Illinois Health and Hospital Association

August 23, 2017

This memo provides an update on the recent announcement by the Illinois Department of Healthcare and Family Services (HFS) of contract awards to Managed Care Organizations as well an additional RFP that has been solicited by the Department.

MCO Contract Awards

On Friday, August 11, 2017, HFS announced plans to award contracts to six MCOs to provide covered services to certain Medicaid-eligible populations. Key highlights include:

- All awards are contingent upon successful contract negotiations between HFS and the MCOs.
- The new program will begin January 1, 2018 for counties that are currently participating in mandatory managed care. HFS anticipates a rollout for the remaining counties that currently do not have managed care coverage to begin April 1, 2018.
- Statewide - five MCOs have been selected to offer coverage statewide to the Integrated Care Program (ICP), Family Health Plan (FHP)/Affordable Care Act (ACA) Adult, and Managed Long Term Services and Supports (MLTSS) populations, as well as certain special needs children:
  - Blue Cross Blue Shield of Illinois
  - Harmony Health Plan
  - Illinicare Health Plan
  - Meridian Health
  - Molina Healthcare of Illinois.
  - IlliniCare Health Plan has also been selected to serve the Department of Children and Family Services (DCFS) youth.
- Cook County – CountyCare Health Plan has been selected as a health plan option for eligible populations residing in Cook County.
- All executed contracts will be effective January 1, 2018 for an initial four-year term and include an option to renew for up to an additional four years.

HFS Appeals/Protest Period

According to specifications outlined in the RFP process, organizations wishing to appeal the HFS decision must file a timely appeal. To be considered “timely”, all appeals must be received by HFS no later than 3:00 p.m. CT on Friday, August 25. The following MCOs either did not submit bids under the state RFP or were not awarded contracts under the revamped program:

- Aetna Better Health
- CIGNA-HealthSpring
- Community Care Alliance
- Family Health Network
- Humana
- Next Level Health

Transition of MCOs Exiting Illinois

IHA continues to work with HFS on ensuring that those plans exiting the Illinois Medicaid managed care market as of December 31, 2017 adequately resolve outstanding claim disputes and meet all outstanding financial obligations to providers.

To assist in solidifying those efforts, HFS has issued an RFP to secure a contract with a consulting/audit vendor. That vendor would have primary responsibility for assisting in the runout of the current MCO contracts for the ICP, FHP, and MLTSS programs with non-selected MCOs.

As written, the RFP outlines specific audit activities required of the selected vendor, including but not limited to, the following:

- Identifying the broad scope of affected providers, including hospitals, physicians, nursing homes, mental health and substance abuse providers, DME/HME providers and Federal Qualified Health Centers;
- Auditing each provider type within each MCO network;
- Reconciling estimated receivables by provider type;
- Preparing interim and final liability reports by provider type;
- Facilitating conference calls with MCOs and providers to review analyses and recommendations, as well as recommend appropriate follow up.

While IHA appreciates the efforts to secure an external audit vendor, IHA will continue to advocate with HFS that all claims reconciliations conducted by the selected vendor should involve provider input and afford providers opportunities to present their documentation in order to accurately complete the reconciliation process.

All vendor proposals were due to HFS by August 21, 2017 with the work to begin by October 1, 2017. Please see IHA's July 11, 2017 memo for additional information on this RFP. IHA will continue to work with HFS in ensuring that sufficient opportunity exists for IHA members to receive frequent communication on the audit process and proposed results.

Member Training and Education
HFS will be issuing additional communications regarding the transition of the Medicaid managed care program relaunch in the coming weeks, including communications that will be sent to the Medicaid beneficiaries. IHA supports those efforts to ensure Medicaid clients will receive timely and accurate notice of proposed changes to their healthcare and will offer commentary to HFS regarding that content. It is anticipated that final copies of those communications will be provided to IHA so that we may share with members as a means of assisting you with communication to your patients.

Additionally, IHA is currently in the process of developing educational programming that will be offered in three locations around Illinois – Naperville, Peoria, and Springfield – to coincide with the re-launch of managed care in the existing 30 mandatory counties. IHA anticipates that selected MCOs, along with HFS, will participate in these sessions, with the program structure requiring attendance of all MCOs on the same day, although each MCO would have a specific presentation time. The overall goal is to ensure our members receive a timely and thorough understanding of each MCO's policies and procedures during these sessions. We believe this structure will be more efficient for members to hear from all the MCOs in one setting, rather than attending multiple sessions on different days.

For those regions that are currently non-mandatory counties, implementation of MCOs in those regions will begin after January 1, 2018. More details will be shared by IHA as they become available. Please note that similar to plans for educational programming mentioned above, IHA intends to develop training programs for all new managed care regions as well.

Agendas and additional details are still being developed, and IHA will share updates as we have further announcements. We would welcome feedback or suggestions about what your organization believes would be critical for the newly selected MCOs to cover in these training sessions.