



**JOINT LEGISLATIVE OVERSIGHT COMMITTEE
ON HEALTH AND HUMAN SERVICES**

LME/MCO Performance Standards and Accomplishments

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LME/MCO Funding Streams (SFY ending June 30, 2017)

Medicaid

Population	1.8 Million
Total Expenditures	\$2.629 Billion
Spending per Capita	\$1,407

Service Array

Inpatient, Outpatient, Crisis, Community Based Supports, Enhanced Services, Support Services and Innovation Waiver Services

Single Stream/Uninsured

Uninsured Population	1.2+ Million*
Total Expenditures	\$361.2 Million*
Spending per Capita	\$297

Service Array

Same, less Innovation Waiver Services plus Residential/Housing, Supported Employment

*Nearly \$85M spent on Medicaid recipients

LME/MCO Performance Measures w/Penalties

In order to provide greater focus on specific measures the LME/MCO contracts were amended in July 2017 to include financial consequences for failing to meet expected standards

The performance measures include:

- **Follow-up within Seven Days after Discharge from a Hospital (including Facility-based Crisis Services) or Detox Service for the Mental Health and Substance Use Disorder populations. (DMH/DD/SAS & Medicaid)**
 - Performance Standard: 40%
 - Potential Penalty: \$100,000 (Medicaid) per month & \$50,000 (DMH/DD/SAS) per month
- **Number of Transitions to Community Living Initiative (TCLI) population members transitioned into supportive housing. (DMH/DD/SAS)**
 - Performance Standard: 100% of annual housing slots allotted to LME/MCO by DHHS
 - Potential Penalty: \$600,000 annually (\$300,000 for SFY18)
- **Medical Care Coordination for Individuals with Intellectual/Developmental Disabilities (I/DD) who are on the Medicaid Innovations Waiver. (Medicaid)**
 - Performance Standard: 90%
 - Potential Penalty: \$100,000 per month

DHHS Oversight of LME/MCOs

MONTHLY

Financial

- Medicaid: YTD Net Value, Defensive Interval, Medical Loss Ratio, Dollar Value of Encounter Claims
- DMH/DD/SAS: Expenditures of SSF, Block Grants (MHBG, SABG, SSBG, Opioid-STR), 3-Way Bed, and calculations of MOE and TCLI

Quality – Combined Medicaid and DMH/DD/SAS Reporting

- Call Center Performance, IDD Wait List, Consumer Safety Incidents, TCLI, Claims/Encounter Processing (timely filing and denials), Persons Served, Community Psychiatric Hospital Admissions, Care Coordination, Emergency Department Utilization, Care Coordination, Authorizations Requests, Complaints/Grievances, Program Integrity Investigations Results
- Calls with LME/MCO CEOs

QUARTERLY

- Interagency Monitoring Team reviews (Medicaid and DMH/DD/SAS)
- DMH/DD/SAS: Quarterly calls with LME/MCOs regarding expenditures of SSF, Block Grants, MOE, and 2014-2015 service level targets

ANNUALLY

- External Quality Review (EQR on site reviews; some activity is semi-annual)
- On-Site Audit for Clinical Review and Sub-recipient Monitoring of Block Grants Spending
- Financial Settlement Audit for non-Medicaid state funds