



# Commonwealth Medicine

Health Care Finance Solutions

# ECOB – Enhanced Coordination of Benefits

Massachusetts Overview and Community Outreach Initiative

Presented by:

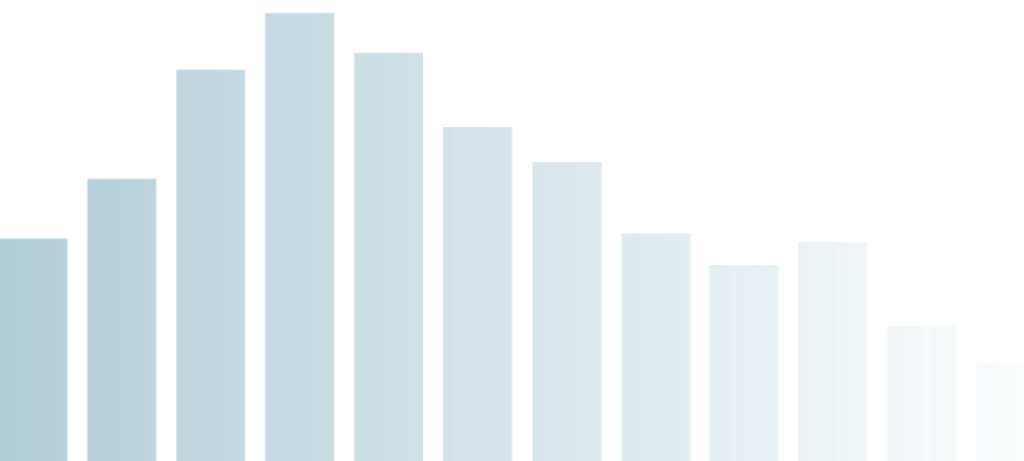
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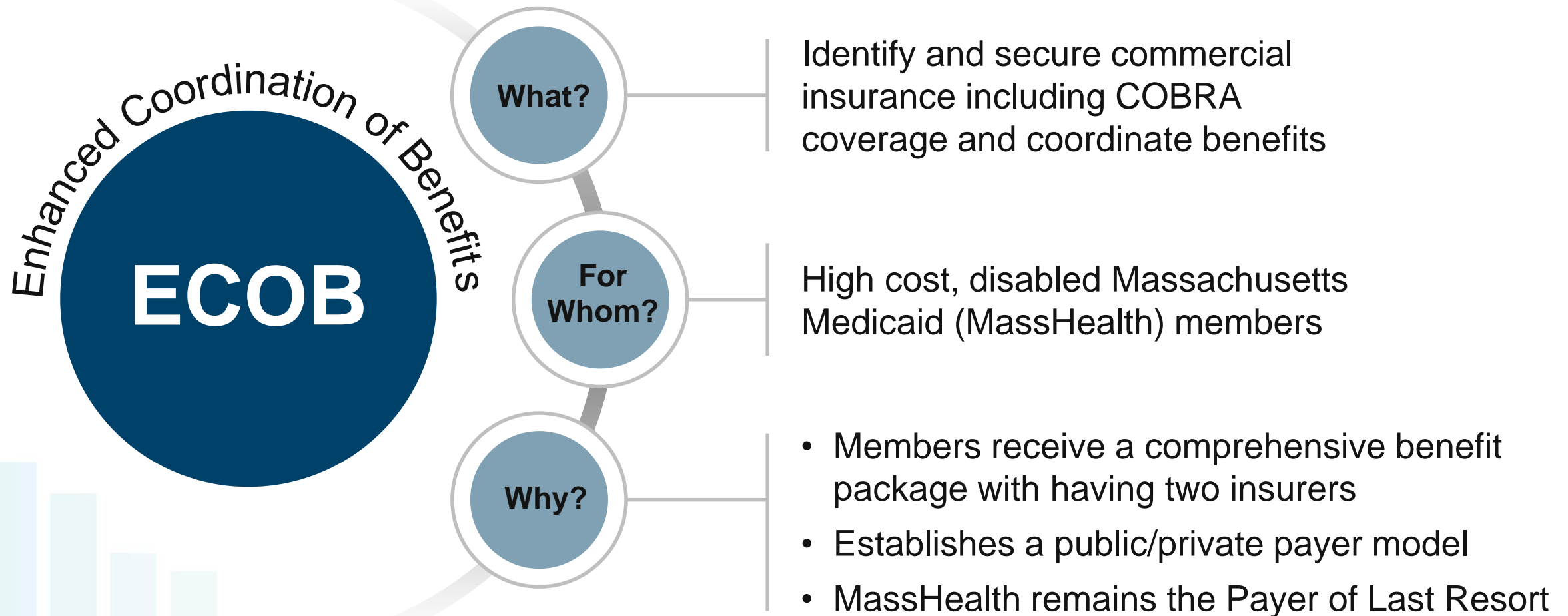
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# The Fundamentals in Massachusetts



