

Proportion of Non-Participating Providers Serving Apple Health Enrollees

Annual Report: July 1, 2017–June 30, 2018

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

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

January 1, 2019



Proportion of Non-Participating Providers Serving Apple Health Enrollees

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>



Table of Contents

- Executive Summary..... 2
 - Background 3
 - Key Findings 4
 - Fully Integrated Managed Care Contract 5
- Apple Health Managed Care Fiscal Year 2017 Findings 6
 - Amerigroup 6
 - Community Health Plan of Washington 11
 - Molina Healthcare of Washington, Inc. 13
 - Overall Non-Participating Provider Payment Analysis..... 19
- Foster Care Fiscal Year 2017 Findings 21
 - Coordinated Care of Washington 21
- Fully Integrated Managed Care (AHMC) Fiscal Year 2017 Findings 24
 - Amerigroup 24
 - Coordinated Care of Washington 27
 - Community Health Plan of Washington 29
 - Molina Healthcare of Washington 31
- Conclusion and Next Steps..... 34



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 providers¹ to Apple Health (Medicaid) enrollees. Non-participating providers do not have written contracts to participate in an Apple Health managed health 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, 2017 through June 30, 2018 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. Total spent this period across all three contracts for these providers was \$150 million, a \$32 million decrease from last year.

¹ Providers, as defined for the purpose of this report, does not include inpatient hospital facilities, outpatient hospital facilities, ambulatory care centers, imaging facilities, laboratory facilities, birthing centers, and skilled nursing facilities. Therefore, expenditures for services received in these facilities — as well as expenditures for services such as: home health, hospice, private duty nursing, and therapies (occupational, speech, physical, and mental health) — are not included in this report.
Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Background

In July 2012, HCA began increasing the number of individuals enrolled in Apple Health managed care by expanding enrollment criteria to include the disabled and blind Supplemental Security Income (SSI) eligibility group (adults and children) and other new client populations. Previously, enrollment criteria included children, mothers, and pregnant women. In calendar year (CY) 2013, 800,000 individuals received Apple Health services through an MCO. Following Medicaid expansion, over 1.3 million individuals were receiving services in managed care by the end of December 2014.

Since CY 2013, HCA has contracted with five MCOs: Amerigroup Washington, Inc. (AMG); Community Health Plan of Washington (CHPW); Coordinated Care Corporation of Washington (CCW); Molina Healthcare of Washington (MHC); and United Healthcare Community Plan (UHC). Effective April 1, 2016, two new managed care programs began: Apple Health Foster Care and Fully Integrated Managed Care (FIMC), which includes the full behavioral health benefit. Effective January 1, 2017, clients who have a secondary (primary) insurance were moved to managed care plans. Effective January 1, 2018 the agency implemented FIMC coverage in a second regional service area, North Central Washington, which includes Chelan, Douglas, and Grant counties.

This report shows the cost and utilization of services provided between July 1, 2017 through June 30, 2018 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:

- Total cost, per county, the MCO paid to all providers for overall services (claims paid) delivered to Apple Health enrollees.
- Percent of overall 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 overall claims and separated number of non-participating provider claims, per county, the MCO paid.
- Number of overall clients with paid claims, and separated number of client claims to non-participating providers the MCO paid.

Additionally, during this reporting period each MCO provided HCA with information on the following provider types: “professional” (including medical doctor, physician assistant, advanced registered nurse practitioner, and their specialties), “durable medical equipment,” “pharmacy,” or “other.” Professional specialty categories include “allergy,” “anesthesia,” “applied behavior analysis,” “behavioral health,” “chiropractor,” “dietician,” “emergency room,” “general practice,” “hearing and vision,” “home health,” “hospice,” “hospital,” “infusion therapy,” “internal medicine,” “obstetrics and gynecology,” “pathology/lab,” “pediatrics,” “podiatry,” “private duty nursing,” “radiology,” “sleep,” “surgeon,” and “therapy.”



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:

- Amerigroup paid \$24 million to non-participating providers in fiscal year 2018, a decrease of \$13 million from the previous fiscal year. AMG had an 8 percent increase in enrollees. Fourteen percent of the claims paid were to non-participating providers for services provided to 15 percent of clients enrolled with AMG. The most utilized non-participating provider specialty/subspecialty was “general practice.”
- Coordinated Care of Washington paid approximately \$28.5 million in fiscal year 2018 to non-participating providers, a decrease of \$12.5 million from the previous fiscal year. CCW had a 14 percent increase in enrollees. Fifteen percent of the claims paid were to non-participating providers for services provided to 30 percent of the CCW-enrolled clients. The most utilized non-participating provider specialty/subspecialty was “hospital.”
- Community Health Plan of Washington paid approximately \$19 million in fiscal year 2018 to non-participating providers, a decrease of \$2 million from the previous fiscal year. CHPW had a 12 percent increase in enrollees. Twenty percent of the claims paid were to non-participating providers for services provided to 12 percent of the clients enrolled with CHPW. The most utilized non-participating provider specialty/subspecialty was “internal medicine.”
- Molina Healthcare of Washington paid approximately \$47 million in fiscal year 2018 to non-participating providers, an increase of \$3 million from the previous fiscal year. There was a 6 percent increase in enrollees. Twenty-eight percent of the claims paid were to non-participating providers for services provided to 16 percent of clients enrolled with MHC. The most utilized non-participating provider specialty/subspecialty was “hospital.”
- United Healthcare paid approximately \$20 million in fiscal year 2018 to non-participating providers, a decrease of \$1 million from the previous fiscal year. UHC had a 5 percent increase in enrollees. Twenty eight percent of the claims paid were paid to non-participating providers for services provided to 19 percent of clients enrolled with UHC. The most utilized non-participating provider specialty/subspecialty was “hospital.”
- All plans: Clark, Grays Harbor, Cowlitz, and Skamania counties have the highest percentage of non-participating providers paid for services provided to clients enrolled with an Apple Health MCO. These counties, as some of the most rural areas in the state, have fewer providers and therefore require more frequent use of non-participating providers.
- The most utilized non-participating provider specialties/subspecialties were “hospital,” “other,” “emergency room,” and “anesthesia services.” Although further instruction was provided this year on how to categorize specialties, “other” is still one of the top five. To avoid an incomplete picture of the data, we did not include “other” in the individual plan analyses. We will again conduct analyses and provide more detailed instruction regarding reporting categories and specialties to all MCOs prior to next year’s submission.



- For the foster care contract, Coordinated Care of Washington paid approximately \$5 million in fiscal year 2018 to non-participating providers, a decrease of \$2 million from the previous fiscal year. CCW had a 2 percent decrease in enrollees. Nineteen percent of the claims paid were to non-participating providers for services provided to 48 percent of the clients. The most utilized non-participating provider specialty/subspecialty was “hospital.”

Fully Integrated Managed Care Contract

- Amerigroup paid \$151 thousand to non-participating providers in fiscal year 2018. Eight percent of the claims paid were to non-participating providers for services provided to 9 percent of clients enrolled with AMG. The most utilized non-participating provider specialty/subspecialty was “general practice.”*
- Coordinated Care of Washington paid approximately \$358 thousand in fiscal year 2018 to non-participating providers. Five percent of the claims paid were to non-participating providers for services provided to 19 percent of the CCW-enrolled clients. The most utilized non-participating provider specialty/subspecialty was “hearing & vision.”*
- Community Health Plan of Washington paid approximately \$1.4 million in fiscal year 2018 to non-participating providers, a decrease of \$0.5 million from the previous fiscal year. CHPW had a 13 percent increase in enrollment in Clark County and an 8 percent increase in enrollment in Skamania County. Eleven percent of the claims paid were to non-participating providers for services provided to 15 percent of the clients enrolled with CHPW. The most utilized non-participating provider specialty/subspecialty was “internal medicine.”
- Molina Healthcare of Washington paid approximately \$5.3 million in fiscal year 2018 to non-participating providers, a decrease of \$1.4 million from the previous fiscal year. Molina had a 3 percent increase in enrollment in Clark County. Twenty percent of the claims paid were to non-participating providers for services provided to 15 percent of clients enrolled with MHC. The most utilized non-participating provider specialty/subspecialty utilized was “internal medicine.”

*Both AMG and CCW are part of the new IMC region, starting January 1, 2019; therefore we do not yet have enough data to make comparisons to the previous reporting year.



Apple Health Managed Care Fiscal Year 2017 Findings

Amerigroup

Amerigroup paid a total of \$486,645,505 for services to 1,361,275 providers for 738,805 clients.

Approximately \$24 million (9 percent of the total) was paid to 149,045 providers (14 percent of the total) for 93,186 clients (15 percent of the total) who received healthcare services from a non-participating provider. This is a \$13 million decrease compared to the previous year.

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

- Clark County—\$739 thousand increase with no increase in enrollment
- Clallam County—\$130 thousand increase with no increase in enrollment
- Yakima—\$89 thousand with 19 percent enrollment increase
- Douglas County—\$64 thousand with 100 percent enrollment increase
- Columbia County—\$51 thousand with a 39 percent enrollment increase

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

- Klickitat County—\$2.8 million decrease with 24 percent enrollment increase
- Pierce County—\$2 million decrease with 9 percent enrollment increase
- Spokane County—\$1.8 million decrease with 9 percent enrollment increase
- Grays Harbor County—\$1.3 million decrease with 40 percent enrollment decrease
- Snohomish County—\$1.3 million decrease with 8 percent enrollment increase

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

Amerigroup also paid approximately \$5 million to 11,442 non-participating providers for 7,515 clients who received services by a provider out of state or in a border city.



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

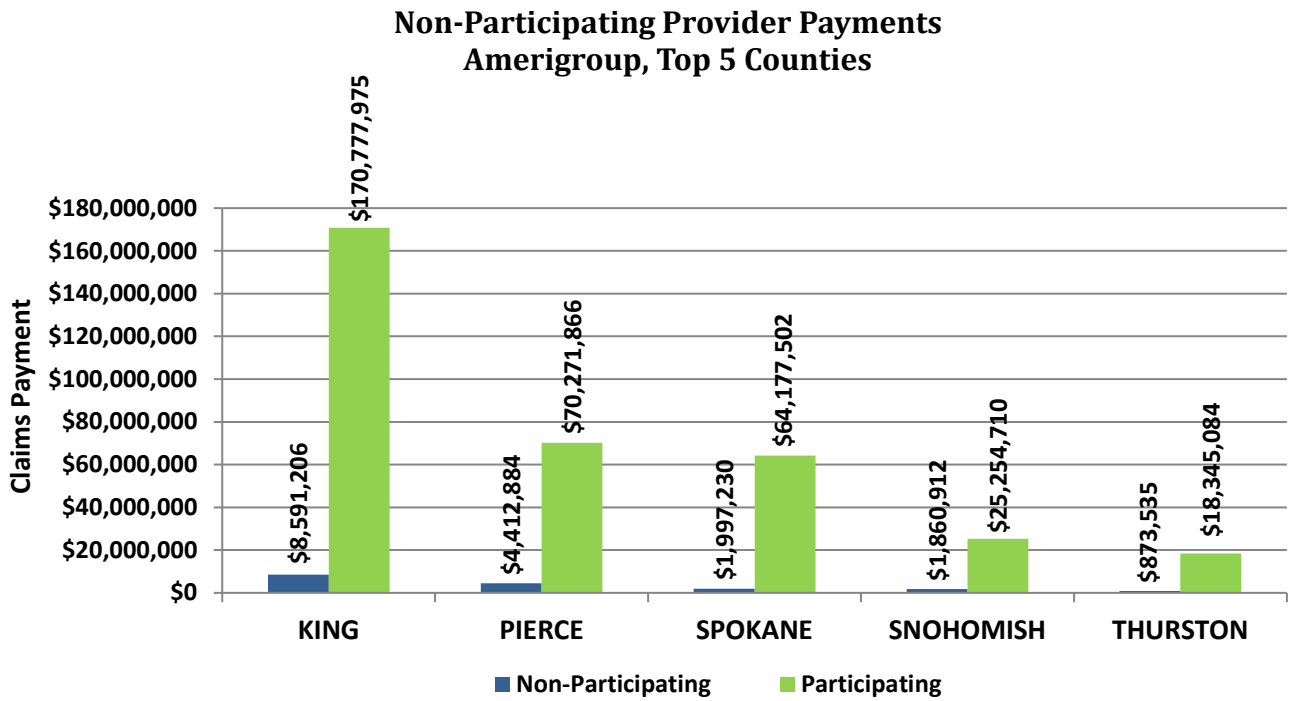
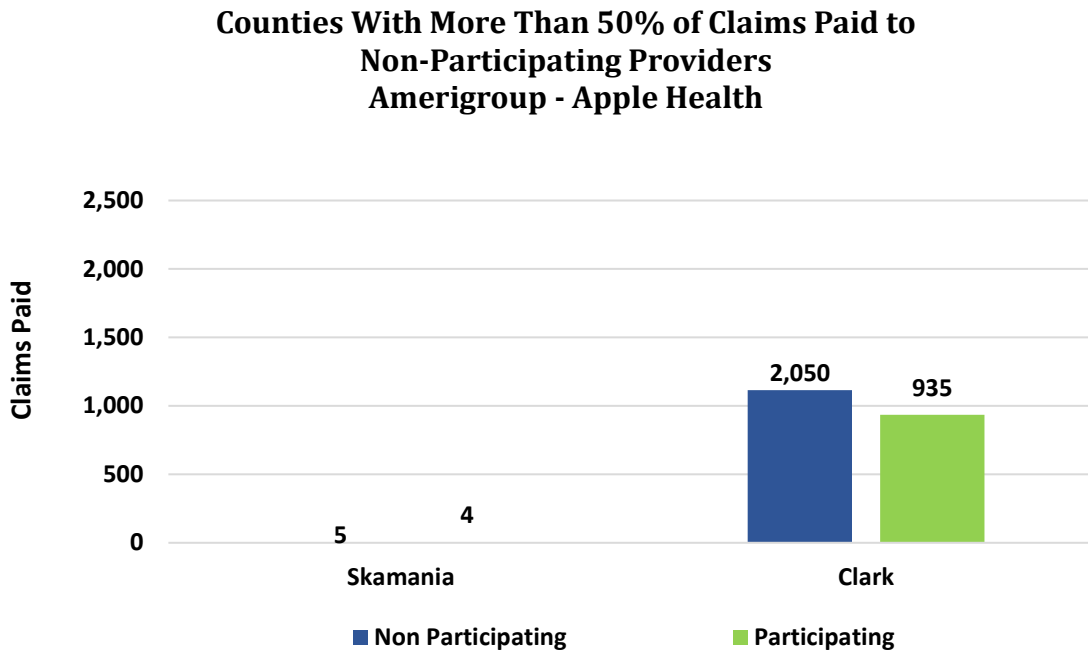


