Department of Health Care Finance
DHCF *(HT)*

MISSION

The mission of the Department of Health Care Finance is to improve health outcomes by providing access to comprehensive, cost effective, and quality health care services for residents of the District of Columbia.

SUMMARY OF SERVICES

The Department of Health Care Finance provides health care services to low-income children, adults, elderly and persons with disabilities. Over 200,000 District of Columbia residents (one-third of all residents) receive health care services through DHCFs Medicaid and Alliance Programs. DHCF strives to provide these services in the most appropriate and cost-effective settings possible.

MAJOR ACCOMPLISHMENTS

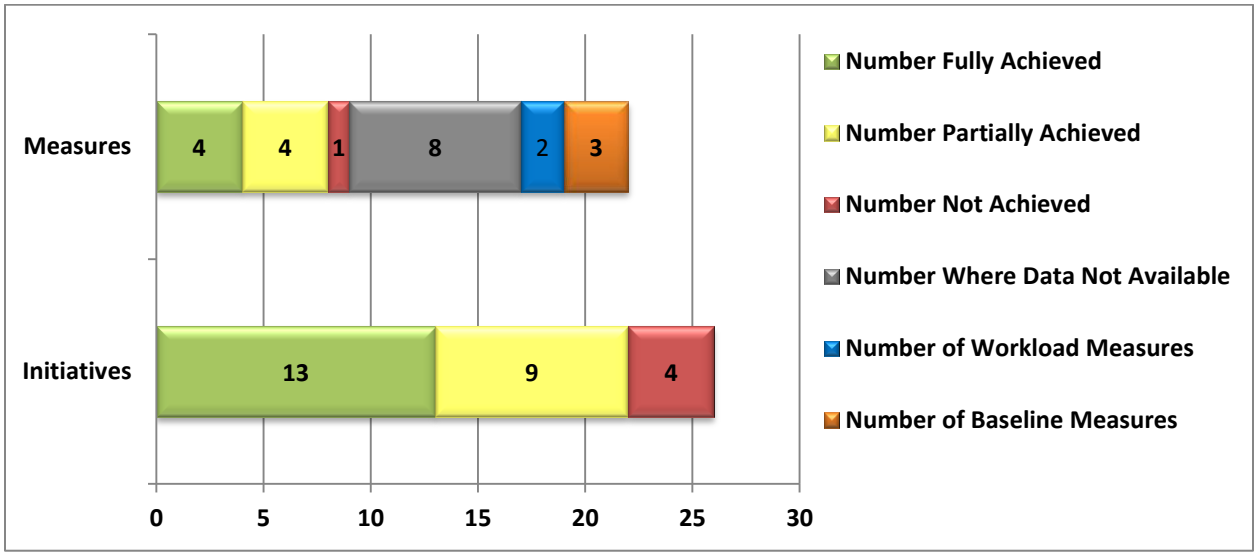
- ✓ Approval for the ID/DD waiver – The ID/DD waiver was set to expire in November 2012, and without the waiver services would have terminated and negatively impacted over 1,600 beneficiaries. DHCF received approval on October 25, 2012, with an effective date of November 20, 2012.

- ✓ Publication of member handbook for the Medicaid Fee for Service Program – DHCF published its first member handbook for the Medicaid Fee for Service Program, which provides beneficiaries with important information regarding available benefits, how to access care and key contact information.

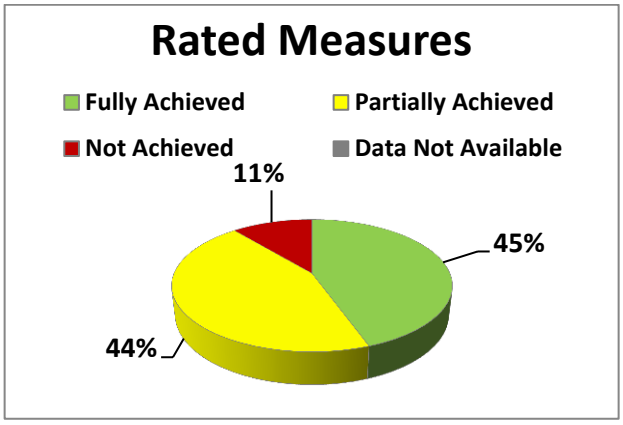
- ✓ Level Two Establishment Grant award for $73 million for the continued development of the District's Health Benefit Exchange – The District was among states further along in building its Health Benefit Exchange Program who were awarded the Level Two Establishment Grant, which will be used to develop the IT infrastructure, operations, education and outreach.

