

Proportion of Non-Participating Providers Serving Apple Health Enrollees

Annual Report: July 1, 2019-June 30, 2020

House Bill 1652; Section 1(11); Chapter 256; Laws of 2015; RCW 74.09.522

Engrossed Substitute Senate Bill 5927; Section 2(9); Chapter 9; Laws of 2011;
1st Special Session; RCW 74.09.522

January 1, 2021



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Washington State
Health Care Authority

Medicaid Program Operations
and Integrity

P.O. Box 45502

Olympia, WA 98504-5502

Phone: (360) 725-1786

Fax: (360) 586-9551

<http://hca.wa.gov>



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Executive Summary

The Washington State Health Care Authority (HCA) is submitting this report to the Legislature as required by House Bill 1652 (2015):

“Pursuant to federal managed care access standards, 42 C.F.R. Sec. 438, managed care health care systems must maintain a network of appropriate providers that is supported by written agreements sufficient to provide adequate access to all services covered under the contract with the authority, including hospital based physician services. The authority will monitor and periodically report on the proportion of services provided by contracted providers and nonparticipating providers, by county, for each managed health care system to ensure that managed health care systems are meeting network adequacy requirements. No later than January 1st of each year, the authority will review and report its findings to the appropriate policy and fiscal committees of the legislature for the preceding state fiscal year.”

As directed by the Legislature, this report details the proportion of services provided by non-participating providers to Washington Apple Health (Medicaid) enrollees. Non-participating providers do not have written contracts to participate in an Apple Health managed care system’s (or Managed Care Organization’s [MCO]) provider network. However, these providers deliver health care services to Apple Health enrollees whose care is provided by an MCO.

All Apple Health MCOs are responsible for contracting with a sufficient number of providers in all areas of health care delivery to meet the needs of their enrollees. However, some care is purchased from non-participating providers. The state Apple Health contract requires plans to reimburse non-participating providers no more than the lowest amount paid for that service under the plan’s contracts with similar providers in the state.

The data in this report relates to services rendered from July 1, 2019 through June 30, 2020 and purchased from non-participating providers as reported by each managed care plan. This and all previous non-participating provider reports have relied exclusively on MCO reported data. Many large counties transitioned to full integration in the middle of this reporting period, and reporting is broken out by contract type.

Total spent this period across all three Apple Health contracts, Apple Health Managed Care, Fully Integrated Managed Care, and Integrated Foster Care, for non-participating providers was \$163 million, a \$1 million decrease from last year.

- The provider specialty with the largest amount of non-participating provider payments was hospital admissions; \$58 million, 36 percent of all non-participating provider payments, which is an 8 percent increase over the last reporting period.

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- The most dollars paid to non-participating providers are still in the larger counties (King, Pierce, Spokane, and Snohomish).

Background

Since July 2012, HCA has contracted with five MCOs: Amerigroup Washington, Inc. (AMG); Community Health Plan of Washington (CHPW); Coordinated Care of Washington (CCW); Molina Healthcare of Washington (MHW); and United Healthcare (UHC).

Effective April 1, 2016, two new managed care programs began: Apple Health Foster Care (AHFC) and Fully Integrated Managed Care (FIMC). The first FIMC program, which is inclusive of the full behavioral health benefit addition to the Apple Health benefit, was implemented in the Southwest Washington Regional Service Area (RSA) which included Clark and Skamania counties. The AHFC program was implemented state wide for physical health.

Effective January 1, 2017, clients who had a secondary (primary) insurance were moved to managed care plans.

Effective January 1, 2018, the agency implemented FIMC coverage in a second RSA, North Central which included Chelan, Douglas, and Grant counties.

Effective January 1, 2019, the agency implemented FIMC coverage in four additional RSA's: Pierce, King, Spokane (includes Adams, Ferry, Lincoln, Pend Oreille, Spokane and Stevens counties), and Greater Columbia (includes Asotin, Benton, Columbia, Franklin, Garfield, Kittitas, Whitman, and Yakima counties). Additionally, Okanogan County was added to North Central region and Klickitat County was added to the Southwest Washington region.

Effective July 1, 2019, the agency transitioned the statewide Apple Health Foster Care program to Integrated Foster Care (IFC), to cover both physical health and behavioral health. The agency also implemented FIMC coverage in the North Sound RSA (includes Island, San Juan, Skagit, Snohomish, and Whatcom counties).

Effective January 1, 2020, the agency implemented FIMC coverage in the last three RSAs: Salish (includes Clallam, Jefferson, and Kitsap counties), Great Rivers (includes Cowlitz, Grays Harbor, Lewis, Pacific, and Wahkiakum counties) and Thurston-Mason (includes Thurston and Mason counties).

This report shows the cost and utilization of services provided between July 1, 2019 through June 30, 2020, to Apple Health enrollees by non-participating providers. The data is reported by county, by MCO, and by contract. To meet the reporting requirements, HCA directed each contracted MCO to provide the following data for the fiscal year (FY):

- Total paid amount, per county, the MCO paid to all providers for overall services (claims paid) delivered to Apple Health enrollees.

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- Percent of total cost, per county, the MCO paid to non-participating providers—including hospital-based providers—for services (claims paid) delivered to Apple Health enrollees.
- Number of total claims and distinct number of non-participating provider claims, per county, the MCO paid.
- Number of total clients with paid claims and distinct number of client claims MCO paid to non-participating providers.
- Data regarding types of providers paid in the following categories: “professional” (including MD [medical doctor], PA [physician assistant], ARNP [advanced registered nurse practitioner]) and their specialties, “durable medical equipment,” “pharmacy,” or “other.” Professional specialty categories include “allergy,” “anesthesia,” “applied behavior analysis (ABA),” behavioral health,” “chiropractor,” “dermatology,” “dietician,” “emergency room,” “general practice,” “hearing & vision,” “home health,” “hospice,” “hospital,” “infusion therapy,” “internal medicine,” “obstetrics and gynecology,” “pathology/lab,” “pediatrics,” “podiatry,” “physical medicine & rehab (PM & R),” “private duty nursing (PDN),” “radiology,” “sleep,” “surgeon,” and “therapy”.

In January 2020, the final regional service areas: Salish, Great Rivers, and Thurston-Mason were transitioned to FIMC, resulting in six months of data for these counties in AHMC and FIMC. Therefore, in this reporting period all detailed year-to-year comparisons by contract has been eliminated. Instead we have provided year-to-year comparisons (FY2019 – FY2020) combining the AHMC and FIMC contracts per plan with reports for:

1. Total paid
2. Total non-participating providers paid
3. Total clients who received services from a non-participating provider



Key Findings

HCA analyzes cost and utilization data to look for trends that may indicate network adequacy changes that could affect enrollee access to services. Here are some highlights of our analysis:

Apple Health Managed Care Contract

During this reporting period, twenty-nine counties were fully integrated (seven regions) and ten counties were fully integrated for only six months (three regions). This will be the last time the Apple Health Managed Care (non IMC) contract will be within the reporting period and reported on in this report. The MCO's data reflects the following:

- **Amerigroup** paid \$4 million to non-participating providers in fiscal year 2020. Twenty-five percent of the claims paid were to non-participating providers for services provided to 20 percent of clients enrolled with AMG.
- **Coordinated Care of Washington** paid approximately \$4 million in fiscal year 2020 to non-participating providers. Eighteen percent of the claims paid were to non-participating providers for services provided to 24 percent of the CCW-enrolled clients.
- **Community Health Plan of Washington** paid approximately \$2 million in fiscal year 2020 to non-participating providers. Seventeen percent of the claims paid were to non-participating providers for services provided to 9 percent of the clients enrolled with CHPW.
- **Molina Healthcare of Washington** paid approximately \$6 million in fiscal year 2020 to non-participating providers. Thirteen percent of the claims paid were to non-participating providers for services provided to 16 percent of clients enrolled with MHW.
- **United Healthcare** paid approximately \$840 thousand in Fiscal Year 2020 to non-participating providers. Nine percent of the claims paid were paid to non-participating providers for services provided to 9 percent of clients enrolled with UHC.

Overall: Island County has the highest percentage of non-participating providers paid for services provided to clients enrolled with an Apple Health MCO. This is a small county and may have less providers that participate with MCOs. The primary non-participating provider in this county was for hospital (any admit).

The most utilized non-participating provider specialties/subspecialties were “hospital admit (any type)” and “emergency room”.

Integrated Foster Care Contract

- On January 1, 2019, the Apple Health Foster Care contract with Coordinated Care of Washington (CCW)(also known as Healthy Options Foster Care (HOFC) ended and was replaced by the Integrated Foster Care Program, in which CCW's contract then covered physical and behavioral health services statewide.

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- On January 1, 2019, Foster Care contract with Coordinated Care of Washington (CCW) became fully integrated statewide.
- CCW paid approximately \$453 thousand in fiscal year 2020 to non-participating providers; a decrease of \$7.5 million from previous fiscal year. Seventeen percent of the claims paid were to non-participating providers for services provided to 44 percent of the clients. The most utilized non-participating provider specialty/subspecialty was “hospital (any type)”.

Fully Integrated Managed Care Contract

During this reporting period, twenty-nine counties were fully integrated and ten counties were fully integrated for only six months. The MCO’s data reflects the following:

- **Amerigroup** paid \$45 million to non-participating providers in fiscal year 2020. Twenty-eight percent of the claims paid were to non-participating providers for services provided to 22 percent of clients enrolled with AMG.
- **Coordinated Care of Washington** paid approximately \$25 million to non-participating providers in fiscal year 2020. Sixteen percent of the claims paid were to non-participating providers for services provided to 19 percent of the CCW-enrolled clients.
- **Community Health Plan of Washington** paid approximately \$24 million in fiscal year 2020 to non-participating providers. Twenty-five percent of the claims paid were to non-participating providers for services provided to 11 percent of the clients enrolled with CHPW.
- **Molina Healthcare of Washington** paid approximately \$41 million in fiscal year 2020 to non-participating providers. Fifteen percent of the claims paid were to non-participating providers for services provided to 9 percent of clients enrolled with MHW.
- **United Healthcare** paid approximately \$10 million to non-participating providers in fiscal year 2020. Eleven percent of the claims paid were to non-participating providers for services provided to 16 percent of the clients enrolled with UHC.

Overall: Klickitat was added to the Southwest Washington regional service area effective January 1, 2019 resulting in different plan coverage. This is also one of the smaller counties in the state with the least amount of Managed Care enrolled clients. The highest paid non-participating service type was “hospital admit (any type)”, which was one MCO.

The highest paid non-participating provider specialties/subspecialties was “hospital admit (any type)”.



Apple Health Managed Care (AHMC) Fiscal Year 2020 Findings

Amerigroup (AMG)

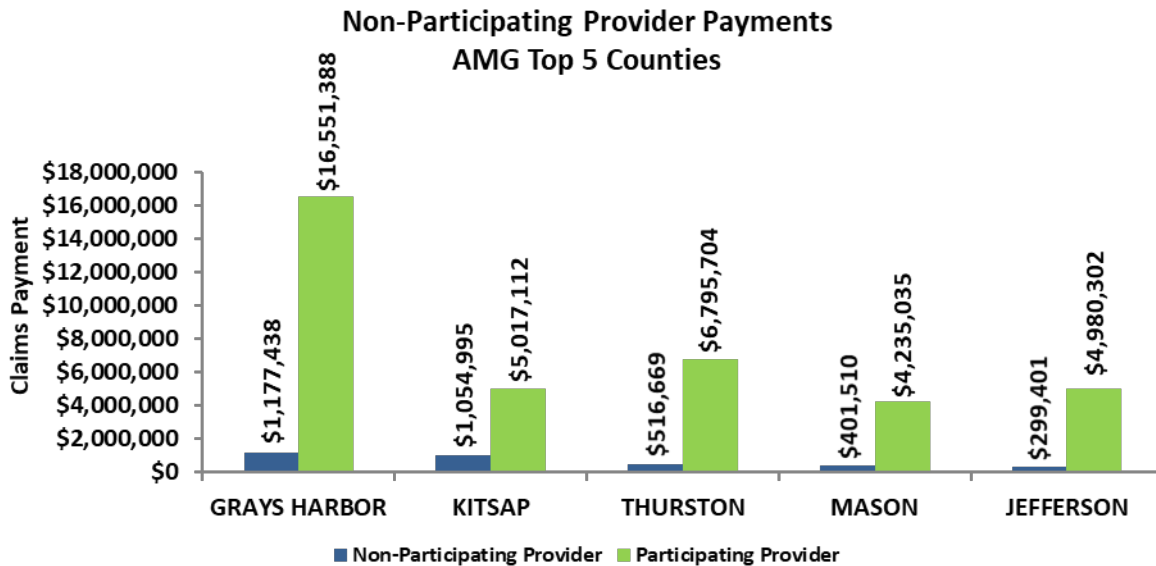
AMG paid a total of \$50,151,777 for services to 20,865 providers for 76,239 AHMC clients.

Approximately \$4 million (8 percent of the total) was paid to 5,274 providers (25 percent of the total) for 15,091 clients (20 percent of the total) who received health care services from a non-participating provider.

The top paid non-participating provider type visited was “hospital admit (any type)”, which was 7 percent of the total paid for the specialty.

AMG also paid approximately \$5.00 to 1 non-participating provider for 1 client who received services out of state or in a border city.

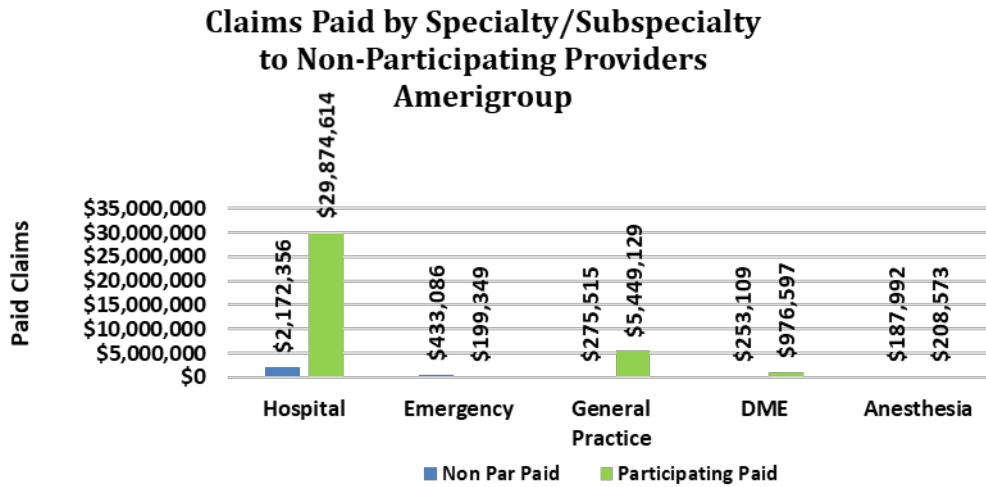
Chart 1: Non-Participating Provider Paid Amount, Amerigroup-Top 5 Counties



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Chart 2: Paid Amount by Specialty/Subspecialty to Non-Participating Providers, Amerigroup of Washington, Top 5



Community Health Plan of Washington (CHPW)

Community Health Plan of Washington (CHPW) paid a total of \$ \$50,541,799 for services to 9,999 providers for 88,179 AHMC clients.

Approximately \$1.9 million (4 percent of the total) was paid to 1,699 providers (17 percent of the total) for 7,986 clients (9 percent of the total) who received health care services from a non-participating provider.

No counties had 50 percent or more non-participating providers paid in this reporting period (chart omitted).

Only one county had 50 percent or more clients using a non-participating provider; Clallam at 50 percent (chart omitted).

The top non-participating provider type visited was “general practice,” which was 14 percent of the total paid for the specialty.

CHPW also paid approximately \$1.4 million to 560 non-participating providers for 669 clients who received services out of state or in a border city.