Chart 2: Counties With More Than 50 Percent Paid Claims to Non-Participating Providers, Amerigroup, Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 3: Counties with More than 50 Percent of Clients with Paid Claims to Non-Participating Providers, Amerigroup, Top 5 Counties

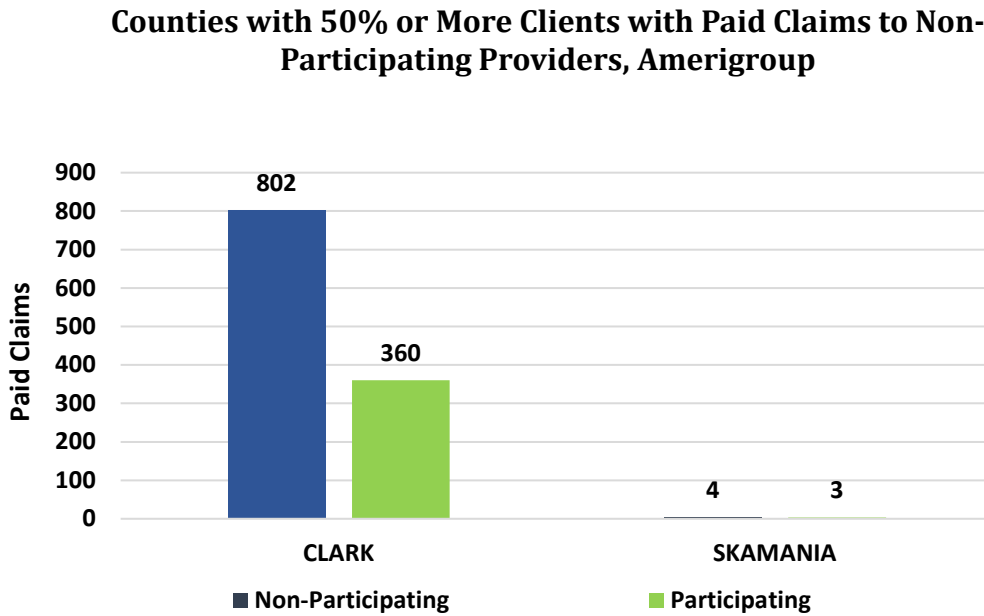
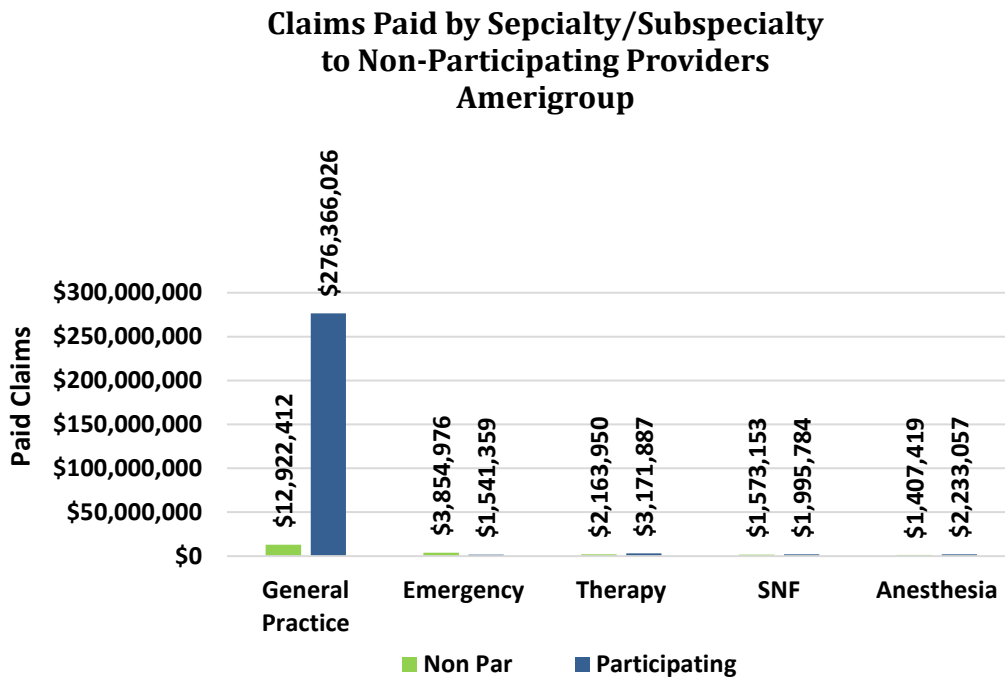


Chart 4: Claims Paid by Specialty/Subspecialty to Non-Participating Providers, Amerigroup, Top 5



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Coordinated Care of Washington

Coordinated Care of Washington (CCW) paid a total of \$560,817,802 for services to 90,908 providers for 180,887 clients.

Approximately \$28.5 million (4 percent of the total) was paid to 17,335 providers (15 percent of the total) for 72,269 clients (30 percent of the total) who received healthcare services from a non-participating provider. This is a \$12.5 million decrease compared to the previous year.

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

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

- Yakima County—\$46 thousand increase with a 1 percent enrollment increase
- King County—\$32 thousand increase with a 12 percent enrollment increase
- Pierce County—\$16 thousand with a 6 percent enrollment increase
- Snohomish County—\$12 thousand with a 5 percent enrollment increase
- Spokane County—\$10 thousand with a 10 percent enrollment increase

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

- Clark County—\$2 thousand decrease with no change to enrollment
- Cowlitz County—\$520 decrease with 100 percent enrollment decrease
- Grays Harbor County—\$455 with no change to enrollment
- Whatcom County—\$444 decrease with 59 percent enrollment decrease
- Clallam County—\$283 decrease with 100 percent enrollment decrease

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

The top non-participating provider type visited was “hospital,” which was 2 percent of the total paid for the specialty.

CCW also paid \$14,734 to 60 non-participating providers for 78 clients who received services by a provider out of state or in a border city.



Chart 5: Non-Participating Provider Payments, Coordinated Care of Washington, Top 5 Counties

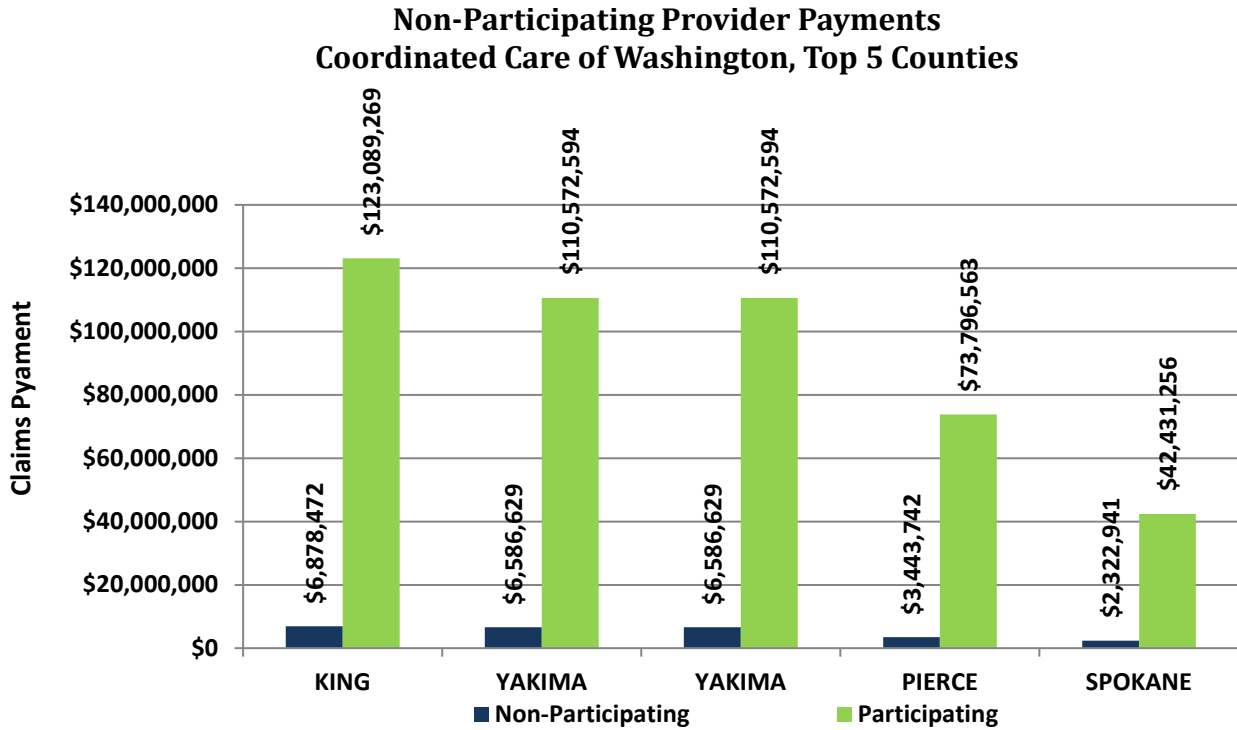
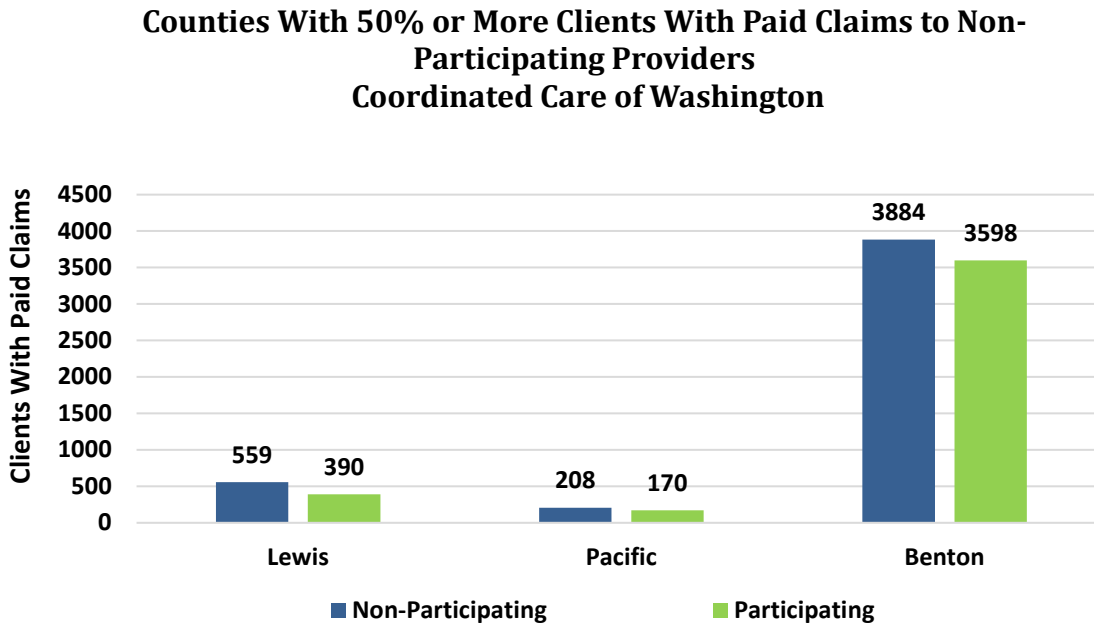


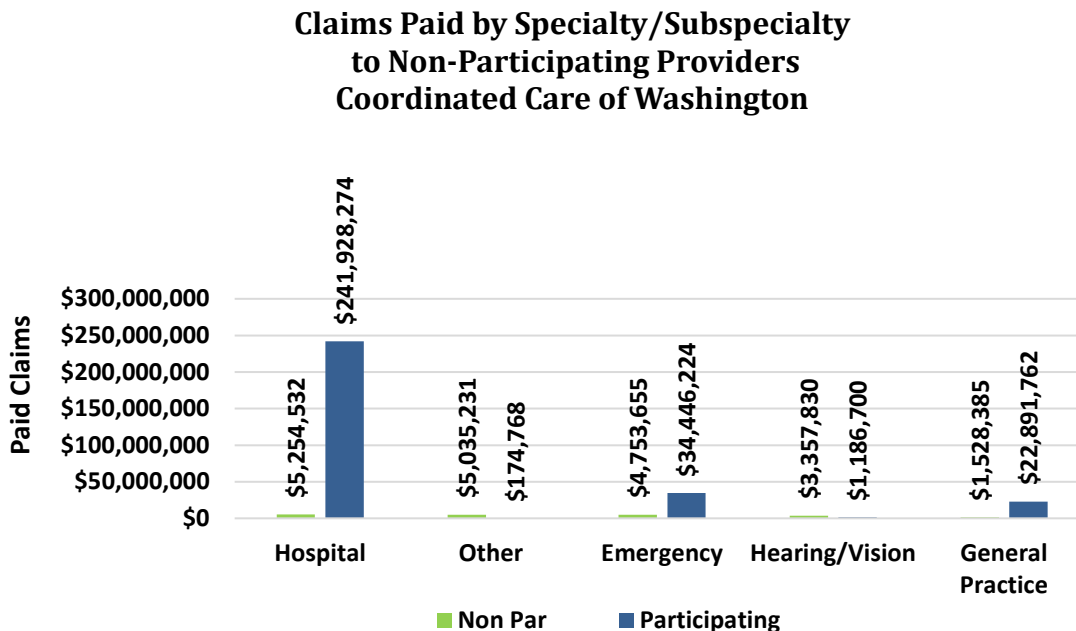
Chart 6: Counties With More than 50 Percent of Clients with Paid Claims to Non-Participating Providers, Coordinated Care of Washington, Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



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



Community Health Plan of Washington

Community Health Plan of Washington (CHPW) paid a total of \$239,226,164 for services to 32,559 providers for 636,175 clients.

