C.7. Encounter Data

a. Provide a detailed description of the Vendor's processes for ensuring complete, accurate, and timely encounter data submissions to the Department, including procedures for working with providers and Subcontractors to correct errors.

b. Provide the Vendor's Encounter Data Processing policies and procedures.

c. Describe common challenges the Vendor has experienced in encounter data development and submission, and mitigation strategies and best practices the Vendor has implemented to ensure accurate and complete encounter data.

d. Describe educational approaches the Vendor will implement to support providers and Subcontractors that are identified as having ongoing challenges in submission of complete, accurate, and timely information.

e. Describe initiatives the Vendor proposes raising to the Encounter Technical Workgroup to enhance the data submission requirements and improve the accuracy, quality, and completeness of encounter submissions.

Passport Highlights: Encounter Data

How We're Different	Why It Matters	Proof
Encounter management (EM) system powered by Edifecs and the recent launch of Edifecs Electronic Data Interchange (EDI) Gateway	• Software platform tailored to Kentucky claims and encounter rules streamlines the submission of claims/encounters • Improves timeliness and completeness by placing claims and encounter edits on the front end	• We have achieved more than five percent (5%) improvement across KPIs since the implementation of this system in August 2019, on an average volume of 500,000 claims per month
More than twenty (20) years of working with Kentucky providers to achieve encounter data submission compliance	• Expert staff understands the capabilities and challenges of our providers • We have tailored trainings around the unique needs of our providers • We are able to collaborate with providers and quickly resolve issues locally • Our expert encounters team has been a catalyst to install	• Deployed industry-leading encounter platform • Multiple provider forums and onsite training for Federally Qualified Health Centers (FQHCs), hospital groups, ancillary providers and specialty clinics • Encounter throughput has increased to over ninety-five

How We're Different	Why It Matters	Proof
	framework and governance structures that provide a path to continuous improvement	percent (95%) in past two (2) years • Dedicated local team with sixty-nine (69) years of combined health care experience (17.25 average), including a combined thirty-four (34) years with KY Medicaid Encounters

Introduction

Our encounters team possesses a combined 34 years of experience in Kentucky Medicaid encounter management. Our lengthy history serving the Commonwealth demonstrates reliable partnership and transparency. Over the past three (3) years, we have experienced challenges directly resulting from a platform change in 2017 that resulted in data issues. Since then, we have invested heavily in upgrading and modernizing our Encounter Management (EM) and reporting capabilities, as well as all supporting systems such as our claims adjudication system. Recent snapshots into key performance indicators (KPIs) show significant performance improvements in those impacted areas and reflect our commitment to collaborating with the Department for Medicaid Services (DMS) and our providers, stakeholders and community.

In the following response, we will demonstrate how our encounter process; best-of-class, highly integrated technologies; team of experts; and best practice policies and procedures come together to achieve DMS's accuracy and timeliness standards. We will present an innovation that places encounter rules and edits on the front end of the encounter pipeline, which not only positively impacts accuracy, timeliness and completeness, but reduces administrative burdens associated with tracking, communicating, error correction, rework and resubmissions that exist across the entire encounter reporting lifecycle. We will outline our journey enhancing our system capabilities and the strategies that we implemented to overcome obstacles, as well as what remains. We will highlight our provider and subcontractor training program and how we provide special assistance and training to providers and subcontractors experiencing difficulties. Finally, we will identify possible enhancements of encounter data submission requirements, with the objective of improving accuracy, quality and completeness.

C.7.a. Provide a detailed description of the Vendor's processes for ensuring complete, accurate, and timely encounter data submissions to the Department, including procedures for working with providers and Subcontractors to correct errors.

Ensuring Accurate, Timely and Complete Encounter Data

Passport understands the importance of complete, accurate and timely encounter data and the critical purposes it is relied on for. In over twenty-two (22) years serving the Commonwealth of Kentucky, we have developed the talent, knowledge base, system capabilities, best practice policies and procedures, and controls to support complete, accurate and timely encounter data submissions to the DMS and partner with Evolent as a subcontractor and strategic partner in the encounter management function. Passport understands and will fully comply with all requirements outlined in Section 16.0, "Encounter Data," of RFP *Attachment C – Draft Medicaid Managed Care Contract and Appendices*. Detailed below are areas that we will cover by providing descriptions of our key functions, technology and staff experience supporting complete, accurate and timely encounter data submissions to the Department:

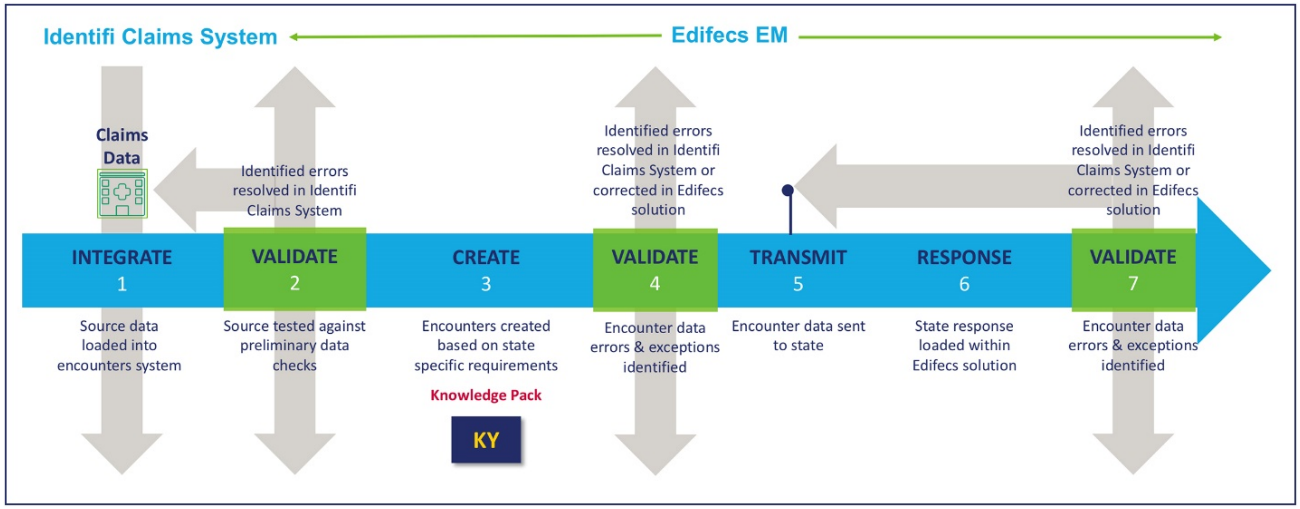
- Operational End-to-End Process for Capturing, Creating and Submitting Encounters
- Tracking, Trending and Monitoring Encounter Submissions and Revisions
- Procedures for Working with Providers and Subcontractors for Encounter Data Accuracy, Timeliness and Completeness
- Coordinating and Cooperating with External Reviewer Organizations
- Validating That All Encounters Have Been Submitted
- Accuracy, Timeliness and KPIs
- Passport's Team Experts on Kentucky Medicaid Encounter Data

Operational End-to-End Process for Capturing, Creating and Submitting Encounters

Reporting accurate, timely and complete encounters begins with capturing the full set of required provider claims data to align with encounters requirements. To systematically and automatically enforce this, Passport worked with its strategic partner and subcontractor Evolent to implement the Edifecs EDI Gateway platform in August 2019 to support upfront claims validations against a comprehensive set of claims and DMS encounter rules. This is a powerful tool in the encounters lifecycle when working in combination with Edifecs EM, described further below. This front-end EDI check not only improves the quality of claims and encounters, it also provides the submitting provider timely notification of errors and facilitates quick remediations and resubmissions if necessary.

For actual encounter processing and management, Passport uses the Edifecs Encounter Management platform, which is a fully integrated solution that supports all aspects of encounter submission and reconciliation. As depicted in **Exhibit C.7-1**, our EM and reporting system is fully integrated with our claims data and drives the seven (7) stages of our process flow. A description of these steps follows.

Exhibit C.7-1: Passport's End-to-End EM Process



Integrate (Stage 1)

Edifecs EDI Gateway Front End: All medical claims submitted by providers run through our Edifecs EDI Gateway front-end validation, performing claims and encounter rule checks prior to accepting a claim for processing in our Identifi℠ claims system. This smart clearinghouse capability introduced in August 2019 ensures that claims that do not meet DMS encounter requirements are rejected back to the provider for remediation, and that the provider is given a clear and actionable explanation why the claims were rejected.

