Kaiser Foundation Health Plan, Inc.
Medicare Monitoring Program

Agenda

• What is Kaiser Permanente?
• Background
• Approach/Implementation
• Methodology
• Reporting
• Lessons Learned
• Benefits Achieved
• Questions and Contacts
Kaiser Permanente: An Integrated Healthcare System

Kaiser Foundation Health Plan Medicare Plans
- Kaiser Foundation Health Plans (KFHP) serve more than 895,000 Medicare beneficiaries through seven regions with multiple plan offerings.
  - California
  - Colorado
  - Georgia
  - Hawaii
  - Mid-Atlantic (DC, MD, VA)
  - Northwest (OR, WA)
  - Ohio
- Contract types include Medicare Advantage (MA), Special Needs Plans, Cost Plans, and a Social HMO (SHMO).
- Offer Individual Plans and Employer Group Plans.
Kaiser Permanente Medicare Membership*

<table>
<thead>
<tr>
<th>Region</th>
<th>Membership</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northwest</td>
<td>52,000</td>
</tr>
<tr>
<td>Northern California</td>
<td>363,000</td>
</tr>
<tr>
<td>Southern California</td>
<td>319,000</td>
</tr>
<tr>
<td>Colorado</td>
<td>61,000</td>
</tr>
<tr>
<td>Georgia</td>
<td>15,000</td>
</tr>
<tr>
<td>Ohio</td>
<td>21,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>22,000</td>
</tr>
<tr>
<td>Mid-Atlantic States</td>
<td>34,000</td>
</tr>
<tr>
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<td>52,000</td>
</tr>
<tr>
<td>Northern California</td>
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</tr>
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<td>Georgia</td>
<td>15,000</td>
</tr>
<tr>
<td>Ohio</td>
<td>21,000</td>
</tr>
<tr>
<td>Hawaii</td>
<td>22,000</td>
</tr>
<tr>
<td>Mid-Atlantic States</td>
<td>34,000</td>
</tr>
</tbody>
</table>

*As of December 31, 2007

Background

- Challenges to ensuring compliance with a common regulatory framework in a geographically-diverse structure
  - Multiple locations
  - Decentralized operational areas, e.g., separate Claims department for each Regional health plan
  - Different technology and processes across those Regions
- Decision made to invest in a comprehensive program designed specifically for monitoring compliance with Medicare requirements in all Regions
- An effective Medicare monitoring program is essential for:
  - Participation in Medicare (e.g., it is required by the Office of the Inspector General (OIG) for Medicare participation)
  - Understanding and managing performance of CMS-required activities
  - Maintaining an organization’s image and reputation
  - Ensuring that changing CMS requirements are incorporated into operations
Background

• Kaiser Permanente’s design for an effective monitoring program:
  − Comprehensive scope – include all Part C and Part D requirements
    • Maintain currency with CMS requirements through periodic revision, deletion, and addition of metrics
  − Proactive identification of issues – monitoring should be an **indicator system**
    • “Red” metrics indicate non-compliance with the assigned goal (e.g., compliance percentage) and prompt deeper investigation as to root cause and appropriate corrective action
  − Near real-time data – monitoring should provide a **current picture** of performance
    • Data input and business review cycles should be relatively short, e.g., data due 4 weeks after the close of the period, business review approx. 6 weeks thereafter
  − Identification of **better/best practices by sharing results across regions**
    • National business reviews with participation from all Regions

Approach/Implementation

• Identified compliance requirements
  − Part C “Monitoring Review Guide”
  − Part D “Audit Guide”
• Constructed and validated metrics with operational leaders
• Secured executive sponsorship from highest level of organization
  − Messaging from CEO that the work was critical and needed to get done
Approach/Implementation

• Developed tiered communication plan from CEO and CCO, down through supervisor level regarding importance of work
• Delivered regular reports on progress of implementation
• Engaged functional areas
  – Focused on highly visible areas for initial rollout, e.g., Claims, Member Services, Marketing, Membership Administration, and Pharmacy
  – Collaborated on metric content review

Approach/Implementation

• Required identification of accountable parties for each metric
• Identified existing software (ActiveStrategy) as system of record for all metrics
  – KP already using ActiveStrategy software for internal business performance metrics
• Provided system training
• Initiated reporting
• Scheduled business reviews
Methodology

- CMS uses its own audit tool
  - Part C “Monitoring Review Guide” and Part D “Audit Guide”
- Metric goals aligned to CMS methodology
  - **Metric goals/targets** correlate with CMS audit methodology
    - “Met”/“Not Met” expressed as percentages
    - **Example**: Goal percentage for C-GV05 (written responses to oral and written grievances)
      - Universe of 21 – 250,000
      - Sample size of 15
      - Allowed 2 “Not Mets” → 13/15 = 87%
  - At least one metric for every element
    - May be multiple metrics per element to reflect the element’s multiple requirements

Mapping to the CMS elements

- Part C Medicare Monitoring metrics map to the CMS Monitoring Review Guide worksheets
- Scoring at the element level, as with CMS
  - Metric(s) roll up to the element
Reporting