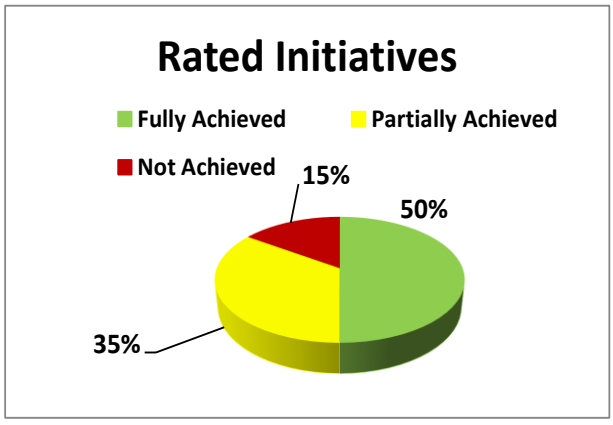
OVERALL OF AGENCY PERFORMANCE

TOTAL MEASURES AND INITIATIVES



RATED MEASURES AND INITIATIVES





Note: Workload and Baseline Measurements are not included

Default KPI Rating:	
>= 100%	Fully Achieved
75 - 99.99%	Partially Achieved
< 75%	Not Achieved

Performance Initiatives – Assessment Details

Performance Assessment Key:

Fully achieved | Partially achieved | Not achieved | Data not reported

Office of the Director

OBJECTIVE 1: Increase access to care for District residents.

INITIATIVE 1.1: Initiative 1.1: Coordinate with sister agencies on development and implementation of Health Care Reform Activities.

Fully Achieved. In FY 2012 DHCF continued to coordinate health reform activities through monthly meetings of the Health Reform Implementation Committee (HRIC) and the six HRIC Sub-committees: Insurance, Communications, Medicaid Expansion and Eligibility, Information Technology, Exchange Operation, and Health Service Delivery. DHCF also submitted an application for Level Two Exchange Establishment funding, and was awarded $73 million to cover Exchange costs through 2014. In addition, DHCF and DHS submitted an Advanced Planning Document for enhanced match Medicaid funding to support a new integrated health and human services eligibility system, which will also be used by the Exchange. Medicaid funding for the project was approved in December 2011. State Plan Amendments (SPAs) for the implementation of Medicaid provisions for the Affordable Care Act have also been submitted for approval, including for implementation of a Recovery Audit Contractor, pediatric palliative care services, and provider screening and enrollment.

INITIATIVE 1.2: Initiative 1.2: Implement technology solutions to support the Office of the Health Care Ombudsman.

Partially Achieved. The Office of the Ombudsman is planning to implement a technology strategy to support the Office's operations that will be compatible with the new integrated eligibility and Health Benefit Exchange health and human services solution currently under development. This system will include call center technology that will be leveraged by multiple agencies and the Office of the Ombudsman, helping to ensure better tracking and resolution of consumer questions and complaints. The Office the Ombudsman will work with the Office of the Chief Technology Officer (OCTO) to ensure that the complaint and tracking system the Office of the Ombudsman implements is compatible with the system that is purchased. In addition, the Office of the Health Care Ombudsman website has been designed and implemented. The Office of the Health Care Ombudsman did receive federal funds to assist with the system design.

OBJECTIVE 2: Design and implement a comprehensive health information technology (HIT) plan.

INITIATIVE 2.1: Initiative 2.1: Integrate and operate Patient Data Hub.

Partially Achieved. In April of 2009, DHCF signed a contract with a vendor to design and deploy a Medicaid Patient Data Hub (PDH) which would link a patient's clinical information from the MMIS and medical chart data from local participating providers in order to provide a data-rich, persistent view of the patient's clinical history that would enable the treating provider to make the most informed treatment decisions for the patient's benefit. The vendor, MedPlus, developed the technology platform for the PDH, populated it with a three-year test data set from the MMIS

and conducted a User Acceptance Test (UAT) of the PDH with DHCF employees in the Fall of 2010. The PDH was not interfaced with external providers before the end of the first option year contract, and has therefore not been able to demonstrate the linking of the MMIS and provider-based clinical data into a combined persistent view. DHCF is exploring options to accomplish the original objective of the PDH using newer technologies that have become available since the start of the PDH project.

