

PROVIDER Update



Health Net®

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Risk Adjustment Reporting and Encounter Data Submission Information

As a reminder, the Centers for Medicare & Medicaid Services (CMS) uses encounter data in its risk-adjustment (encounter data-based) formula to calculate payment due to Medicare Advantage organizations (MAOs). Capitated providers who are paid based on a percentage of the premium must submit all encounter data timely to Health Net of Arizona, Inc. (Health Net) in order to receive full reimbursement.

The accuracy and completeness of risk-adjustment calculations depends on providers reporting encounter diagnosis code data accurately and to the highest level of specificity. Inaccurate or incomplete data submissions may result in reduced payments from CMS to Health Net, which would affect provider reimbursements. This provider update includes information about reconciliation reports as well as various submission methods.

PROVIDER RAF RECONCILIATION REPORT

Health Net makes the Provider Risk Adjustment Factors (RAF) Reconciliation Report (PRRR) available to medical groups. The purpose of this report is to assist in reconciling the Medicare diagnosis codes submitted through the Risk Adjustment Processing System (RAPS) that CMS has accepted in comparison to what providers have in their encounters systems.

Health Net strongly encourages each medical group to use the PRRR to identify any diagnosis codes for a current member that CMS does not report as accepted for risk adjustment. If the group finds any discrepancies, it should resubmit additional data through the standard claim and encounter submission process or submit the data via the alternative submission method (ASM). Refer to the Additional Information section on page 2 to learn more about the PRRR or to request the PRRR.

ALTERNATIVE SUBMISSION METHOD

ASM is an alternative method to resubmit claims and encounter data for risk adjustment. Health Net encourages medical groups to submit encounter data timely to Health Net. ASM is an effective way for groups to resubmit additional diagnosis codes that may not have been accepted by CMS for RAF. For more information about how to use ASM, refer to the Additional Information section.

CMS ENCOUNTER DATA SUBMISSION

CMS has announced that it is changing data sources used for calculating risk scores in payment year 2016 for 2015 dates-of-service. Risk scores are calculated by using a weighting of 90 percent of the score based on RAPS data with 10 percent of the score based on encounter data submission (EDS) data. The EDS system weighting will increase for payment year 2017 for 2016 dates-of-service risk scores using 75 percent of the score based on RAPS data and 25 percent based on EDS.

THIS UPDATE APPLIES TO ARIZONA PROVIDERS:

- Physicians
- Medical Groups/IPAs
- Hospitals
- Ancillary Providers

LINES OF BUSINESS:

- Advantage Platinum (HMO)
- Advantage Platinum (PPO, POS)
- Medicare Advantage (HMO)

PROVIDER SERVICES

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NATIONAL PROVIDER COMMUNICATIONS

provider.communications@healthnet.com
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EDS TO CMS

Health Net has been submitting EDS data to CMS for many years. Health Net uses the same data submissions received from medical groups to send data to the CMS RAPS systems and the CMS encounter data processing system (EDPS). Medical groups do not need to submit different data submissions to Health Net for RAPS and EDPS.

USING NATIONAL PROVIDER IDENTIFIERS

The National Provider Identifier (NPI) is a mandatory data element for EDS. A missing NPI can cause an encounter or claim record to reject at CMS and not be accepted for risk adjustment. Providers need to include the NPI for billing and rendering provider fields whenever possible. This assists in complete data submissions to CMS' EDS system.

ADDITIONAL INFORMATION

Providers are encouraged to access Health Net's provider portal online at provider.healthnet.com for real-time information, including eligibility verification, claims status, prior authorization status, plan summaries, and more.

If you are interested in learning more information about the PRRR or to start receiving PRRR, contact Trish Pittman, Health Net business consultant, by telephone at (916) 935-0020 or by email at Trish.X.Pittman@healthnet.com.

For more information about how to use ASM, contact Anne Trim, Health Net senior business analyst, by telephone at (916) 935-8133 or by email at Anne.E.Trim@healthnet.com.

For all other questions, contact the Health Net Provider Services Center by email at AZ_InternetProviderInquiries@healthnet.com, through the Health Net provider website at provider.healthnet.com, or by telephone at 1-800-289-2818.

Online Medical Policies

Health Net develops evidence-based medical policies through critical appraisal of current and published peer-reviewed medical literature to support providers in determining medical necessity for specific procedures, equipment and services. Medical policies are located on the Health Net provider website at provider.healthnet.com under *Working with Health Net > Clinical > Medical Policies*.