

OPERATIONS MEMORANDUM #14-04-03
Medicaid

SUBJECT: Change in Types of Medical Assistance Quality Control (MA-QC) Reviews
Due the Implementation of the Affordable Care Act (ACA)

TO: Executive Directors

FROM: Tom Strickler, Director
Bureau of Operations

PURPOSE

To inform CAOs of interim changes to the MA-QC review and rebuttal process due to the implementation of ACA.

BACKGROUND

Currently, the Bureau of Program Evaluation (BPE) completes QC reviews monthly on active, closed and rejected MA cases for the MA categories that receive federal funding. This included all TANF-related and SSI-related categories.

DISCUSSION

Since ACA created significant changes to Medicaid eligibility, the Center for Medicare and Medicaid (CMS) has a strong interest in timely feedback about the accuracy of determinations based on these changes. They also desire states to quickly review, analyze and make improvements in the accuracy of eligibility determinations for MAGI cases based on the results of MA-QC reviews. Therefore, beginning with the October 2013 review month, QC will be reviewing an MA sample that will consist of MAGI cases only as required by CMS. ACA required states to evaluate current MA income limits and convert current limits to new limits based on FPL. The converted FPL limits take into account the loss of the current income deductions and incentives. This change will be included for October 2013 through March 2014 MA-QC reviews and until further notice.

At the beginning of each month a **Medical Assistance Positive Sample List, a Medical Assistance Rejected Sample List, and a Medical Assistance Closed Sample List** will be sent via email by the Bureau of Program Support, under the signature of Richard Szostek, Division of Quality Control Director. The Positive Sample list can include all MAGI active cases, the Rejected Sample can include all rejected applications for MAGI benefits, and the Closed Sample list includes MAGI individuals who have had their benefits terminated. Please note that CMS requires Federally Funded Marketplace (FFM) Determinations be excluded from the QC positive sample but FFM assessments are subject to MA-QC review.

In the past, for MA-QC reviews with TANF-related and SSI-related categories when an error was discovered, BPE reviewed the sampled case and converted eligibility to another available category, when possible. In light of the quick review, completion timeframes requested by CMS, as well as implementation of Corrective Action activities, BPE is implementing an interim change in the methodology for completing the MA-QC reviews. Each active MAGI case will be reviewed for MAGI eligibility only. If the sampled individual or household is not MAGI eligible or had MAGI benefits closed or rejected improperly, a review for other categorical eligibility will not be completed and an error will be cited.

Findings cited in the MAGI review will proceed through the normal QC error process with a Findings Memo being issued to the CAO, along with suggested Corrective Action activities based on MAGI policy only. The case will then be scheduled for the Error Review Committee (ERC) to give the CAO the opportunity to rebut and discuss the findings and/or discuss corrective action. In preparation of rebuttals to the case review findings scheduled for ERC, please consider findings determined using MAGI eligibility policy only.

CMS will be providing additional guidance regarding MA-QC review completion for the second half of FFY 2014 at a later date. BPE will advise the CAOs of any changes to the review and rebuttal process as they become available.

NEXT STEPS

1. Share and review this information with appropriate staff members.
2. Review OPS 13-09-04 with staff and the change in the types of reviews BPE will be conducting in this interim.
3. Please contact your area manager or the Bureau of Program Evaluation if you have questions regarding this Memorandum. Contact Patricia Weik at pweik@pa.gov or 717-787-5499.