INITIATIVE 2.2: INITIATIVE 2.2: Develop and implement the "Direct" solution.

Partially Achieved. DHCF was awarded $5.1 million in funding from the U.S. Department of Health and Human Services (DHHS), Office of the National Coordinator for Health Information Technology (ONC) to plan and implement a statewide Health Information Exchange (HIE). The District is using this funding to implement Direct Secure Messaging (DSM), a secure point-to-point messaging service for clinical providers. In March 2012, DHCF executed contract with Orion Health to build the technical infrastructure for Direct, which was completed and tested throughout the summer. In May 2012, the HIE project was staffed with a Program Manager, Management Analyst and Staff Assistant. In July 2012, the Mayor appointed twenty one members to the DC HIE Policy Board, which has been meeting monthly since. Enrollment in Direct will begin once the Direct subscription agreement and policies and procedures are finalized in early FY 2013.

INITIATIVE 2.3: INITIATIVE 2.3: Implement Medicaid Electronic Health Record Incentive Payments Program.

Partially Achieved. The Medicaid Electronic Health Record (E.H.R.) Incentive Payment Program will provide incentive payments to eligible health professionals and eligible hospitals as they adopt, implement, upgrade, or demonstrate meaningful use of certified E.H.R. technology in their first year of participation and demonstrate meaningful use for up to five remaining participation years. DHCF was awarded $3 million from the Centers for Medicare and Medicaid Services in October 2011 to plan, implement and operate an incentive program for Medicaid providers through an Advanced Planning Document (APD). In May 2012, the project was staffed with a Program Manager, Management Analyst and Staff Assistant. In the first quarter of FY 2013, a contract will be awarded for a vendor to implement a system to collect required information from providers and operate the incentive payment program. Payments to providers are anticipated by the second quarter of FY 2013.

OBJECTIVE 3: Develop policies, plans and data to enable effective program administration and utilization of resources.

INITIATIVE 3.1: Streamline and improve eligibility policy and operations.

Partially Achieved. On December 30, 2011, the District was awarded over $26 million in federal Medicaid and FNS/SNAP funds for three years based upon a funding proposal submitted by DHCF and DHS. Using these funds and coordinating closely with the Health Insurance Exchange Authority (HBX), DHCF and DHS are working to create the District of Columbia Access System (DCAS) -- an integrated health and human services eligibility system to launch October 1, 2013. It is envisioned that all applicants will come through a single online portal and that the system, initially, will be fully integrated with the HBX. Specifically, with respect to eligibility changes, DHCF, working with DHS, has completed several critical analyses, mapped current enrollment function, developed a verification plan and completed analysis of over 90 eligibility and enrollment issues. We have also conducted outreach to the community and to internal and external stakeholders. DHCF is on track for an October 1, 2013 initial roll out for Medicaid and Exchange functionality

and for an October 1, 2014 implementation date for other human services and health benefits including TANF, Food Stamps and the Alliance.

INITIATIVE 3.2: Improve data collection, aggregation and analysis to better understand the populations served and inform policy decisions.

Fully Achieved. The agency has used its new MMIS and key technical staff within the Health Care Policy and Research Administration (HCPRA) to review and analyze enrollment and utilization data for both Medicaid and Alliance programs. Analyses ranged from utilization patterns in inpatient psychiatric hospital admissions to trends in Personal Care Aide (PCA) utilization to diagnoses and service utilization of Fee-for-Service day treatment users and to the distribution of lengths of stay for nursing facility users. These analyses have allowed DHCF to examine patterns and trends for services and populations of interest, enhance data support for standard agency functions such as budget and policy development, and to identify proactively areas for further research.

INITIATIVE 3.3: Develop and implement a strategy for reimbursement of school-based health services provided by non-public schools.