Approximately \$19 million (8 percent of the total) was paid to 7,757 providers (20 percent of the total) for 84,110 clients (12 percent of the total) who received healthcare services from a non-participating provider. This is a \$2 million decrease compared to the previous year.

The top four counties with payment increases to non-participating providers are:

- Kitsap County—\$2 thousand with an 8 percent enrollment increase
- Lewis County—\$481 with 3 percent enrollment increase
- Clallam County—\$205 with no change in enrollment
- Franklin County—\$191 with no change in enrollment

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

- King County—\$9 thousand with 10 percent enrollment increase
- Pierce County—\$5 thousand with 3 percent enrollment increase
- Spokane County—\$5 thousand with 5 percent enrollment increase
- Yakima County—\$4 thousand with 1 percent enrollment increase
- Snohomish County—\$4 thousand with 6 percent enrollment increase

Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



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

The top non-participating provider type visited was “internal medicine,” which was 18 percent of the total paid for the specialty.

CHPW also paid \$624,429 to 1,417 non-participating providers for 2,062 clients who received services by a provider out of state or in a border city.

Chart 8: Non-Participating Provider Payments, Community Health Plan of Washington, Top 5 Counties

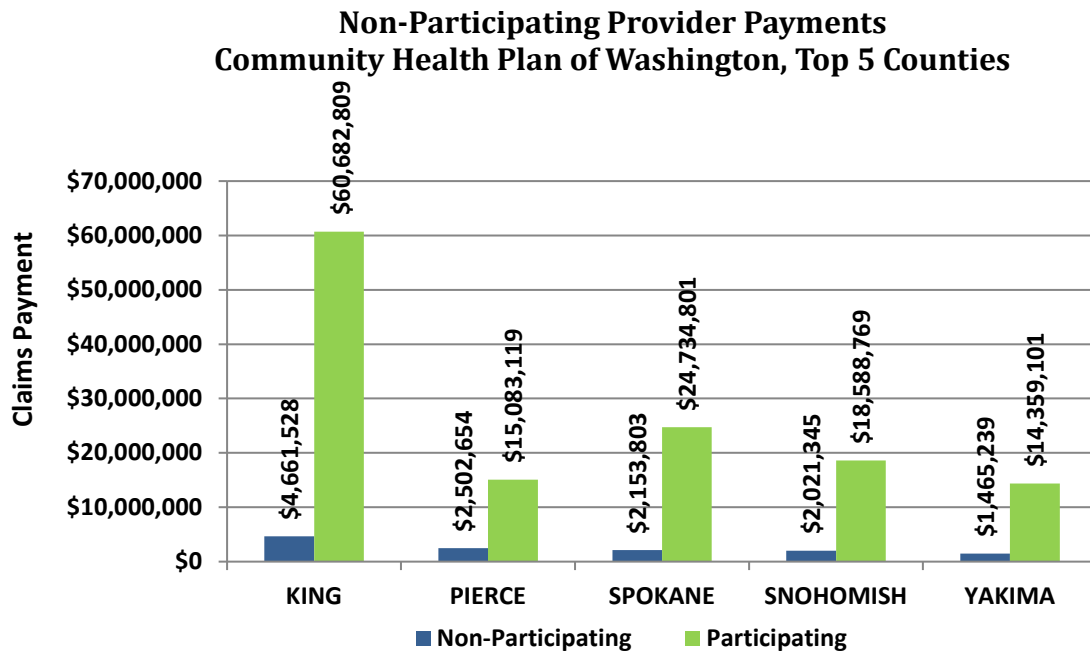
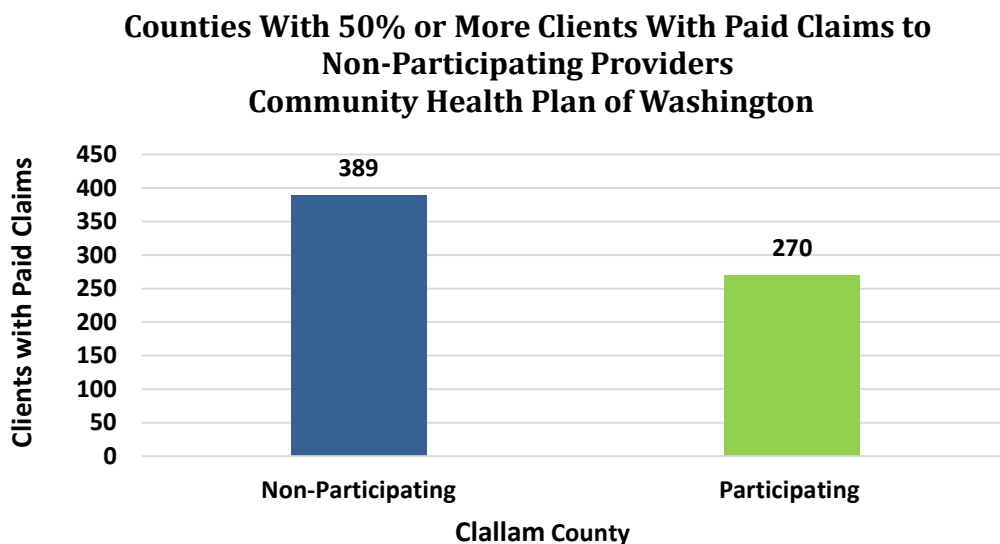


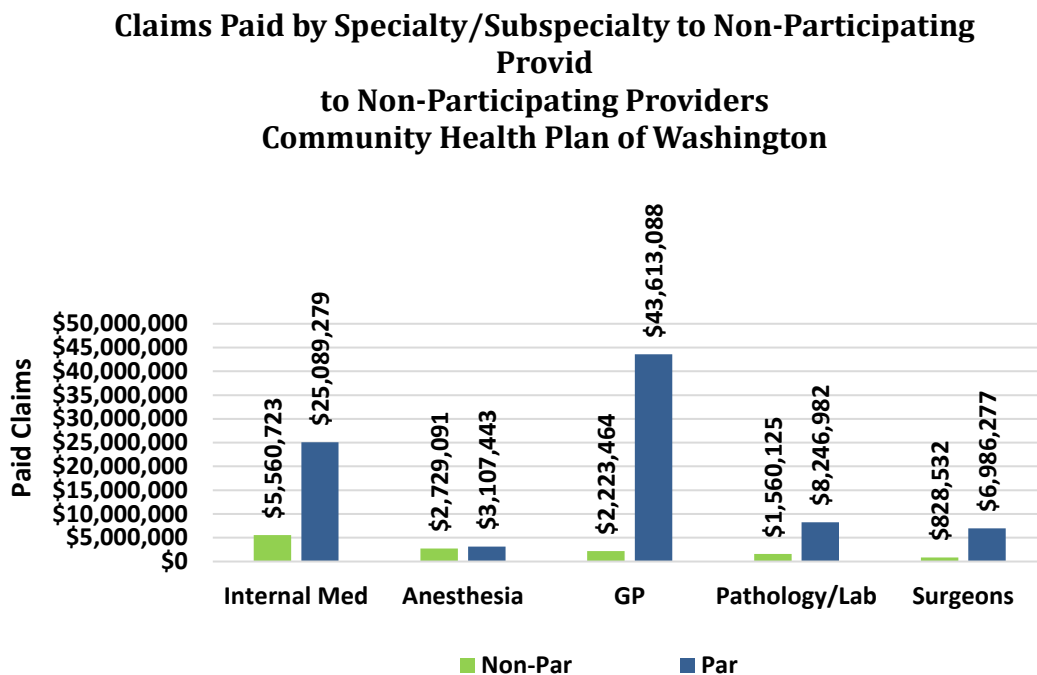
Chart 9: Counties With More Than 50 Percent of Clients With Paid Claims to Non-Participating Providers, Community Health Plan of Washington, Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 10: Claims Paid by Specialty/Subspecialty to Non-Participating Providers, Community Health Plan of Washington, Top 5



Molina Healthcare of Washington, Inc.

Molina Healthcare of Washington (MHC) paid a total of \$1,339,678,110 for services to 32,338 providers for 1,072,833 clients.

Approximately \$47 million (7 percent of the total) was paid to 6,131 providers (28 percent of the total) for 176,707 clients (16 percent of the total) who received healthcare services from a non-participating provider. This is a \$3 million increase compared to the previous year.

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

- Grays Harbor County—\$1.7 million increase with 58 percent enrollment increase
- King County—\$1.6 million increase with 1 percent enrollment decrease
- Cowlitz County—\$698 thousand increase with 6 percent enrollment decrease
- Spokane County—\$386 thousand increase with 2 percent enrollment decrease
- Pierce County—\$384 thousand increase with 4 percent enrollment increase



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

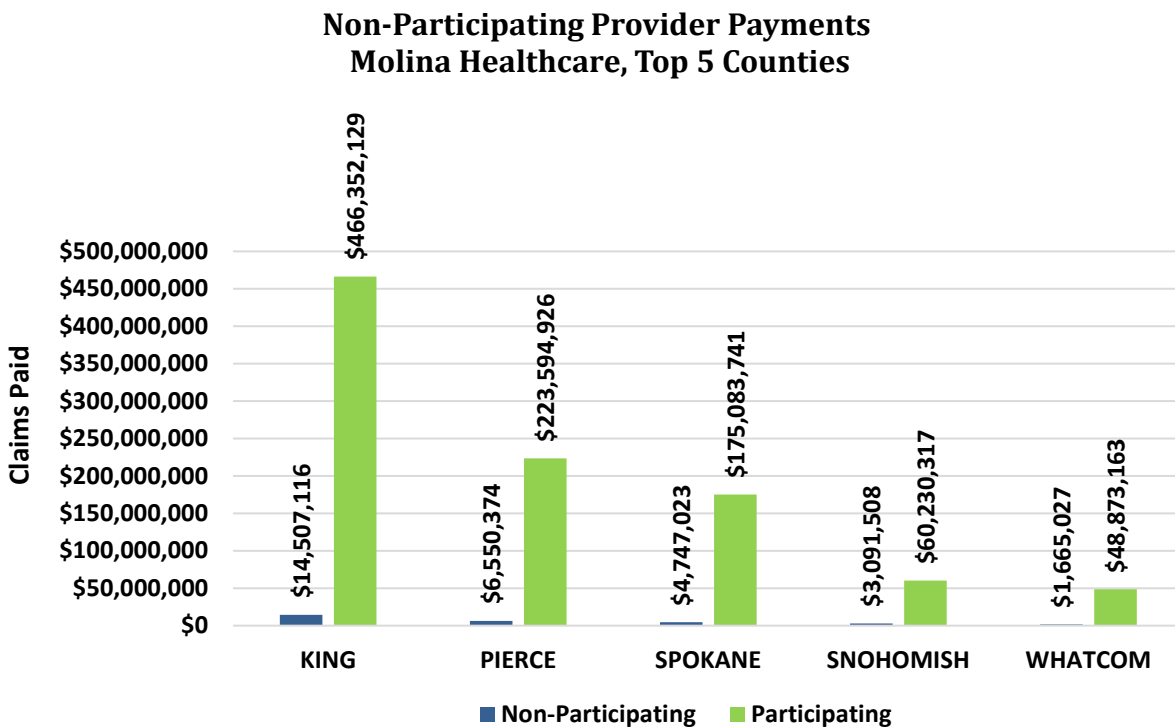
- Thurston County—\$1.3 million decrease with 1 percent enrollment decrease
- Benton County—\$224 thousand decrease with 2 percent enrollment decrease
- Jefferson County—\$181 thousand decrease with 100 percent enrollment decrease
- Lewis County—\$147 thousand decrease with 1 percent enrollment decrease
- Snohomish County—\$140 thousand decrease with 1 percent enrollment decrease

No counties had more than 50 percent of clients seeing a non-participating provider for their healthcare needs.

The top non-participating provider type visited was for “hospital,” which was 2 percent of the total paid for the specialty.

MHC also paid \$18.2 million to 6,029 non-participating providers for 31,525 clients who received services by a provider out of state or in a border city.

Chart 11: Non-Participating Provider Payments, Molina Healthcare, Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 12: Counties With More Than 50 Percent Paid Claims to Non-Participating Providers, Molina Healthcare, Top 5 Counties

**Counties With More Than 50% of Claims Paid to Non-Participating Providers
Molina Healthcare - Apple Health**

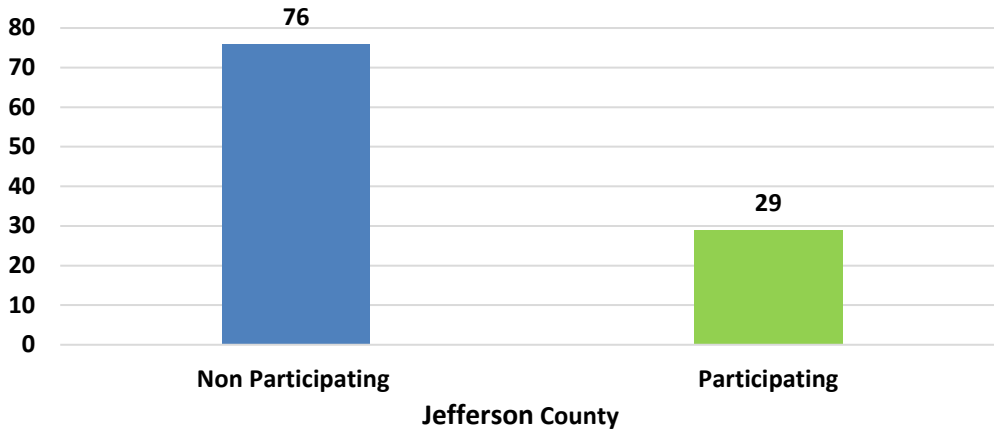
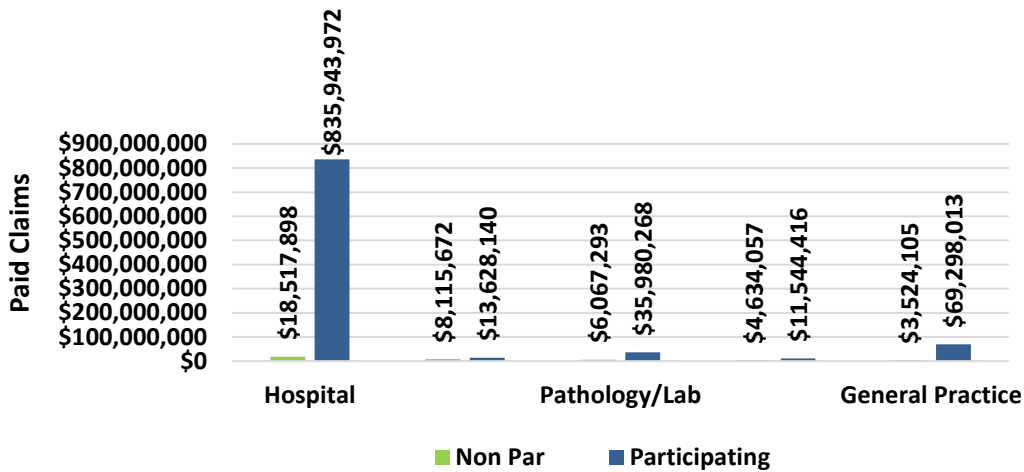


Chart 13: Claims Paid by Specialty/Subspecialty to Non-Participating Providers, Molina Healthcare, Top 5

**Claims Paid by Specialty/Subspecialty to Non-Participating Providers
Molina Healthcare**



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



United Healthcare

United Healthcare (UHC) paid a total of \$489,333,727 for services to 34,985 providers for 740,971 clients.

