

MCO Program Improvements – RY16 (Oct 2015 – Sep 2016)

- Comprehensive review of rate-setting process with focus on fairness + transparency
 - Latest data available wherever possible
 - Account for changes in enrollment due to AA + redeterminations
 - Account for impact of Hep C + specialty pharmacy pipeline
 - Clear + transparent info sharing package (consistent with other states' practice)
- 3.9% RY16 rate increase vs. 2.8% budget
- RY16 program improvements grounded in MCO + member feedback:
 - Individual member risk scores provided to MCOs (Jul 1)
 - Required reports reduced by >50% (Oct 1)
 - Risk adjustment methodology to reflect observed acuity of 'choosers' vs. 'non-choosers' (Oct 1)
 - PCC option for CarePlus members: consistency across program (Oct 1)
 - Encounter data incentive (Oct 1)
 - Equitable distribution of auto-assigned members among MCOs (Oct 1)
- Longer term improvements under consideration
 - E.g., enrollment windows, competitive procurement, integration with payment reform strategy, auto-assignment favoring high performing plans