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CERTIFIED PUBLIC ACCOUNTANTS

# THE INDEPENDENT ASSESSOR AND WHAT TO EXPECT FROM THE MID-POINT ASSESSMENT

DEDICATED TO GOVERNMENT HEALTH PROGRAMS





# Role of the “Independent Assessor”

# GENERAL – Role of Independent Assessor (Compliance Monitor)

CMS/HHSC determined need for compliance monitoring of the DSRIP Program in two major phases:

## 1. Monitoring Component 1: Monitoring Mid-Point Assessment Requirement (DY3)

- Required in the Program Funding and Mechanics Protocol (PFM).
- Reviews the degree to which the DSRIP project conforms to the approved plan and is measurable.
- Identifies risk issues associated with variances from the approved plan as it pertains to:
  - Compliance with the approved project plan.
  - Clarity of milestones as the basis for performance measurement and DSRIP payment.



# GENERAL – Role of Independent Assessor (Compliance Monitor)

## 2. Monitoring Component 2: Project Validation DY4 and DY5 Requirement

- Validates the data submitted by performing providers that serves as the basis for their DSRIP payments
  - This validation also includes a review of DY4 and DY5 Category 3 outcome measures to ensure that they are being implemented as required by the approved project plan.
- Providers of projects are at risk of having their DSRIP payment recouped for any payment where they actual performance does not match either what was reported or what the approved plan required.



## GENERAL – RHP AND STATE REPORTING REQUIREMENTS

- All RHP Plans are subject to potential audits, including review by the independent assessor during the mid-point assessment and ongoing compliance monitoring.
- The Performing Providers shall have available for review by HHSC and CMS, upon request, all supporting data and back-up documentation evidencing performance as described under an RHP Plan for DSRIP incentive payments.
- Data and metrics that form the basis of incentive payments in DSRIP should be accurate and valid. The state must require that each Performing Provider certify that data received to demonstrate DSRIP achievement is accurate and complete. Data accuracy and validity also will be subject to review by the independent assessor.
- Failure of the Performing Provider to maintain adequate documentation or inaccurate reporting of data may result in recoupment of DSRIP payments, including based on findings of the independent assessor.





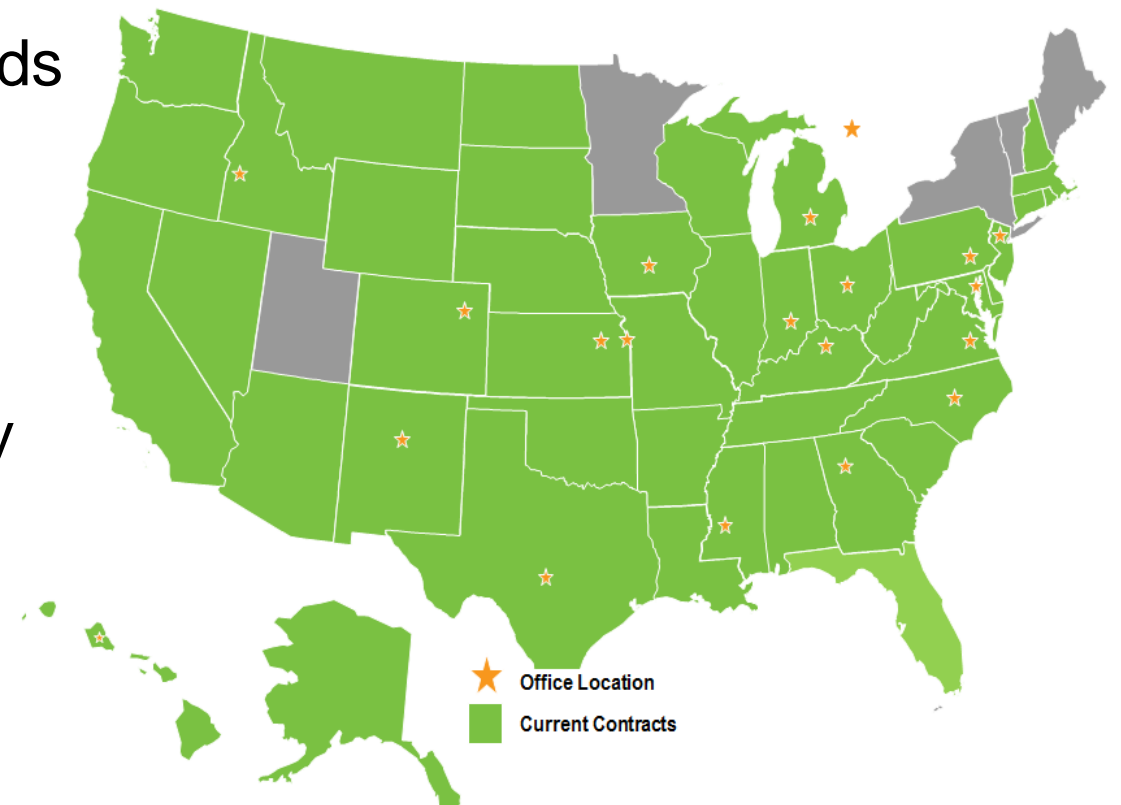
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A 3D graphic of a cube with a circular cutout in the center, rendered in a metallic, reflective material. The cube is positioned on a dark wooden surface.