Through this innovative solution, 1,200 edits were installed to improve claims quality—and, therefore, encounter data—reported to DMS. Notable categories implemented through Edifecs EDI Gateway were enhancing claims editing to Strategic National Implementation Process (SNIP) Level 4, instituting ordering, referring, or prescribing (ORP) provider edits, and additional provider National Provider Identifier (NPI)/taxonomy edits to align with DMS encounter data reporting requirements. As a demonstration of impact of this implementation, we have since experienced five to seven percent (5-7%) improvement in monthly claims receipt quality, which is now acceptable as encounters with DMS.

Medical Encounter Intake/Preprocessing: Acceptable claims are then adjudicated in our core claims system (Identifi). Adjudicated medical (institutional, professional) claims are extracted from this system daily and loaded into the Edifecs EM platform in a proprietary comma separated value (CSV) file format. During the encounter intake process, data is converted into a common data format within the EM platform and made ready for encounter creation.

Validate (Stage 2)

Extracted encounters are validated by performing preliminary data checks against up-to-date DMS provider data loads in line with DMS encounter acceptance criteria, which include:

- Validation of both finalized claims and supplemental transaction data per DMS 837I and 837P companion guide specifications
- Duplicate encounter identification

Identified errors are then resolved in our Identifi claims system through methods such as claims readjudication, source data correction and provider resubmissions.

Create (Stage 3)

Our EM platform generates outbound encounter extract files in accordance with DMS encounter file submission specifications, eliminating the need for manual manipulation of the files prior to submission.

Validate (Stage 4)

Checking for Key Fields and Key Field Combinations*:* We use the Edifecs Kentucky-specific Knowledge Pack, a single, integrated set of rules for Kentucky Medicaid EM for presubmission validation of encounter data for completeness and accuracy. The Knowledge Pack maintains configuration and validation logic based on Kentucky Medicaid business rules, companion guides and other related technical documents and specifications.

Our EM platform validates each encounter record on key fields, including but not limited to claim type, provider type, type of bill, member Medicaid ID, NPI, taxonomy, place of service, revenue code, diagnosis codes, amount paid, procedure codes and the state provider file to ensure all required data elements are present and populated accordingly. Records that do not pass all validation edits will drop to an “exception” status for review and remediation prior to release.

The Passport team, in collaboration with the Edifecs team, is continuously managing the requirements and rules that govern successful encounter performance. Should any edits and processing requirements require modification due to federal or state law changes, we have a rigorous quality assurance (QA) process for incorporating new changes. We will submit electronic test data files from Passport’s system (as well as for our subcontractors, as applicable) as required by DMS for review and approval before production of data.

Transmit (Stage 5)

Passport with its encounters management subcontractor Evolent, submits all medical and behavioral health adjudicated (paid and denied), corrected, and adjusted claims processed electronically as encounters using Health Insurance Portability and Accountability Act (HIPAA)-compliant standards for information exchange. Specifically, our encounter submission process is currently reporting encounter data using HIPAA Accredited Standards Committee (ASC) X12, version 5010, transaction 837, and National Council for Prescription Drug Programs (NCPDP) version 5.1 to NCPDP version 2.2 file formats.

Encounter data files are generated within two (2) business days of the end of each payment cycle and are submitted to DMS on weekly (Sundays), as per DMS assigned schedule. The encounters submission process includes the assignment of a unique encounter identification number that allows tracking through the lifecycle of an encounter—from the initial extraction of the claim and status of validation of the data to

initial submission to DMS and the DMS response. If the encounter returns with a rejection, the encounter is monitored for aging, and it is resubmitted. Daily reports are sent to appropriate cross-functional workgroups to ensure timely submissions and corrective actions, in situations where timely submission is at risk.

Our EM system supports flexible submissions scheduling, allowing for both prescheduled and on-demand encounter transmissions, and uses tracking and reporting functionality to allow for the ability to quickly work and resubmit any rejections received from DMS at any time.

Pharmacy, Dental, and Vision Encounter Submission: Passport uses subcontracted service providers for the delivery of pharmacy, vision and dental services. Each subcontracted Vendor adjudicates claims via their respective internal systems, employing specific edits and validations to ensure that the required claim data elements are present and correct prior to payment and in compliance with DMS requirements. The resulting claim encounters are securely transmitted electronically to Passport in the format prescribed by DMS. Subcontracted vendor files are received by Passport on a predetermined submission schedule. The DMS-ready files are then transmitted to DMS and loaded to the EM platform for visibility, tracking and performance management.

Quality, timeliness and accuracy measures are closely monitored by the encounters team. If a subcontractor's performance drops below expectations, each of their submissions is actively monitored. This could include moving specific claim types from Production to Test Submission Only until we have validated that the issue(s) has been resolved. Underperforming subcontractors are also assessed monthly penalties and are required to submit Corrective Action Plans (CAPs), and we meet with them weekly to review progress. Following is a more detailed overview of our subcontractor management approach:

- Subcontractors are assigned a dedicated oversight team responsible for overseeing performance. Together, these staff members oversee performance through contract metrics and service-level agreements (SLAs). This team includes:
  - Passport executive sponsor
  - Passport business owner
  - Operational leadership
  - Compliance liaison
  - Subcontractor manager providing direct monitoring of the Vendor's performance and adherence to contractual requirements
- Passport holds subcontractors accountable to metrics and SLAs in line with DMS contractual expectations, with accountability to quickly drive resolution for any temporary disruption.
- Passport uses several methods to review performance and collaborate with its subcontractors, including the following forums:
  - Weekly, monthly, or quarterly meetings with dedicated subcontractor business owners and operational leads to review service-level objectives and overall performance satisfaction.
  - Weekly operational meetings to track important projects, issues with service impact and any outstanding Performance Improvement Plans. We determine next steps, key milestones and work through obstacles. In these forums, subcontractors are required to self-report any

potential issues. This forum is also used to discuss and establish execution plans for any DMS program changes and required coordination.

- Quarterly Compliance Collaboration Calls hosted by Passport's compliance team with its subcontractors' compliance teams to discuss adherence to contracts and share best practices.
- Monthly Delegation Oversight Committee (DOC) meetings to review metrics and issues, and to make recommendations for corrective actions.
- Monthly performance reviews with the compliance team and owners of the subcontractor relationships and programs.
- Monthly operations review for overall Passport performance SLAs to determine where subcontractor performance is supporting or impacting overall SLA achievement and member/provider experience. SLA monitoring is a critical task performed through the subcontractor oversight processes and committees as noted above. This information is also reported regularly to Passport's Executive Leadership Team (ELT) and to the DOC. The information flows upward through the DOC to the Board of Directors. Should SLA performance issues occur, Passport takes action and may issue Letters of Concern or CAPs.

Response (Stage 6)

Upon transmission of encounter files, response files (999, 277U, 277UESC) are received from DMS and are subsequently uploaded to the EM system and systematically reconciled against submitted encounters. The system will update the disposition of each submitted record with an appropriate status (Accepted/Rejected/Warning) based on the response file received from DMS.

As DMS sends consolidated response files, Passport's encounters team parses out the subcontractor's response files within twenty-four (24) hours of receipt of the DMS response files and automatically distributes these files to subcontractors via the Edifecs EM platform.

Validate (Stage 7)

Encounter record errors are reconciled by the encounters team, and a detailed reconciliation report is submitted to DMS within thirty (30) days of the transaction or file error. Passport understands the requirement that encounter file transmissions not exceed a five (5) percent threshold. Passport met this SLA one hundred percent (100%) in both State Fiscal Years 2018 and 2019.

Our encounters submission process is monitored on daily, weekly and monthly by reviewing performance reporting that tracks and trends our submissions, rejects, exceptions and corrections. We develop actionable plans and information for process improvement as necessary. DMS-rejected encounters and those identified as part of our presubmission validation process are captured as part of our encounter reconciliation and performance reporting. Built-in EM reports allow the encounters team to review and analyze errors for remediation.