Partially Achieved. In collaboration with District's Office of the State Superintendent of Education (OSSE), a reimbursement strategy has been created to ensure the reimbursement of school-based health services provided to Medicaid-enrolled children in non-public schools. This document will be sent to CMS for review and approval. Upon receiving CMS' approval to pursue this strategy, DHCF will submit an official state plan amendment for review and approval.

OBJECTIVE 4: Improve access to high quality services and improve resource management.

INITIATIVE 4.1: Develop and Issue a RFP for Long Term Care Support Services

Fully Achieved: DHCF developed and issued a request for proposals (RPF) for a vendor to assist in managing the Personal Care Aide (PCA) benefit. The goals of this procurement are to: 1) Eliminate any conflicts of interest that may exist when an agency that is assessing the need for and authorizing the quantity of service to be delivered is the same agency that will receive financial compensation for delivering the services; 2) Improve program integrity and reduce fraud, waste, and abuse. The RFP was released in August 2012. The proposal review process is underway. DHCF anticipated selecting a vendor in November 2012.

INITIATIVE 4.2: Develop and Submit the ID/DD Waiver Application.

Fully Achieved: DHCF, in collaboration with DDS, submitted the ID/DD waiver application to the Centers for Medicare and Medicaid Services (CMS) in August 2012. DHCF received approval of the waiver by CMS on October 25, 2012. The new waiver provides 27 services and will service approximately 1,592 to 1,692 individuals annually. DHCF and DDS will continue collaborating on the implementation of the new waiver.

INITIATIVE 4.3: Establish formal relationships with Medicare Special Needs Plans (SNP) serving District residents dually enrolled in Medicare and Medicaid.

Fully Achieved: DHCF entered into an agreement with United Healthcare Insurance Company's Dual Special Needs Plans on October 18, 2012. The agreement is effective for calendar year 2013 and consistent with the requirements of the Medicare Improvement for Patients and Providers Act of 2008 and resulting regulation found at 42 CFR § 422.107. The District will provide the MA Health Plan with information on fee-for-service Medicaid provider participation. This initiative will provide better coordination of care and enhanced benefits for District residents dually enrolled in Medicare and Medicaid.

INITIATIVE 4.4: Implement regulatory changes to improve the quality of services provided by home health care agencies.

Partially Achieved: DHCF developed and implemented new regulatory requirements to ensure higher quality services for Medicaid beneficiaries using home health care agencies. The new rule raises quality expectations and enhance DHCF's capacity to oversee home health care agency operations. DHCF also will work with HRLA to ensure that changes in licensure requirements are reflective of DHCF's rule changes. DHCF will continue to refine the regulations as needed to ensure higher quality services.

INITIATIVE 4.5: Develop a Fee-for-Service member handbook.

Fully Achieved: DHCF developed and published the first ever member handbook for the Medicaid Fee for Service (FFS) program in 2012. The handbook provides Medicaid beneficiaries with important information regarding available benefits, how to access care, and key contact information. The handbook is available to all Medicaid FFS members through the DHCF website.

INITIATIVE 4.6: Increase access to and appropriate use of medications via the Right Rx Initiative.

Fully Achieved: Right Rx is a joint initiative of the District of Columbia Medicaid Pharmacy and Therapeutics (P&T) Committee and Medicaid Drug Utilization Review (DUR) Board. The program was initiated in FY 2010 and seeks to ensure cost-effective pharmaceutical care for Medicaid beneficiaries. During FY12, the DHCF Medicaid Provider Bulletin, which is published on a bi-monthly basis, included articles targeting both prescribers and pharmacists aimed at promoting appropriate utilization and managing rising costs as proposed by the Right Rx Initiative. Topics included: (1) Risk Evaluation and Mitigation Strategies (REMS) discussion on FDA warnings for the proper use of ciprofloxacin to prevent adverse effects from tendinitis and tendon rupture; (2) Introduction to the Pharmacy Lock-in program to assist prescribers and pharmacists with the management of beneficiaries with problem or suspect medication utilization patterns; (3) Therapeutic review of new antiplatelet agent PradaxaR which outlined approved indications and appropriate prescribing considerations; (4) Clinical review of the new oral Hepatitis C medications (VitrelisR and IncivekR) along with the prior authorization requirements approved by the DC Drug Utilization Review (DUR) Board.