## Who is Myers and Stauffer LC?



- Nationally-based CPA and consulting firm.
- Established in 1977.
- Dedicated to serving the consulting, assurance and compliance service needs of government regulatory health care agencies.
- Focus on behalf of government agencies (State/CMS/DOJ) to assure that public funds directed to Medicaid and Medicare are expended in compliance with federal and state laws and regulations.
- Over 600 employees in 19 offices currently servicing contracts in 46 states.



- Medicaid/CHIP Contract Auditor since 2004.
  - Medicaid Fiscal Intermediaries
  - Managed Care Organizations
- Disproportionate Share Hospital Payment Auditor since 2010.
- IT Security Auditor to HHSC Internal Audit Department since 2005.





- DSRIP Development and Monitoring in NJ.
- DSRIP Development in NV.
- Other Relevant Experience.
  - DSH audits and consulting in 45 states.
  - EHR audit protocol for CMS.
  - Nursing Homes Pay-for-Performance Program (assisted the Indiana Office of Medicaid Policy and Planning (OMPP) with the development of a program that links improvement in quality measures to increased reimbursement for Indiana nursing facilities.).
  - Other compliance and performance-based audits and consulting.



# Independent Assessor's Tasks

- Review of 3-year Projects not yet approved by CMS (3 projects)
- Desk Reviews of October DY 2 and April DY 3 Sign Off Summaries
- Mid-Point Assessment
  - Detailed desk reviews of project status
  - On-site reviews of project status
- Plan Modification Reviews
- Project Valuation Reviews – Both in Component 1 and 2
- Project Outcome Reviews
- Share Best Practices
- Ongoing Project Validation (DY4 and DY5)



# **Mid-Point Assessment: Objective, Approach, Methodology, Process and Procedures**



## OBJECTIVE, APPROACH AND METHODOLOGY

- The primary objective for DSRIP, as defined by the Centers for Medicare & Medicaid Services (CMS), is to improve care delivery systems and capacity for all patients, regardless of income, through a pay-for-performance model that emphasizes coordination of care, accountability and transparency.
- Mid-Point Assessment Objective
  - Review the degree to which the project being implemented is related to the approved plan and is measureable.
  - Identify risk issues associated with variances from the approved plan and report these variances to HHSC in a timely manner so HHSC can work to eliminate those risks prior to the first DSRIP payment in DY4.





- Structured monitoring plan to assess the status of DSRIP projects as a whole.
- Focus on Status at the RHP Level.
  - Projects stratified by RHP-Category-Dollars-Tiers.
- Sampling Methodology.
  - 90% confidence level.
  - Ensures all RHP-Category-Tier strata are sampled, thereby broadening risk and dollar coverage.
  - Supported by and consistent with methodology used under the Improper Payments Elimination, Recovery, and Information Act (IPERIA) as required under OMB circular A-123.



- Risk-based Approach for Compliance
  - Category
  - Dollar valuation
- Focused on Successful Outcomes Approach for Assistance
  - Best practices sharing
  - Communication with projects at risk