Chart 3: Non-Participating Paid Amount, Community Health Plan of Washington-Top 5 Counties

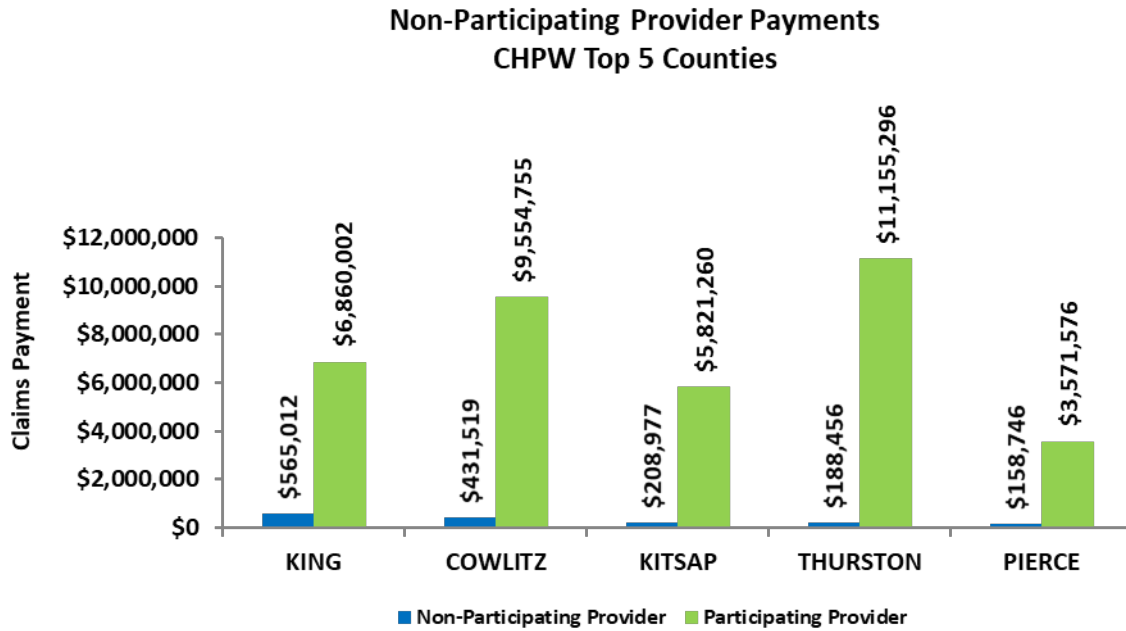
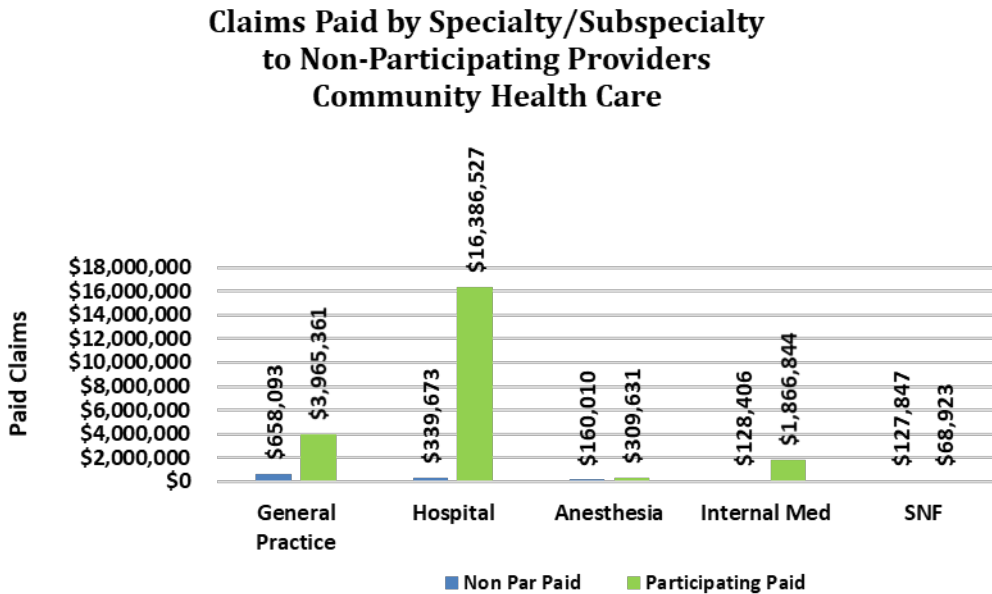


Chart 4: Paid Amount by Specialty/Subspecialty to Non-Participating Providers, Community Health Plan of Washington-Top 5



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Coordinated Care of Washington (CCW)

Coordinated Care (CCW) paid a total of \$72,581,942 for services to 25,275 providers for 30,557 AHMC clients.

Approximately \$4 million (6 percent of the total) was paid to 4,640 providers (18 percent of the total) for 7,450 clients (24 percent of the total) who received health care services from a non-participating provider.

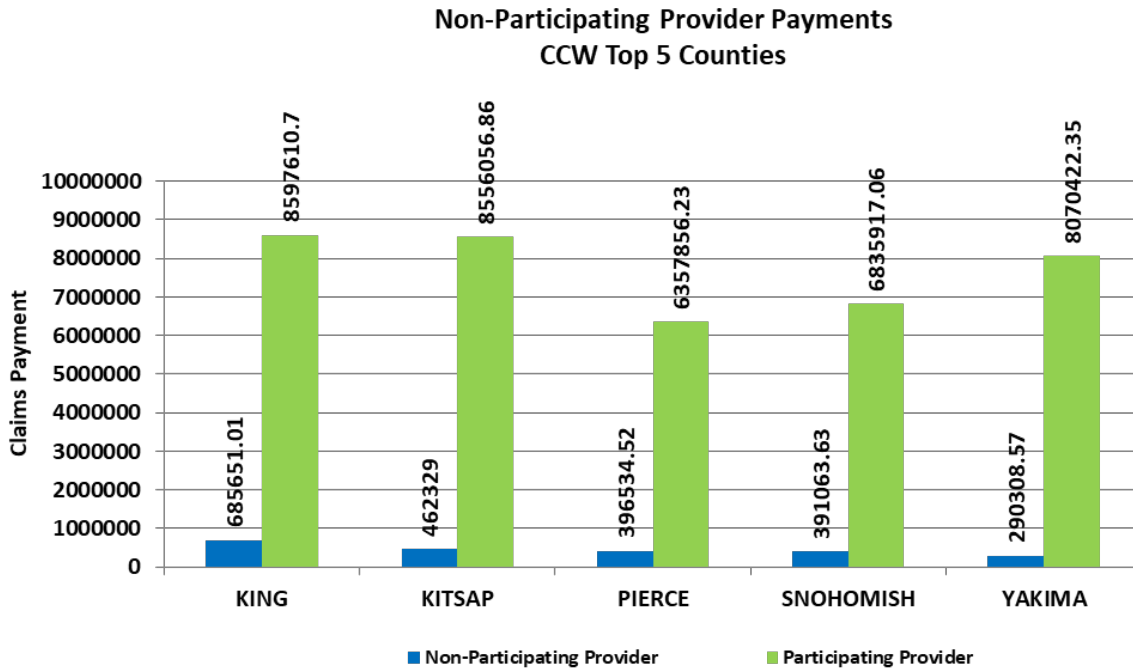
The top non-participating provider type visited was “hospital admit (any type)”, which was 6 percent of the total paid for the specialty.

CCW had only two counties paid 50 percent or more to a non-participating provider; Grays Harbor and Klickitat both 100 percent with one claim each paid to a non-participating provider (chart omitted).

CCW had four counties with 50 percent or more clients served by non-participating providers.

CCW also paid \$45,690 to 96 non-participating providers for 116 clients who received services out of state or in a border city.

Chart 5: Non-Participating Paid Amount, Coordinated Care of Washington-Top 5 Counties



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Chart 6: Counties with More than 50 percent of Clients with Paid Claims to Non-Participating Providers, Coordinated Care of Washington-Top 5 Counties

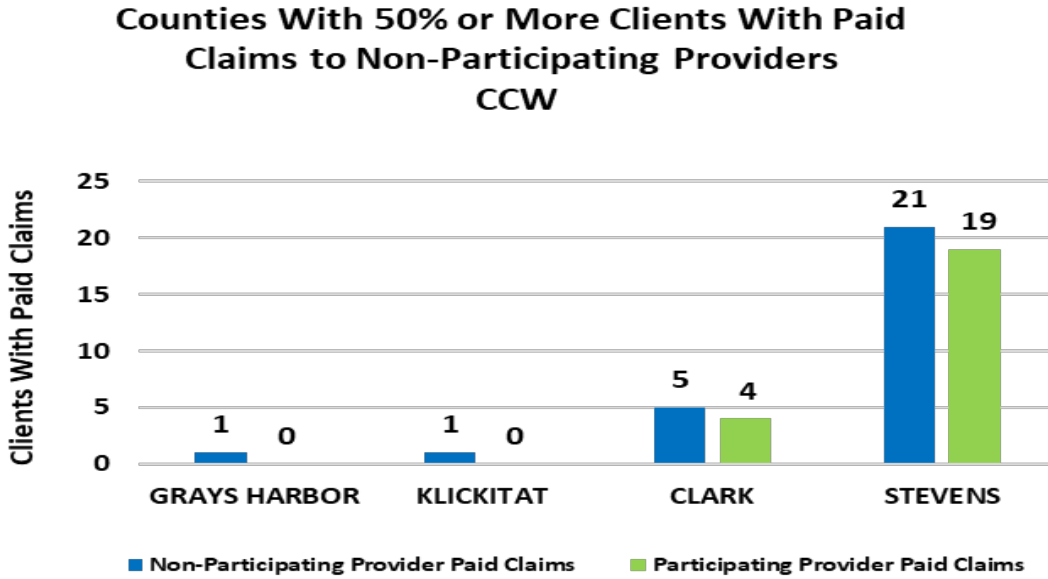
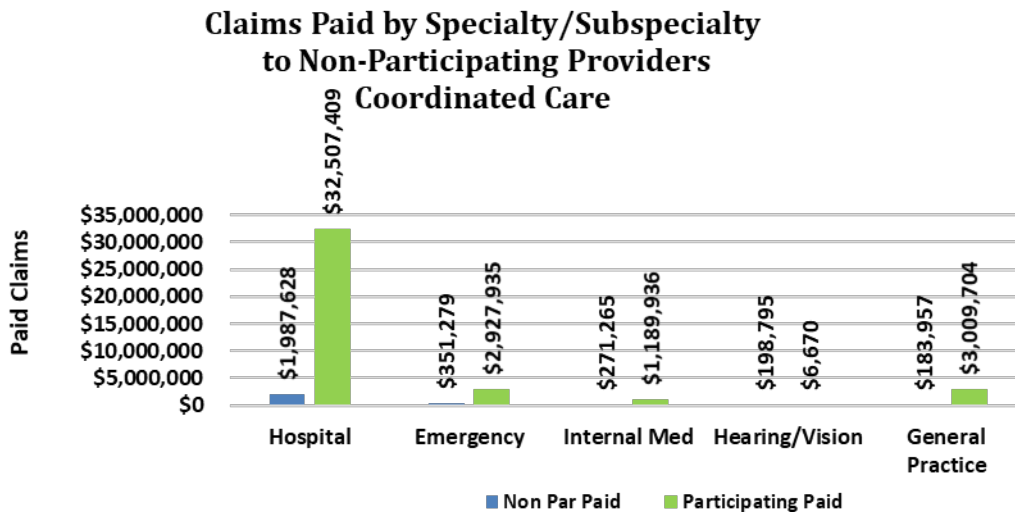


Chart 7: Paid Amount by Specialty/Subspecialty to Non-Participating Providers, Coordinated Care of Washington, Top 5



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Molina Healthcare of Washington, Inc. (MHW)

Molina Healthcare of Washington (MHW) paid a total of \$228,682,901 for services to 22,352 providers for 227,630 AHMC clients.

Approximately \$6 million (3 percent of the total) was paid to 2,986 providers (13 percent of the total) for 21,473 clients (16 percent of the total) who received health care services from a non-participating provider.

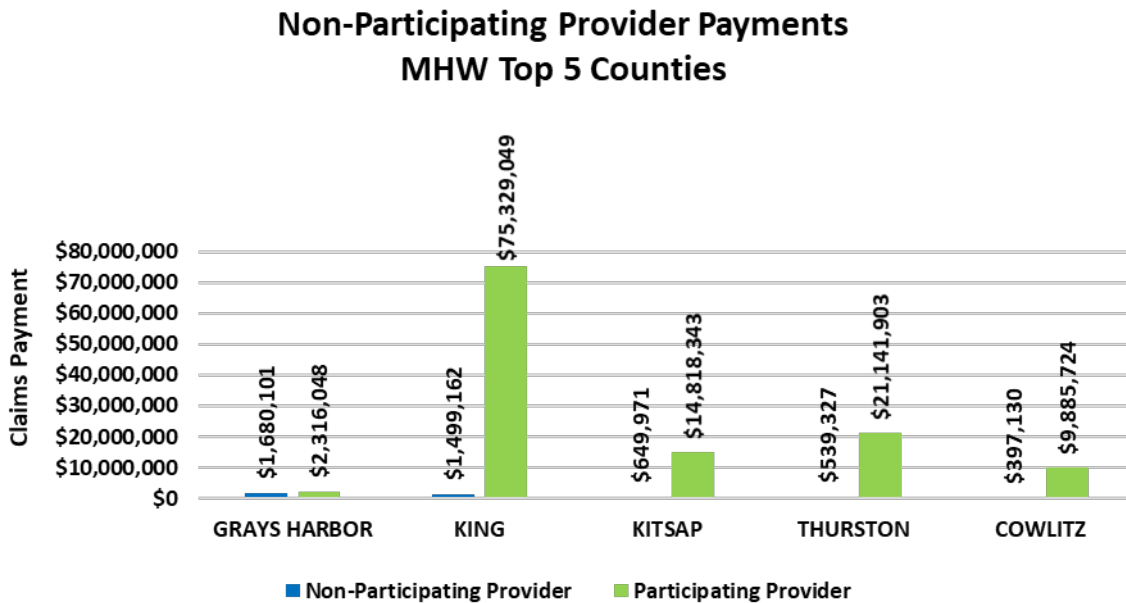
No counties were paid 50 percent or more to a non-participating provider (chart omitted).

No counties had more than 50 percent of clients seeing a non-participating provider for their health care needs (chart omitted).

The top non-participating provider type visited was for “ABA” services which was 4 percent of the total paid for the specialty.

MHW also paid \$6 million to 2,722 non-participating providers for 4,913 clients who received services out of state or in a border city.

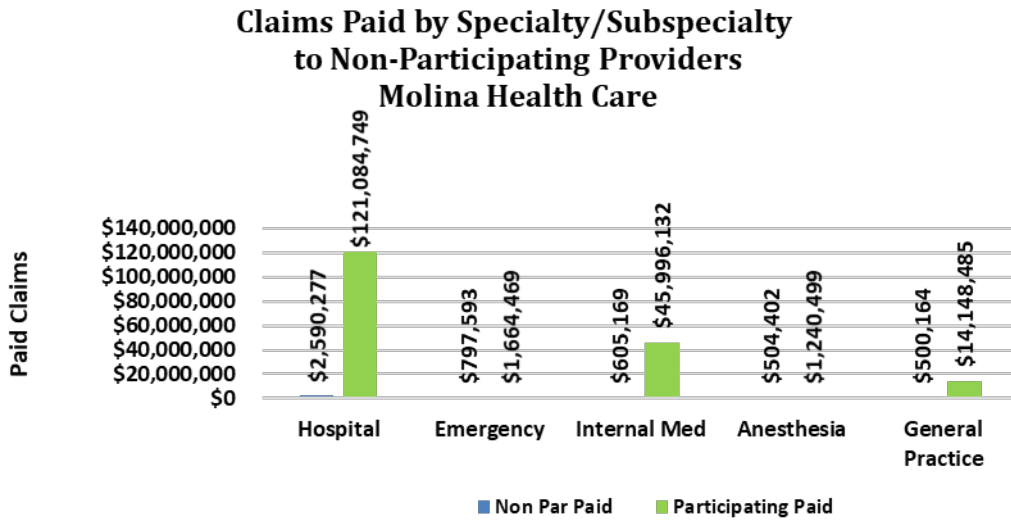
Chart 8: Non-Participating Paid Amount, Molina Healthcare-Top 5 Counties



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Chart 9: Paid Amount by Specialty/Subspecialty to Non-Participating Providers, Molina Healthcare-Top 5



United Healthcare (UHC)

United Healthcare (UHC) paid a total of \$40,379,451 for services to 9,486 providers for 14,541 AHMC clients.

Approximately \$840 thousand (2 percent of the total) was paid to 825 providers (9 percent of the total) for 1,344 clients (9 percent of the total) who received health care services from a non-participating provider.

Only two counties had 50 percent or more payments to a non-participating provider; Lincoln at 67 percent for 2 out of 3 claims and Pend Oreille at 50 percent for 2 out of 4 claims (chart omitted).

UHC had four counties with 50 percent or more clients served by non-participating providers.

The top non-participating provider type visited was “ABA” services which was 10 percent of the total.

UHC also paid \$501 thousand to 930 providers for 622 clients who received services out of state or in a border city.