# Why was the Enhanced Coordination of Benefits (ECOB) Program Needed?

Identifies members in disabled aid categories who have active commercial coverage and potential access to comprehensive insurance

Targeted TPL investigation + outreach ensures members will access affordable employer-sponsored coverage, when available

- Reduces unnecessary managed care plan enrollment and capitation payment

Identifies those at risk for loss of coverage due to loss of employment and works with employers to secure COBRA coverage, while streamlining eligibility determination for Medicaid

Support to families of NICU babies not added to the parent's health plan because SSA eligibility is established, provides parents with counseling on insurance options and coordination of benefits between insurers

# History of ECOB's Hospital Based Model

- Established in 1999 to identify commercial health insurance coverage and provide benefit coordination to medically complex MassHealth members in an inpatient acute setting.
- Focused on patients or parents of children (policy-holders) at risk of losing access to commercial health insurance coverage due to disability onset and transitioning from commercial plans to Medicaid.
- Embedded Insurance Coordinators at hospitals ensure third party benefits are considered and maximized when developing a plan of care.
- Expanded in 2008 to all tertiary care hospitals in Massachusetts.
- Leveraged new ACA reforms around Dependent 26 and Lifetime Max removal to identify additional TPL opportunities.

# Insurance Coordinators: Hospital Based Activities

Collaborate with hospital staff to identify members at risk of losing commercial health insurance or those who have access to health insurance.

Attend select clinical and financial rounds and assist care coordination teams to resolve coverage issues.

Meet with referred members and families to explain MassHealth Coordination of Benefits (COB) and TPL requirements.

Review hospital patient insurance information and initiate MMIS update requests when needed.

Provide ongoing education to hospital staff on TPL Programs.

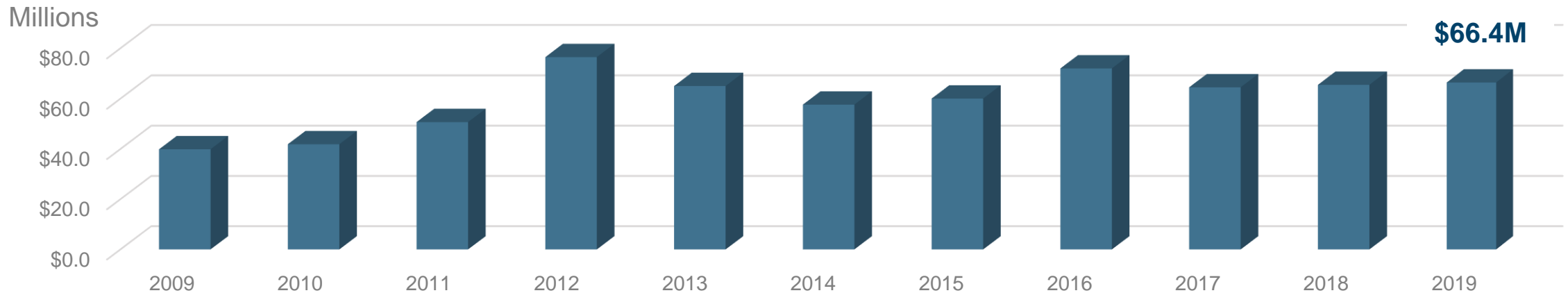
Assist members in resolving coverage and billing issues.

