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9.2 Commercial Insurance Coverage Verification/Data Match

RFP Reference: 6.

In the following sections, we provide our cross-walk to the requirements from AHCCCS's scope of work and our approach to providing industry-leading commercial insurance coverage verification/data match services. Also, in response **Section 9.0.09** we provide method of approach to meeting the commercial insurance coverage verification/data match services requirements from AHCCCS's scope of work.

9.2.1 Legal Liability of Liable Party

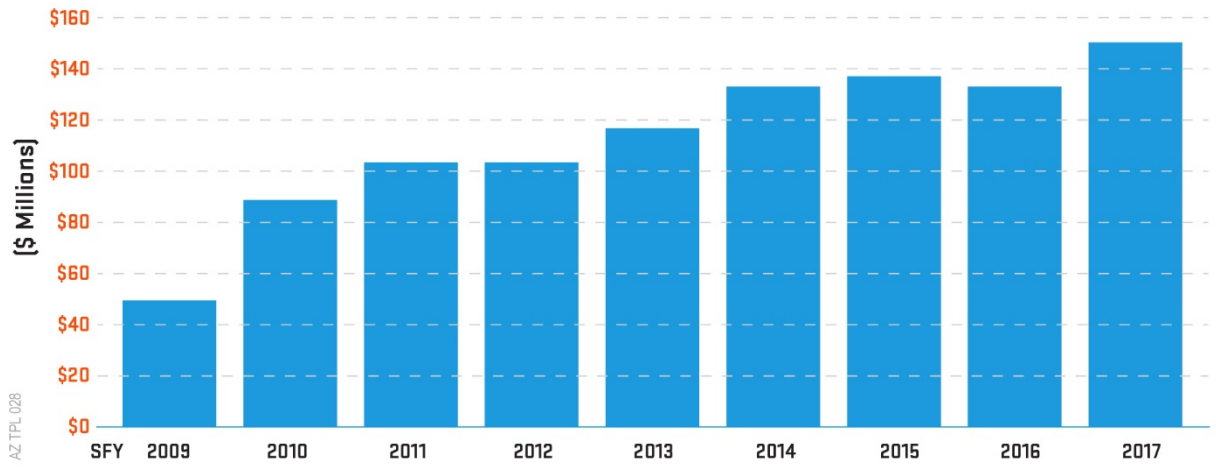
RFP Reference: 6.

The Contractor shall take reasonable measures, pursuant to 42 CFR 433.138, to determine the legal liability of a Liable Party to pay for services to AHCCCS Members. To ensure that AHCCCS is in compliance with the federally mandated cost avoidance requirements to deny and avoid the cost of claims when there is a known Liable Party, the Contractor shall be responsible to maintain valid TPL records in the AHCCCS third party leads file database. In order to ensure that only a valid Liable Party record is added to the database, the Contractor shall be responsible for verifying third party leads received from various sources including, but not limited to, AHCCCS, eligibility entities, AHCCCS Health Plan Contractors and commercial insurers. Additionally, the Contractor shall be required to have a Web-based referral process in place to accept on-line insurance coverage referrals, no later than December 1, 2018.

[redacted]

An implementation with a new, unproven vendor could lead to a loss of more than $15 million in savings in the first year for AHCCCS. Along with a financial impact to the State, the time it will take a new vendor to establish the required data feeds with carriers that allow policies to be updated timely and accurately will impact providers' and members' ability to deliver and access care.

Figure 9.2-1. Arizona's State Fiscal Year-Over-Year Savings



[redacted]

Another vendor would need to invest significant time and resources, as well as acquire Arizona-specific knowledge, to provide the same functionality and usability of the tool already deployed by HMS.

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Web-based Referral Processes

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Referral Data Capture System

[redacted]

[redacted]

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9.2.2 Commercial Insurers' Compliance

RFP Reference: 6.

AHCCCS is required by A.R.S. § 36-2923 to report annually to the Arizona State Legislature on the commercial insurers' compliance with this statute. The Contractor will provide information needed for this report to include Excel lists of compliant and noncompliant carriers with the number of member policies assigned to each carrier as of the end of the State fiscal year.

