Insight into claims data

How our data is used by MDHHS

Life of a claim

- Provider is authorized to provide service to a consumer
- Provider delivers the service to consumer and submits claim to DWIHN
- DWIHN adjudicates the claim
- Provider is paid for the service provided to the consumer
- Claim exists in DWIHN warehouse for reporting and analysis
- Encounter is submitted to MDHHS (CHAMPS)
- Encounter exists in MDHHS warehouse for reporting and analysis
- Milliman extracts claim from MDHHS warehouse for rate setting
- Milliman process controls funding available for DWIHN to pay providers

- Who is Millman?

- Millman is a consulting organization contracted by State of Michigan to provide actuarial and consulting services related to development of actuarially sound capitation rates for various programs.

Milliman rate setting

- Process
  - Assigns funding based on Risk
  - Risk based on percentage of population in each risk cohort
  - Cohorts are groups of shared characteristics (i.e. Age, Gender, Managed Care/Non-Managed Care, Residential Living Arrangement, Morbidity, etc.)
  - When an individual does not have data to place it in a cohort, it is placed in a low risk default cohort
  - Risk is then adjusted by Geographic Region (PIHP)

Milliman rate setting

- Units
  - Aggregated by procedure/revenue code and some modifiers to set statewide unit costs
  - All units that DWIHN pays for should be reported, even if payment is based on PM/PM
- Diagnosis Code
  - Used to determine cohorts of risk
  - Best if all significant diagnosis codes for an individual get reported on one or more claims
- Modifiers
  - Make sure to use the appropriate modifiers

Milliman rate setting

- TEDS
  - Several TEDS elements used to determine rates
  - Extremely important that we have TEDS for every individual served
  - Education Level, Employment Status, Labor Status, Locus Score, School Attendance are all used
- Locus
  - Milliman added Locus data to the process recently
  - Important that we have Locus data for every applicable individual
  - Dual eligible (IDD with either SUD or SMI) need a Locus as well as a SIS

Summary

- Ensure we have TEDS for every individual served

- Locus assessment score exists in MHWIN and is updated on annual basis

- Important that we have Locus data for every applicable individual

- All units that DWIHN pays for should be reported, even if payment is based on PM/PM

- Best if all significant diagnosis codes for an individual get reported on one or more claims

Thank you

- Please feel free to contact me if there any additional questions or assistance needed on this front.

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