Approximately \$20 million (16 percent of the total) was paid to 6,002 providers (28 percent of the total) for 98,890 clients (19 percent of the total) who received healthcare services from a non-participating provider. This is a \$1 million decrease compared to the previous year.

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

- Benton County—\$3 thousand increase with 2 percent enrollment increase
- Cowlitz County—\$280 increase with 4 percent enrollment decrease
- Franklin County—\$268 increase with 3 percent enrollment increase
- Lincoln County—\$265 increase with 20 percent enrollment increase
- Island County—\$177 thousand increase with 8 percent enrollment decrease

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

- King County—\$7 thousand decrease with 8 percent enrollment increase
- Snohomish County—\$938 decrease with 3 percent enrollment increase
- Pierce County—\$745 decrease with 7 percent enrollment decrease
- Yakima County—\$664 decrease with 10 percent enrollment increase
- Island County—\$325 decrease with 8 percent enrollment decrease

The top non-participating provider type visited was “hospital (all admit types),” which was 3 percent of the total.

UHC also paid \$7.4 million to 7,748 providers for 14,656 clients who received services by a provider out of state or in a border city.



Chart 14: Non-Participating Provider Payments, United Healthcare, Top 5 Counties

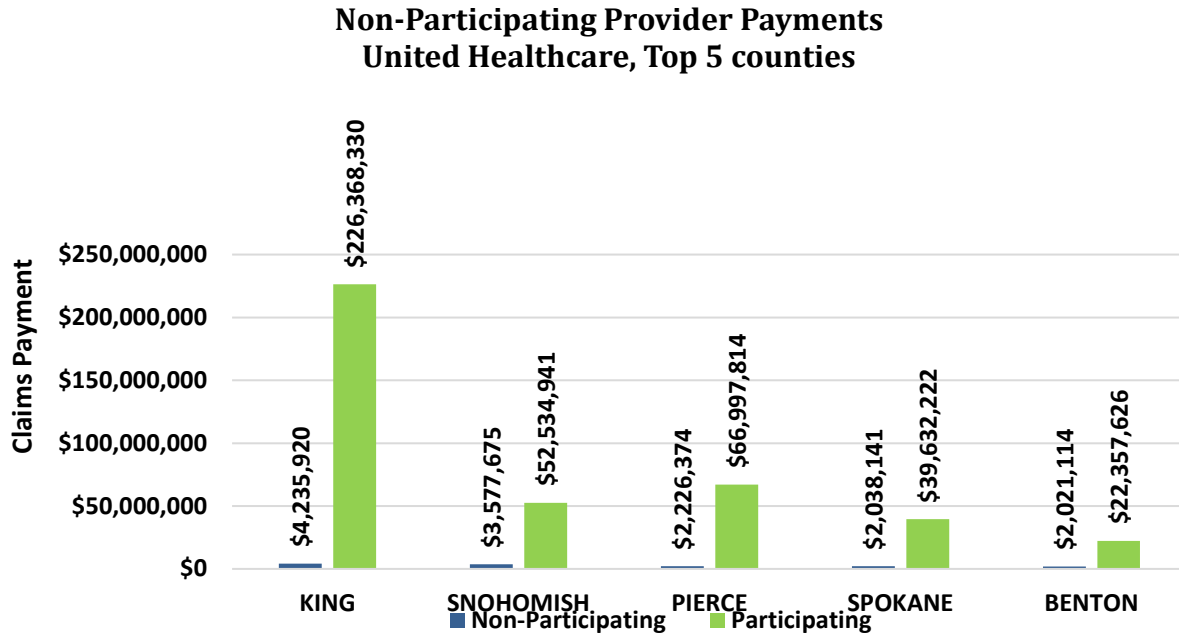
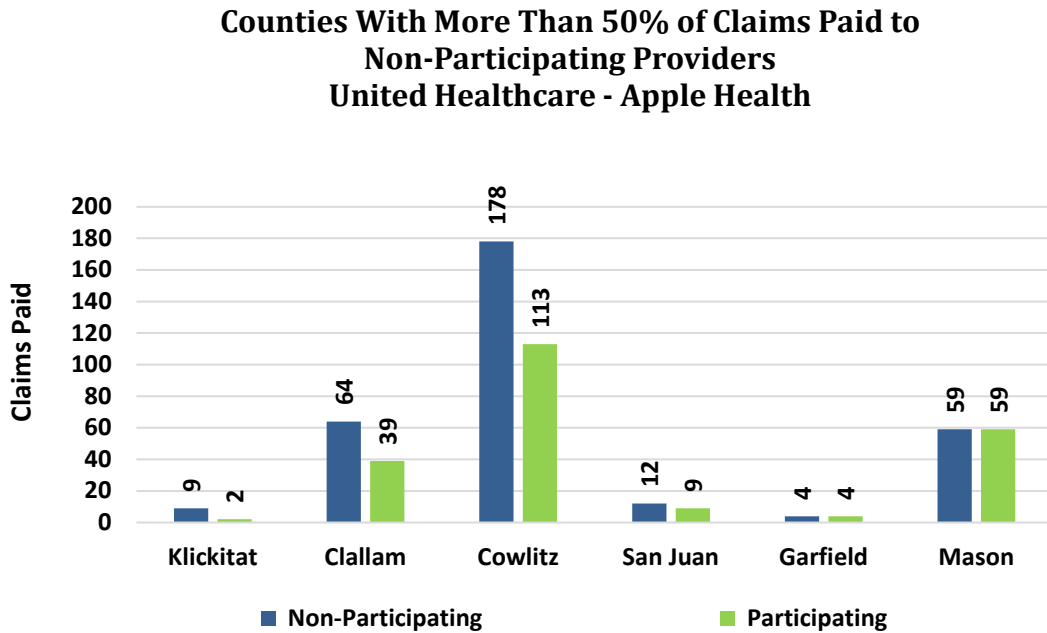


Chart 15: Counties With More Than 50 Percent Paid Claims to Non-Participating Providers, United Healthcare, Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 16: Counties With More Than 50 Percent of Clients with Paid Claims to Non-Participating Providers, United Healthcare, Top 5 Counties

**Counties With 50% or More Clients With Paid Claims to Non-Participating Providers
United Healthcare**

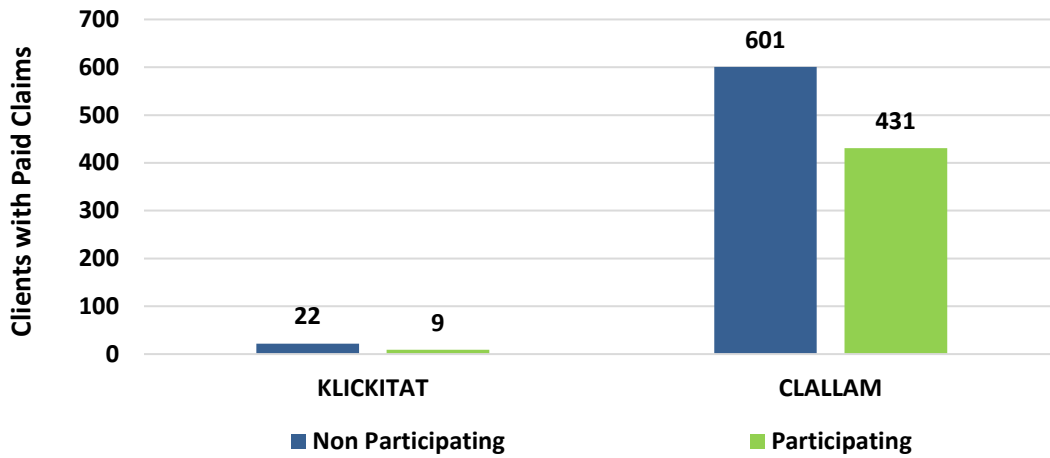
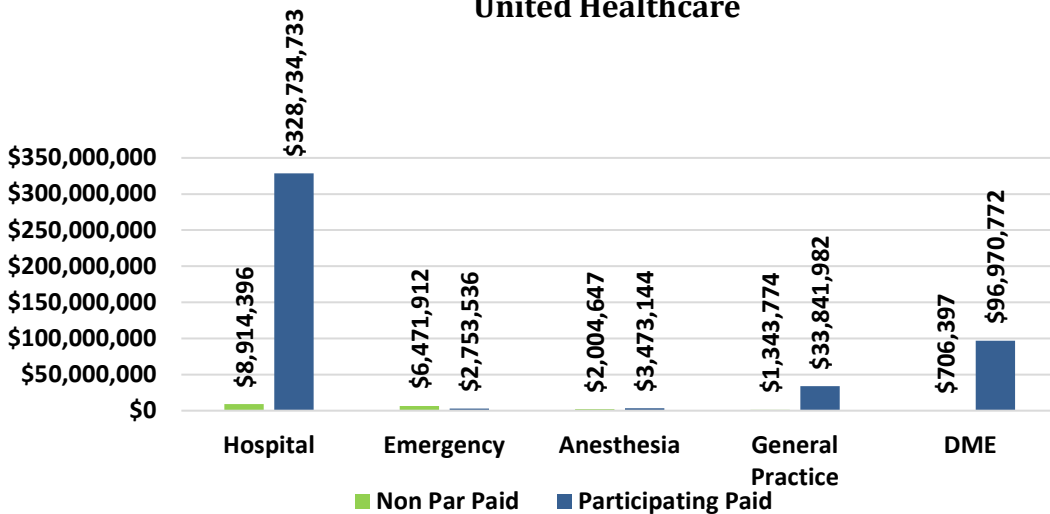


Chart 17: Claims Paid by Specialty/Subspecialty to Non-Participating Providers, United Healthcare, Top 5

**Claims Paid by Specialty/Subspecialty
to Non-Participating Providers
United Healthcare**



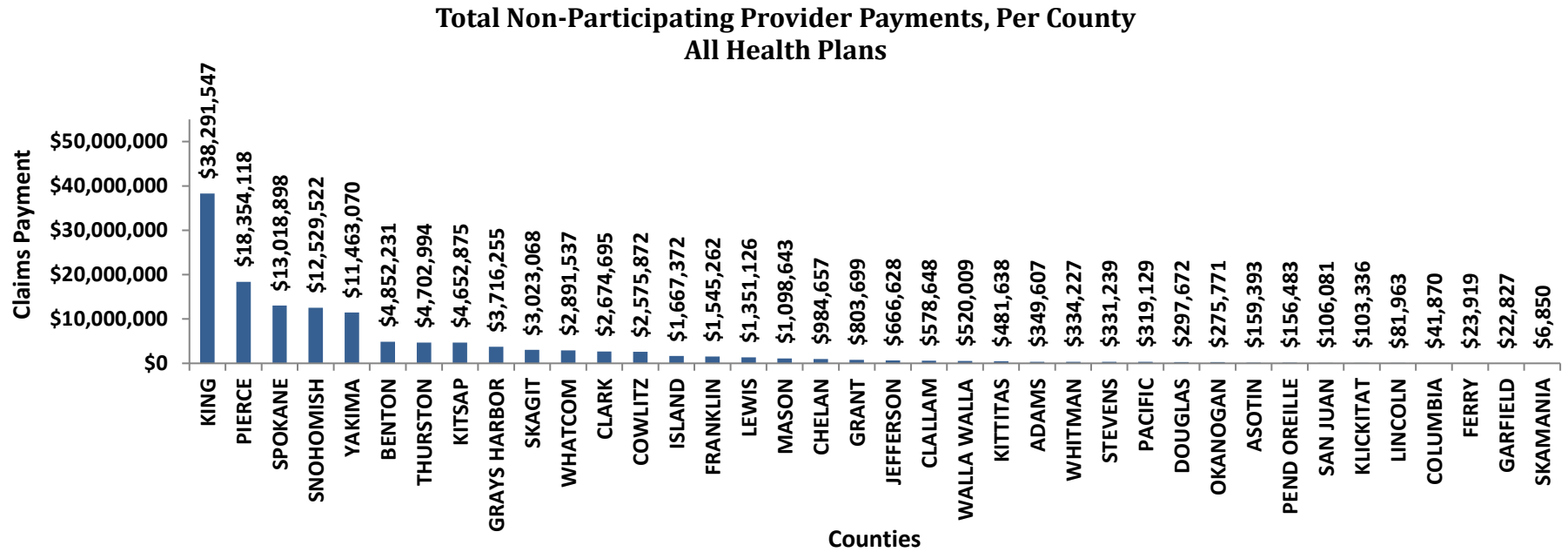
Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Overall Non-Participating Provider Payment Analysis

Charts 18, 19, and 20 reflect the non-participating provider use, by county, for all MCOs by dollars spent, utilization percentage, and provider specialty for the Apple Health Contract.