Provide hospitals with quarterly reporting.

# ECOB Hospital Based Model Outcomes

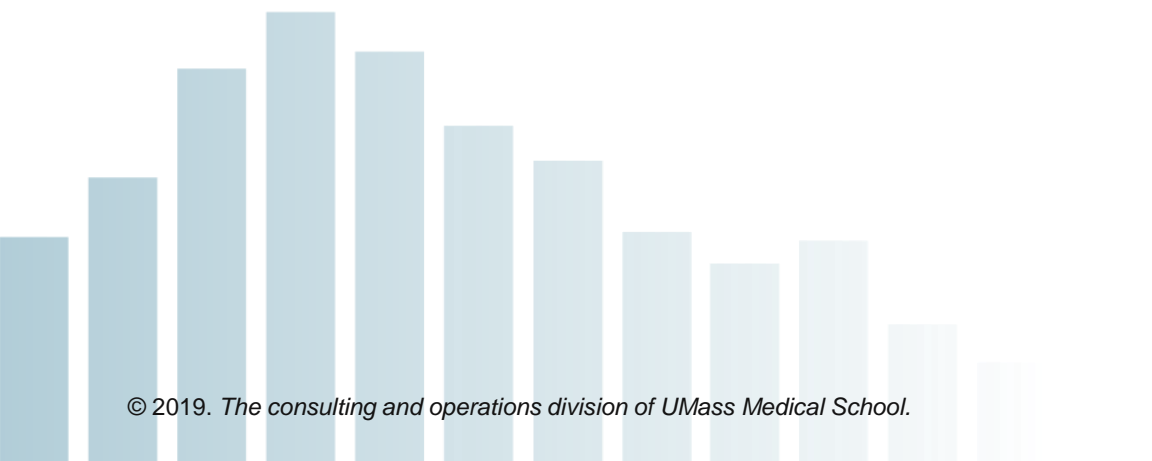
- ~\$65M dollars in cost avoidance annually for MassHealth through activities.
- Common member diagnoses: oncology, cardiovascular disease, neonatal intensive care, organ and stem cell transplants, and trauma.
- 50% of members coordinated by ECOB are also enrolled in a Premium Assistance Program.