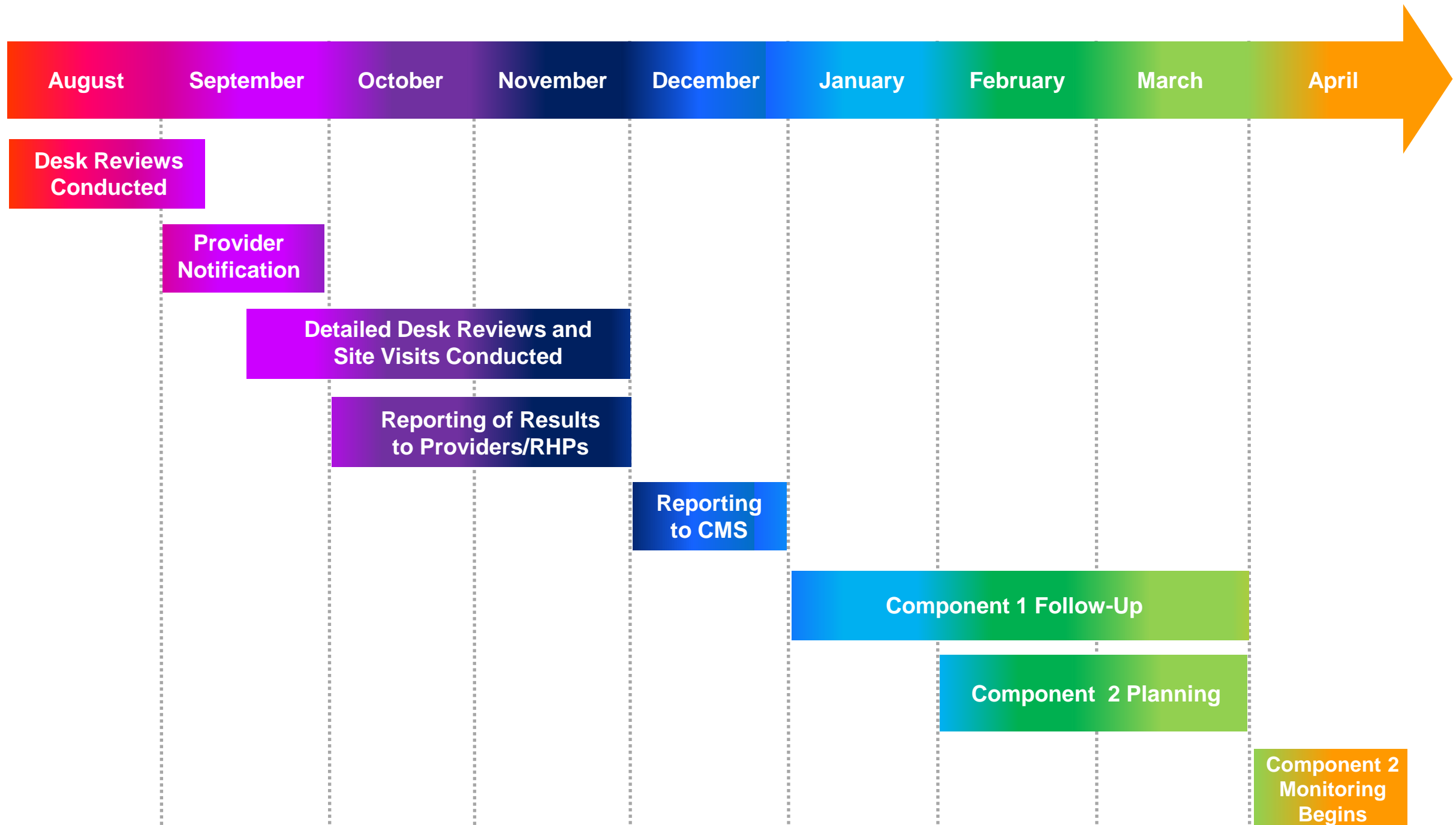
# Types of Reviews

Desk  
Review

Mid-Point  
Assessment  
- Detailed  
Desk  
Review

Mid-Point  
Assessment  
- On-Site  
Review

# Process – Time Line



# PROCESS – What to Expect During a Review







## PROCEDURES – What Will be Reviewed

- Testing for compliance with the approved plan.
- Assessing the status of project implementation compliance against the plan as either “On-Track,” “On-Track with Exceptions,” or “Off-Track.”
- The criteria used to make this assessment will include:
  - Compliance with required core components described in RHP Planning Protocol, including continuous quality improvement activities.
  - Appropriate use of federal funds.
  - Clarity of improvement milestones to ensure they are descriptive of actual project activities.
  - Degree to which improvement milestones provide a clear description of the measurement of project performance for DY4 and DY5.
  - Determine if improvement milestones are descriptive of meaningful patient impact and can be measured in a reliable manner.



## PROCEDURES – What Will be Reviewed

- Identifying major challenges that could prevent the project from meeting its plan. To the extent a project is far enough along to evaluate outcomes, the Mid-Point Assessment will also consider:
  - Determining the benefit of the project to the Medicaid and uninsured population and the health outcomes of all patients served by the project.
  - Verifying the number of Medicaid and uninsured patients as a percent of the total project population.
  - Determining the number of encounters experienced by Medicaid and uninsured patients as a percent of total encounters for the project population.

## PROCEDURES – What Will be Reviewed

- Identifying recommendations to assist the project in getting back on track, if possible, by providing best practices learned from other reviews.
- Evaluating the appropriateness of the DSRIP project's baseline given the project's milestone, metrics and overall objectives.
- Reviewing projects to determine compliance with their Continuous Quality Improvement (CQI) requirements as identified in the plans.
- Assessing the clarity of milestones as the basis for performance measurement and future DSRIP payment.
- Reporting the results to HHSC.



Periodic status update meetings with HHSC DSRIP team to review progress and identify trouble areas on an on-going basis.

Report to HHSC on the assessments, variances and recommendations identified in testing.

Risk assessment of all projects reviewed ranked as to highest risk of not meeting project plans.



# Communication and Reporting Results



# COMMUNICATION AND REPORTING RESULTS

- Communicating Results to HHSC – On-going
- Report to CMS
- Communication of Results to Providers
  - Individual
  - General
- Follow-up Communication with RHP



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