Chart 18: Total Non-Participating Provider Payments, All Plans, Per County



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 19: Percentage, Total Non-Participating Provider Payments, Per County, All Plans

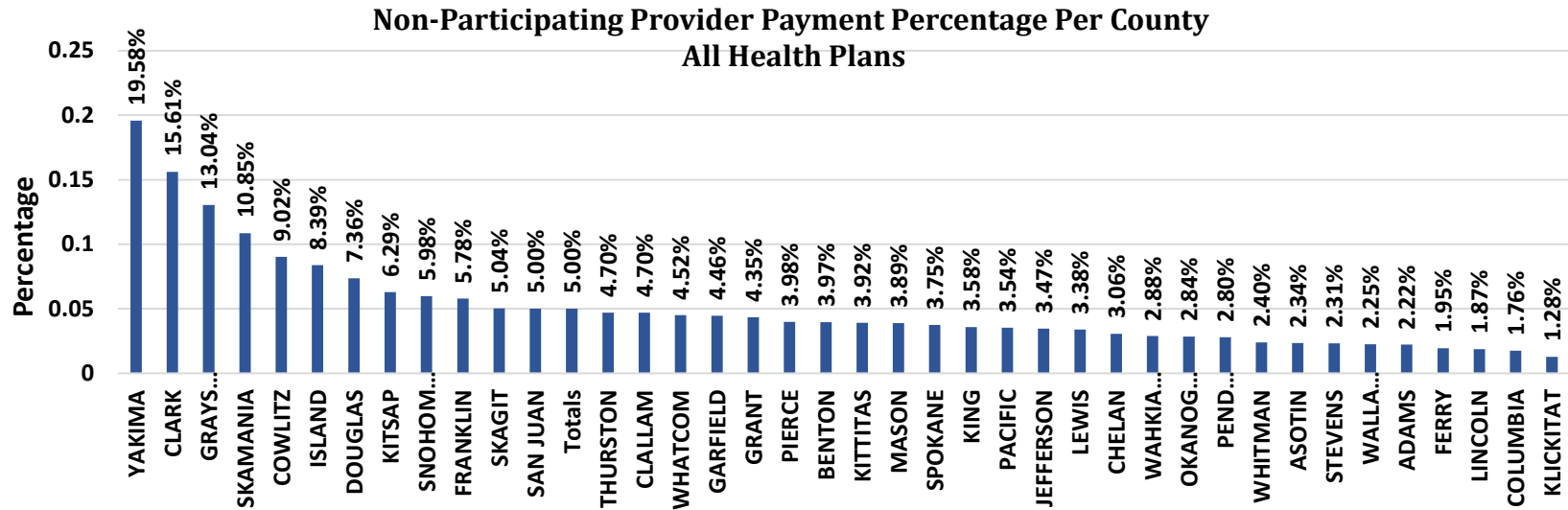
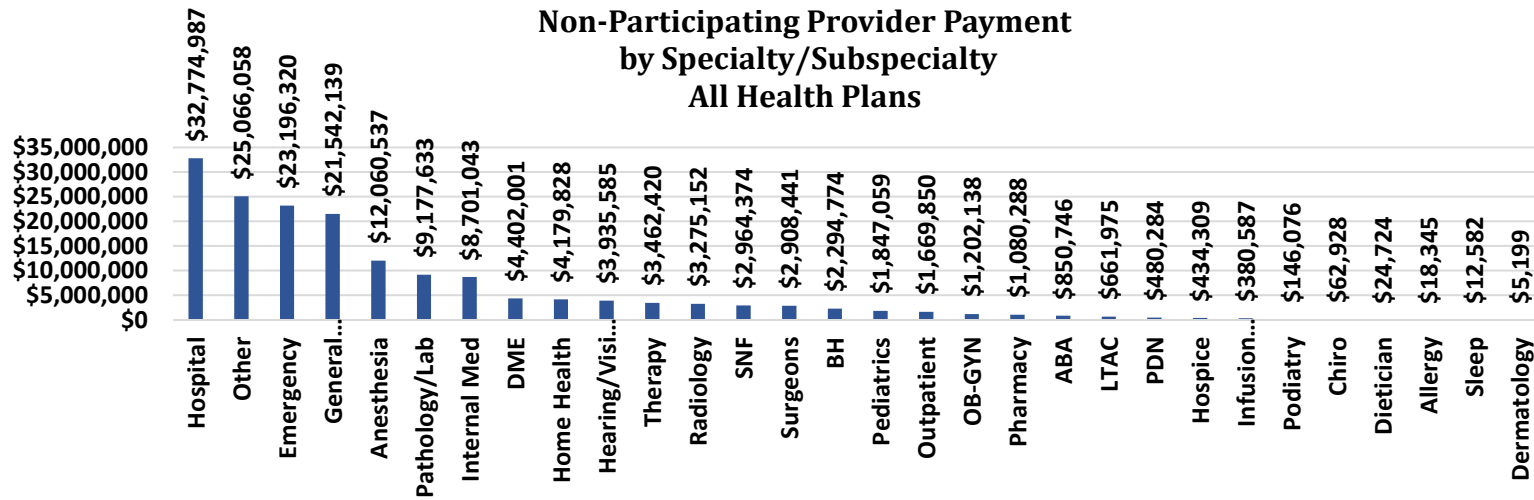


Chart 20: Non-Participating Provider Payments, By Specialty, All Plans



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Foster Care Fiscal Year 2017 Findings

Coordinated Care of Washington

The Apple Health Foster Care program was implemented April 1, 2016. CCW, the single statewide MCO, paid a total of \$60,852,198 for services to 34,110 providers for 24,352 clients.

Approximately \$5 million (9 percent of the total) was paid to 6,212 providers (19 percent of the total) for 11,459 clients (47 percent of the total) who received healthcare services from a non-participating provider. This is a \$2 million decrease compared to the previous year.

Only one county, Klickitat, had more than 50 percent of claims paid to non-participating providers: Sixty-five percent with 103 non-participating providers and 55 participating providers paid.

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

- Lewis County—\$170 thousand increase with 5 percent enrollment decrease
- Clark County—\$48 thousand increase with 2 percent enrollment decrease
- Island County—\$46 thousand increase with 2 percent enrollment increase
- Wahkiakum County—\$30 thousand increase with 13 percent enrollment increase
- Klickitat County—\$17 thousand increase with 1 percent enrollment increase

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

- Spokane County—\$562 thousand decrease with 4 percent enrollment decrease
- Whatcom County—\$250 thousand decrease with 4 percent enrollment increase
- Skagit County—\$111 thousand decrease with 3 percent enrollment decrease
- Clallam County—\$92 thousand decrease with 5 percent enrollment decrease
- Snohomish County—\$95 thousand decrease with 3 percent enrollment decrease

The top non-participating provider type visited was “hospital (all admit types),” which was 5 percent of the total.

CCW also paid \$5,108.58 to 12 providers for 9 clients who received services by a provider out of state or in a border city.



Chart 21: Non-Participating Provider Payments, Coordinated Care of Washington-Foster Care, Top 5 Counties

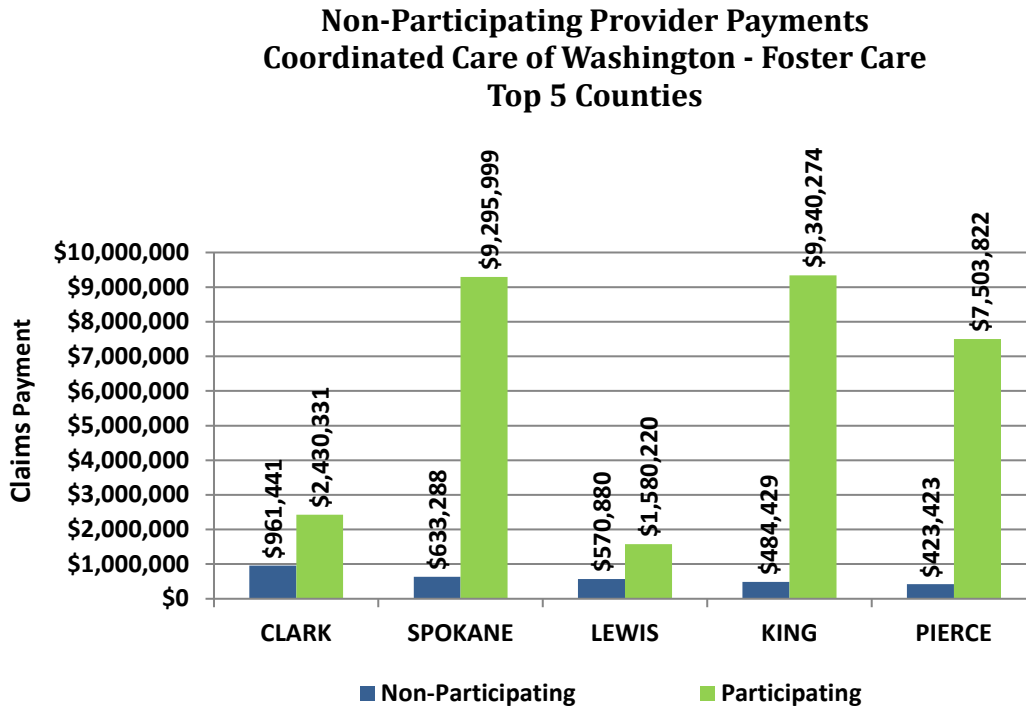
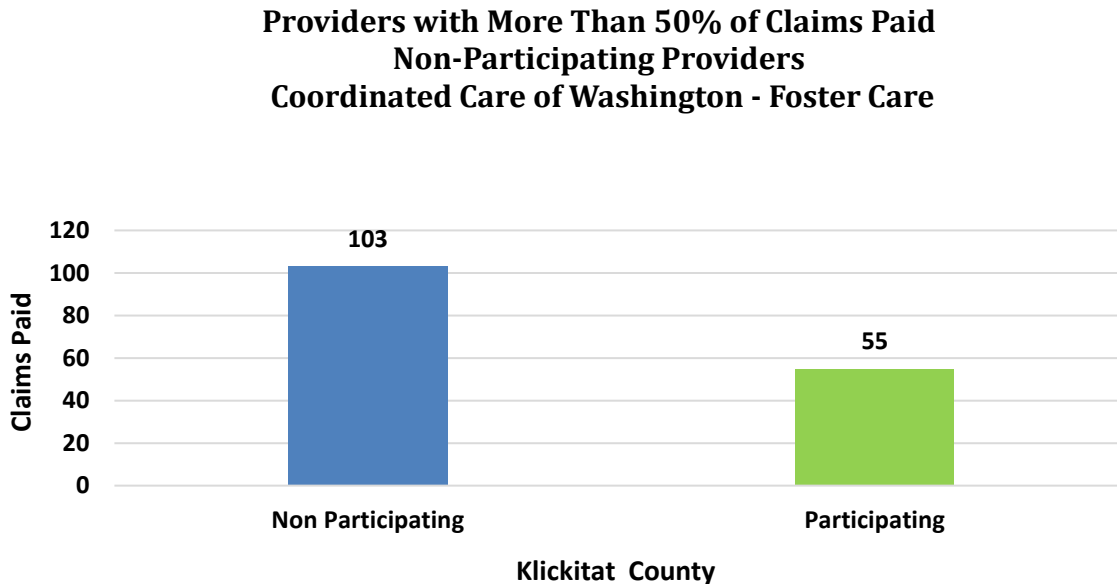


Chart 22: Counties With More Than 50 Percent Paid Claims to Non-Participating Providers, Coordinated Care of Washington-Foster Care, Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 23: Counties With More Than 50 Percent of Clients With Paid Claims to Non-Participating Providers, Coordinated Care of Washington–Foster Care, Top 5 Counties

**Counties With 50% or More Clients With Paid Claims to Non-Participating Providers
Coordinated Care of Washington - Foster Care**