Figure 9.2-4. Insurance Carrier Legal Compliance

Insurance Carrier Compliance with A.R.S. § 36-2923

	Verified Insurance Policies as of June 30, 2017			
	Carriers		Active Policies Within 3 Years	
	Number	%	Number	%
Compliant	204	99.0%	550,443	99.998%
Noncompliant:				
Declined a DUA	2	1.0%	9	0.002%
Unresponsive	0	0.0%	0	0.000%
Total Noncompliant	2	1.0%	9	0.002%
Totals	206	100.00%	550,452	100.00%

9.2.3 COVERAGE VERIFICATION

RFP Reference: 6.1

The Contractor shall receive health insurance referral information files from AHCCCS weekly, Monday-Friday. Those files contain TPL coverage records that require verification of the type of coverage, the timeframe of the coverage, and other required data elements prior to submitting the verified coverage information to AHCCCS for posting in the third party coverage database. These verified commercial coverage records will be used for cost avoidance and cost recovery activities. The Contractor shall be responsible for the initial verification of the insurance coverage information using industry accepted practices according to AHCCCS timeliness criteria. Verified and not verified referrals should be returned to AHCCCS within 90 days of initial transmission. Referrals entered directly into the Contractor's Web-based referral product should be returned either verified or not verified to AHCCCS within seven business days. The Contractor shall also conduct a reverification of active coverage record information every six (6) months on a rolling six-month cycle based on the last verification date, or on another timetable defined by AHCCCS. All verified insurance information, as well as any updates thereto, shall be transferred to AHCCCS electronically using the established AHCCCS TPL file layout and shall include the AHCCCS assigned Master Carrier ID (MCID) number identifying the insurance carrier. See ATTACHMENT C for the current file layout, which may be amended as required. As of September 2017, AHCCCS' commercial insurance database contained information on 144,100 active insurance policies of current Members.

[redacted]

HMS's Successes in Arizona

From SFY 2013 to SFY 2017, AHCCCS Health Plan and FFS lives grew by 46%, and HMS continues to deliver results for AHCCCS, including the following accomplishments:

- Since 2013, HMS received 888,167 Arizona daily lead referrals
- Increased referral intake and verification by an average of 15% year over year
- Processed more than 186,000 web referrals for Health Plan contractors and providers

HMS collaborated with AHCCCS to improve their daily lead process with their Health Plan contractor, by updating the AHCCCS master carrier (MCID) file and making the carrier field a required field.

[redacted]

9.2.4 Commercial Insurance Data Match

RFP Reference: 6.2

The Deficit Reduction Act of 2005 and A.R.S. 36-2923 requires health care insurers to provide all enrollment information necessary to determine the time period in which a person who is defined as an AHCCCS eligible person, or that person's spouse or dependents, may be or have been covered by the health care insurer and the nature of that coverage. The Contractor shall enter into, and maintain, trading partner agreements with insurers that provide major medical, pharmacy, dental, and/or Medicare Supplemental coverage to allow for the receipt of commercial insurance coverage information for AHCCCS members that they insure. The Contractor shall be required to perform a data match of the eligibility information received from the health insurers with the AHCCCS recipient eligibility file at least monthly. The Contractor shall provide AHCCCS all verified matched records using the Contractor's match criteria as defined in their response to this RFP and further approved by AHCCCS. All verified data match insurance information, as well as any updates thereto, shall be transferred to AHCCCS electronically using the established TPL file layout, including the AHCCCS MCID. The eligibility file currently contains all AHCCCS members with at least one (1) day of enrollment in the previous 12 months and excludes state-only members.

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COST CONTAINMENT RESULTS

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HMS's data match process feeds both our commercial insurance recovery and cost avoidance activities on behalf of AHCCCS.

HMS Results for Arizona

Since 1993, Arizona's healthcare coverage offering has experienced the fiscal benefits of comprehensive cost avoidance and recovery services provided by HMS. Highlights of the successful delivering of Commercial Insurance Verification/Data Match include:

- 2.1 million re-verified or new adds since 2013
- 1 million re-verified or new adds and 570,000 termed segments in 2017 alone
- $681 million in estimated cost avoidance value for Arizona since 2013
- $8.1 million in recoveries from commercial insurance carriers since 2013
- Over $1 million in Health Plan contractor recoveries in SFY 2018

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9.2.5 Other Data Matches

RFP Reference: 6.3, 6.3.1, 6.3.2

6.3 In addition to obtaining member and paid claims file information from AHCCCS to perform matches, the Contractor will receive TPL leads, via AHCCCS, from:

6.3.1 Arizona Department of Transportation, Motor Vehicle Division, and
6.3.2 Arizona Industrial Commission for workers' compensation data.

The Contractor shall be required to utilize this data in their recovery efforts, and to pass the non-FFS member data to the appropriate AHCCCS Health Plan Contractor in a timely manner. The Contractor shall treat all claims identified through these data matches as a Casualty referral.

Arizona Department of Transportation, Motor Vehicle Division Data Match

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Industrial Commission Arizona Data Match

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Since 2013, HMS has identified 959 FFS and Joint WC case referrals.

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