OBJECTIVE 5: Improve health outcomes for District residents.

INITIATIVE 5.1: Improve birth and perinatal outcomes in the Medicaid program.

Fully Achieved. 2012 marks the Perinatal Collaborative's fourth year in a multi-year initiative. The goals of this health care quality improvement collaboration are to reduce the rates of: Newborns with birth weight less than 2,500 grams; newborns of 32 weeks or less gestational age; pregnant women NOT tested for HIV prior to giving birth; pregnancies ending in miscarriage or fetal loss (early or late); and deaths of infants in the first year of life. The calendar year 2011 measure is 148 adverse outcomes per 1000 pregnancies and infants which is lower than the 2010 measure. This initiative is an ongoing part of the Medicaid MCOs yearly activities. MCOs are required under federal regulations (42 CFR Part 438) to complete and submit to DHCF an annual performance improvement project (PIP). One of the topics DHCF selected for the MCOs PIPs is improving birth outcomes. Therefore, routinely included in the MCOs annual PIPs is information regarding the initiatives the MCOs took throughout the year to track each pregnant woman with known risk factors.

INITIATIVE 5.2: Launch a resource website for case managers and perinatal providers. Partially Achieved. As part of the Perinatal Collaborative to reduce adverse birth outcomes, in FY 2012 DHCF anticipated launching a resource guide website for health plan case managers and other medical care providers. For case managers across health plans, the website will improve access to up-to-date information on resources to meet members' medical, psychological and social needs. Resources will include information on services to meet psychosocial risk factors (such as alcohol or other substance misuse, domestic violence, and mental health problems), as well as services to support healthy babies, such as breast feeding. The site will clearly make the connection between psychosocial needs and health, and link case managers to services that are available to the mother. The website has been developed with the MCOs and Perinatal Collaborative members and is undergoing final review by DHCF and MCOs. DHCF anticipates that the perinatal website will be launched before the end of 2012.

INITIATIVE 5.3: Reduce adverse outcomes for people with chronic illnesses.
Not Achieved. The Chronic Care Initiatives is in its fourth year of a mulit-year initiative. The goals of this collaborative are to reduce the rates of emergency room visits and hospital admissions by individuals with asthma, diabetes, high blood pressure, and congestive heart failure. The Collaborative outcome data for 2012 will not be available until 2013. Additionally, the illness self-management resource has not been completed and it will be a primary initiative in FY 2013.

INITIATIVE 5.4: Execute new Utilization Management Contract.
Not Achieved. DHCF released a Request for Proposals (RFP) to solicit a utilization management vendor in the spring of 2012. Through the utilization of concurrent, prospective, and retrospective reviews, the contractor will monitor the performance and quality of care offered by the District's Medicaid providers. The evaluation panel was convened and a selection was made. The procurement process is in its final phases and DHCF anticipates the award to be made by the end of 2012.

OBJECTIVE 6: Improve the efficiency of program operations.

INITIATIVE 6.1: Improve provider payment efficiency.
Not achieved. DHCF has utilized several venues to encourage providers to be paid electronically. DHCF developed and disseminated information through the provider bulletin; posted the information on the DC Medicaid Web Portal for providers; and added banner messages to the remittance advice that is sent to providers as a part of their payment. DHCF also provided EFT enrollment information whenever providers requested a check trace. DHCF will continue to encourage our providers to enroll in EFT and promote the benefits of being paid electronically.

INITIATIVE 6.2: Establish Inter-Departmental Committee on Public Providers and Medicaid Billing.
Fully Achieved. The committee was established and has regularly scheduled meetings to discuss Medicaid billing. Through the committee, issues related to the Random Moment Time Studies required for DCPS and DCPCS to begin claiming for Medicaid reimbursable services has been addressed. Additionally, two new agencies, OSSE and DDOE, began submitting claims to the Medicaid program in this fiscal year. Through our partnership with DOH, the Aids Drug Assistance Program (ADAP) was moved into the Medicaid Management Information System (MMIS) with a

new ADAP pharmacy network and a dispensing fee saving per prescription of $12.50. This change also allows for more current screening of ADAP applicants to ensure that they are not covered by Medicaid or any other insurance. The committee, with the ASO has also assessed at least one agency regarding their potential Medicaid reimbursable services. The committee will continue to meet in the new fiscal year.