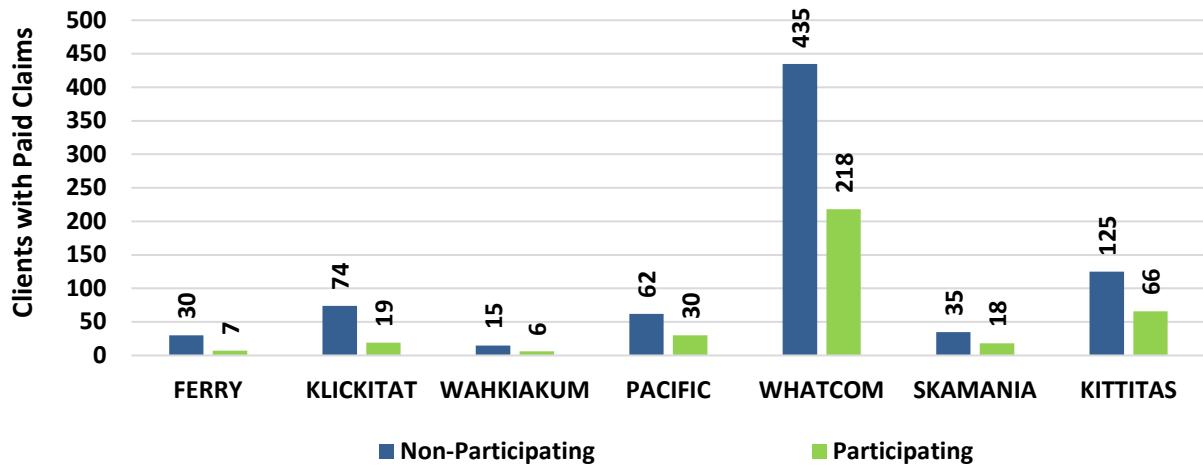
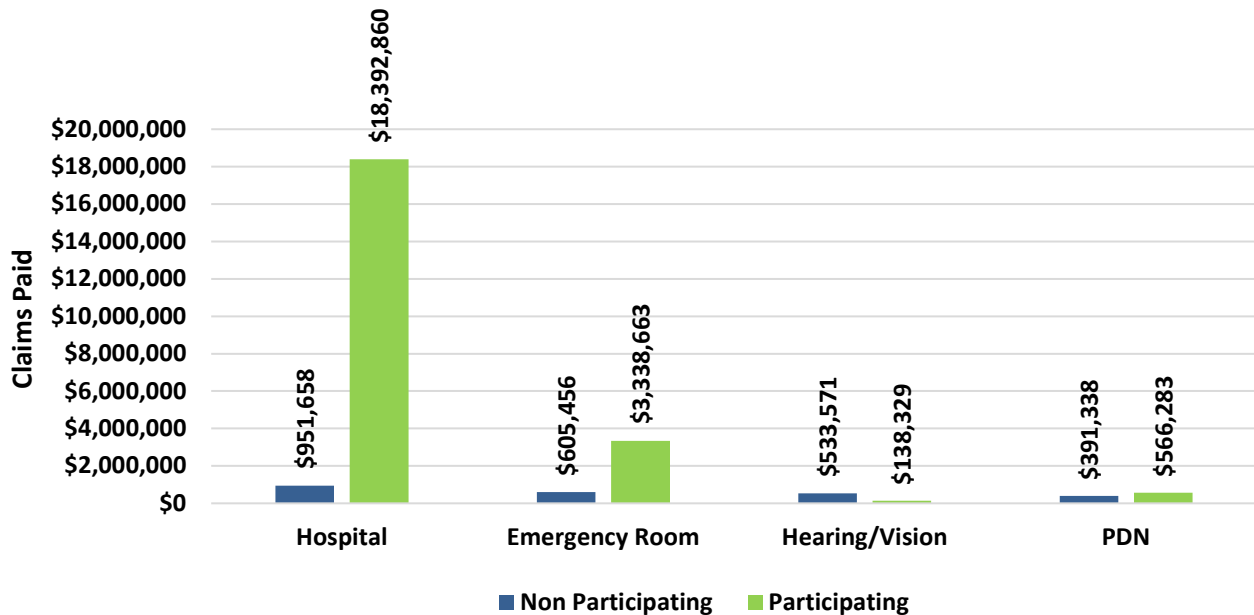


Chart 24: Claims Paid by Specialty/Subspecialty to Non-Participating Providers, Coordinated Care of Washington-Foster Care, Top 5

**Claims Paid to Non-Participating Providers by Specialty/Subspecialty
Coordinated Care of Washington - Foster Care - Top 5**



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Fully Integrated Managed Care Fiscal Year 2017 Findings

Beginning April 1, 2016 HCA implemented Fully Integrated Managed Care (FIMC) for all physical and behavior health services through managed care in 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 Chelan, Douglas, and Grant Counties. The contract was awarded to three plans: Amerigroup, Coordinated Care of Washington, and Molina Healthcare of Washington.

Amerigroup

Amerigroup (AMG) paid a total of \$3,879,018 for services to 16,706 providers for 9,231 clients.

Approximately \$151 thousand (5 percent of the total) was paid to 1,218 providers (8 percent of the total) for 884 clients (9 percent of the total) who received healthcare services from a non-participating provider.

Since there was only a few months of reportable data in the last reporting period, a comparison is not available.

The top non-participating provider type visited was “general practice,” which was 4 percent of the total.

AMG also paid a total of \$10,889 to 54 providers for 43 clients who received services from a provider out of state or in a border city.



Chart 25: Non-Participating Provider Payments, Amerigroup-FIMC, Top 5 Counties

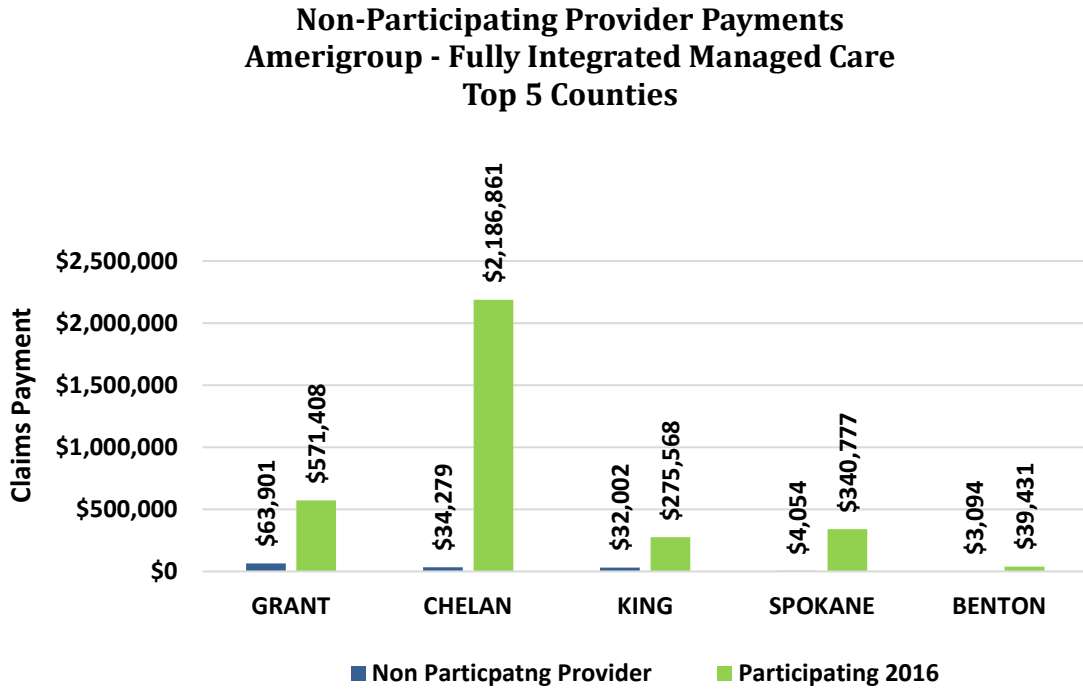
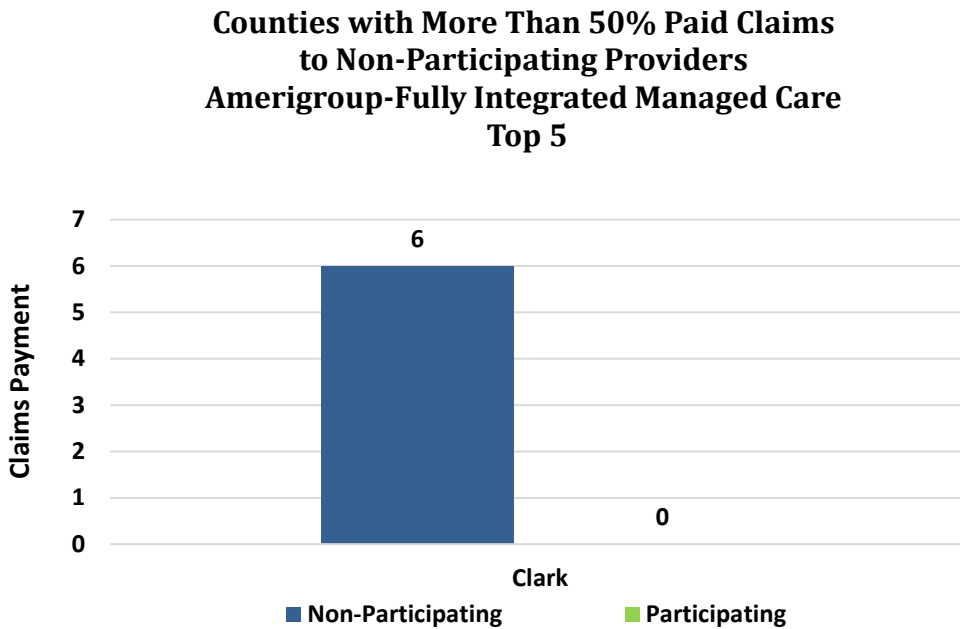


Chart 26: Counties With More Than 50 Percent Paid Claims to Non-Participating Providers, Amerigroup-FIMC, Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 27: Counties With More Than 50 Percent of Clients with Paid Claims to Non-Participating Providers, Amerigroup-FIMC, Top 5 Counties

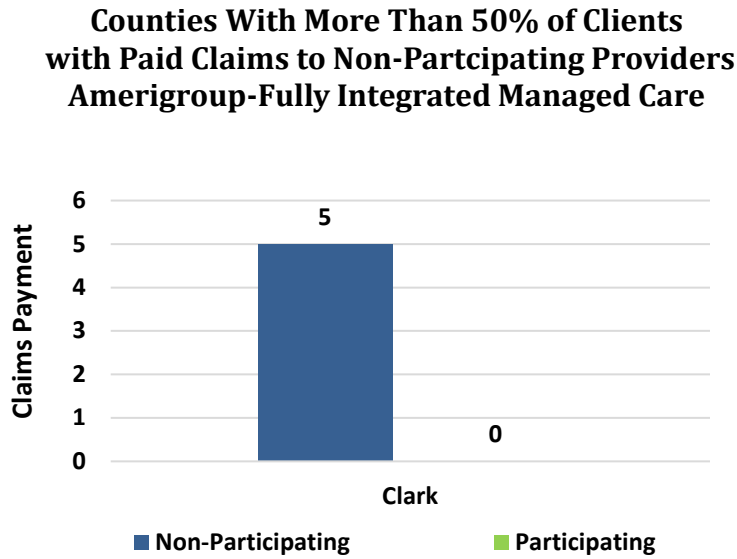
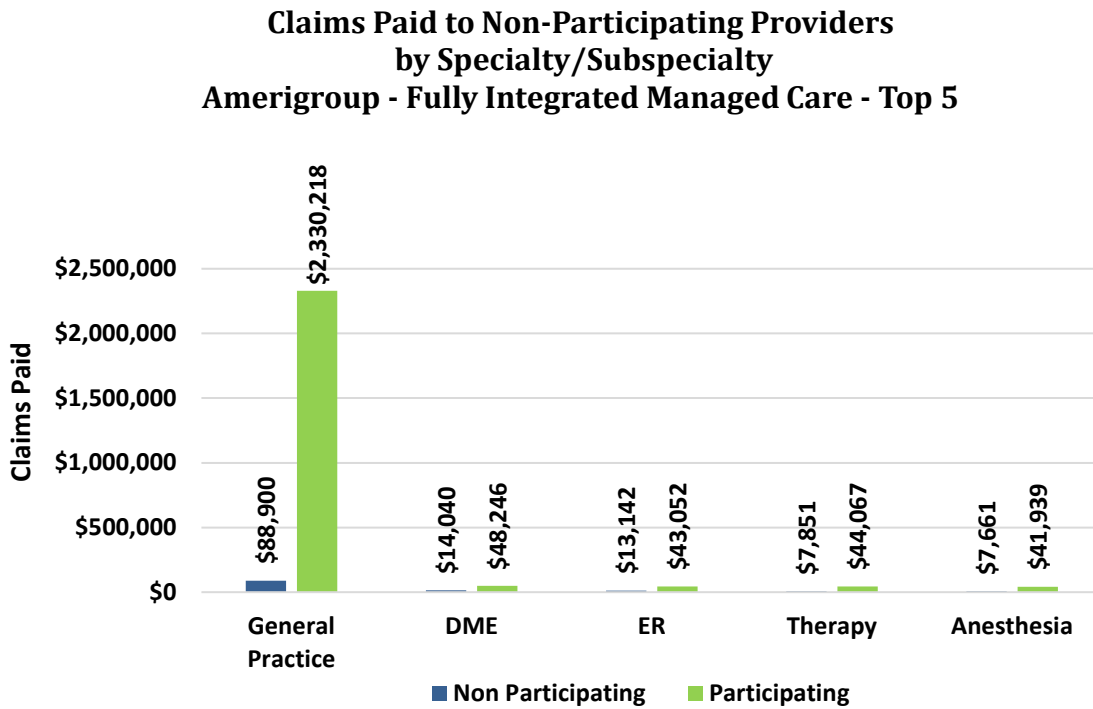


Chart 28: Claims Paid by Specialty/Subspecialty to Non-Participating Providers, Amerigroup-FIMC, Top 5



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Coordinated Care of Washington

Coordinated Care of Washington (CCW) paid a total of \$15,541,088 for services to 5,406 providers for 11,759 clients.

Approximately \$358 thousand (3 percent of the total) was paid to 466 providers (5 percent of the total) for 1,471 clients (19 percent of the total) who received healthcare services from a non-participating provider.

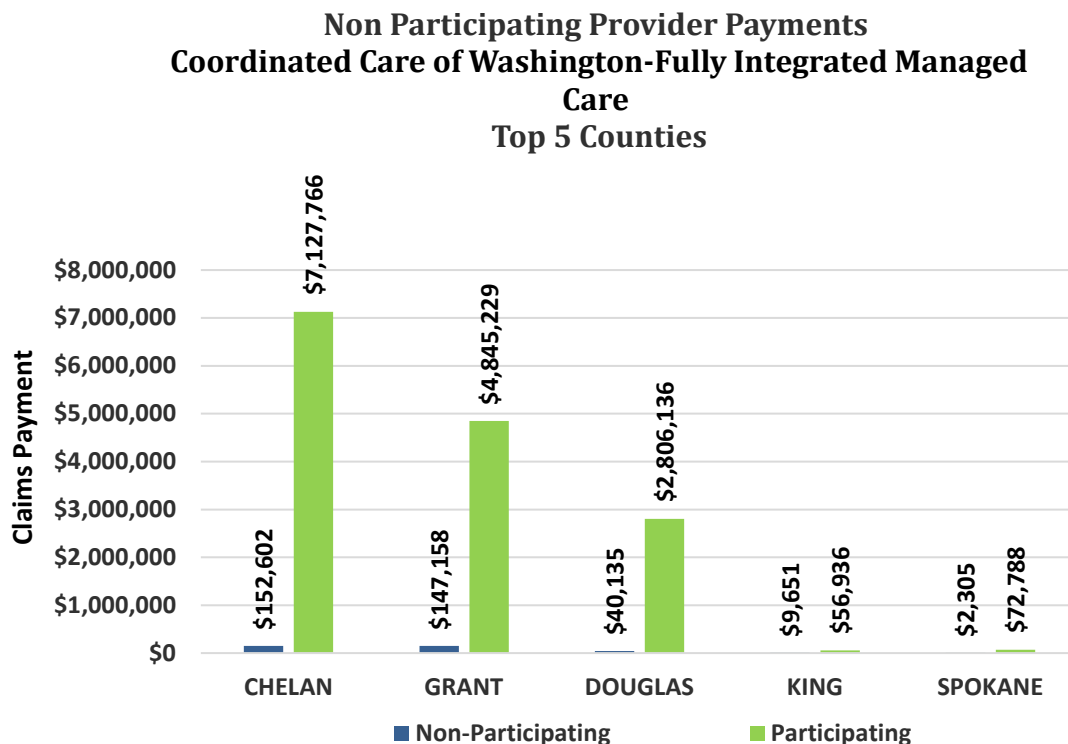
Since there was only a few months of reportable data in the last reporting period, a comparison would not be appropriate.