Chart 10: Non-Participating Paid Amount, United Healthcare-Top 5 Counties

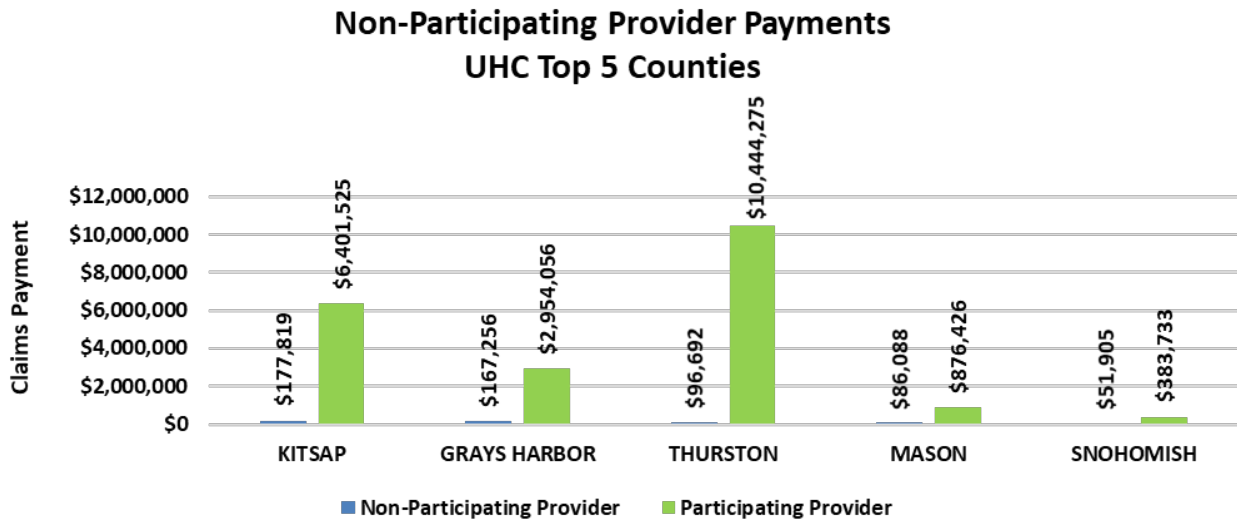
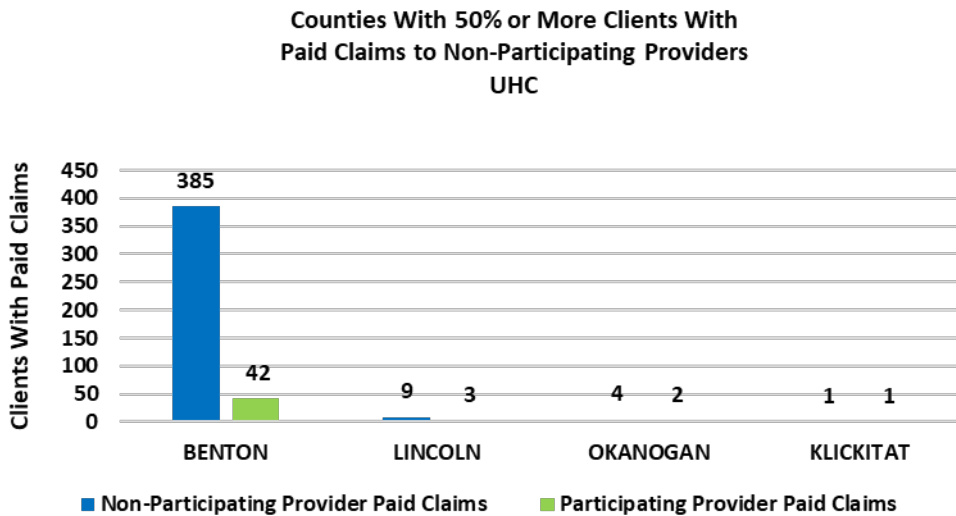


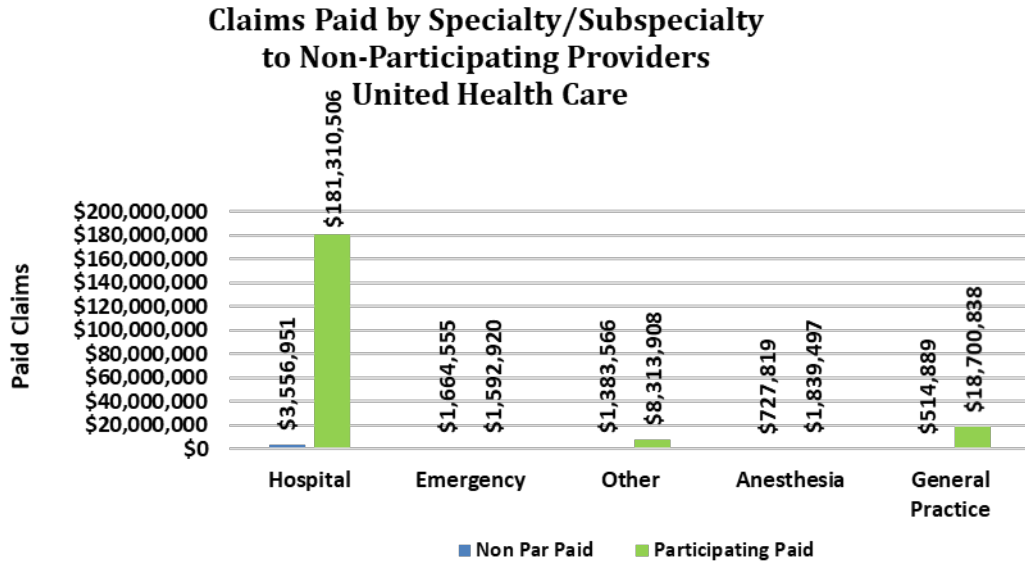
Chart 11: Counties with More than 50 percent of Clients with Paid Claims to Non-Participating Providers, United Healthcare-Top 5 Counties



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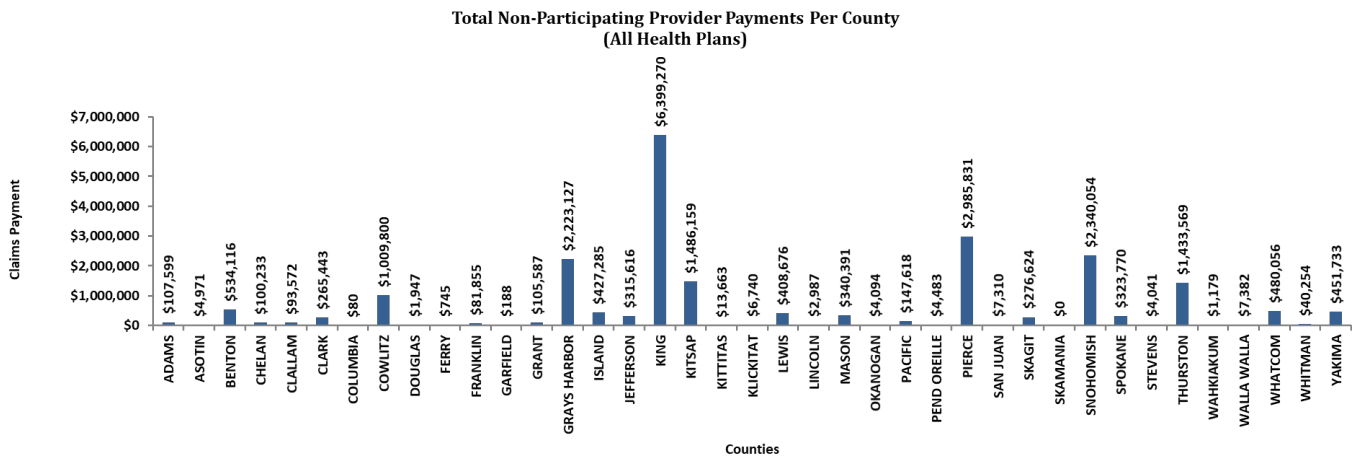
Chart 12: Paid Amount by Specialty/Subspecialty to Non-Participating Providers, United Healthcare-Top 5



Overall Non-Participating Provider Payment Analysis

Charts 13, 14, and 15 reflect the non-participating provider use, by county, for all MCOs by dollars spent, utilization percentage, and provider specialty for the AHMC Contract.

Chart 13: Total Non-Participating Paid Amount, All Plans-Per County



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Chart 14: Percentage of Total Non-Participating Provider Paid Amount, Per County-All Plans

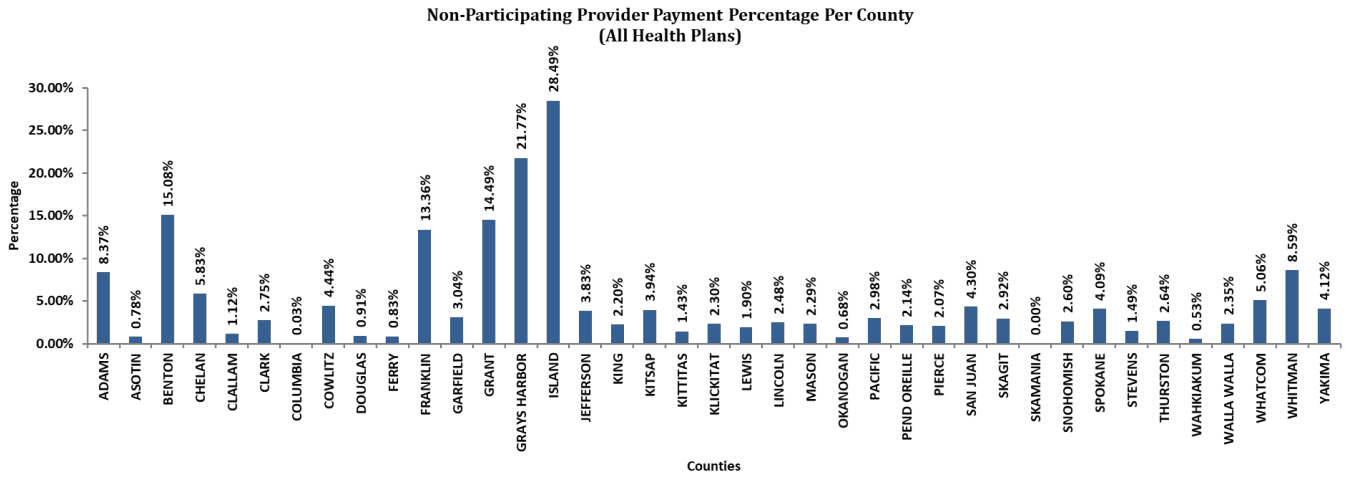
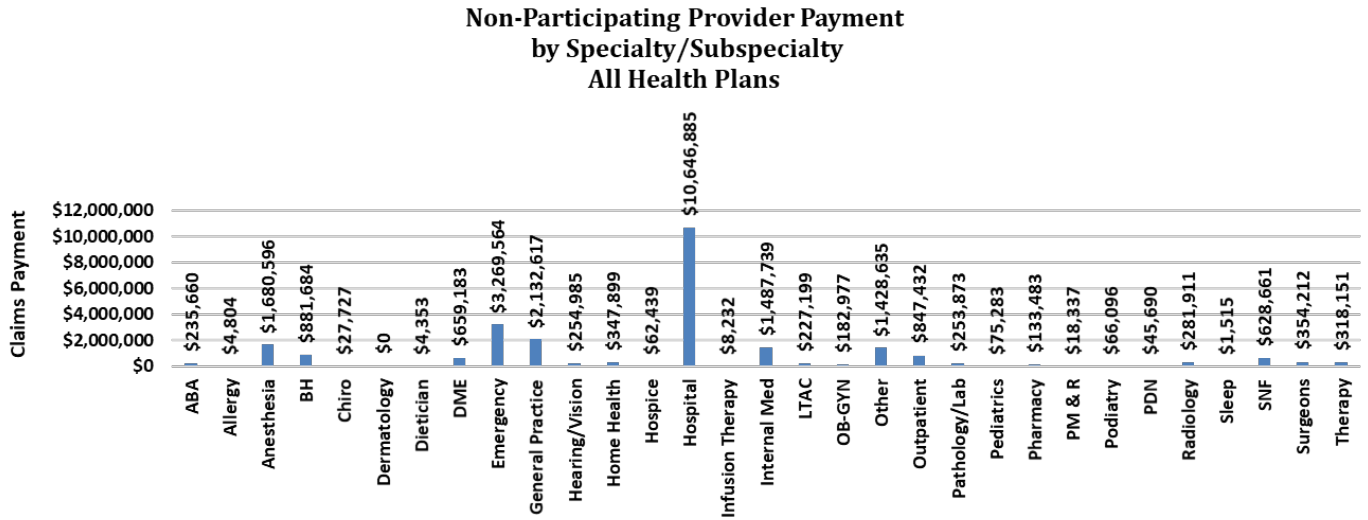


Chart 15: Non-Participating Provider Paid Amount, By Specialty-All Plans



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Foster Care Fiscal Year 2020 Findings

Coordinated Care of Washington (CCW)

The Apple Health Foster Care program was implemented April 1, 2016 and Coordinated Care of Washington was the single statewide MCO.

Beginning January 1, 2019, HCA implemented the Integrated Foster Care (IFC) contract state wide and Coordinated Care of Washington remains the single statewide MCO for this program.

CCW paid a total of \$86,421,975 for services to 39,670 providers for 24,607 foster care clients.

Approximately \$6.4 million (7 percent of the total) was paid to 6,856 providers (17 percent of the total) for 10,740 clients (44 percent of the total) who received health care services from a non-participating provider. This is a \$1.6 million decrease compared to the previous year.

No counties were paid 50 percent or more to a non-participating provider (chart omitted).

No counties had more than 50 percent of clients seeing a non-participating provider for their health care needs (chart omitted).

Top five counties with payment increases to non-participating providers are:

- Yakima County—\$108 increase
- Stevens County—\$32 increase
- Benton County—\$29 increase
- Chelan County—\$16 increase
- Douglas County—\$16 increase

Top five counties with payment decreases to non-participating providers are:

- Pierce County—\$408 decrease
- King County—\$247 decrease
- Clark County—\$145 decrease
- Kitsap County—\$103 decrease
- Whatcom County—\$99 decrease

The top non-participating provider type visited was “hospital (any type)”, which was 6 percent of the total.

CCW also paid \$45,689 to 96 non-participating providers for 116 clients who received services out of state or in a border city.

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Chart 16: Non-Participating Paid Amount, Coordinated Care of Washington-Foster Care Top five Counties

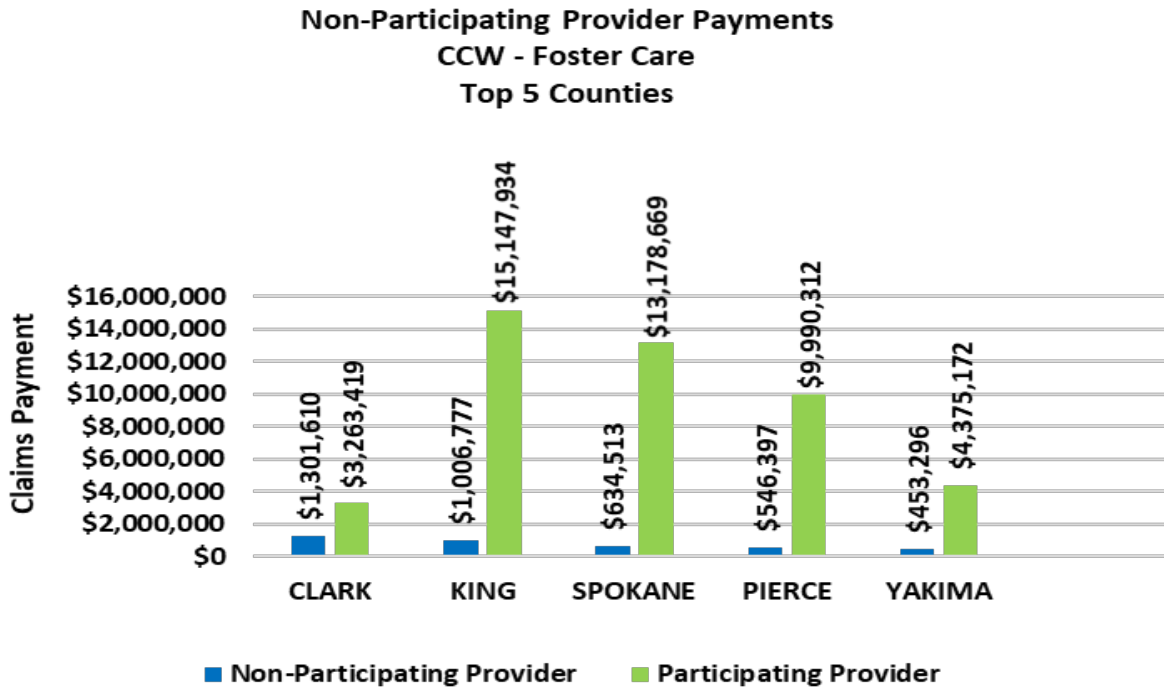
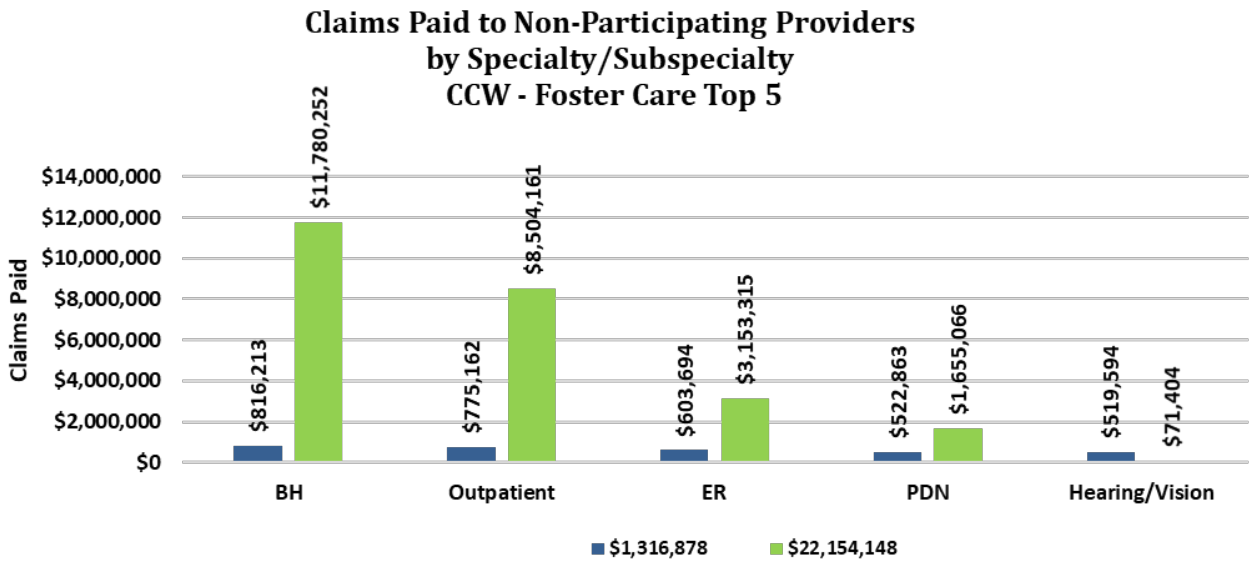