Depending on the nature of the error, remediation may involve varying resolution paths:

- **Encounters Team:** Our EM system provides for robust error-correction capabilities. Straightforward data errors like covered days, procedure code description, etc. can be corrected within the system itself by the encounters team through user-friendly interface screens.
- **Operational Areas:** Other errors may require involvement of cross-operational areas such as Claims, Provider Data, Provider Enrollment or IT. In these situations, the encounters team triages the error(s) and engages the relevant operational area through an internal issue ticketing process. Upon receipt of the issue ticket, root cause analysis is performed and remediation steps are determined. Depending on the finding, this could include adjustment/reprocessing/recoupment of a claim, a claims system coding or edit modification, or a provider file data update/refresh. Resolution may also include the need for retraining or procedural documentation updates, should the error be related to human process error.

Subcontractors are directly responsible for reviewing and remediating any rejections, which are communicated in the parsed files distributed to them. They leverage the response files and similarly investigate, address and remediate errors. Passport proactively monitors performance metrics by subcontractors weekly, including acceptance rate and top categories of threshold errors, and discusses these on weekly operational calls.

Tracking, Trending and Monitoring Encounter Submissions and Revisions

We monitor our encounters submission process on an ongoing basis by reviewing performance reporting that tracks and trends data and performance indicators on our submissions and revisions and provides actionable information for process improvement. Built-in EM tools and reports allow the encounters team to review and analyze errors for remediation and to monitor and manage compliance with encounter data submission requirements. The EM platform user interface provides the ability to view how different transactions are processed in batch or in real time by displaying summaries of different reports in a single view through management dashboards and reports. Key reports include, but are not limited to:

- **Transmission Summary:** Provides metrics of inbound and outbound transactions or files transmitted in and out of EM, with a count of files by file type, status, transaction type and so on. This provides insight into the file/transaction activity happening within a specific time period. (See **Exhibit C.7-2** below.)

  Exhibit C.7-2: Transmission History

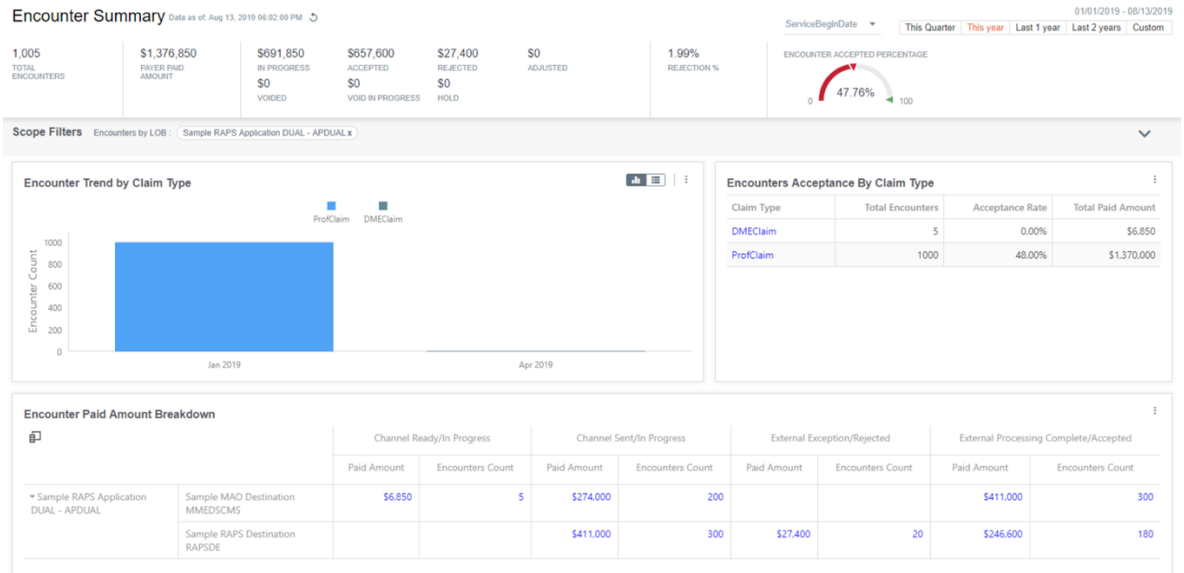
  Transmissions History Last 30 Days SEARCH

File Name	Receipt Date	Disposition	Transaction Type	Direction	Format	Environment	Format Validation
KYW837I_9900005019_A_20200110_000005.txt	01/10/2020 09:58:30 AM	Accepted	837I	Outbound	HIPAA5010A	Production	Accepted
KYW837I_9900005019_O_20200110_000004.txt	01/10/2020 09:08:59 AM	Accepted	837I	Outbound	HIPAA5010A	Production	Accepted
KYW837I_9900005019_O_20200110_000003.txt	01/10/2020 09:05:55 AM	Accepted	837I	Outbound	HIPAA5010A	Production	Accepted
KYW837I_9900005019_O_20200110_000002.txt	01/10/2020 09:05:50 AM	Accepted	837I	Outbound	HIPAA5010A	Production	Accepted
KYW837I_9900005019_V_20200110_000001.txt	01/10/2020 08:29:23 AM	Accepted	837I	Outbound	HIPAA5010A	Production	Accepted

- **Claim Summary:** Provides metrics about the number of claims in each activity state and disposition. Provides view of the latest status (Activity State/Disposition) of each claim by different dimensions, such as LOB (Line of Business), Receiver (for encounters) and Claim Type.

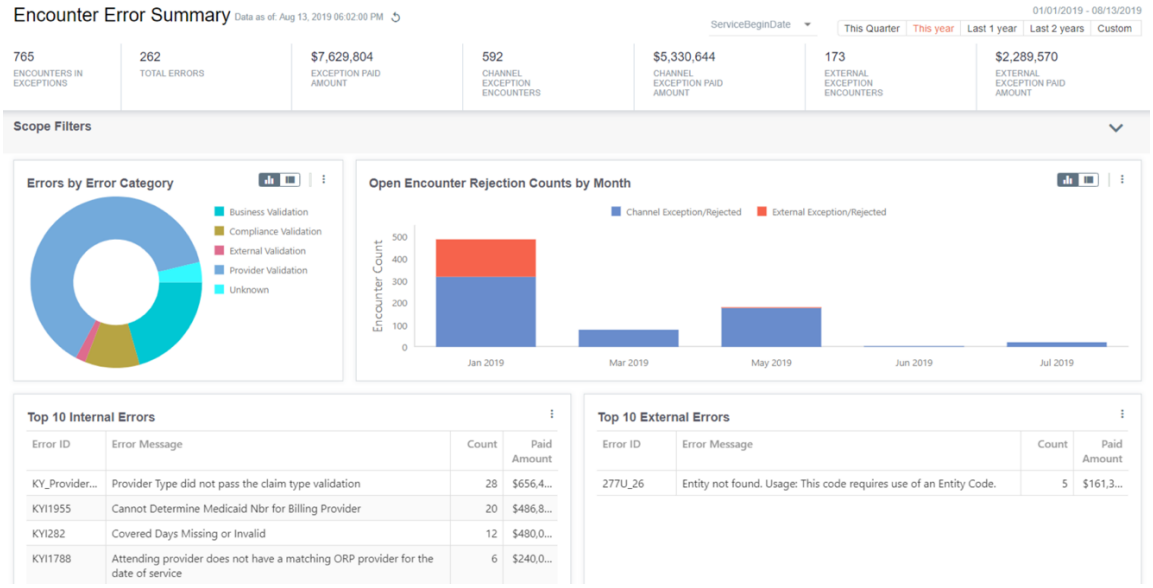
- **Encounter Summary:** Provides metrics about the number of encounters in each activity state and disposition. Provides view of the latest status (Activity State/Disposition) of each encounter by different dimensions like LOB, Receiver (for encounters) and Claim Type. (See **Exhibit C.7-3** below.)