MassHealth Annual Cost Avoidance Amount



# ECOB Program Expansion

## The Community Focused Model



# ECOB Expansion – New Community Focused Model

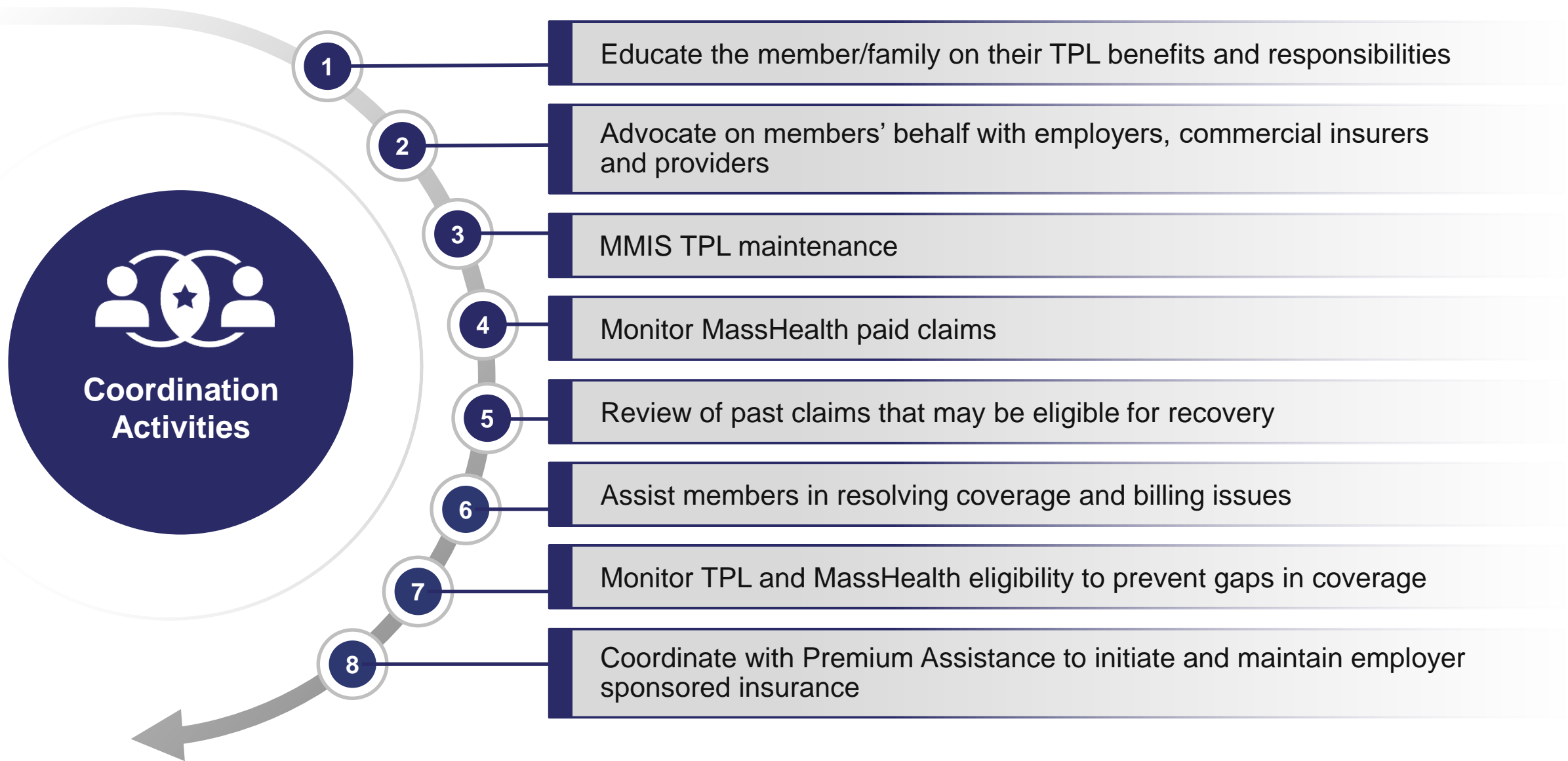
- Data mining of eligibility and claims reports revealed:
  - > 4% had active TPL unknown to MassHealth
  - 16% had potential access to comprehensive employer sponsored insurance (ESI) coverage
- Potential to reduce pharmacy claim costs when other insurance coverage was active or available
- Purpose of data mining of eligibility and claims reports:
  - TPL is identified and utilized for members with newly determined disability
  - Maximize use of third party pharmacy benefits for high cost members
  - Prevent erroneous enrollment in managed care plans and unnecessary capitation payments



# Community Focused Model New Review Processes

- Newly disabled eligibles: review household earned income, diagnosis and encounter claims data to prioritize investigation, and outreach efforts
- Initial verification of insurance in conjunction with eligibility determination
- Pharmacy
  - Search for available pharmacy coverage for members with commercial Major Medical TPL
  - Identify high cost pharmacy utilizers
  - Review MassHealth pharmacy TPL override by providers
  - Analyze payments for Medicare covered drugs.