Chart 17: Paid Amount by Specialty/Subspecialty to Non-Participating Providers Coordinated Care of Washington-Foster Care Top five



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Fully Integrated Managed Care (FIMC) Fiscal Year 2020 Findings

Beginning April 1, 2016, HCA implemented Fully Integrated Managed Care (FIMC) for all physical and behavioral health services through managed care in Southwest Washington Regional Service Area (RSA) which included Skamania and Clark Counties. The contract was awarded to two plans: Community Health Plan of Washington and Molina Healthcare of Washington

Beginning January 1, 2018, HCA implemented Fully Integrated Managed Care (FIMC) in North Central Regional Service Area (RSA) Chelan, Douglas, and Grant Counties. The contract was awarded to three plans: Amerigroup, Coordinated Care of Washington, and Molina Healthcare of Washington.

Beginning January 1, 2019, HCA implemented Fully Integrated Managed Care (FIMC) as follows:

- **King County Regional Service Area (RSA)** – the contract was awarded to all five plans: Amerigroup, Coordinated Care of Washington, Community Health Plan of Washington, Molina Healthcare of Washington, and United Healthcare.
- **Pierce County Regional Service Area (RSA)** – the contract was awarded to four plans: Amerigroup, Coordinated Care of Washington, Molina Healthcare of Washington, and United Healthcare.
- **Greater Columbia Service Area (RSA); Asotin, Benton, Columbia, Franklin, Garfield, Kittitas, Walla Walla, Whitman and Yakima Counties** – the contract was awarded to four plans: Amerigroup, Coordinated Care of Washington, Community Health Plan of Washington, and Molina Healthcare of Washington.
- **Spokane Regional Service Area (RSA); Adams, Ferry, Lincoln, Pend Oreille, Spokane and Stevens Counties** – the contract was awarded to three plans: Amerigroup, Community Health Plan of Washington, and Molina Healthcare of Washington.
- **RSA Shifts to SW and North Central**-Klickitat County transitioned from the Greater Columbia Service Area to join the Southwest Service Area and Okanogan County transitioned from the Spokane Service Area to the North Central Service Area.

Beginning January 1, 2020, HCA implemented Fully Integrated Managed Care (FIMC) as follows (six months of this reporting period):

- **Salish Regional Service Area (RSA); Clallam, Jefferson and Kitsap** – the contract was awarded to three plans: Amerigroup, Molina Healthcare of Washington, and United Healthcare.
- **Great Rivers Regional Service Area (RSA); Cowlitz, Grays Harbor, Lewis, Pacific and Wahkiakum**– the contract was awarded to three plans: Amerigroup, Molina Healthcare of Washington, and United Healthcare.
- **Thurston-Mason Regional Service Area (RSA);** – the contract was awarded to three plans: Amerigroup, Molina Healthcare of Washington, and United Healthcare.

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Amerigroup (AMG)

Amerigroup (AMG) paid a total of \$460,637,596 for services to 102,695 providers for 533,559 FIMC clients.

Approximately \$45 million (10 percent of the total) was paid to 29,218 providers (28 percent of the total) for 116,897 clients (22 percent of the total) who received health care services from a non-participating provider.

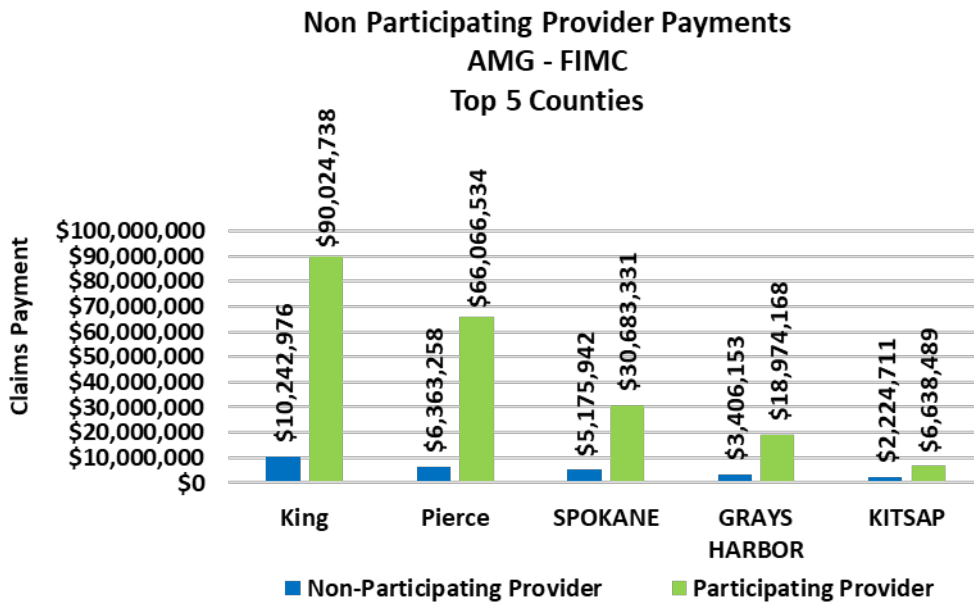
No counties were paid 50 percent or more to a non-participating provider (chart omitted).

No counties had more than 50 percent of clients seeing a non-participating provider for their health care needs (chart omitted).

The top non-participating provider type visited was “hospital admit (any type)”, which was 6 percent of the total.

AMG also paid \$6,779 to 8 non-participating providers for 13 clients who received services out of state or in a border city.

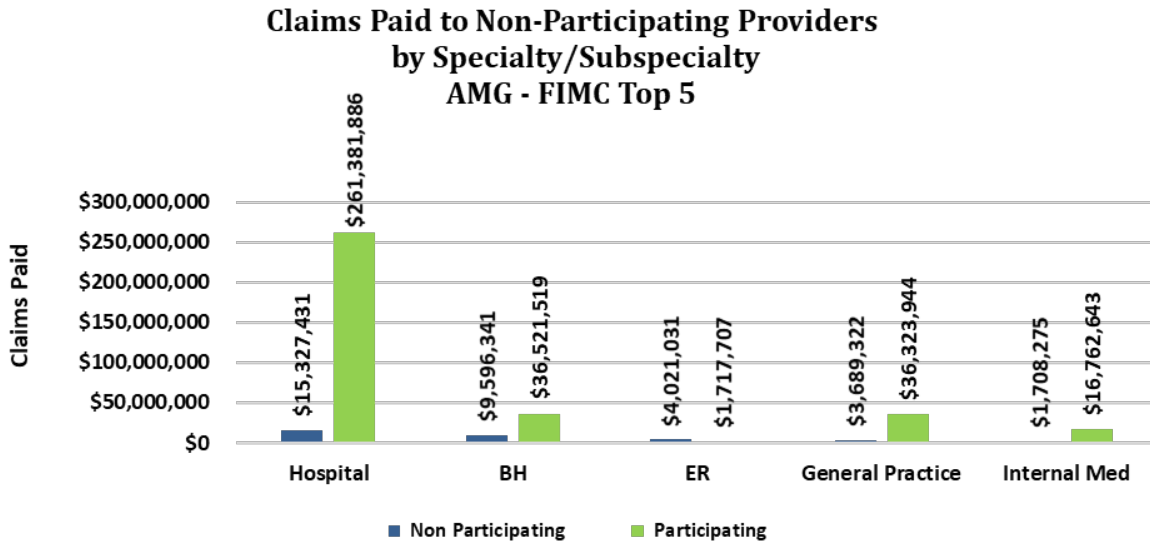
Chart 18: Non-Participating Provider Paid Amount, Amerigroup-FIMC Top 5 Counties



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Chart19: Paid Amount by Specialty/Subspecialty to Non-Participating Providers, Amerigroup-FIMC Top 5



Community Health Plan of Washington (CHPW)

Community Health Plan of Washington (CHPW) paid a total of \$511,897,237 for services to 31,210 providers for 273,059 FIMC clients.

Approximately \$24 million (5 percent of the total) was paid to 7,849 providers (25 percent of the total) for 31,239 clients (11 percent of the total) who received health care services from a non-participating provider.

One county had 50 percent or more non-participating providers paid in this reporting period; Clallam at 51 percent (chart omitted).

Three counties had more than 50 percent of clients seeing a non-participating provider for their health care needs.

CHPW also paid approximately \$5 million to 1,295 non-participating providers for 2,855 clients who received services out of state or in a border city.



Chart 20: Non-Participating Paid Amount, Community Health Plan of Washington-FIMC Top 5 Counties

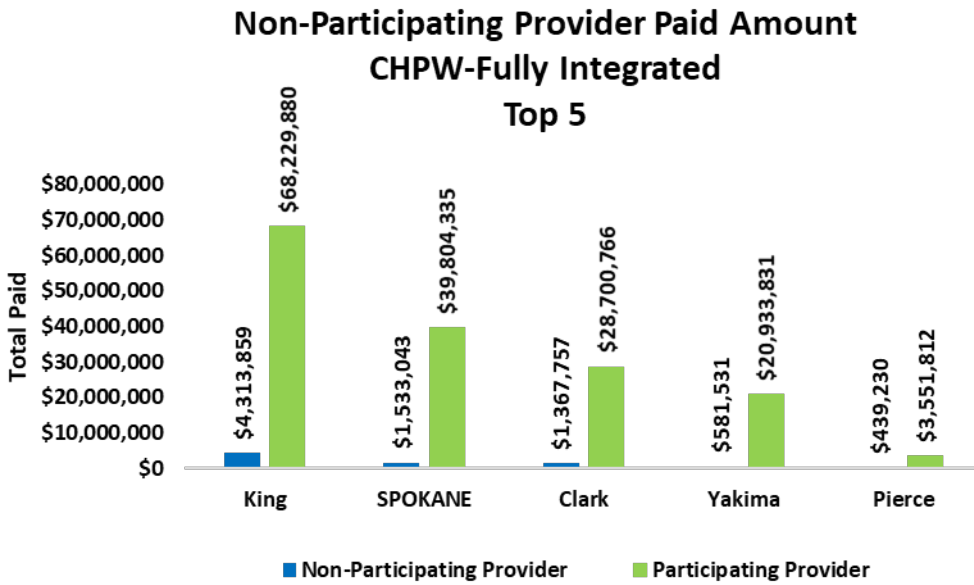
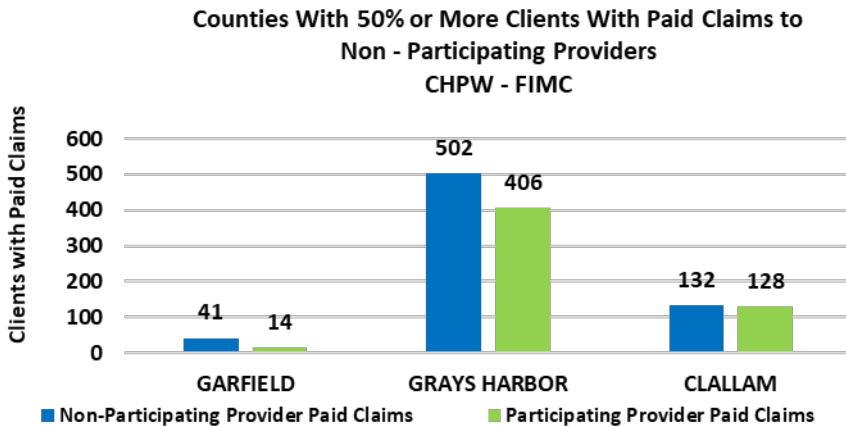


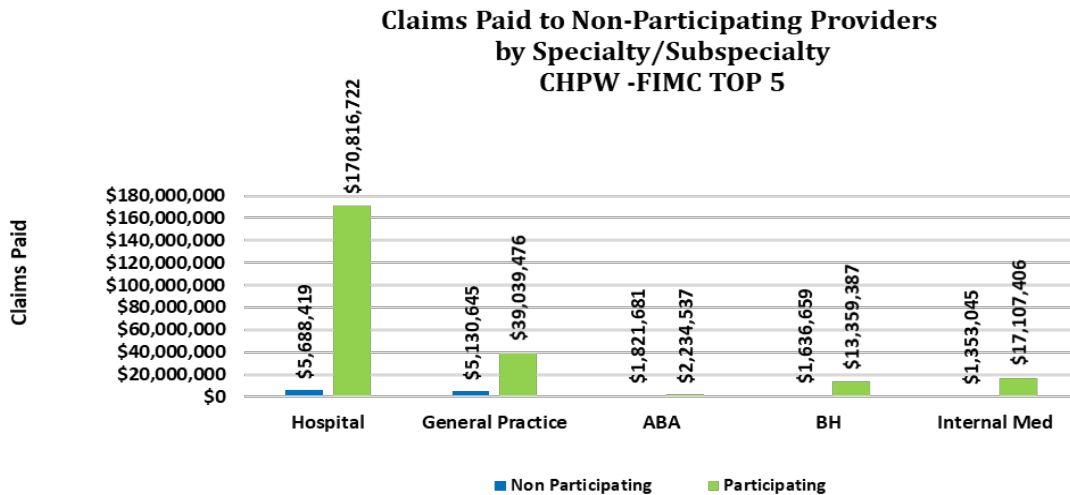
Chart 21: Counties with More than 50 percent of Clients with Paid Claims to Non-Participating Providers, Community Health Plan of Washington-FIMC, Top 5 Counties



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Chart 22: Paid Amount by Specialty/Subspecialty to Non-Participating Providers, Community Health Plan of Washington-FIMC Top 5



Coordinated Care of Washington (CCW)

Coordinated Care of Washington (CCW) paid a total of \$476,797,280 for services to 74,116 providers for 78,815 FIMC clients.

Approximately \$25 million (5 percent of the total) was paid to 12,182 providers (16 percent of the total) for 34,823 clients (19 percent of the total) who received health care services from a non-participating provider.

No counties were paid 50 percent or more to a non-participating provider (chart omitted).

Two counties had more than 50 percent of clients seeing a non-participating provider for their health care needs; Adams County at 56 percent and Garfield County at 50 percent (chart omitted).

The top non-participating provider type visited was “hospital admit (any type)”, which was 6 percent of the total.

CCW also paid as total of \$165,510 to 239 non-participating providers for 448 clients who received services out of state or in a border city.