Exhibit C.7-3: Encounter Summary



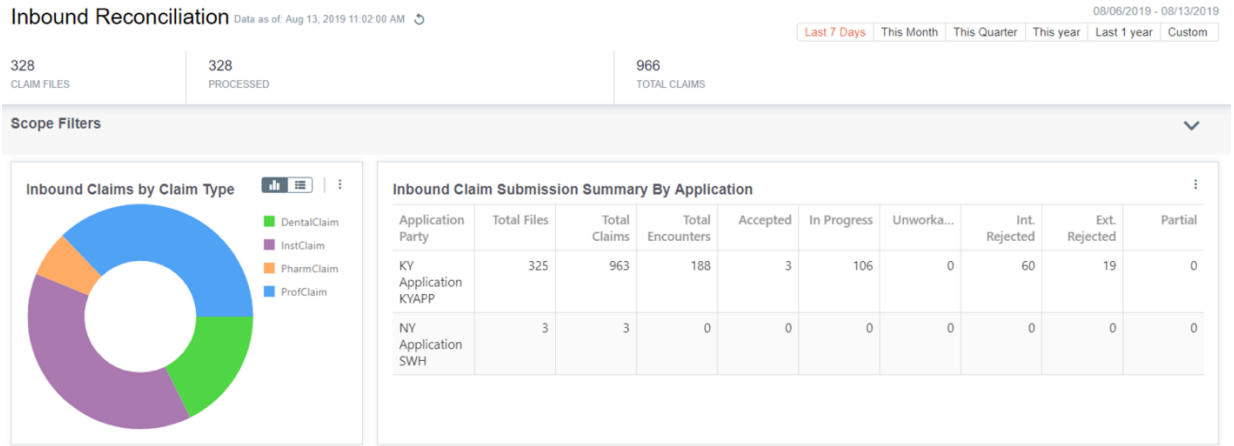
- **Encounter Error Summary:** Provides correction information by date. Provides ability to analyze information on exceptions that are open and view exceptions-related activity summary (like closed and open exceptions) for the LOBs. (See **Exhibit C.7-4** below.)

Exhibit C.7-4: Encounter Error Summary



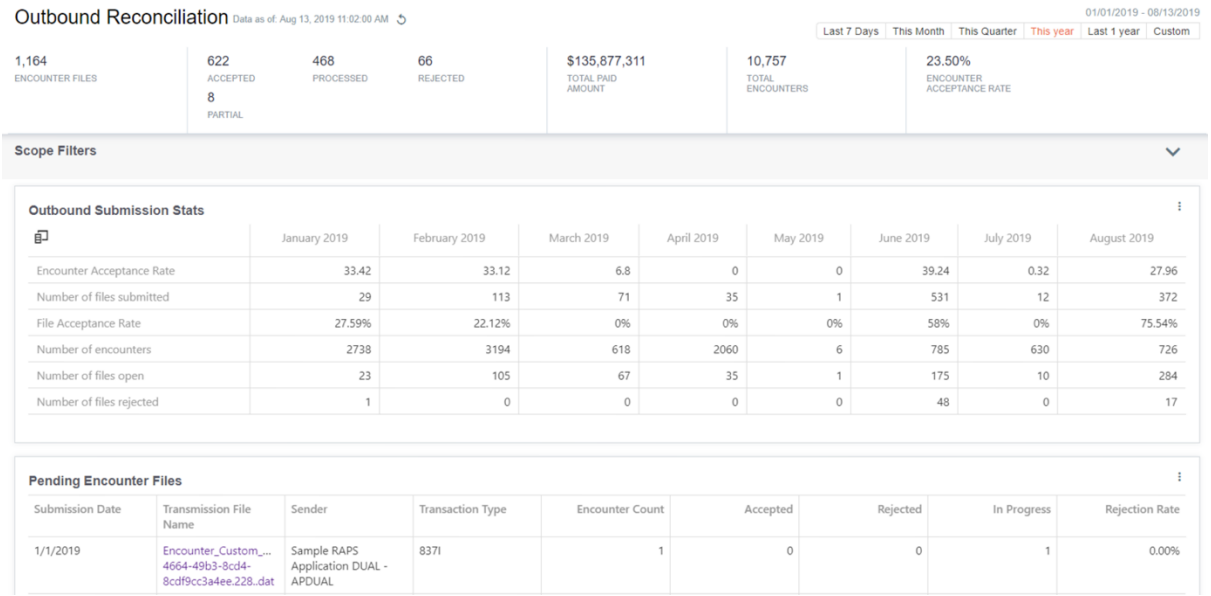
- **Inbound and Outbound Reconciliation Report:** Provides information on the outbound trading encounters submitted to DMS grouped by LOB, Destination/Receivers and Status/Disposition. Provides ability to view and reconcile the outbound encounters and files that are submitted for the LOB, and drill down into details. (See **Exhibit C.7-5** and **Exhibit C.7-6** below.)

Exhibit C.7-5: Inbound Reconciliation



Application Party	Total Files	Total Claims	Total Encounters	Accepted	In Progress	Unworka...	Int. Rejected	Ext. Rejected	Partial
KY Application KYAPP	325	963	188	3	106	0	60	19	0
NY Application SWH	3	3	0	0	0	0	0	0	0

Exhibit C.7-6: Outbound Reconciliation

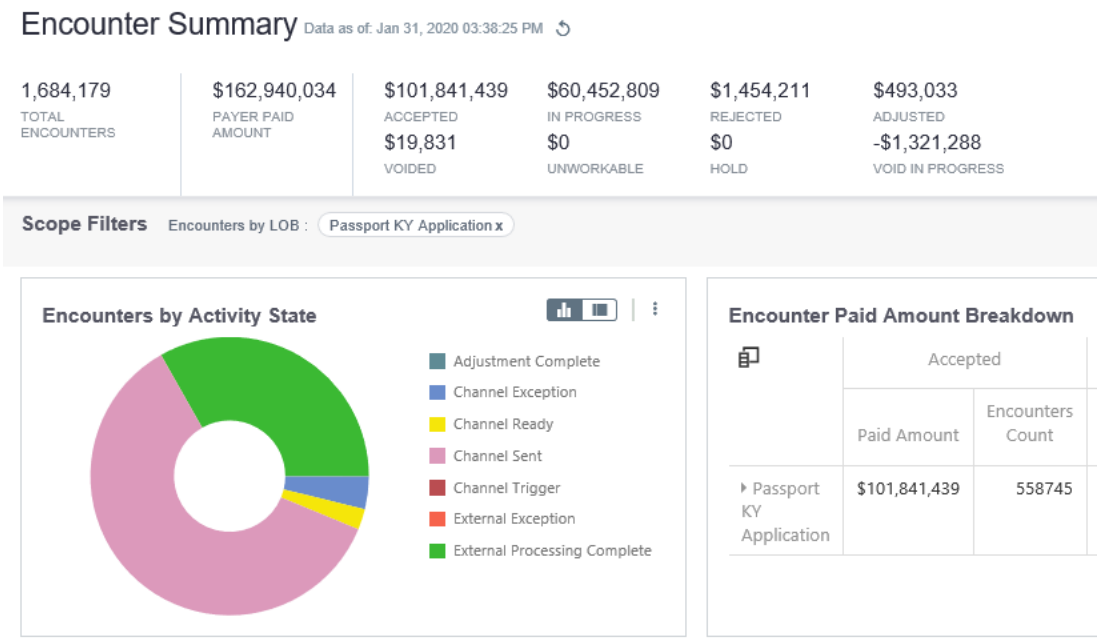


	January 2019	February 2019	March 2019	April 2019	May 2019	June 2019	July 2019	August 2019
Encounter Acceptance Rate	33.42	33.12	6.8	0	0	39.24	0.32	27.96
Number of files submitted	29	113	71	35	1	531	12	372
File Acceptance Rate	27.59%	22.12%	0%	0%	0%	58%	0%	75.54%
Number of encounters	2738	3194	618	2060	6	785	630	726
Number of files open	23	105	67	35	1	175	10	284
Number of files rejected	1	0	0	0	0	48	0	17

Submission Date	Transmission File Name	Sender	Transaction Type	Encounter Count	Accepted	Rejected	In Progress	Rejection Rate
1/1/2019	Encounter_Custom_... 4664-49b3-8cd4-8cdf9cc3a4ee.228..dat	Sample RAPS Application DUAL - APDUAL	837I	1	0	0	1	0.00%

- **Monthly Encounter Summary, Outstanding Rejects:** Monthly report that summarizes reject codes for outbound encounters that have not yet been resolved. (See **Exhibit C.7-7** below.)