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

The top non-participating provider type visited was “hearing/vision”, which was 40 percent of the total.

CCW did not pay for any non-participating providers for services out of state or in a border city.

Chart 29: Non-Participating Provider Payments, Coordinated Care of Washington—FIMC, Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 30: Counties With More Than 50 Percent of Clients With Paid Claims to Non-Participating Providers, Coordinated Care of Washington–FIMC, Top 5 Counties

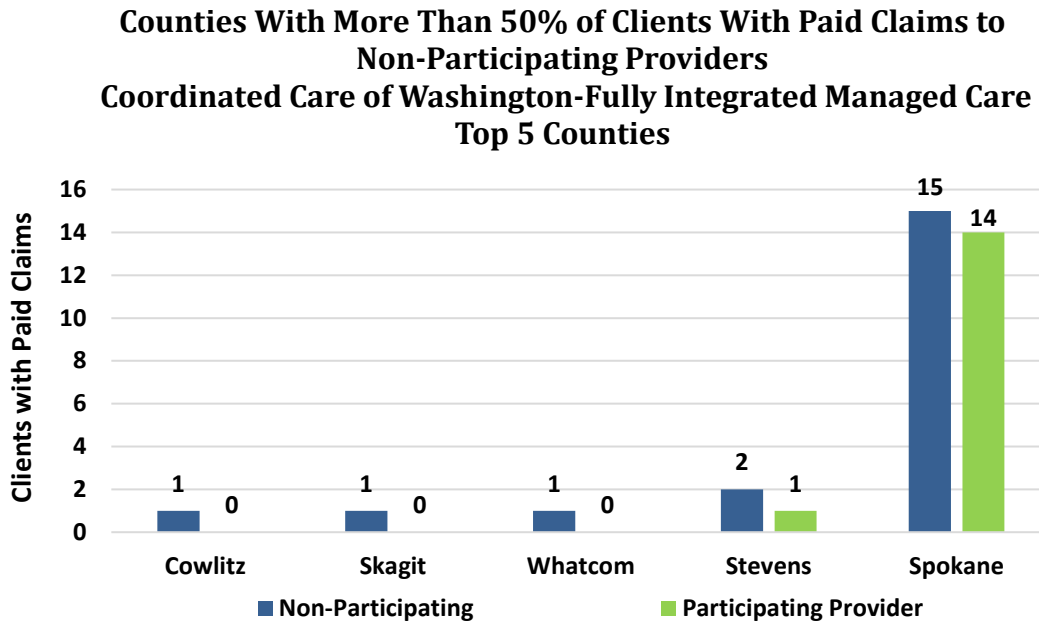
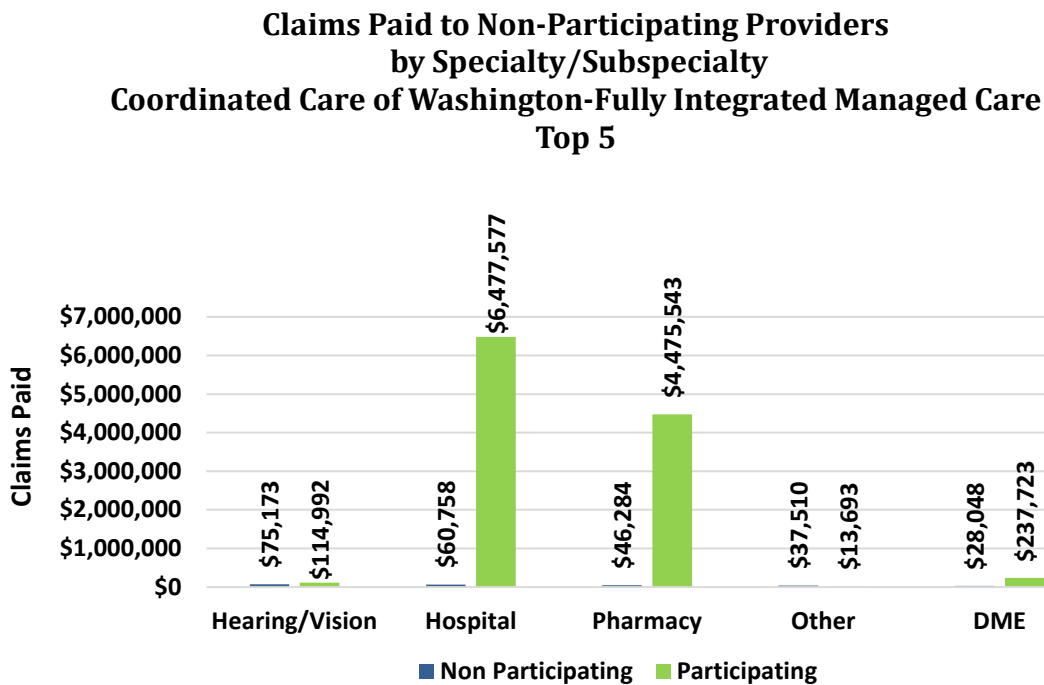


Chart 31: Claims Paid by Specialty/Subspecialty to Non-Participating Providers, Coordinated Care of Washington–FIMC, Top 5



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Community Health Plan of Washington

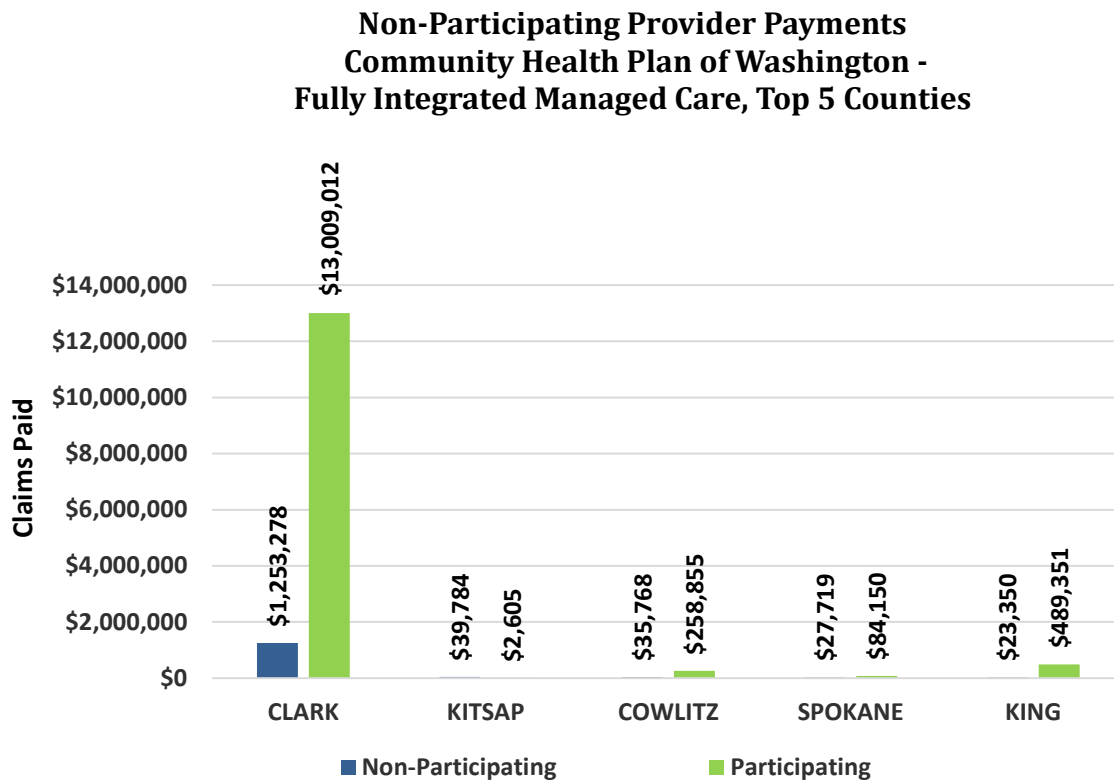
Community Health Plan of Washington (CHPW) paid a total of \$16,628,139 for services to 4,073 providers for 25,226 clients. This is a \$0.5 million decrease compared to the previous year.

Approximately \$1.4 million (10 percent of the total) was paid to 1,111 providers (11 percent of the total) for 6,673 clients (15 percent of the total) who received healthcare services from a non-participating provider.

The top non-participating provider type visited was “internal medicine,” which was 28 percent of the total.

CHPW also paid a total of \$375,287 to 2,212 providers for 7,867 clients who received services from a provider out of state or in a border city.

Chart 32: Non-Participating Provider Payments, Community Health Plan of Washington—FIMC, Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 33: Counties With More Than 50 Percent Paid Claims to Non-Participating Providers, Community Health Plan of Washington–FIMC, Top 5 Counties

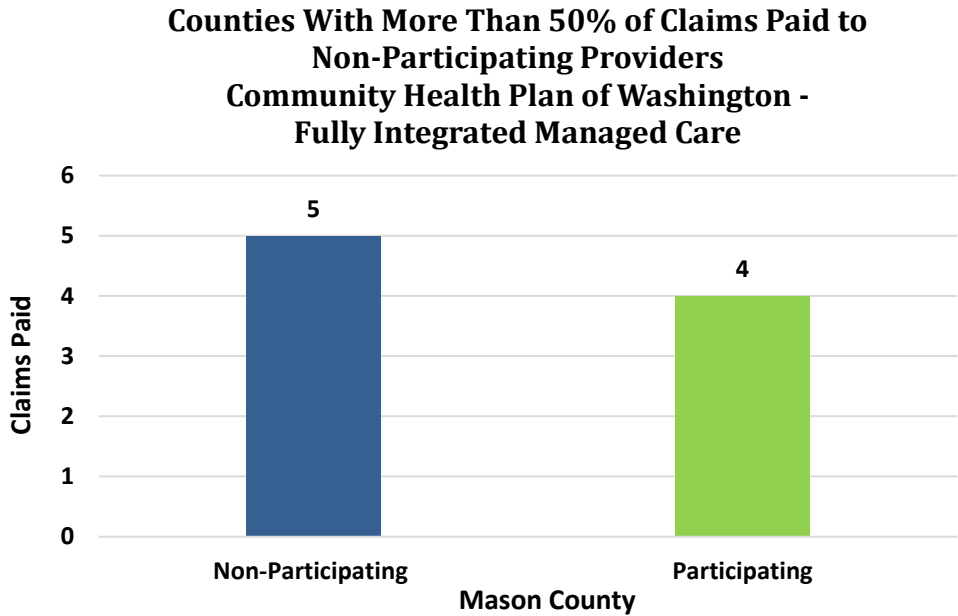
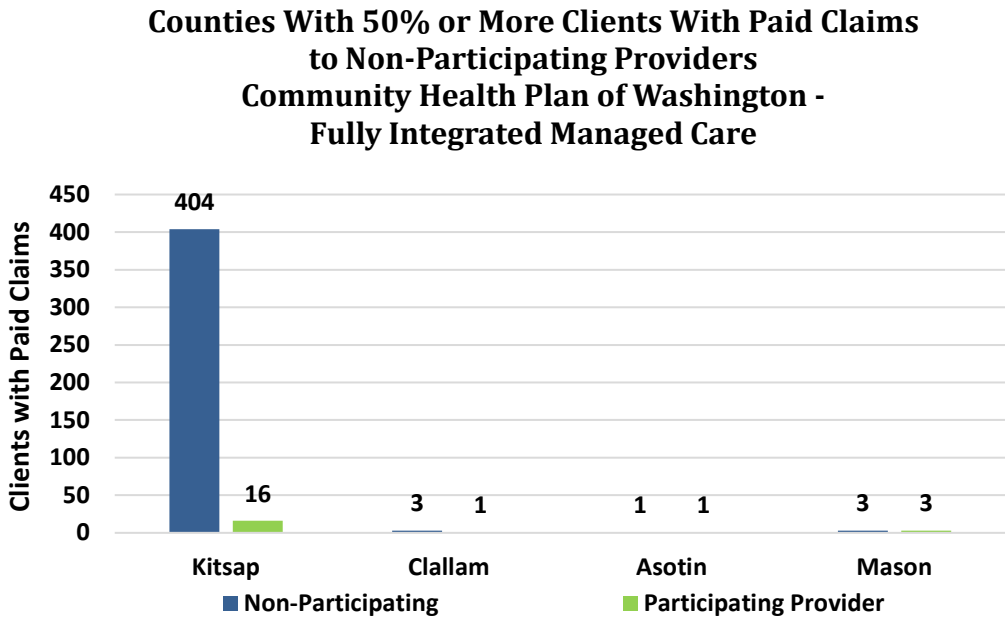


Chart 34: Counties With More Than 50 percent of Clients With Paid Claims to Non-Participating Providers, Community Health Plan of Washington–FIMC, Top 5 Counties

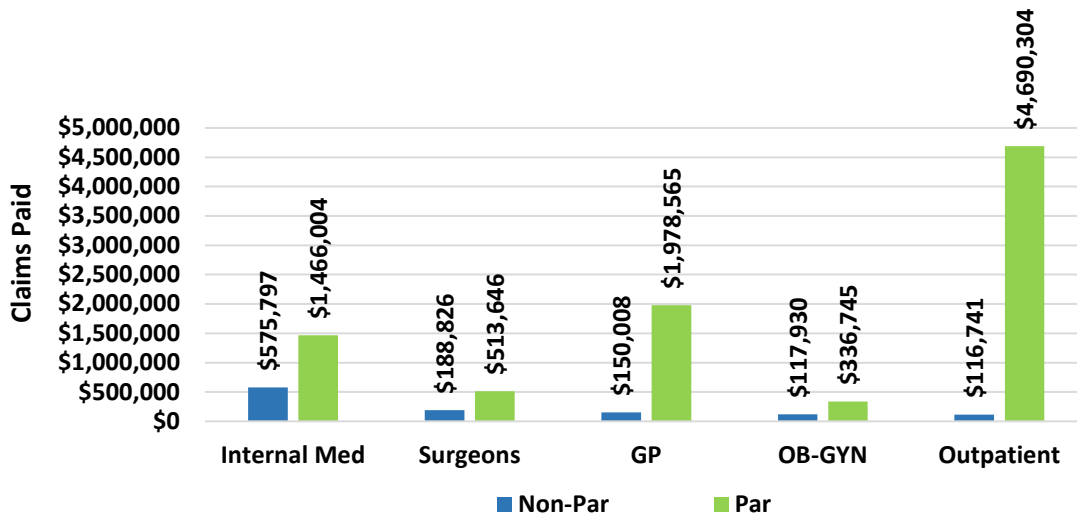


Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 35: Claims Paid by Specialty/Subspecialty to Non-Participating Providers, Community Health Plan of Washington–FIMC, Top 5

**Claims Paid to Non-Participating Providers
by Specialty/Subspecialty
Community Health Plan of WA-Fully Integrated Managed Care,
Top 5**



Molina Healthcare of Washington

Molina Healthcare of Washington (MHC) paid a total of \$188,340,620 for services to 2,819 providers for 154,545 clients.