Chart 23: Non-Participating Paid Amount, CCW-FIMC Top 5 Counties

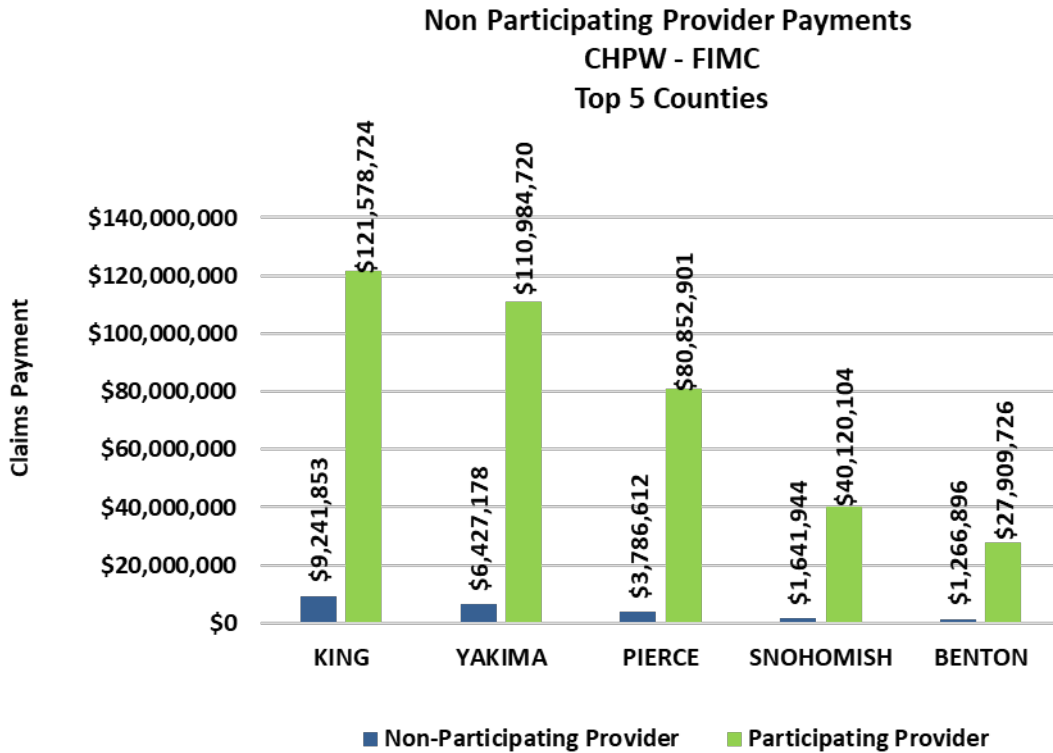
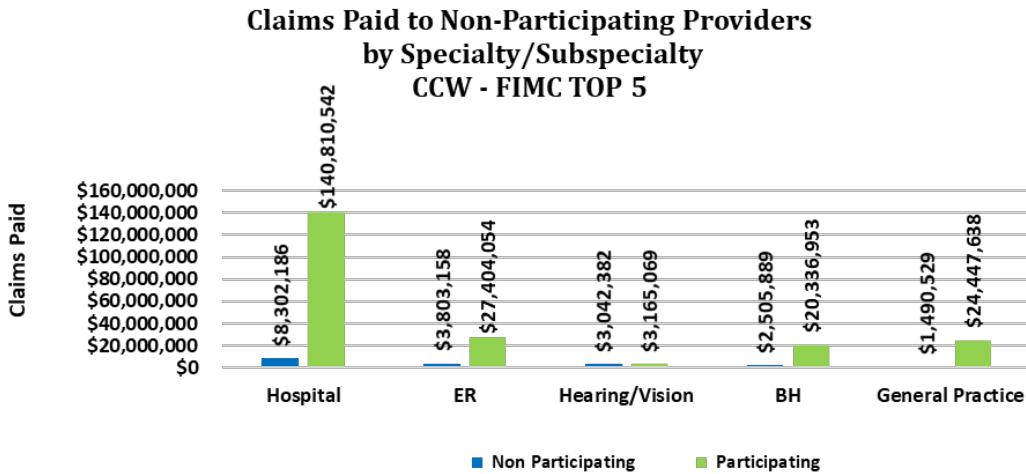


Chart 24: Paid Amount by Specialty/Subspecialty to Non-Participating Providers, CCW-FIMC Top 5



Proportion of Non-Participating Providers Serving Apple Health Enrollees
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Molina Healthcare of Washington (MHW)

Molina Healthcare of Washington (MHW) paid a total of \$1,608,653,337 for services to 39,939 providers for 1,167,169 FIMC clients.

Approximately \$41 million (3 percent of the total) was paid to 5,872 providers (15 percent of the total) for 114,620 clients (9 percent of the total) who received health care services from a non-participating provider.

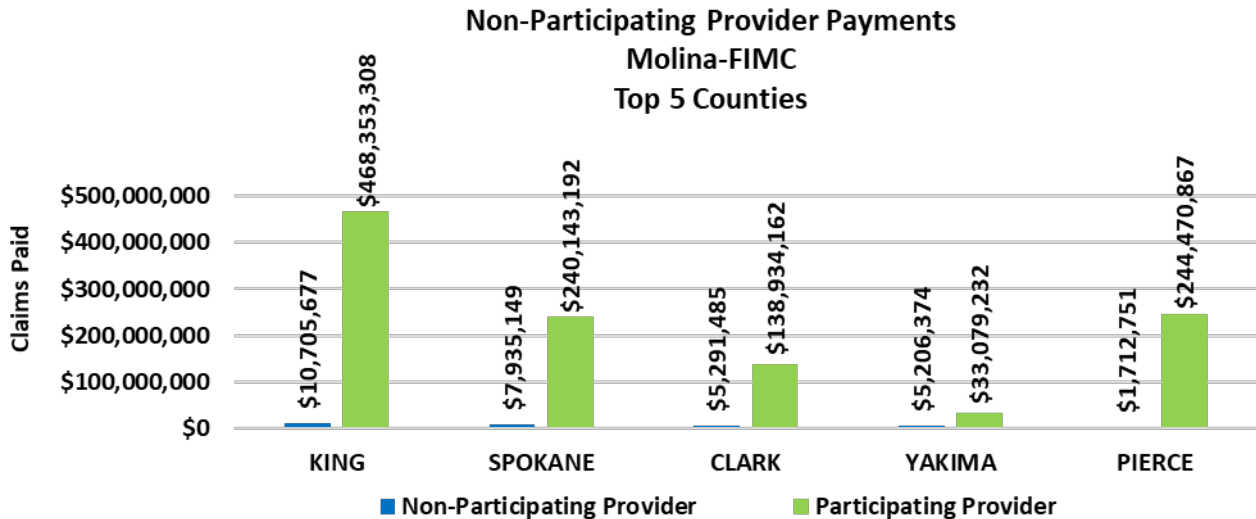
No counties had 50 percent or more non-participating providers paid in this reporting period (chart omitted).

No counties had more than 50 percent of clients seeing a non-participating provider for their health care needs (chart omitted).

The top non-participating provider type visited was “hospital (any type)”, which was 2 percent of the total.

MHW also paid approximately \$25 million to 10,456 non-participating providers for 32,851 clients who received services out of state or in a border city.

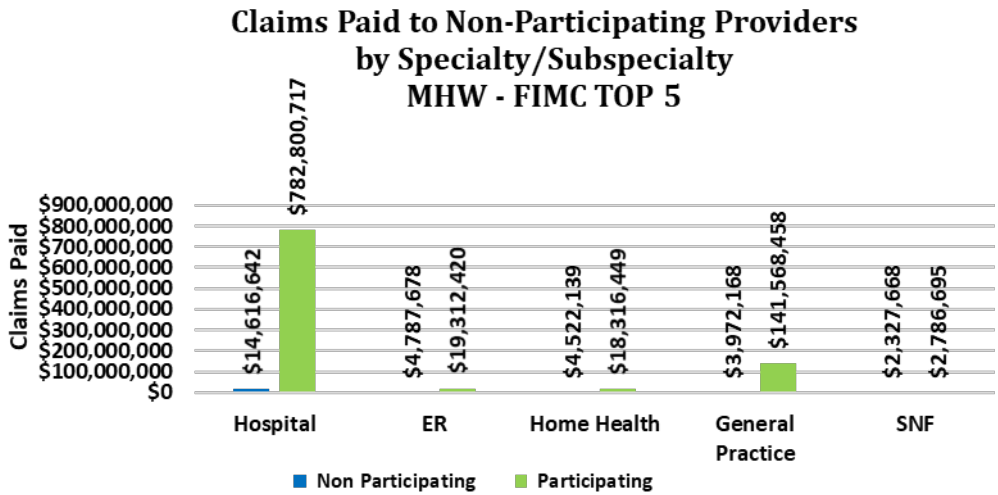
Chart 25: Non-Participating Paid Amount, Molina Healthcare-FIMC Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
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Chart 26: Paid Amount by Specialty/Subspecialty to Non-Participating Providers, Molina Healthcare-FIMC Top 5



United Healthcare (UHC)

United Healthcare (UHC) paid a total of \$416,645,966 for services to 31,767 providers for 203,663 FIMC clients.

Approximately \$10 million (2 percent of the total) was paid to 3,465 providers (11 percent of the total) for 32,728 clients (16 percent of the total) who received health care services from a non-participating provider.

One county had 50 percent or more non-participating providers paid in this reporting period; Pend Oreille at 50 percent for 2 out of 4 claims (chart omitted).

One county had more than 50 percent of clients seeing a non-participating provider for their health care needs; Benton at 86 percent (chart omitted).

The top non-participating provider type visited was “hospital (any type)”, which was 2 percent of the total.

UHC also paid approximately \$4 million to 2,647 providers for 5,337 clients who received services out of state or in a border city.



Chart 27: Non-Participating Paid Amount, United Healthcare-FIMC Top 5 Counties

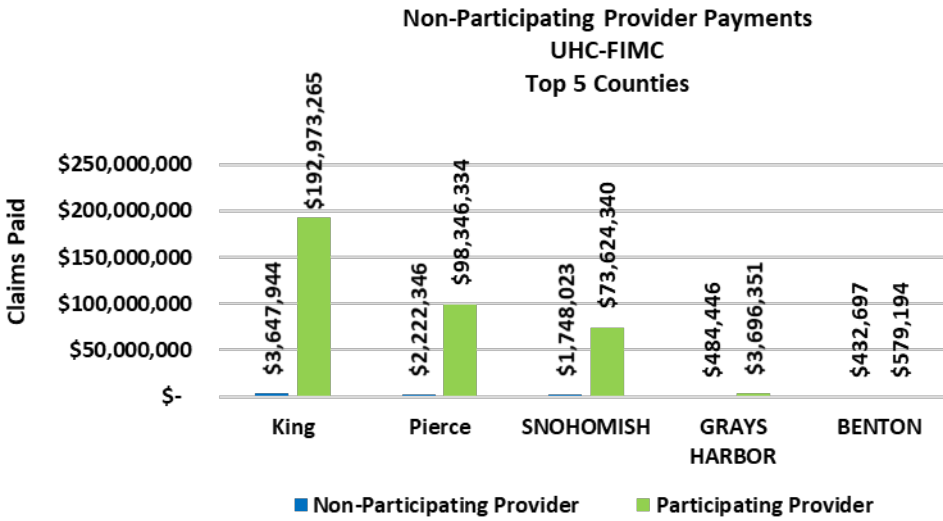
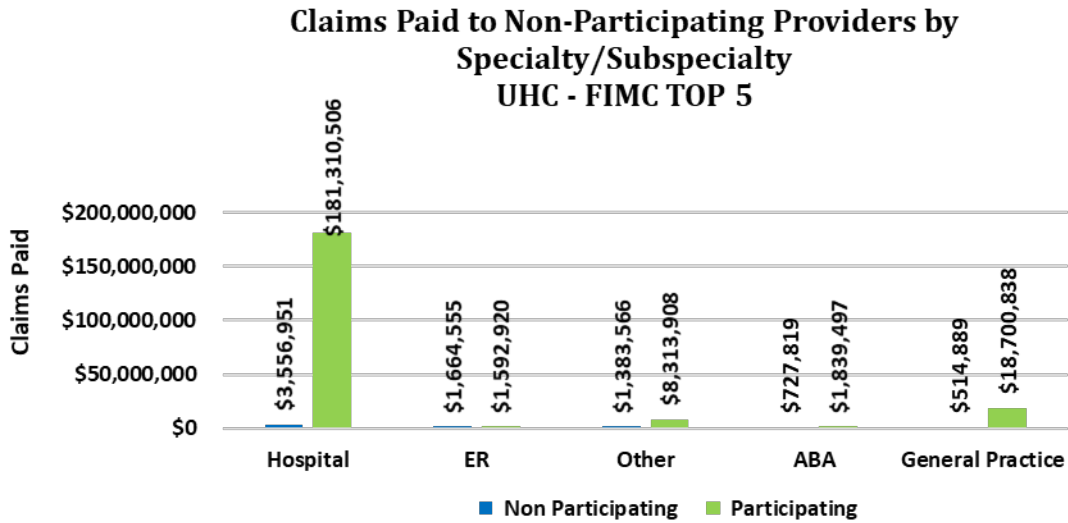


Chart 28: Paid Amount by Specialty/Subspecialty to Non-Participating Providers, Molina Healthcare-FIMC Top 5



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Overall Non-Participating Provider Payment Analysis

Charts 29, 30, and 31 reflect the non-participating provider use, by county, for all MCOs by dollars spent, utilization percentage, and provider specialty for the Fully Integrated Managed Care Contract.

Chart 29: Total Non-Participating Paid Amounts, All Plans-Per County

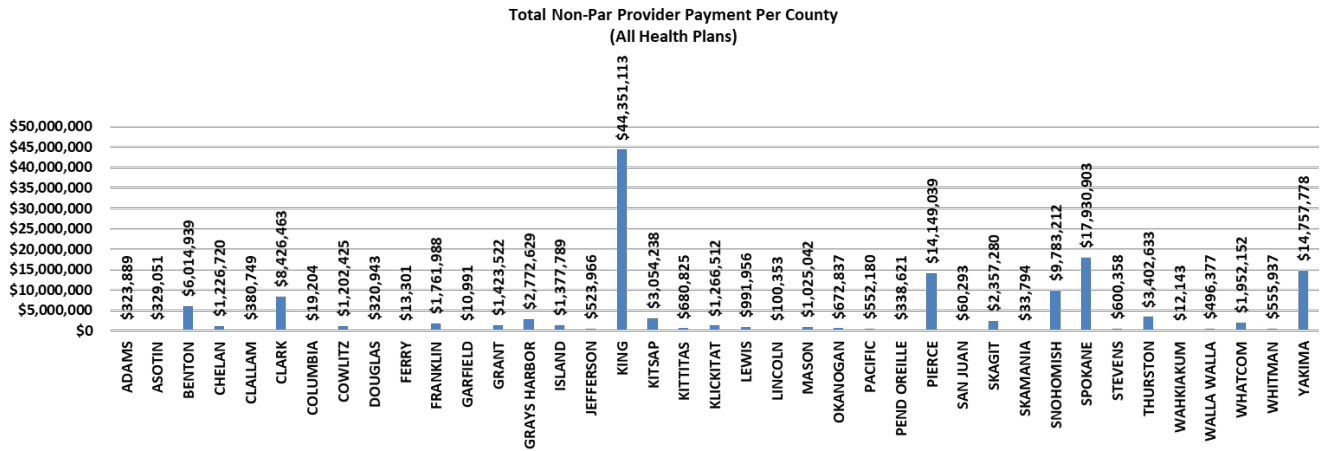
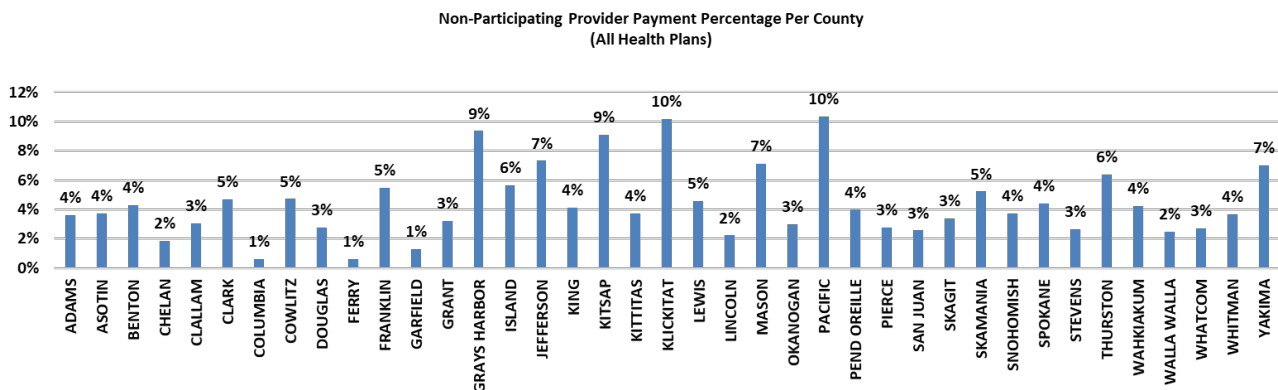