Exhibit C.7-7: Outstanding Rejects



Procedures for Working with Providers and Subcontractors for Encounter Data Accuracy, Timeliness and Completeness

Providers

The following primary mechanisms ensure measurement of the timeliness and accuracy of provider claims and support collaboration and remediation of errors:

- Passport EDI Gateway, our front-end EDI solution, rapidly generates unique and specific messages through 277 files for claims that did not pass claims and encounter requirements, so that the provider can take action to timely remediate and resubmit.

  Procedural Action: Our operational team monitors such rejections for trends and spikes to identify any aberration in the software/experience. Any noted activity is investigated through root cause analysis to determine next steps, be it internal or through required provider action or education/training needs.
- We weekly monitor errored encounters, which are encounters that have failed DMS validation and therefore require providers to submit corrected claims.

Procedural Action: In the event data shows higher than normal volumes or errors, the encounters team will work with Provider Network Management (PNM) to contact the impacted providers. These communications include evidence of fallouts, DMS requirements and guidance providers need to take necessary actions. The goal of this specific collaboration is to not only correct errored encounters but to find permanent solutions. For example, recently Passport engaged with large hospital groups to permanently address issues related to referring, ordering, prescribing, or attending (ROPA) and provider types on claim forms.

- PNM serves as a conduit for any provider support needs. Providers are encouraged to access support from PNM to address questions or concerns, including claims and encounter-based issues.

  Procedural Action: PNM intakes provider concerns and can formally route inquiries to operational areas for support via an internal ticketing system called Provider Performance Indicators (PPI). These tickets serve as central documentation to support the closed-loop communications with providers and resolution discussions and determinations of action steps required. Separately, we offer significant provider education materials and training on claims procedures and requirements in onboarding and on an ongoing basis, detailed further in response C.7.d.
  Proactive Outreach: Our encounters team regularly monitors top rejection reasons overall and by provider and will share this information with PNM to outreach proactively and offer support to address issues quickly. We take an active engagement approach with any providers experiencing challenges with encounters, and we work with our PNM team to form provider-specific support strategies for those experiencing ongoing challenges or concerns, including:
  - Gathering and assessing provider-specific data compared to benchmarks
  - Conducting root cause investigations
  - Meeting with the provider to share findings and discuss next steps
  - Establishing quality-based milestones to collectively define measures of resolution or improvement
  - Executing on determined actions and regularly measuring and sharing results to confirm resolution for a defined time period

Subcontractors

Passport uses subcontracted service providers for the delivery of pharmacy, vision and dental services, and maintains oversight and procedures related to monitoring key performance measures. Evolent serves as a subcontractor and strategic partner in the encounter management function for medical and behavioral health encounters. Each subcontracted vendor adjudicates claims via their respective internal systems, employing specific edits and validations to ensure that the required claim data elements are present and correct prior to payment and in compliance with DMS requirements. The resulting claim encounters are securely transmitted electronically to Passport in the format prescribed by DMS. Passport receives subcontracted vendor files on a predetermined submission schedule. The DMS-ready files are then transmitted to DMS and loaded to the EM platform for visibility and tracking.

Receipt of inbound data is proactively monitored by our data operations team against expected delivery dates and frequencies. Any deviations are logged from expected receipt schedules and promptly

investigated for root cause and remediation (host connection issues, file nonreceipt, file validation failure, etc.).

As previously described, subcontractor performance is closely managed by our encounters team and oversight committees, including Passport executive sponsor, Passport business owner, operational leadership, compliance liaison and subcontractor manager. Together, this group holds subcontractors accountable for performance, accuracy, timeliness and other contractual SLAs. Subcontractor performance is regularly reported to Passport's executive team and DOC. Should subcontractor performance issues occur, Passport takes action. For example, Passport may issue a CAP and would actively monitor the CAP remediation.

Each subcontractor is held to a 95 percent acceptance rate minimum. Passport closely monitors this standard through weekly acceptance rate reports. Data quality and integrity are monitored at receipt of data and throughout processing. Key volume and metric trends are also monitored on an ongoing basis, measuring against historical trends and upper/lower control limits for consistency and completeness in inbound data.

The encounters team meets weekly with each subcontractor to discuss encounter data and provide error resolution prior to submission of data to DMS. We work with our subcontractors on identified issues to ensure timely and accurate submission of encounter data. In order to facilitate subcontractor encounter quality and performance improvement strategies, the Passport encounters team engages with subcontractors in the following areas:

- Companion guide walkthrough and review for key changes or to support issue remediation
- Detailed review of state-specific edits impacting encounter rejections
- Review of new state edits and tracking for compliance by supporting subcontractors' implementation needs
- Facilitating to achieve continuous improvement through exchange of best and proven practices in the areas of encounters processes and performance reporting

The following forums facilitate these collaborative discussions:

- Weekly, monthly or quarterly meetings with dedicated subcontractor business owners and operational leads to review service-level objectives and overall performance satisfaction.
- Weekly operational meetings to track important projects, issues with service impact and any outstanding Performance Improvement Plans. We determine next steps and key milestones, and work through obstacles. In these forums, subcontractors are required to self-report any potential issues. These forums are also used to discuss and establish execution plans for any DMS program changes and required coordination.
- Quarterly Compliance Collaboration Calls hosted by Passport's compliance team with subcontractors' compliance teams to discuss adherence to contracts and share best practices.
- Monthly DOC meetings to review metrics and issues, and to make recommendations for corrective actions.

- Monthly performance reviews with Evolent's compliance team and owners of the subcontractor relationships and programs.
- Monthly operations review for overall Passport performance SLAs.

Coordinating and Cooperating with External Reviewer Organizations

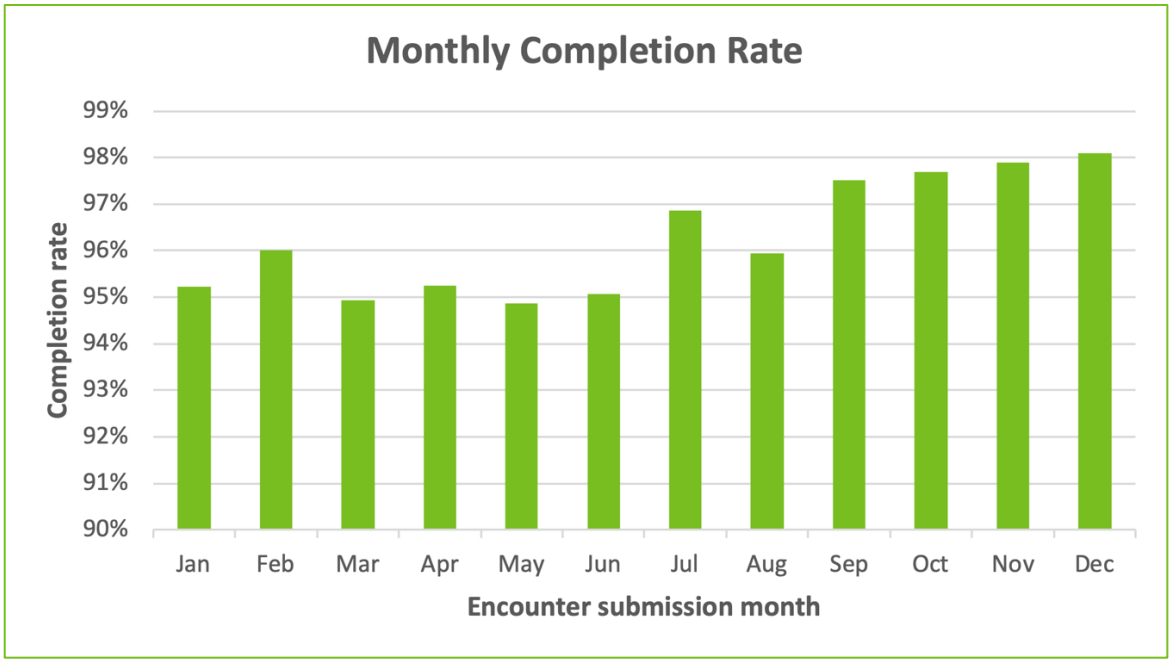
Passport has extensive experience coordinating and cooperating with DMS and its designated external review organization to provide information, documents and data in support of audits and special studies. We have actively participated with a Peer Review Organization (IPRO), and our last annual audit resulted in no findings.

