IHA
Illinois Health and Hospital Association

December 14, 2016

IHA Update: Medicaid MCOs and SB3080 Implementation

Senate Bill 3080 (PA99-0751) is an initiative of IHA to address key oversight and transparency issues raised by members concerning Medicaid Managed Care Organizations (MCOs). The Department of Healthcare and Family Services (HFS) recently released proposals to implement two key provisions in SB3080.

"Hold Harmless" Provision: HFS has issued a proposed rule that outlines the process to address member payment issues when eligibility discrepancies are identified. The "Hold Harmless" provision includes the following:

- MCOs may not deny coverage or diminish payment when providers have acted in good faith to render medically necessary services.
- Providers will be asked to submit documentation from the applicable eligibility system used to determine eligibility at the point of service.
- Payment resolutions that impact providers who are out of network may include, but are not limited to: extending as appropriate, any timely filing provisions; agreeing to retroactive prior authorizations; and guaranteeing a minimum payment rate of no less than the current fee-for-service rate, as of the date of service, including any applicable add-ons.

IHA is preparing comments on the proposed rule. We encourage IHA members also to comment on the rule. Once the rule is finalized, IHA will provide further clarification on the specific implementation processes.

MCO Performance Metrics: HFS has released its initial proposed "MCO Performance Dashboard," which outlines a variety of administrative performance measures—including claims payments, claims rejections, prior authorization time frames, and credentialing timeframes—and represents critical metrics that are aligned with the issues facing IHA members.

IHA views the initial set of metrics as aligned with those outlined in SB3080. IHA is providing additional recommendations to HFS to further reinforce critical IHA member issues.

HFS has proposed an initial data collection period from the MCOs of July to September 2016, which would be released in January 2017. As data are self-reported by the MCOs, IHA will develop a process to share ongoing member feedback on MCO performance. View the proposed MCO Performance Dashboard.

We are making good progress in our ongoing collaboration with HFS. The Department has been very receptive to IHA suggestions and feedback on the development of performance standards and the future transparency of MCO performance.

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