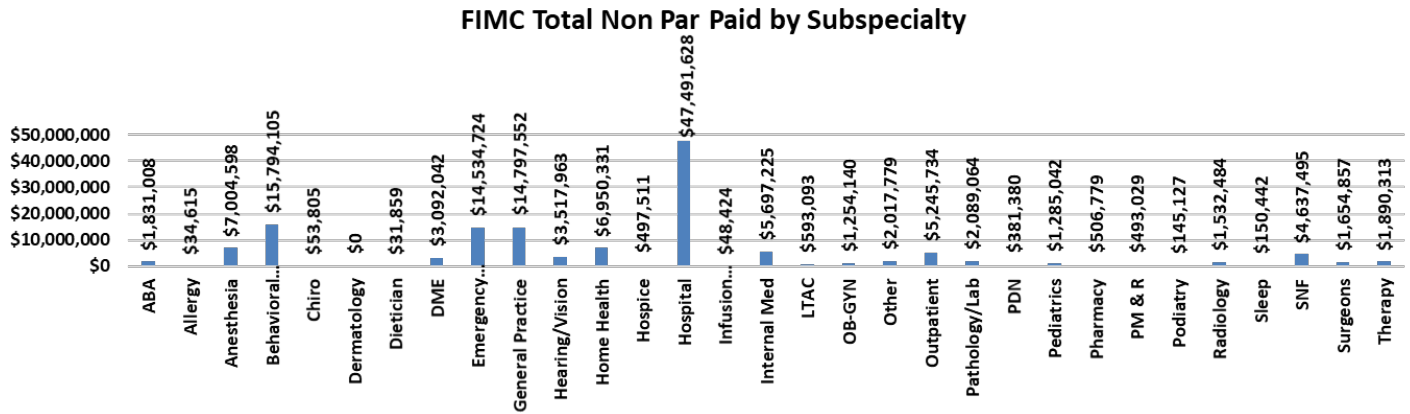
Chart 30: Percentage of Total Non-Participating Provider Paid Amounts, Per County-All Plans



Proportion of Non-Participating Providers Serving Apple Health Enrollees
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Chart 31: Non-Participating Provider Paid Amounts, By Specialty-All Plans



Year to Year Comparison Non-Participating Provider Payment Analysis by Plan

The following charts shows a year-to-year comparison by plan of combined AHMC & FIMC contracts for total paid and payments to non-participating providers in 2019 and 2020:

Amerigroup (AMG)

- Total payments in FY 2020 have decreased by 6 percent and the payments to non-participating providers increased by 20 percent compared to FY 2019.
- Total providers paid in FY 2020 had no percentage change and the number of non-participating providers paid increased by 4 percent compared to FY 2019.
- Total clients receiving services in FY 2020 decreased by 8 percent and the number of clients receiving services from a non-participating provider increased by 4 percent compared to FY 2019.

Proportion of Non-Participating Providers Serving Apple Health Enrollees
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Chart 32: AMG - Total Payments Compared to Non-Participating Provider Payments

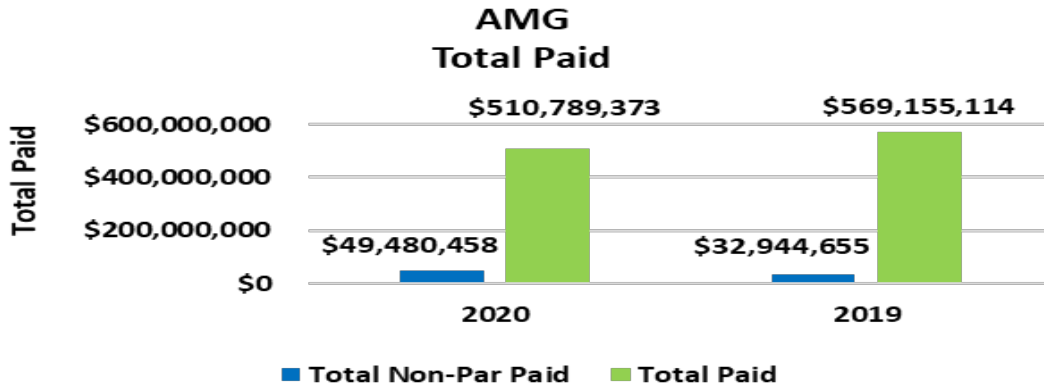


Chart 33: AMG - Total Providers Paid Compared to Non-Participating Providers Paid

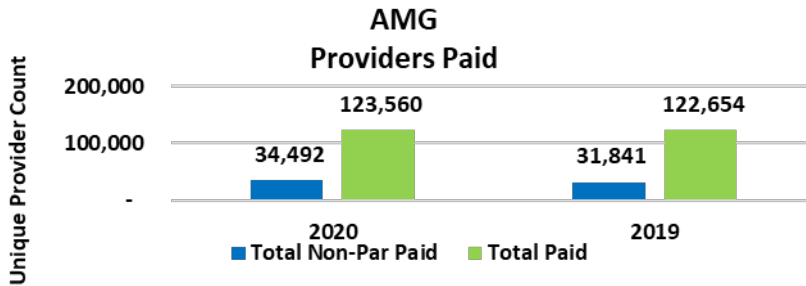
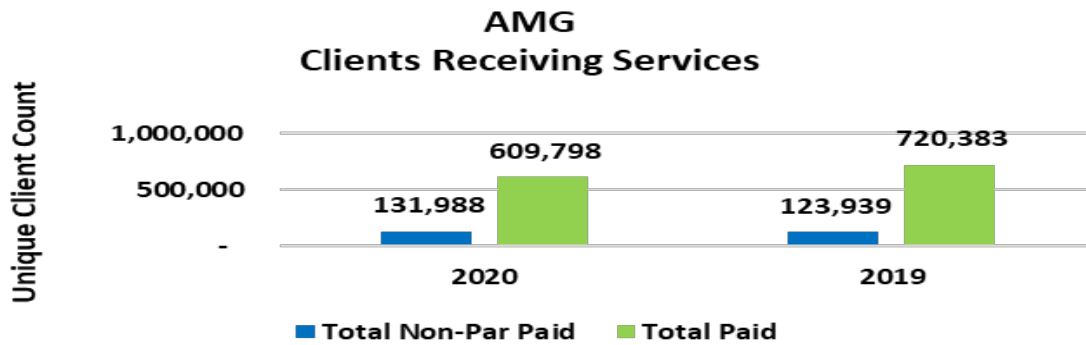


Chart 34: AMG - Total Clients Receiving Services Compared to Clients Receiving Services from a Non-Participating Provider



Proportion of Non-Participating Providers Serving Apple Health Enrollees
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Community Health Plan of Washington (CHPW)

- Total payments in FY 2020 have increased by 38 percent and the payments to non-participating providers increased by 24 percent compared to FY 2019.
- Total providers paid in FY 2020 increased by 40 percent and the number of non-participating providers paid increased by 22 percent compared to FY 2019.
- Total clients receiving services in FY 2020 decreased by 12 percent and the number of clients receiving services from a non-participating provider decreased by 12 percent compared to FY 2019.

Chart 35: CHPW - Total Payments Compared to Non-Participating Provider Payments

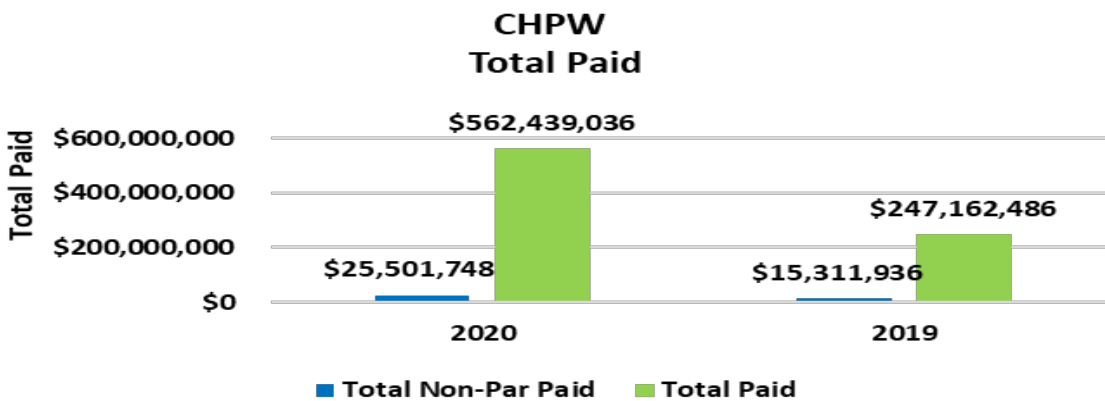
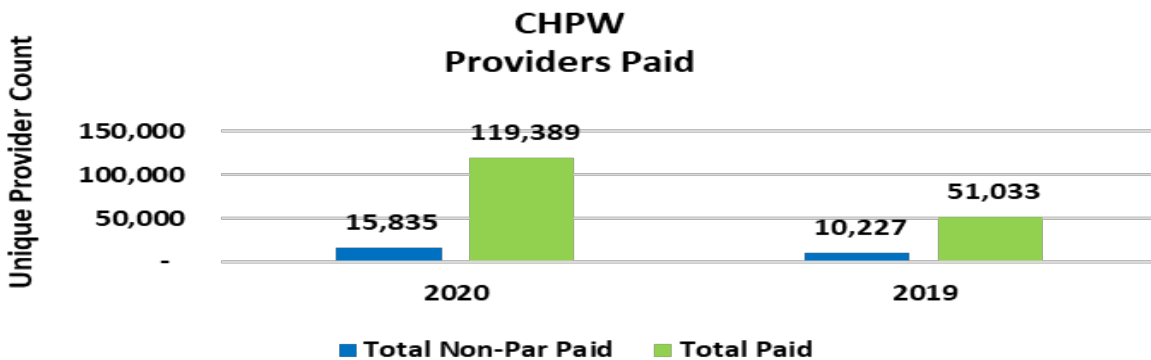


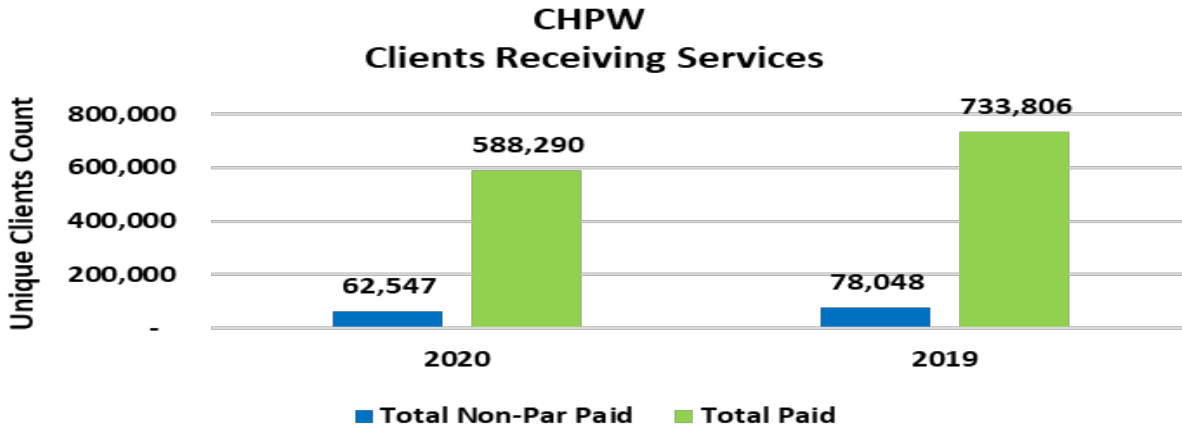
Chart 36: CHPW - Total Providers Paid Compared to Non-Participating Providers Paid



Proportion of Non-Participating Providers Serving Apple Health Enrollees
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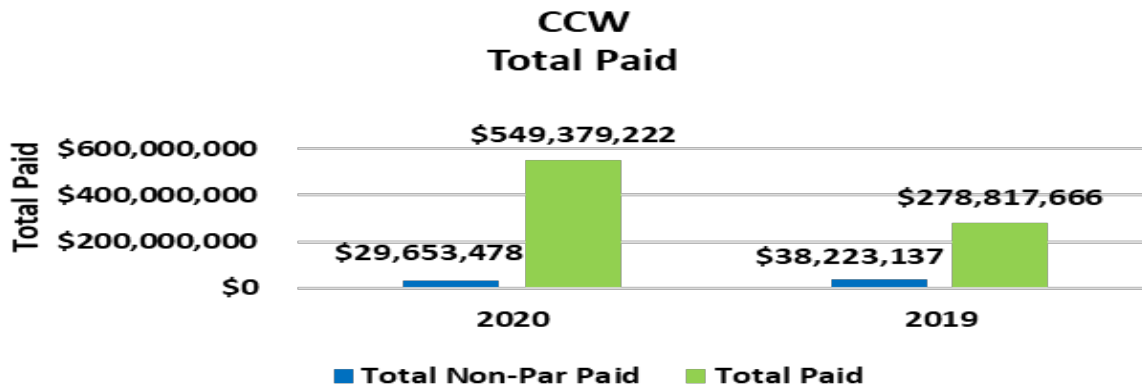
Chart 37: CHPW - Total Clients Receiving Services Compared to Clients Receiving Services from a Non-Participating Provider



Coordinated Care of Washington (CCW)

- Total payments in FY 2020 have increased by 32 percent and the payments to non-participating providers decreased by 12 percent compared to FY 2019.
- Total providers paid in FY 2020 decreased by 10 percent and the number of non-participating providers paid decreased by 24 percent compared to FY 2019.
- Total clients receiving services in FY 2020 decreased by 32 percent and the number of clients receiving services from a non-participating provider decreased by 24 percent compared to FY 2019.

Chart 38: CCW - Total Payments Compared to Non-Participating Provider Payments



Proportion of Non-Participating Providers Serving Apple Health Enrollees
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Chart 39: CCW- Total Providers Paid Compared to Non-Participating Providers Paid

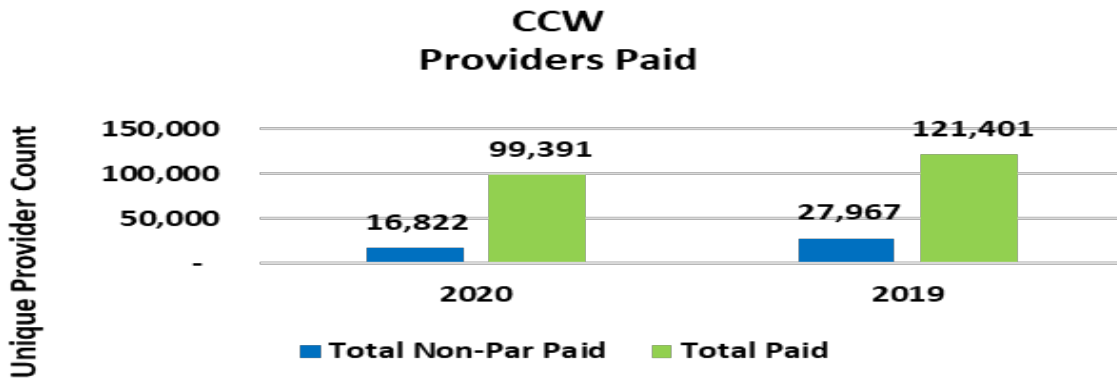
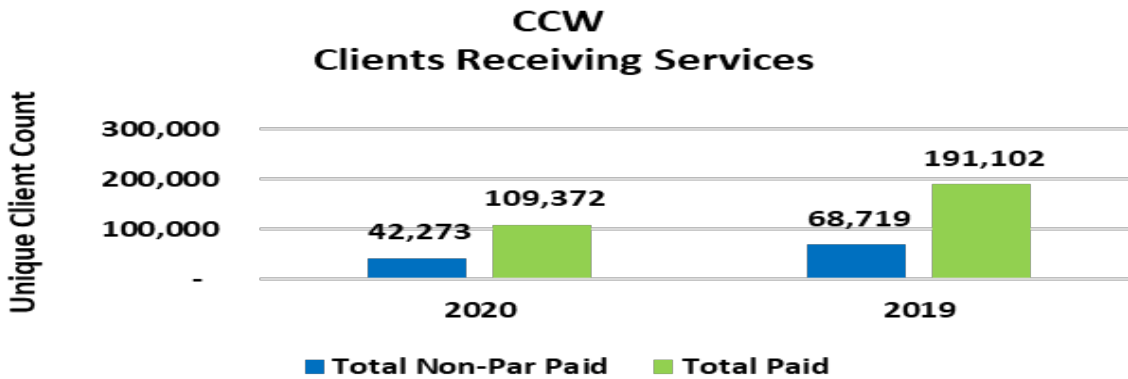


Chart 40: CCW- Total Clients Receiving Services Compared to Clients Receiving Services from a Non-Participating Provider



Molina Healthcare of Washington (MHW)

- Total payments in FY 2020 have increased by 6 percent and the payments to non-participating providers increased by 2 percent compared to FY 2019.
- Total providers paid in FY 2020 had no change in percentage and the number of non-participating providers paid decreased by 2 percent compared to FY 2019.
- Total clients receiving services in FY 2020 had no change in percentage and the number of clients receiving services from a non-participating provider decreased by 12 percent compared to FY 2019.