Validating That All Encounters Have Been Submitted

Using our EM platform, we track all encounters submitted from all sources to ensure an appropriate response is received for each file submission. We also routinely compare encounter submissions to the paid claims file to identify whether there are paid claims for which an encounter should have been submitted.

One performance standard we use to ensure all encounters are submitted is completeness rate, which is reconciliation of claims paid to encounters submitted and accepted by DMS. The monthly completion rate is calculated as the total encounter dollars accepted by DMS divided by total claims expense. **Exhibit C.7-8** presents Passport's completion performance for 2019 and shows signficant month-over-month improvement. This measure was impacted by the 2017 system transition, and since that time Passport has invested significantly into technology, systems and procedural areas to close data gaps caused by the platform change. Passport expects to achieve and maintain full DMS completion rate compliance in 2020.

Exhibit C.7-8: 2019 Monthly Completion Rate



Reporting for Compliance and Performance Improvements

Accuracy, Timeliness and KPIs

During 2019, Passport maintained full compliance and consistently exceeded DMS accuracy and timeliness encounter submission performance targets. **Exhibit C.7-9** shows a consistent 100 percent performance month over month, and **Exhibit C.7-10** shows Passport consistently exceeded DMS accuracy targets.

Exhibit C.7-9: 2019 Timeliness by Month

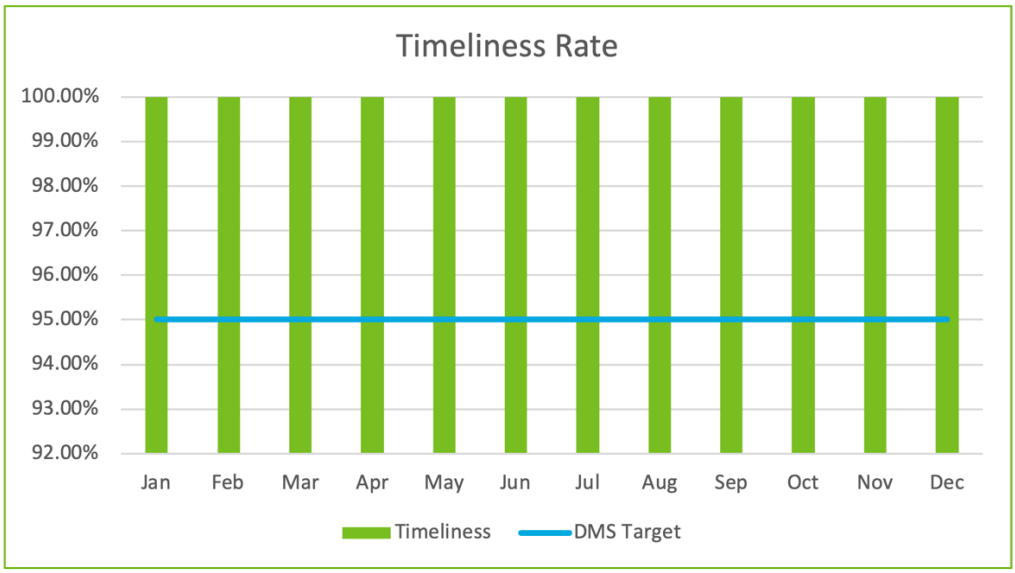
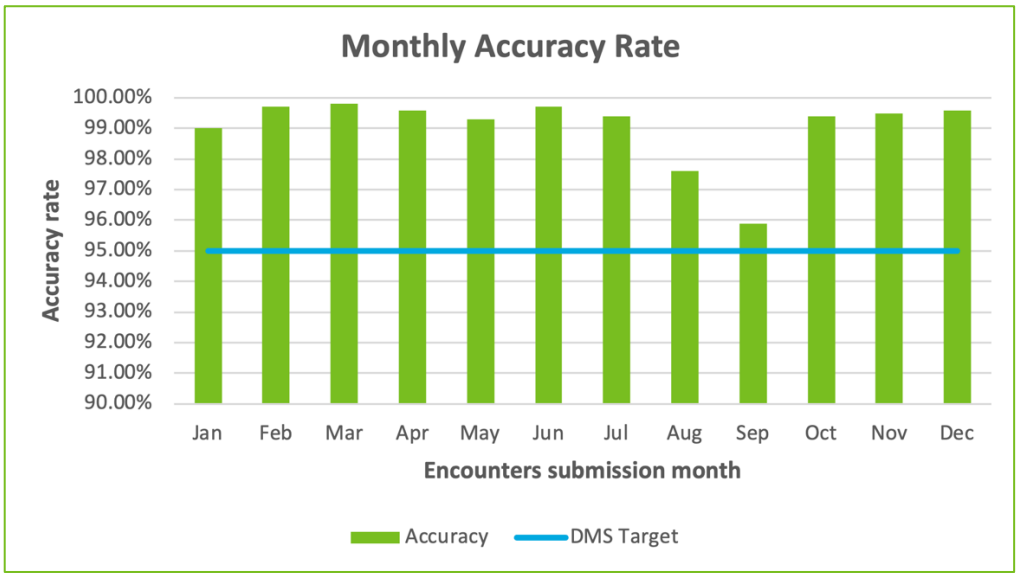


Exhibit C.7-10: 2019 Accuracy by Month



Passport's Team Experts on Kentucky Medicaid Encounter Data

As illustrated in **Exhibit C.7-11,** our encounter data submission process is overseen locally by the Manager of Encounters, who is also the Kentucky-based primary point of contact for any issues or errors related to encounter submission. Under this position, Passport has an experienced team of individuals who implement the processes and procedures for collecting, validating and submitting complete and accurate encounter data in a timely manner, consistent with federal regulatory requirements in C.F.R. § 438.818 and the requirements of the Kentucky Medicaid Managed Care contract. As presented in **Exhibit C.7-12**, our EM team possesses a combined 69 years of health care experience, including a combined 34 years of Kentucky-specific encounter experience.

Exhibit C.7-11: Passport Encounters Team Structure

Exhibit C.7-12: Encounters Team Experience

Encounters Team Member	Years of Health Care Experience	Years of Kentucky Encounter Experience
Della Tipton, Manager	24	15
Leah Smith, Sr. Analyst	10	7
Lorrie Greenwell, Analyst	20	6
Amy Rose, Analyst	15	6

C.7.b. Provide the Vendor's Encounter Data Processing policies and procedures.

Passport Policy and Procedures for Succesful Encounter Data Submission

Passport's encounter policy, **Attachment C.7-1_ENC.001.EKY Encounter Policies and Procedures**, documents the structure, governance and established expectations for accurate, complete and timely encounter data. This policy is supported by several standard operating procedures (SOPs). In total, the encounter procedures policy and its associated SOPs guide Passport's consistent, repeatable and comprehensive encounter data process for successful and compliant encounter data submissions.

C.7.c. Describe common challenges the Vendor has experienced in encounter data development and submission, and mitigation strategies and best practices the Vendor has implemented to ensure accurate and complete encounter data.

Strategies to Overcome Encounter Data Challenges

Over its twenty-two (22) years of service to the Commonwealth, Passport has largely demonstrated stability in encounters. However, Passport experienced encounter data challenges in 2017 when migrating to an integrated system for eligibility, claims and call center operations. The implementation of the new system was complex and multifaceted, and stemming from this cutover event, we faced challenges in our encounter operations and ability to meet one hundred percent (100%) of DMS encounter data reporting requirements. Challenges included:

- Lack of front-end claims edits that created data and operational hurdles to meet encounter performance goals
- Changes of our core claims adjudication platform that created downstream data issues and select areas of misalignment between claims data and required encounter data
- An inability to implement key encounter data-reporting requirements related to provider NPI, coordination of benefits (COB), FQHCs billing and adjustments during transition
- The absence of analytical reporting tools that facilitate real-time reporting for efficient management and monitoring

To date, we have taken multiple system and procedural actions to remediate those stated challenges:

- Implemented state-of-the-art EDI Gateway platform that aligns with DMS billing requirements
- Updated claims workflows and procedures to ensure claims paid meets DMS encounters acceptance criteria
- Bolstered analytics and reporting tools that track encounter KPIs and SLAs
- Corrected key encounter data extracts/technical issues
- Optimized Passport EM platform user workflow
- Fixed ordering and referring NPI mapping issues for DMS reporting
- Updated COB issue—reporting of other payer information and line adjustment details

- Fixed provider type/claim type issues for hospital providers billing place of service (POS) = 85
- Resolved outpatient duplicate encounters in cases of discharges to different facilities
- Enhanced EM platform to address state encounter data reporting requirements
- Updated/fixed core duplicate claims procedures
- Addressed categories of ineligible membership, such as incarcerated members
- Implemented a new accountability structure and operating model

We have realized **notable improvements** in Passport's encounter submission measures from SFY 2018 to SFY 2019 to bring them back into compliance with DMS's requirements, as well as actuarial and quality requirements. For example:

- **Submission Rate:** Throughput increased from eighty-eight percent (88%) to over ninety-five percent (95%). We are committed to achieving one hundred percent (100%) by year-end 2020.
- **Acceptance Rate:** State acceptance of encounters improved from ninety-five percent (95%) to over ninety-nine percent (99%).
- **Completeness Rate:** Rates for complete encounters increased from eighty-seven percent (87%) to over ninety-six percent (96%). We are committed to achieving ninety-nine percent (99%) by year-end 2020.
- **Timeliness Rate:** New day claims average timeliness rate improved from eighty-five percent (85%) to over ninety-five percent (95%).