INITIATIVE 6.3: Implement health care reform initiatives.

Partially achieved. DHCF implemented drug rebates for the Managed Care Organizations (MCOs) in FY2012. To date we have filed for over $47 million in rebates for dates of service beginning in October 2010. DHCF also implemented the payment logic related to health care acquired conditions. Finally, DHCF is also in the process of securing a vendor to be the recovery audit contractor and anticipates that the program will be implemented in FY2013.

OBJECTIVE 7: Strengthen program integrity.

INITIATIVE 7.1: Strengthen strategies to prevent provider fraud and abuse.

Fully achieved. DHCF implemented new regulations related to Personal Care Aide (PCA) services. The rule expanded the amount of data the home health agencies must report for a claim to be paid, allowing DHCF to better understand how the service is provided. Home Health Agencies, which provide PCA services, are now required to report the National Provider Identifier (NPI) for the PCA Aide who rendered the services as well as the NPI of the physician who ordered the service. DHCF also implemented the federally mandated NCCI and MUE edits. DHCF continues to add new edits, when identified, to the MMIS that can be coded to avoid "pay and chase". In FY12, DHCF also reinstated edits related to the payment for waiver services and dental services.

INITIATIVE 7.2: Establish Multi-Disciplinary Compliance Team.

Not Achieved. DHCF is still in the process of establishing a multi-disciplinary compliance team to engage in on-going promotion of compliance issues related to program integrity.

OBJECTIVE 8: Implement health care reform.

INITIATIVE 8.1: Ensure stakeholder engagement in planning efforts

Fully Achieved. In January 2012, DHCF completed a Strategic Communications plan to ensure stakeholder engagement in health reform planning efforts. The Plan included public stakeholder meetings, a newsletter, social media, and web communications. In May 2012, DHCF issued the inaugural edition of its "For Your Benefit" newsletter. The newsletter is issued monthly and focuses on District Agency activities related to health reform. It also includes information on upcoming meetings, job vacancies, solicitation for input on recommendations and analyses of various health benefit exchange activities conducted by the District, and other information that is felt would be beneficial to the target audience. The subscription list includes over 900 individuals, including stakeholders, carriers, District staff, and others who have registered to receive email updates on the Health Reform website. A new website for the Health Benefit Exchange Authority is also under development. The website will contain all pertinent information regarding the health benefit exchange, including upcoming meetings, meeting materials, additional resources, and a host of other information that the District feels is beneficial in educating its stakeholders.

INITIATIVE 8.2: Secure funding for the Health Insurance Exchange implementation

Fully Achieved. In September 2013, the U.S. Department of Health and Human Services (HHS) awarded a Level Two Establishment Grant for $73 million to the Department of Health Care

Finance for the continued development of the District's Health Benefit Exchange. The multi-year grant is awarded to states further along in building their Exchanges. The Level Two Grant funding will be used to develop the IT infrastructure, operations, education, and outreach activities to support the required functions of the District's Exchange, and will provide all required funding for the Exchange through 2014.

INITIATIVE 8.3: Evaluate health care reform demonstration project opportunities.

- **Fully Achieved.** In September 2013, the U.S. Department of Health and Human Services (HHS) awarded a Level Two Establishment Grant for $73 million to the Department of Health Care Finance for the continued development of the District's Health Benefit Exchange. The multi-year grant is awarded to states further along in building their Exchanges. The Level Two Grant funding will be used to develop the IT infrastructure, operations, education, and outreach activities to support the required functions of the District's Exchange, and will provide all required funding for the Exchange through 2014.