# ECOB – Community Based Activities

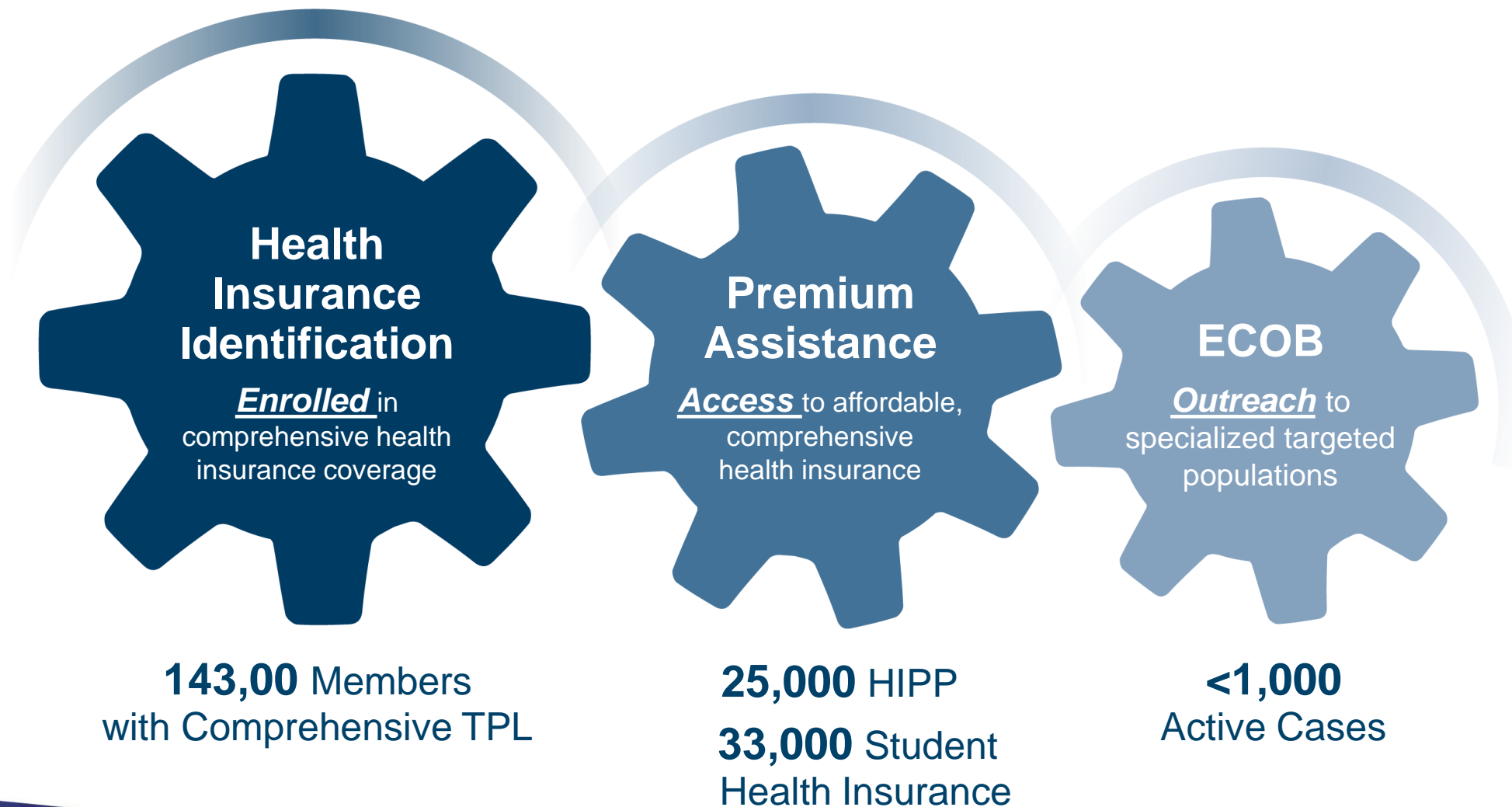


## Cost Savings Projections

- Cost avoidance projections based on preliminary research of TPL access for members in disabled aid categories
- Savings associated with claim review projects are recognized based on recoverable claims for re-processing
- Outreach efforts have resulted in over a 50% response rate

Sources of Identification	Projected Caseload (annual)	Potential Annual Cost Avoidance
Community based disabled members	1,560	\$12,300,000
Pharmacy TPL Identification Reports	408	\$276,000
Pharmacy Claims Review and Reprocess (including Medicare Rx claims)	60,000 (claim count)	\$10,600,000
<b>Total</b>	<b>1,968 (members) 60,000 (claims)</b>	<b>\$22,900,000</b>

# Complementary TPL Initiatives



# Thank you

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