Issues Remediation and Mitigation Strategy

While Passport's encounters submission measures are improving and operations have been stabilized, additional action is needed to support consistently meeting the required ninety-nine percent (99%) encounter completion rate target. Below in **Exhibit C.7-13** is the SFY20 encounter performance measure as it relates to encounter completion rate. We continue to focus on improving this measure through the actions taken in 2019 and those that will be completed in 2020. **Exhibit C.7-14** provides a summary of the issues and mitigation strategies that underway and will be completed in 2020.

Encounters by the Numbers

On average, Passport processes **554,573** encounters each month for Kentucky Medicaid members, with an overall Acceptance Rate of 99%.

Exhibit C.7-13: SFY20 Completion Rate Improvement Opportunities

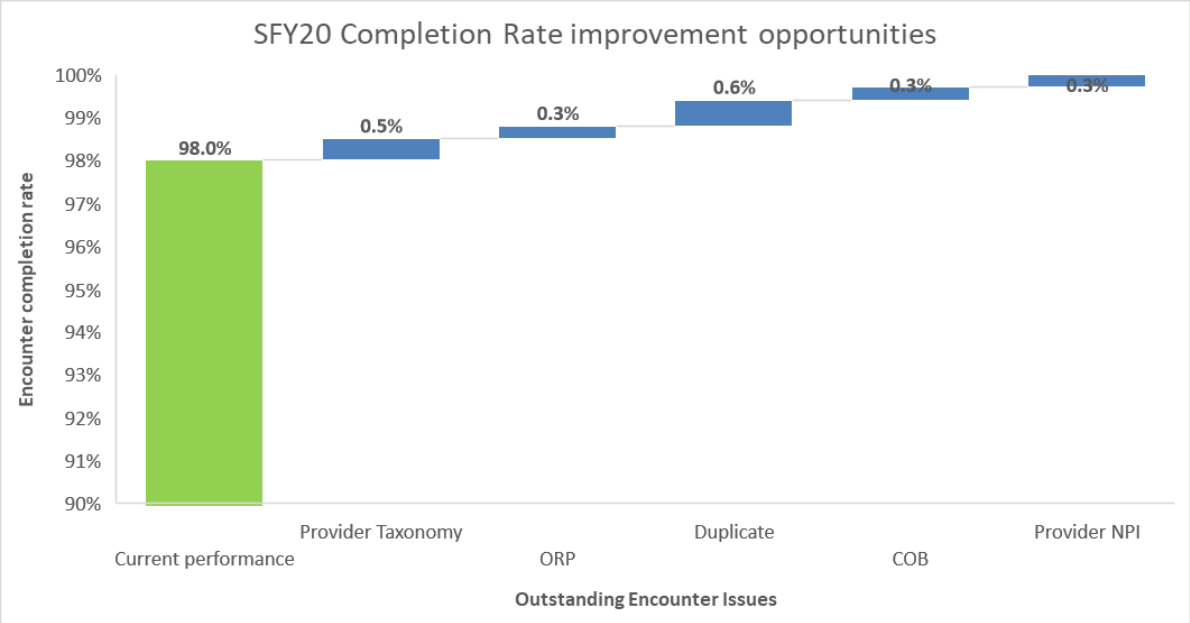


Exhibit C.7-14: Encounter Data Submission Issues and Mitigation Strategy

Focus	Actions in Progress	Estimated Completion Date
Claims billed without billing provider taxonomy code	Execute on a multifold strategy to educate/train providers on requirement, perform selective outreach, monitor billing changes.	March 2020
ORP providers	Identified residual gaps for ROPA validation post Edifecs EDI Gateway implementation that drives front-end validation, especially related to crossover claims and a few provider types. Collaborate with PNM to perform outreach to providers impacted and continue to educate them before systematically enforcing this requirement through Edifecs EDI Gateway.	March 2020
Duplicate encounter rejects from DMS	Collaborate with Claims operations to develop procedures that align claims payment requirements to DMS encounter acceptance criteria for possible/exact duplicate scenarios. Additionally, work with PNM to perform selective outreach on corrected claim requirements.	Complete

Focus	Actions in Progress	Estimated Completion Date
Claims missing COB (Other Payer) information	Work already underway to address issues related to other payer information that, once addressed, will allow us to report on another payer information completely and accurately.	February 2020
Other NPI issues	There are still some border situations where the NPI validation process needs to be further refined, but on a case-by-case basis. We are currently performing assessment of outstanding NPI issues consistent with our all-inclusive strategy, which includes provider community plan to address this on a timely basis.	April 2020

Best Practices to Ensure Accurate and Complete Encounter Data

The following represent best practices implemented by Passport to support accurate and complete encounter submissions:

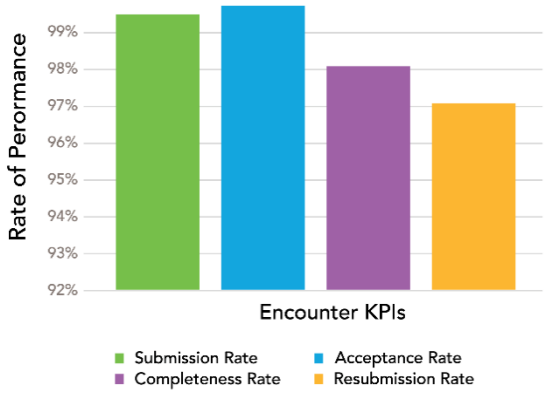
1. Technology to prevent issues at the front end
   - Best-in-class EDI solution layered onto an integrated platform that facilitates improved encounter throughput and DMS accuracy standards. Claims with anticipated encounter issues are rejected back to the provider for remediation before entering the system. Please refer to **Exhibit C.7-15**.

     Exhibit C.7-15: Encounter Data Loading Process

   - Platform availability. We have a 24/7 dedicated Network Operations Center support team that monitors the platform. In case of any unscheduled downtime, key stakeholders are engaged to address any failures within the approved SLAs. Since the implementation of the Edifecs EM platform in 2017, we have experienced more than ninety-nine percent (99%) platform availability

2. Continual measurement and regular reconciliation—Perform a monthly reconciliation of encounterable claims expense to encounters submitted to monitor and maximize on encounter measures: timeliness, accuracy, completeness rate and resubmission opportunities. This regular measurement allows for more rapid remediation and interception than less frequent reviews. Please refer to **Exhibit C.7-16** for a dashboard of our Key Performance Indicators (KPI).

Exhibit C.7-16: Encounter KPI Performance



3. Provider education—Ensure that new changes are communicated to provider and DMS on a timely basis through Passport's communication tool, *eNews,* and direct outreach. For especially critical changes or initiatives, the PNM executes comprehensive communication campaigns for added reinforcement and awareness building.
4. Support—Provide ongoing analysis/validation/support to providers to remediate issues by assessing provider-based metrics and regularly meeting with providers.
5. Contract alignment—Ensure that existing and new provider contracts are in alignment with DMS encounter requirements. For example, as part of contract reassessment, we identified a couple of large facilities where there was misalignment within claims billing and DMS encounter data reporting requirements. Through collaboration with PNM and the impacted provider, Passport was quickly able to align contracts and make operational changes within thirty (30) days.
6. Analytics—Establish dashboards and a level of reporting that supports performance assessment and proactive identification of issues that are remedied timely.
7. Partnership—Continued collaboration with DMS through our active participation in DMS IT calls and encounter meetings to raise visibility on key issues that requires additional clarification or guidance.
8. Subcontractor performance oversight via continual SLA and KPI measurement, penalties for noncompliance, and frequent operational formal review sessions.