Key Performance Indicators – Details

Performance Assessment Key:

Fully achieved | Partially achieved | Not achieved | Data not reported | Workload Measure

		Measure Name	FY 2011 YE Actual	FY 2012 YE Target	FY 2012 YE Revised Target	FY 2012 YE Actual	FY 2012 YE Rating	Budget Program
	1.1	Percent of District residents uninsured	6.2%	6%		TBD[1]		AGENCY MANAGEMENT PROGRAM
	1.2	Number of District residents covered by Medicaid (Year End)	212,935	0		218,968		AGENCY MANAGEMENT PROGRAM
	1.3	Number of District residents covered by Alliance (Year End)	23,931	0		17,289		AGENCY MANAGEMENT PROGRAM
	1.4	Number of consumers served by Ombudsman	3,313	3,500		3,960	113.14%	AGENCY MANAGEMENT PROGRAM
	1.5	Percent of closed/resolved cases among Ombudsman consumers	98%	92%		98.37%	106.92%	AGENCY MANAGEMENT PROGRAM
	3.1	Number of adults in 1115 Childless Adults Waiver	3,102	3,698		3,725	100.73%	HEALTHCARE POLICY AND PLANNING
	5.1	Percent of Medicaid beneficiaries in out-of-state nursing facilities	10.8%	9%		9.77%	92.11%	HEALTHCARE DELIVERY MANAGEMENT
	5.2	Number of beneficiaries in ICF/IID facilities	409	400		383	104.44%	HEALTHCARE DELIVERY MANAGEMENT
	5.3	Percent of beneficiary satisfaction with their health plan	72.6%	79%		TBD[2]		HEALTHCARE DELIVERY MANAGEMENT
	5.4	Percent of eligible children receiving preventative dental services	54%	50%		TBD[3]		HEALTHCARE DELIVERY MANAGEMENT

[1] 2012 data is not available until the fall of calendar year 2013
[2] 2012 data is not available until the fall of calendar year 2013
[3] 2012 data is not available until the fall of calendar year 2013

		Measure Name	FY 2011 YE Actual	FY 2012 YE Target	FY 2012 YE Revised Target	FY 2012 YE Actual	FY 2012 YE Rating	Budget Program
	5.5	Number of reported complaints on transportation broker services per 1,000 trips (including missed/late trips)	1.9	2		2.1	95.24%	HEALTHCARE DELIVERY MANAGEMENT
	5.6	Number of beneficiaries moved from institutions into the community through Money Follows the Person Program (MFP)	24	60		24	40%	HEALTHCARE DELIVERY MANAGEMENT
	5.7	Adverse perinatal outcomes per 1,000 pregnancies and infants.	148	210		TBD[4]		HEALTHCARE DELIVERY MANAGEMENT
	5.8	Adverse chronic disease outcomes per 1,000 people (asthma, diabetes, hypertension, congestive heart failure)	458	342		TBD[5]		HEALTHCARE DELIVERY MANAGEMENT
	5.9	Percent of children received age-appropriate immunizations (HEDIS measure)	94.8%	87%		TBD[6]		HEALTHCARE DELIVERY MANAGEMENT
	5.1	Percent of timeliness of prenatal care	72.58%	80%		TBD[7]		HEALTHCARE DELIVERY MANAGEMENT
	5.11	Percent of adults enrolled in health plans who accessed preventive/ambulatory care (age 20-44)	73.07%	85%		TBD[8]		HEALTHCARE DELIVERY MANAGEMENT

[4] 2012 data is not available until the fall of calendar year 2013
[5] 2012 data is not available until the fall of calendar year 2013
[6] 2012 data is not available until the fall of calendar year 2013
[7] 2012 data is not available until the fall of calendar year 2013
[8] 2012 data is not available until the fall of calendar year 2013

		Measure Name	FY 2011 YE Actual	FY 2012 YE Target	FY 2012 YE Revised Target	FY 2012 YE Actual	FY 2012 YE Rating	Budget Program
●	7.1	Number of referrals to the Medicaid Fraud Control Unit (MFCU)	22	25		5		HEALTH CARE OPERATIONS
●	7.2	Total dollars recovered from provider audits (local and federal funds)	2,197,448.32	$6,500,000		$2,287,165		HEALTH CARE OPERATIONS
●	7.3	Total dollars recovered from Third Party Liability (TPL)	$7,100,000	$6,000,000		$6,137,864		HEALTH CARE OPERATIONS
●	8.1	Percent of providers paid electronically	34%	45%		36.87%	81.92%	HEALTH CARE OPERATIONS
●	8.2	Average time (days) to process Medicaid provider application	35	35		40	87.50%	HEALTH CARE OPERATIONS