Proportion of Non-Participating Providers Serving Apple Health Enrollees
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Chart 41: MHW - Total Payments Compared to Non-Participating Provider Payments

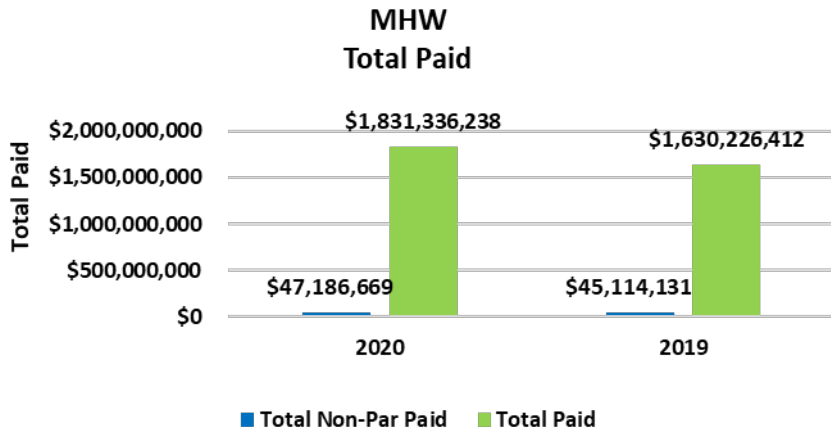


Chart 42: MHW - Total Providers Paid Compared to Non-Participating Providers Paid

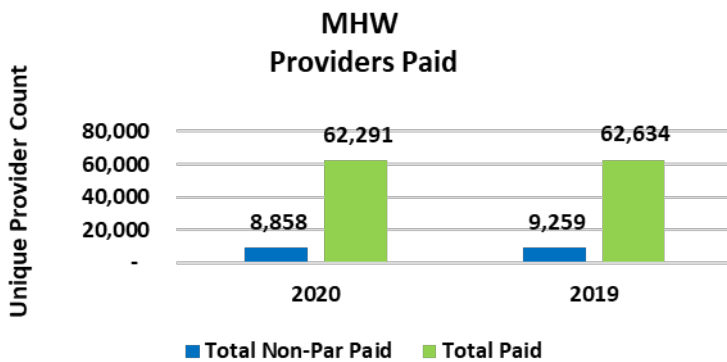
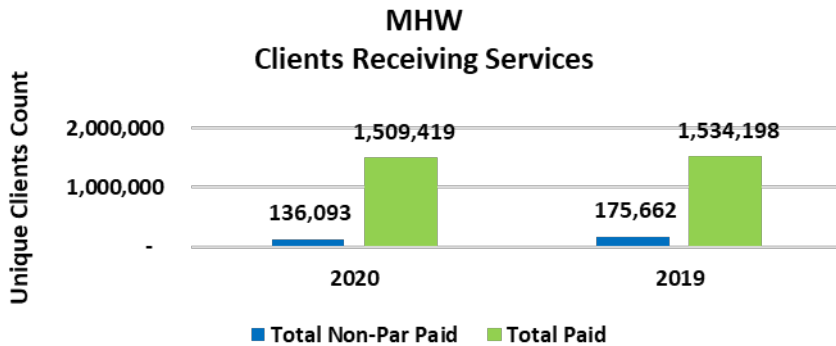


Chart 43: MHW - Total Clients Receiving Services Compared to Clients Receiving Services from a Non-Participating Provider



Proportion of Non-Participating Providers Serving Apple Health Enrollees
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United Healthcare (UHC)

- Total payments in FY 2020 have increased by 12 percent and the payments to non-participating providers decreased by 8 percent compared to FY 2019.
- Total providers paid in FY 2020 decreased by 12 percent and the number of non-participating providers paid increased by 14 percent compared to FY 2019.
- Total clients receiving services in FY 2020 decreased by 2 percent and the number of clients receiving services from a non-participating provider decreased by 6 percent compared to FY 2019.

Chart 44: UHC - Total Payments Compared to Non-Participating Provider Payments

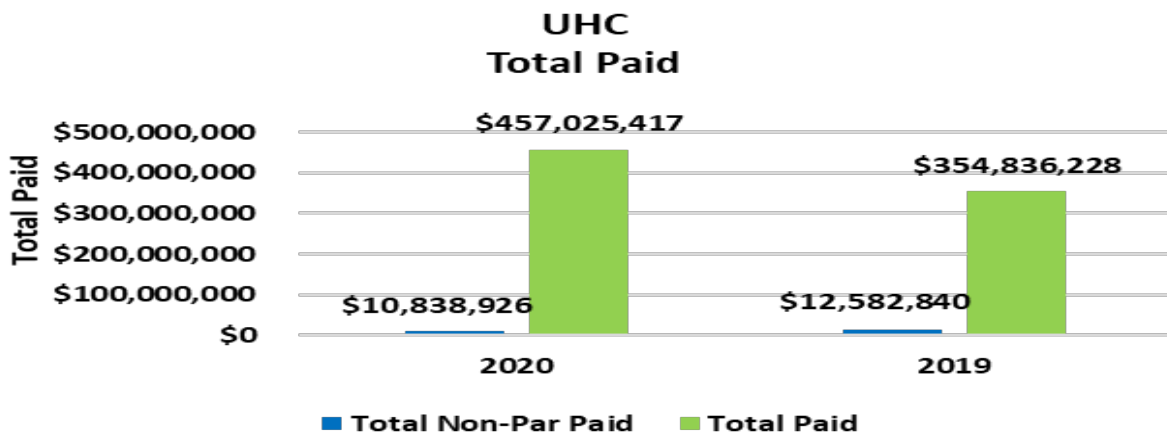
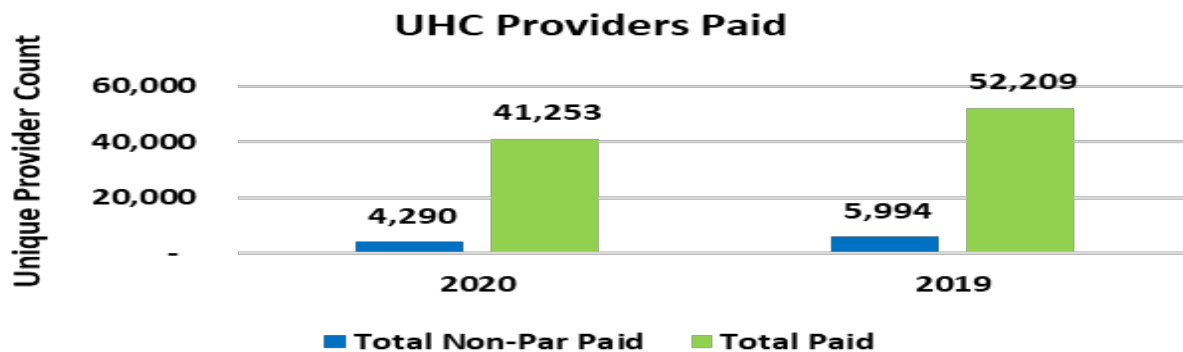


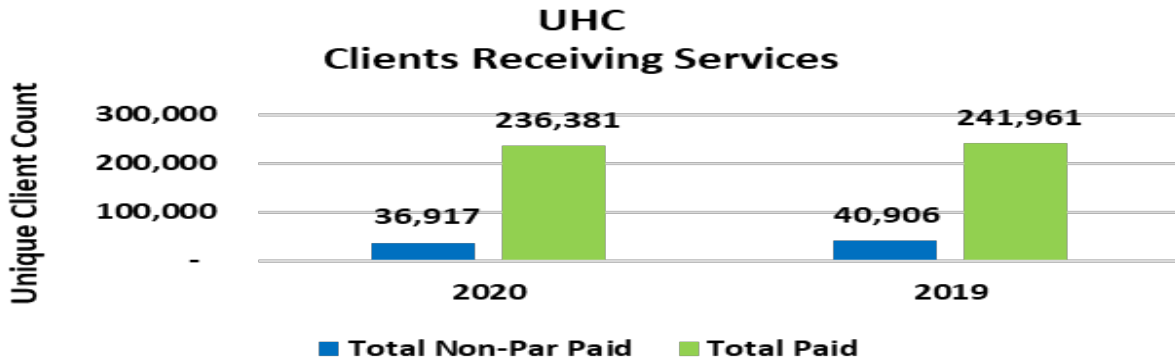
Chart 45: UHC - Total Providers Paid Compared to Non-Participating Providers Paid



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Chart 46: UHC - Total Clients Receiving Services Compared to Clients Receiving Services from a Non-Participating Provider

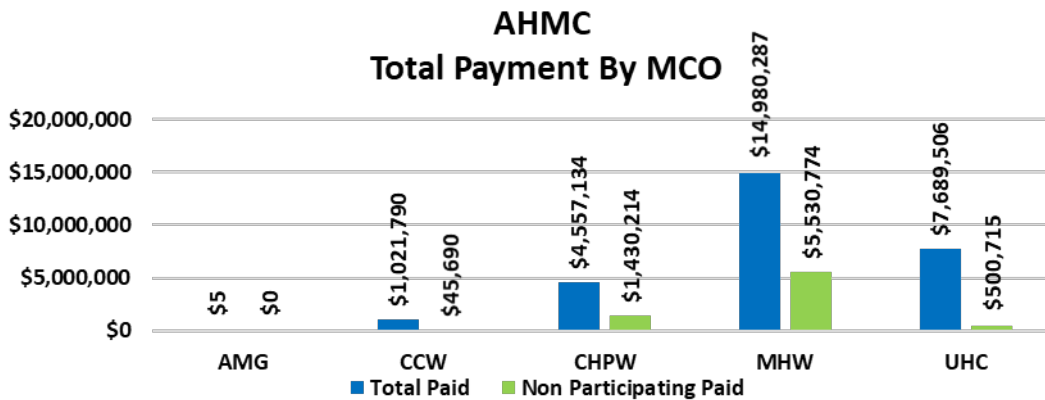


Out of State/Border City Payment Non-Participating Data

The following charts show information regarding services rendered out of state or in a border city for all three contracts and by specialty.

Apple Health Managed Care (AHMC)

Chart 47: AHMC - Total Payments by MCO



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Chart 48: AHMC - Total Unique Providers Paid by MCO

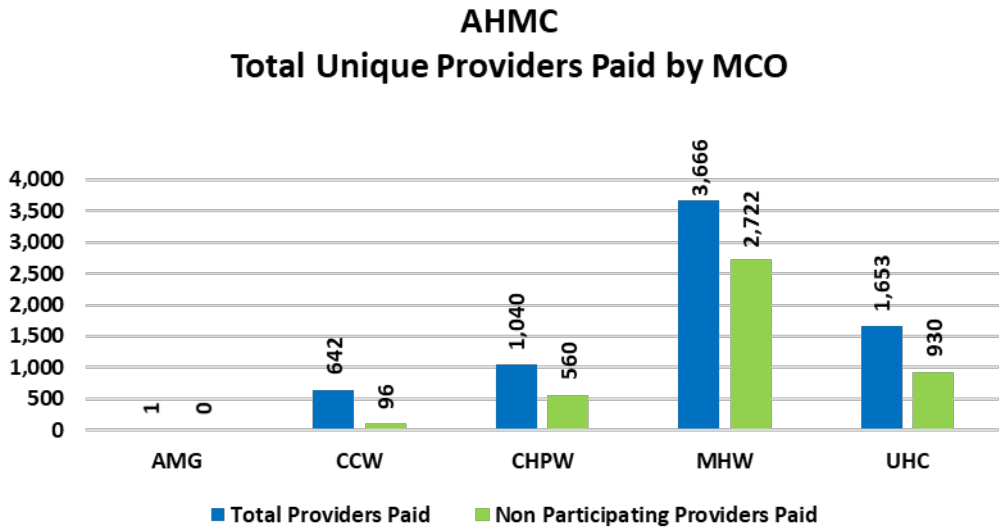
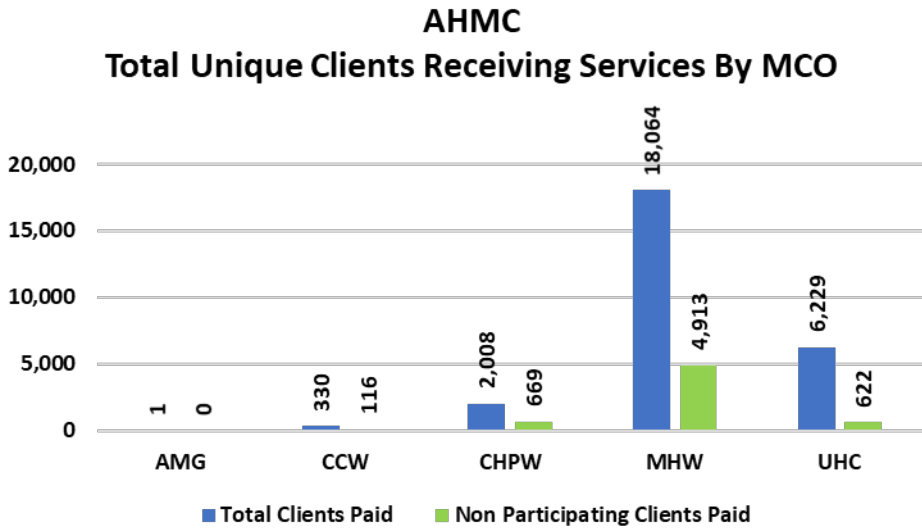


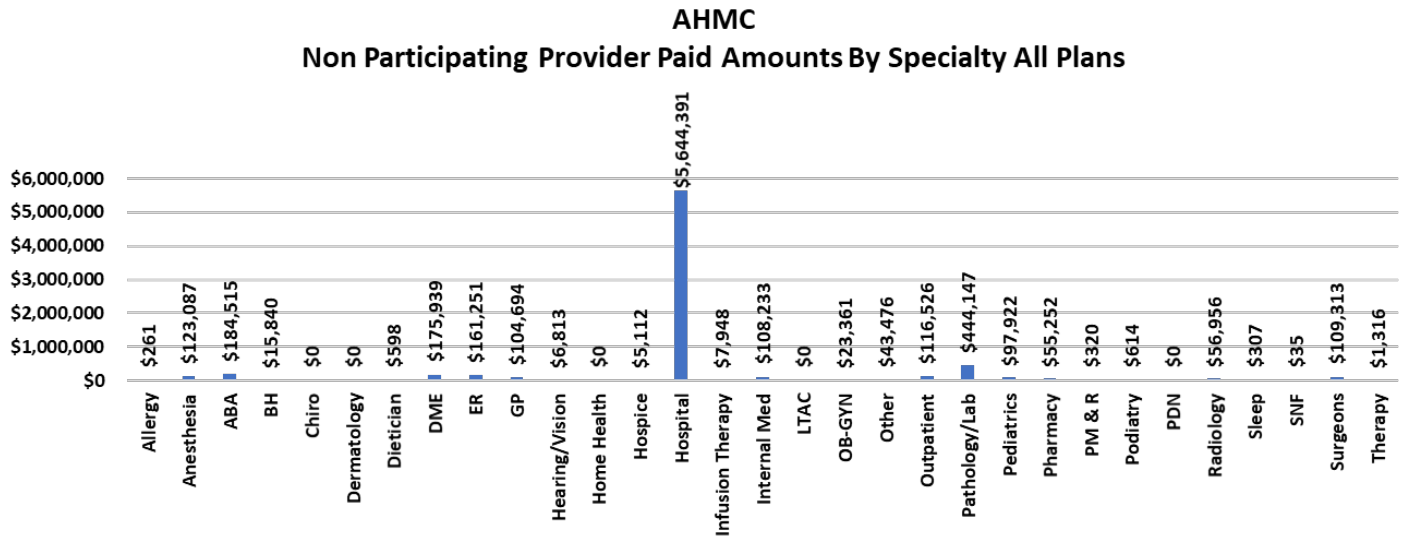
Chart 49: AHMC – Total Unique Clients Receiving Services by MCO