C.7.d. Describe educational approaches the Vendor will implement to support providers and Subcontractors that are identified as having ongoing challenges in submission of complete, accurate, and timely information.

Ongoing Education and Support of Providers and Subcontractors

As subject matter experts in the encounters data process, Passport is well positioned to support providers and subcontractors in overcoming challenges that they may face in the submission of complete, accurate and timely information.

Provider Education and Support

We use multiple channels to educate providers about the importance of claim submission and its role in Passport's submission of encounter data to DMS. For example, we regularly monitor encounter issues at a provider level and will proactively reach out to these providers for support in remediation. Aside from this direct one-to-one provider engagement, we have regular educational outreach that is made available to contracted, sub-capitated, atypical and subcontracted providers. This education is also accessible to noncontracted providers via our website. While the forums for encounter provider education varies, the overall curriculum on this topic includes the following:

- **Process:** An overview of the encounter data process and the importance of the process to the member, provider, Passport and DMS. The process overview includes the discussion of liquidated damages and their impact to all constituencies.
- **Contract:** A brief review of a provider's contractual obligations for claim submittal.
- **Data Population:** The necessity of populating all key fields on a UB 04 or HCFA 1500 form, inclusive of the Billed field, so that Passport can properly process a claim with each claim submittal. It also covers Passport's role in helping providers understand the importance of correct coding, the fact that we follow National Correct Coding Initiative (NCCI)/correct coding initiatives, and the implications when correct coding is not followed.
- **Data Consistency:** The importance of the consistency of data submitted on each claim form so that we can properly process a claim with each claim submittal.
- **Timely Claim Submittals:** The importance of timely claim submittals so that we can submit its outbound encounter data to DMS in a timely fashion.
- **Questions:** The reminder of who to contact at the health plan with questions on any type of claim submittal.
- **Other:** Passport provides education and support for paper submitters, both in the initial orientation and with any subsequent issues that are brought to the attention of the provider relations representative. Detailed instructions about submitting paper claims that include all information required for the collection of encounter data are included in our provider billing guides. The DMS-approved billing guides are available to providers on the Passport website. In addition, provider relations representatives also review billing guides, including instructions for submitting paper claims during regular visits to those providers.

This education is updated as Passport receives revisions from DMS on encounter data submittals or industry changes that impact encounter data submittals. Our educational forums or educational materials include the following:

- Provider Manual
- Town hall meetings that focus on all operational aspects of Passport
- Provider relations representatives meet with providers in a small group office setting within thirty (30) days of placing a newly contracted provider or provider group on active status, and then on an organized schedule going forward
- Passport's provider website contains instructions on correct claim submission and the role that encounter data plays in the administration of a Medicaid health plan. Special emphasis will be placed on alerting noncontracted providers to this portion of the website
- Provider services call center hold-time messaging is used to educate providers about the claim submittal process and the role of encounter data
- Electronic newsletter (*eNews*) distribution for important announcements and reminders

Supporting Providers with Ongoing Encounter Challenges

Our encounters team works exceptionally close with our PNM team to form provider-specific support strategies for those experiencing ongoing challenges or concerns. Typically originating from data that highlights a challenge or a provider direct inquiry, our approach is to:

- Gather and assess provider-specific data compared to benchmarks
- Conduct root cause investigations
- Meet with the provider to share findings and discuss next steps
- Establish quality-based milestones to collectively define measures of resolution or improvement
- Execute on determined actions and regularly measure and share results to confirm resolution for a defined time period

Examples of Our Recent Successes

National Durable Medical Equipment Provider

Our encounters team recently identified ROPA-based rejection issues with a provider who was unclear what was driving rejections. In collaboration with the PNM team, we reached out to the provider with evidence of fallouts and DMS requirements, and we set expectation on updated requirements in order to be compliant with DMS ROPA requirements. The provider agreed with the findings and gained enough information to remediate. The outcome of this partnership resulted in the provider clearing more than 80,000 claims within forty-five (45) days, improving encounter throughput and completeness rate.

Across Multiple Providers

As part of our ongoing provider-support initiatives, we identified and engaged providers experiencing

challenges with claims rejections due to invalid taxonomy or NPI values when validated against the state's provider files. This can be especially challenging for large systems with significant numbers of providers associated with their group, including those newly joining. By deploying the above steps and establishing continual feedback loops, we are actively supporting multiple provider systems' ability to quickly pinpoint and close provider data gaps interfering with claims payment and, ultimately, encounter submissions.

Subcontractor Education and Support

Passport's encounters team meets with its subcontractors' encounter staff weekly to understand and address any issues that they may be experiencing, as identified by either Passport via reporting and monitoring of performance indicators or by the subcontractor. The encounters team educates the subcontractors in the encounters edit and audit criteria, and it works with them for resolution while helping them to understand how to mitigate future issues. In the event that issues continue or resurface impacting SLAs, we put the subcontractor under a CAP. Through this process we intimately and collaboratively work on a project plan where we track key milestones until all the issues are address. We also follow thirty (30) day postproduction verification of key fixes as a best practice to ensure consistent performance output.

Subcontractors are provided with detailed encounter process documentation, including issues commonly faced by subcontractors and troubleshooting scenarios. Documentation is provided via email and reviewed during weekly and ad-hoc meetings. The encounters team also schedules onsite visits with subcontractors for collaborative focus sessions on Kentucky Medicaid encounter data requirements and joint processes to support successful encounter data submission.

Case Study

An encounter manager and analyst conducted an onsite visit to a subcontractor to assist in determining issues within its system related to Void files. Encounter staff were able to identify that the system extract logic was not consistently selecting the correct iteration of the claim.

- All encounter-related systems and processes were reviewed
- A plan was developed and implement to address system issues related to Void files
- Current and future-state test process scenarios were developed
- The subcontractor developed a companion history database table containing past files to preserve claims in the original form and ensure successful file submissions

C.7.e. Describe initiatives the Vendor proposes raising to the Encounter Technical Workgroup to enhance the data submission requirements and improve the accuracy, quality, and completeness of encounter submissions.

Proposed Initiatives for the Encounter Technical Workgroup

Passport welcomes the opportunity to help contribute to possible enhancements of encounter data submission requirements. With the objective of improving the accuracy, quality and completeness of encounter submissions, we propose the creation of a collaborative workgroup comprised of participants

from DMS and each of the managed care organizations (MCOs) selected to serve the Kentucky Medicaid population. Through a charter that clearly defines goals and scope for outcomes that are mutually beneficial in addressing enhancements to the data encounter submission process, we suggest the collaborative workgroup objectives include:

- Developing standard descriptions of encounter data reporting requirements
- Educating providers using content consistent across all MCOs that informs the Medicaid provider community of its responsibilities in the claims billing and payment process
- Modernizing the Commonwealth's encounter penalty-related methodology and reporting by seeking input from the MCOs
- Collaborating with DMS and the contracted MCOs to develop a framework that fosters discussions specific to new processes and technology development and testing that help further the objectives of the workgroup
- Ideation of remediation steps that address common encounter data issues experiences by the MCOs

With the diverse knowledge, experiences and thought power of this collaborative workgroup, we are confident that the accomplishments realized will have a positive impact on the encounter data submission process for Kentucky Medicaid.

Conclusion

In recent years, Passport has greatly modernized, enhanced and retooled the technology capabilities and processes that support EM to address data submission issues resulting from our system migration. We are actively implementing additional plans and are confident 2020 data will be fully aligned with DMS's performance expectations. We commit to continued transparency and to be a strong partner and collaborator in achieving mutual success with DMS looking forward.

Passport has been honored to serve the Kentucky Medicaid and foster care populations for 22 years and will continue to comply with all provisions of the Medicaid Managed Care Contract and Appendices (including Kentucky SKY) as we continue to serve them in the future.