• Reporting frequency matches metric type
  – Structural metrics, e.g., P&Ps: Annual
  – Transactional metrics, e.g., timeliness: Quarterly
  – Part D reporting requirements metrics: Per the HPMS frequencies

• Data input
  – Business owners enter data and, for metrics not meeting their goal, complete Variance Reports

• Business Review of compliance metrics
  – Partnership between Compliance and Operations
  – Formalized process at the National level
    • Various processes at the Regional and departmental levels
  – Business owners accountable for data and results of corrective actions

Reporting

• Example: Stoplight chart
  – “No” (red cell) = not compliant
  – “TREND” (red cell) = not compliant now and for at least 1 of the 2 prior quarters

<table>
<thead>
<tr>
<th>Region</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
</tr>
</thead>
<tbody>
<tr>
<td>D-GV01 Complaint categorization grievances/cov det</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>D-GV04 Timely notification - grievance disposition</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>TREND</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>D-GV05 Method of grievance response</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>D-GV06 Grievance response - quality of care</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>D-GV07 Timely response to expedited grievances</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>
Reporting

- **Example**: Scorecard exception report
  - Variance Report information for non-compliant metrics

<table>
<thead>
<tr>
<th>Status</th>
<th>Name</th>
<th>Actual</th>
<th>Target</th>
<th>Var</th>
<th>Date</th>
<th>Owners</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0-Gr: 2 Member concerns</td>
<td>84 %</td>
<td>87 %</td>
<td>(3) %</td>
<td>Sep 08</td>
<td></td>
</tr>
</tbody>
</table>

Variance Report Comments:
- Cause: Unanticipated staff absence and newly-identified training issue. Resolution: Conducted retraining in August to improve case timeliness and quality. Also cross-trained a back-up person. Expect to be compliant for Q4.

Reporting

- Maturation process of reporting
  - Initial business reviews were more simple
    - Stoplight charts and Variance Report text
  - Subsequent business reviews had history and enhanced depth
    - High-level, quarter-over-quarter trending began with the 3rd review (slide 17)
    - Advanced to detailed examination of trends and associated Variance Reports
    - Added views across Regions (slide 18) and across functional areas (slide 19)
  - Further evolution of reporting needs may require custom designs
Reporting

- **Example: Trends**
  - Tracking "red" elements by quarter
  - "Trend" is "red" now and for at least 1 of the prior 2 quarters

<table>
<thead>
<tr>
<th>Region</th>
<th>CMS Area</th>
<th>Element</th>
<th>Red Q1</th>
<th>Red Q2</th>
<th>Red Q3</th>
<th>Red Q4 (NOW)</th>
<th># qtrs red</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Part D Cov Det (D-CD)</td>
<td>D-C003</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Grievances (C-GV, D-GV)</td>
<td>D-G001</td>
<td>X</td>
<td></td>
<td>X</td>
<td>X</td>
<td>3</td>
</tr>
<tr>
<td>B</td>
<td>Org’n Det - Pre-Service (C-OP)</td>
<td>C-OP01</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Reconsid - Claims (C-RC)</td>
<td>C-RC02</td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
<td>2</td>
</tr>
<tr>
<td>F</td>
<td>Disenrollment (C-DN)</td>
<td>C-DN06</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H</td>
<td>Grievances (C-GV, D-GV)</td>
<td>D-G006</td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
<td>2</td>
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- **Example: Results by Region**

<table>
<thead>
<tr>
<th>Region</th>
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<tbody>
<tr>
<td></td>
<td>Percent of Active Quarterly Elements That Were Compliant</td>
<td>By Region</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>100%</td>
<td>99%</td>
<td>98%</td>
<td>97%</td>
<td>96%</td>
</tr>
<tr>
<td></td>
<td>Region</td>
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</table>
Reporting

- *Example:* Results by functional area

![Percent of Active Quarterly Elements That Were Compliant By Functional Area](Image)

Lessons Learned

- Executive sponsorship
  - Critical to success
- Robust communication plan
  - Essential for operational engagement
- Identification of accountable parties
  - Should be done early on to facilitate implementation
- Pre-review of data by Regional and business partners
  - Greatly facilitates business review preparation and flow
- Templates
  - Content guidance and/or templates to facilitate desired input on first attempt, e.g., Variance Reports
Benefits Achieved

- Operations is self-monitoring
- Joint reporting to Compliance and Operations
- Line of sight into non-compliant areas
- Ability to be pro-active
- Ability to identify and correct deficient areas prior to a CMS audit
- Ability to monitor CAP effectiveness

 Fucking only 5 quarters of reporting, the experience has been very successful

Questions and Contacts

- Questions?
- Contact information
  - Marcella Jordan
    - Director, Medicare and Federal Programs Compliance, Kaiser Foundation Health Plan, Inc.
    - (301) 816-7178 or marcella.jordan@kp.org
  - Michael Fletcher
    - Director, California Medicare Compliance, Kaiser Foundation Health Plan, Inc.
    - (909) 367-7302 or michael.p.fletcher@kp.org