessibility of providers and provider directory compliance for CY 2020 in eight areas, with the compliance threshold set to 80 percent. Although performance in several areas increased overall, three MCOs (ABH, KPMAS, and PPMCO) required CAPs to improve compliance with online provider directory accuracy.
- **HEDIS Audits and Reporting**
    - There were 27 measures/measure indicators where ACC, JMS, KPMAS, MSFC, MPC, PPMCO, UHC, and UMHP performed above the National HEDIS Mean.
    - ACC, JMS, KPMAS, and MSFC met and exceeded performance expectations under the MCO Performance Monitoring Policy, which requires plans to perform at or above the national average for at least 70 percent of reportable performance measures. However, opportunities for improvement continue to exist for ABH, CareFirst, MPC, PPMCO and UHC to maintain or achieve scores above the National HEDIS Mean.
    - Performance for key measures of note included:
        - Statin Therapy for Patients with Cardiovascular Disease (SPC) total statin adherence sub measure, ACC was the sole plan that was above the NCQA 50th percentile benchmark. The MARR did, however, increase by over 5 percent from the prior year. The increase in the MARR was due to six of the eight MCOs having an increase in their rate as compared to the prior year. Of the MCOs who had an increase in their rates, ACC had the largest increase at over 13 percent, followed by MSFC at over 10 percent, and KPMAS had an increase of almost 10 percent.
        - The Persistence of Beta-Blocker Treatment After a Heart Attack (PBH) MARR increased by more than 10 percent for the 2019 measurement year. This increase was due to all plans that were able to report data (six total) having an increase in their rates compared to the prior year. UMHP had the largest increase at over 25.4 percent, followed by MSFC with an increase at over 12.1 percent.
- **CAHPS Survey Administration**
    - Results from the CAHPS Adult survey showed that overall the HealthChoice Aggregate performed on par with the 2019 levels across the measure spectrum, with no statistically significant improvements or declines in scores.

    - Individual Plan Performance gains largely outnumbered losses across the entire array of MCOs and measures. A few of the gains reached statistical significance, and a larger number of them have held steady over the past two years.
    - Results from the CAHPS Child survey showed overall that the HealthChoice Aggregate performed in the middle-to-top third of the 2019 NCQA Quality Compass Child Medicaid National distribution on most survey measures. A notable exception measure was the *Rating of Health Plan*, which has declined slightly over the past two years, placing the HealthChoice Aggregate in the bottom third of the distribution. Among the surveyed MCOs, none placed in the top third of the Quality Compass distribution on *Rating of Health Plan*, and none improved significantly compared to the prior years.
- **Primary Care Provider Survey Administration**
    - Results from the Primary Care Provider survey showed that overall satisfaction among Providers with their MCO declined slightly for 2020 when compared to the 2019 results. Satisfaction with Claims and Customer Service/Provider Relations was up among Providers during the survey period. The loyalty analysis of the survey showed that loyalty to their MCO among physicians increased, while the number of physicians indicating indifference or not loyal reflected a decrease

Demonstration Evaluation

During the quarter, the Department collaborated with its independent evaluator, the Hilltop Institute, to complete work on the CY 2021 evaluation, which covers from CY 2015 through CY 2019 (see Appendix B).

The Department submitted its §1115 demonstration waiver renewal application to CMS on June 30, 2021. The state public comment period was open from May 4, 2021, through June 4, 2021.

The Department held two virtual public hearings, one on May 11, 2021 and the other on May 27, 2021. The 2021 Post-Award Forum was held jointly with the second §1115 demonstration waiver renewal hearing on May 27, 2021. Highlights from the demonstration evaluation were included in both public hearings. (See Appendix C for the 2021 Post-Award Forum public notice documentation and Appendix D for the 2021 Post-Award Forum presentation.)

The Department has been in ongoing conversations with CMS about the §1115 evaluation design and the SUD monitoring protocol. The Department and CMS collaborated on updating the materials. The §1115 evaluation design has been accepted and the Department is working on implementing it. The Department submitted its revised SUD monitoring protocol on June 7 and is awaiting approval.

Enclosures/Attachments

- Appendix A: Maryland Budget Neutrality Report as of June 30, 2021
- Appendix B: 2021 HealthChoice Evaluation (CY 2015 - CY 2019)
- Appendix C: 2021 Maryland HealthChoice Post-Award Forum Public Notice
- Appendix D: 2021 Maryland HealthChoice Post-Award Forum Presentation

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