Proportion of Non-Participating Providers Serving Apple Health Enrollees
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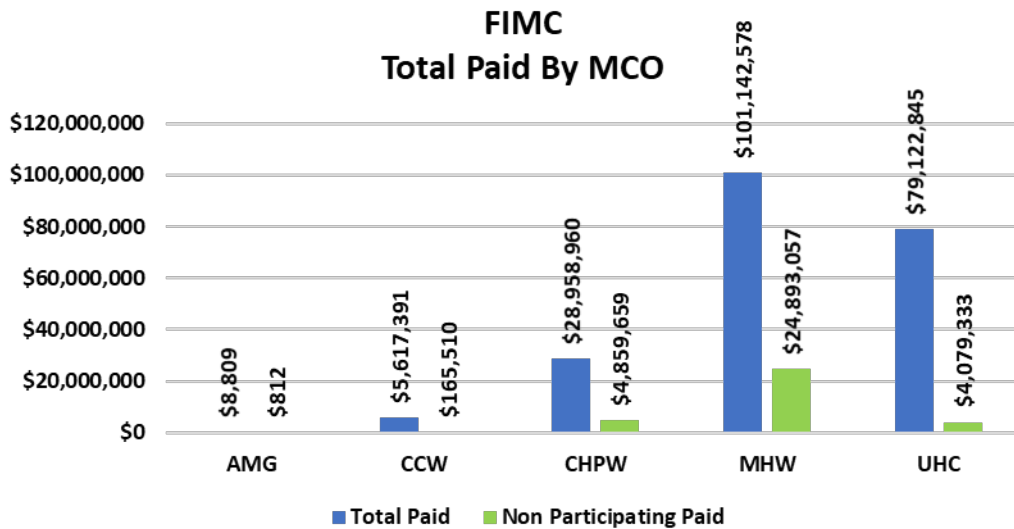


Chart 50: AHMC - Non-Participating Provider Paid Amounts, By Specialty-All Plans



Fully Integrated Managed Care (FIMC)

Chart 51: FIMC - Total Payments by MCO



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Chart 52: FIMC - Total Unique Providers Paid by MCO

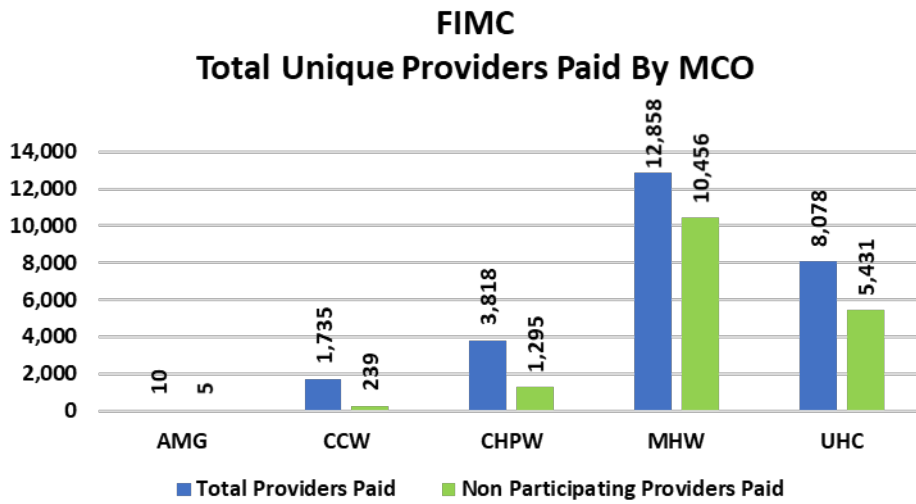
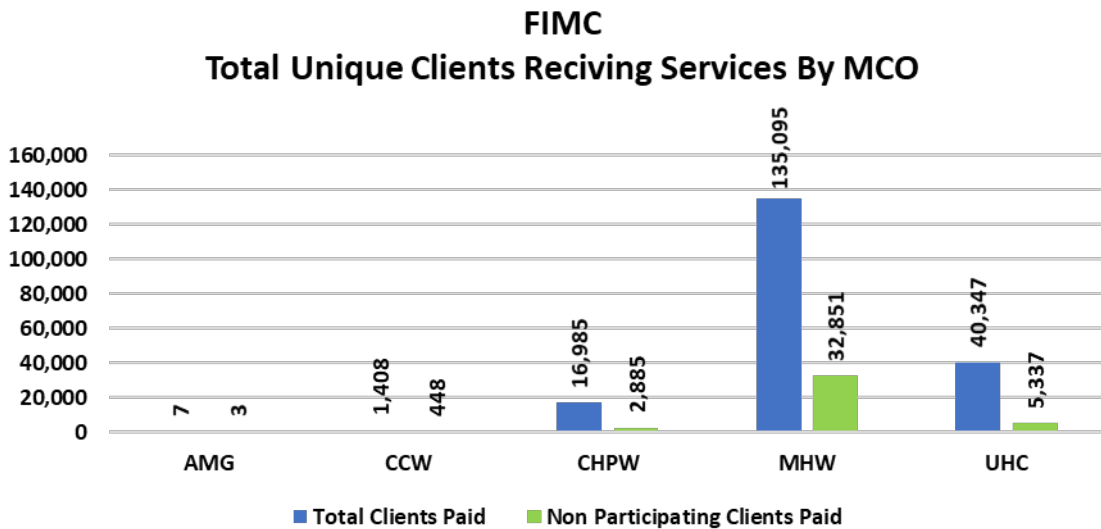


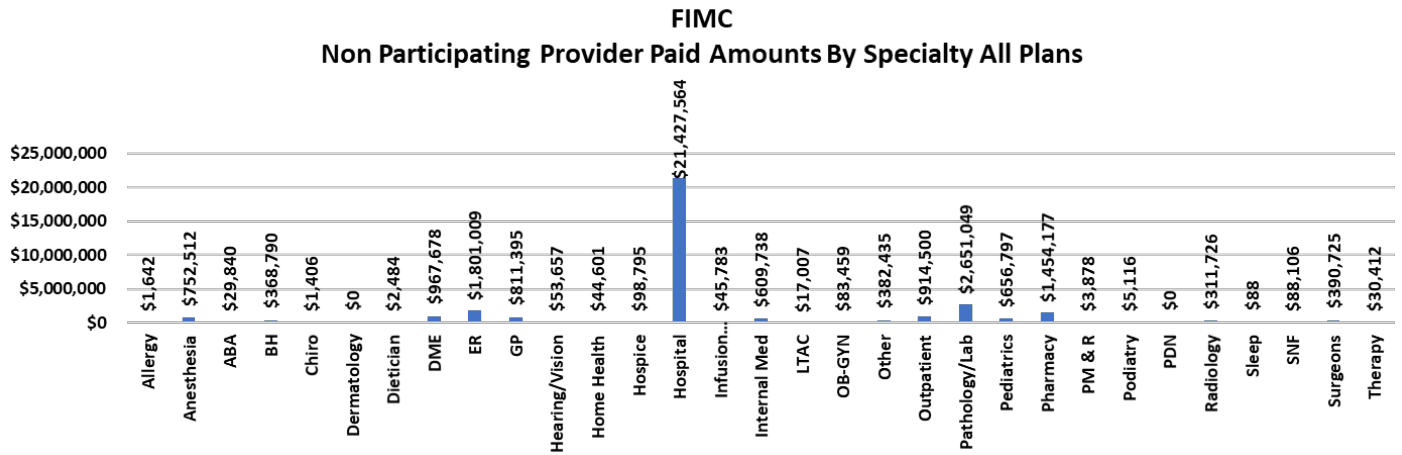
Chart 53: FIMC – Total Unique Clients Receiving Services by MCO



Proportion of Non-Participating Providers Serving Apple Health Enrollees
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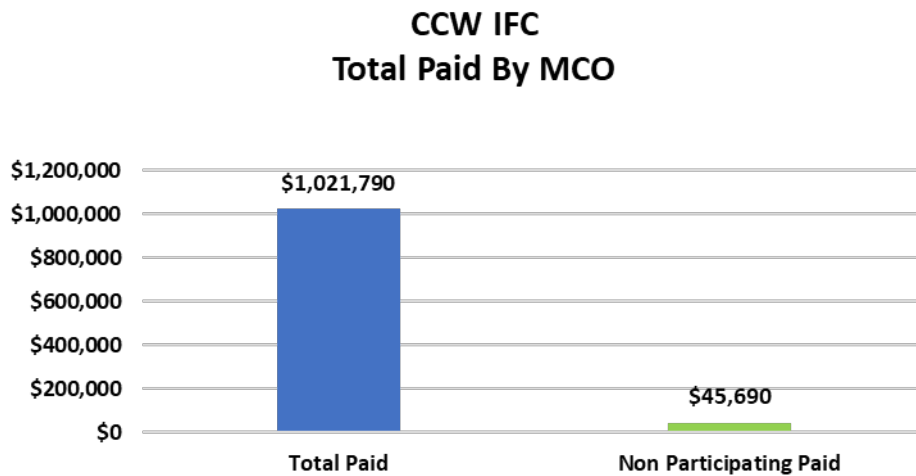


Chart 54: FIMC - Non-Participating Provider Paid Amounts, By Specialty-All Plans



Integrated Foster Care (IFC)

Chart 55: IFC - Total Payments by MCO



Proportion of Non-Participating Providers Serving Apple Health Enrollees
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Chart 56: IFC- Total Unique Providers Paid by MCO

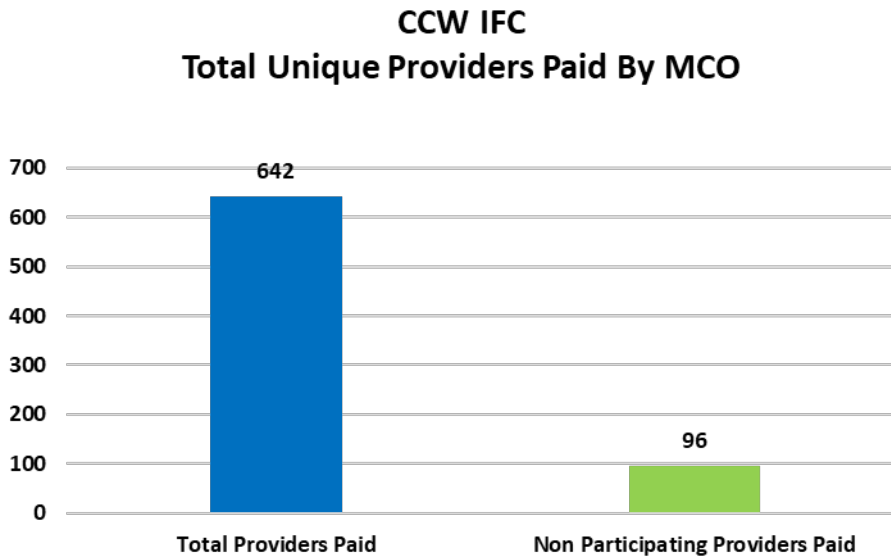
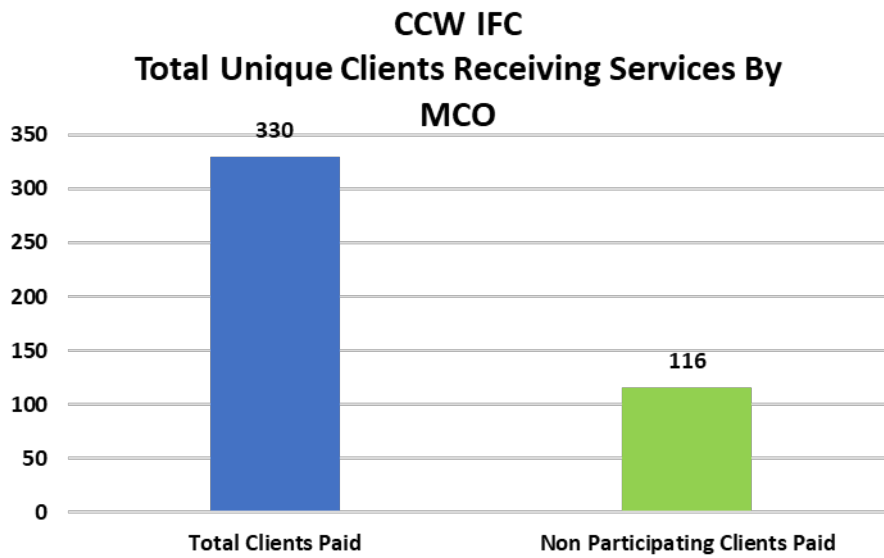


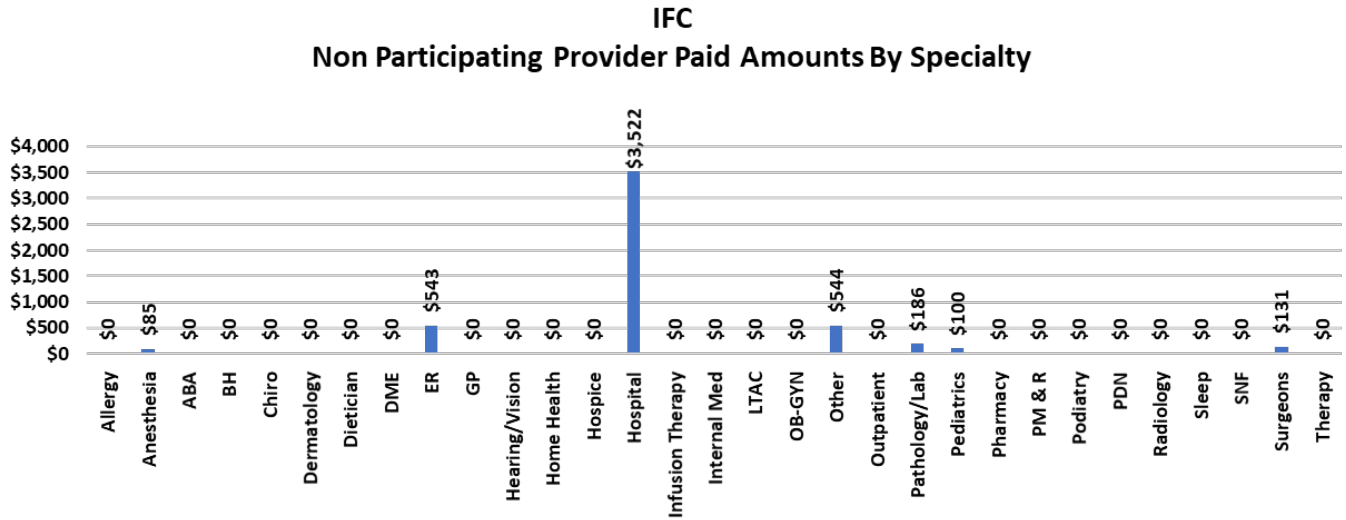
Chart 57: IFC – Total Unique Clients Receiving Services by MCO



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Chart 58: IFC - Non-Participating Provider Paid Amounts, By Specialty-All Plans



Conclusion

Ensuring Apple Health clients have access to an extensive provider network is crucial to quality health care outcomes. This analysis shows:

- The amount of payments to non-participating providers decreased by \$1 million as compared to previous reporting period;
- The most dollars paid to non-participating providers are still in the larger counties (King, Pierce, Spokane, and Snohomish).

A total of \$163 million was paid to non-participating providers; 4 percent of all expenditures which is a 1 percent decrease over previous year.

18 percent of all claims paid were to non-participating providers for 13 percent of all MCO enrolled clients receiving health care services. This represents a 3 percent decrease in non-participating providers paid and a 1 percent decrease to the percentage of clients receiving services from a non-participating provider, as compared to the previous year of 21 percent of all claims paid to non-participating providers and 14 percent of all clients from a non-participating provider.

There is no national standard or published best practice by which to benchmark these results. Non-participating providers do not have a contractual fee schedule. Instead, plans reimburse non-participating providers at the lowest contracted rate of a comparable participating provider.

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Regardless, the goal should always be to keep the rate as low as possible to encourage the providers to contract with more plans, thereby creating a more robust provider network that can meet their enrollees' health care needs. When a provider is not contracted with the plan and there is no "participating" relationship, care may be adversely impacted and the benefits of receiving care in managed care can be compromised. For example, the provider may deliver services outside of the plan's treatment guidelines, choose not to engage with a case manager, choose not to participate in any care improvement initiatives sponsored by the plan, or support value-based purchasing initiatives.

This reporting year still includes an increase in implementation of Fully Integrated Managed Care, however we are seeing a small decrease in use of non-participating providers. This may be in part due to a strong focus from HCA and the MCOs to contract with providers as regions implement integration.

The provider specialty with the largest amount of non-participating provider payments was hospital admissions; \$58 million, 36 percent of all non-participating provider payments, which is an 8 percent increase over the last reporting period. The fact that hospital stays are the highest medical expense is one of the biggest contributing factors. HCA plans to work closely with the MCOs to obtain more detailed information regarding services provided in non-participating hospitals, such as type and reason for admission to assess ways to reduce use of these non-participating providers.

HCA will continue monitoring the trends in all non-participating provider expenditures. HCA intends to continue to work with the managed care plans to develop and implement strategies to reduce the number of payments made to non-participating providers. This work could include:

- Reporting of additional data elements;
- Additional MCO staff training on how to report the data; or
- Continuing the more aggressive approach to contracting, in order to ensure there is an adequate provider network, thus reducing non-participating provider utilization.