Approximately \$5.3 million (7 percent of the total) was paid to 394 providers (20 percent of the total) for 14,740 clients (15 percent of the total) who received healthcare services from a non-participating provider.

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

MHC also paid a total of \$375,287 to 2,212 providers for 7,867 clients who received services from a provider out of state or in a border city.



Chart 36: Non-Participating Provider Payments, Molina Healthcare–FIMC, Top 5 Counties

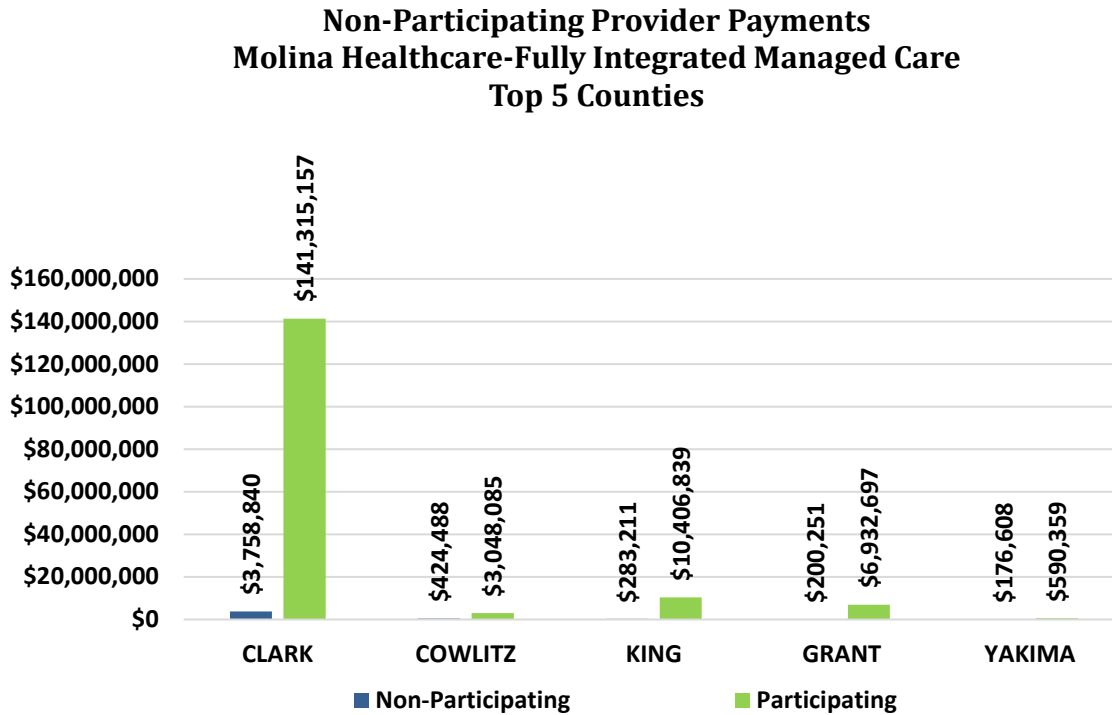
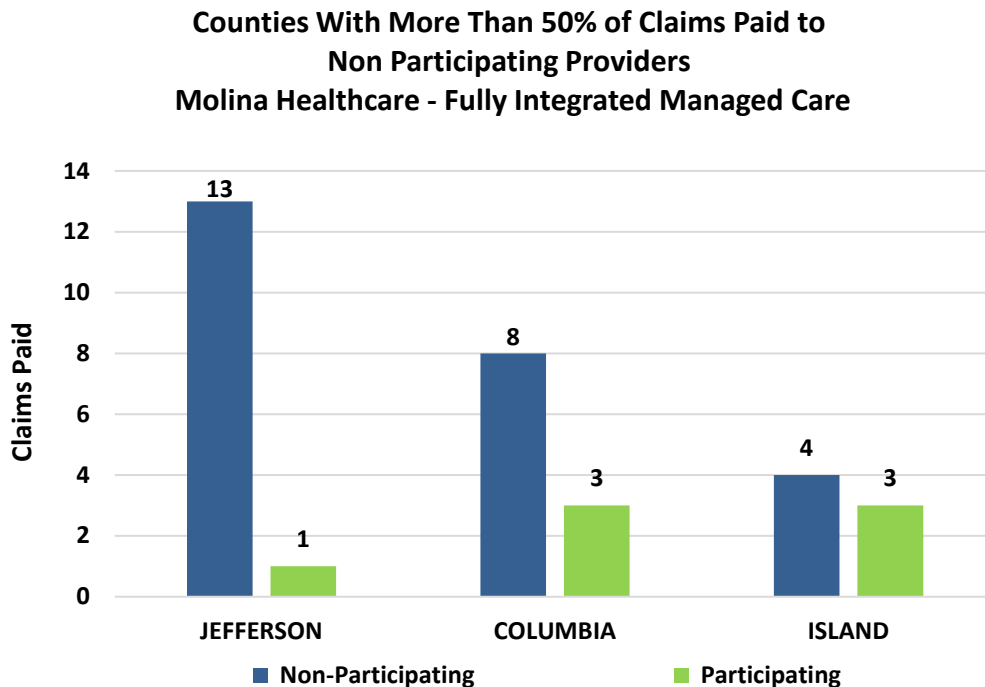


Chart 37: Counties With More Than 50 Percent Paid Claims to Non-Participating Providers, Molina Healthcare–FIMC, Top 5 Counties



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Chart 38: Counties With 50 Percent or More Clients With Paid Claims to Non-Participating Providers, Molina Healthcare–FIMC, Top 5 Counties

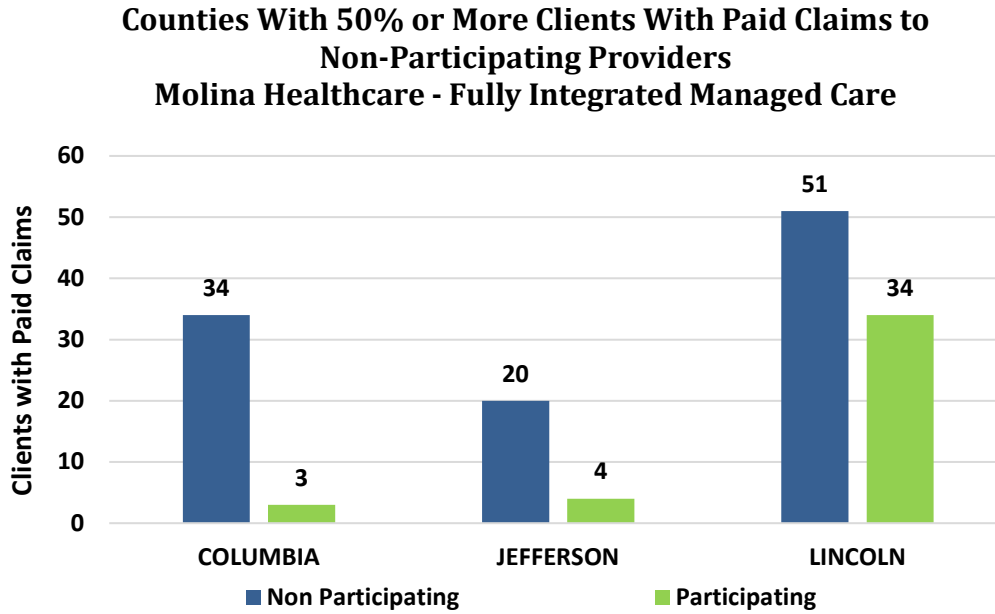
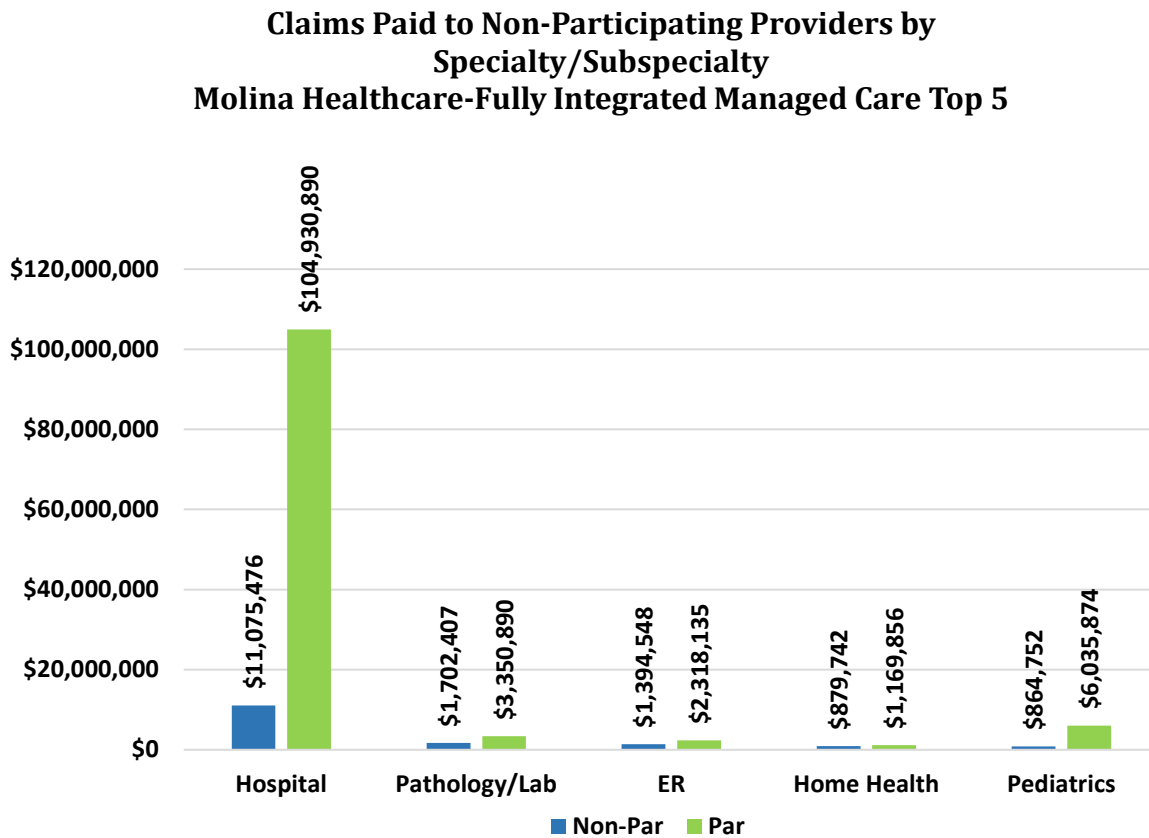


Chart 39: Claims Paid by Specialty/Subspecialty to Non-Participating Providers, Molina Healthcare–FIMC, Top 5



Proportion of Non-Participating Providers Serving Apple Health Enrollees
January 1, 2019



Conclusion and Next Steps

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

- The amount of payments to non-participating providers decreased by \$32 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 \$150 million was paid to non-participating providers, which is 4 percent of all expenditures. Twelve percent of all claims paid were to non-participating providers, while 17 percent of all clients receiving health care services sought care from a non-participating provider. This represents a 12 percent decrease in non-participating providers paid and a 10% decrease to the percentage of clients receiving services from a non-participating provider, as compared to the previous year of 26 percent of all claims paid to non-participating providers and 27 percent of all clients seeking services 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. Regardless, the goal should always be to keep the rate as low as possible to encourage the plans to contract with more providers, thereby creating a more robust provider network that can meet their enrollees' medical needs. When a provider is not contracted with the plan and there is no "participating" relationship, care can be adversely impacted and the benefits of receiving care in a managed care environment 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.

Although the utilization of non-participating providers continues to decrease, HCA will continue monitoring the trends in these expenditures and continue to work with the managed care plans to develop and implement strategies to reduce the number of payments made to non-participating providers and reporting of specialties as "other". This work could include a more aggressive approach to contracting to ensure there is an adequate provider network, thus reducing non-participating provider utilization. We will also again provide additional guidance to the plans on reporting specialty/subspecialty information to reduce the unnecessary use of the "other" category, thereby increasing the accuracy of these data.

