

# Network Optimization & Assessment



## *Network Adequacy Review and Exceptions in 2018*

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# Network Adequacy 101

- What is a network?
- 42 CFR 422.112(a)(1)(i)
- Network adequacy criteria
- Health Service Delivery (HSD) Reference File
- Supply File
- Health Plan Management System (HPMS)
  - Network Management Module (NMM)

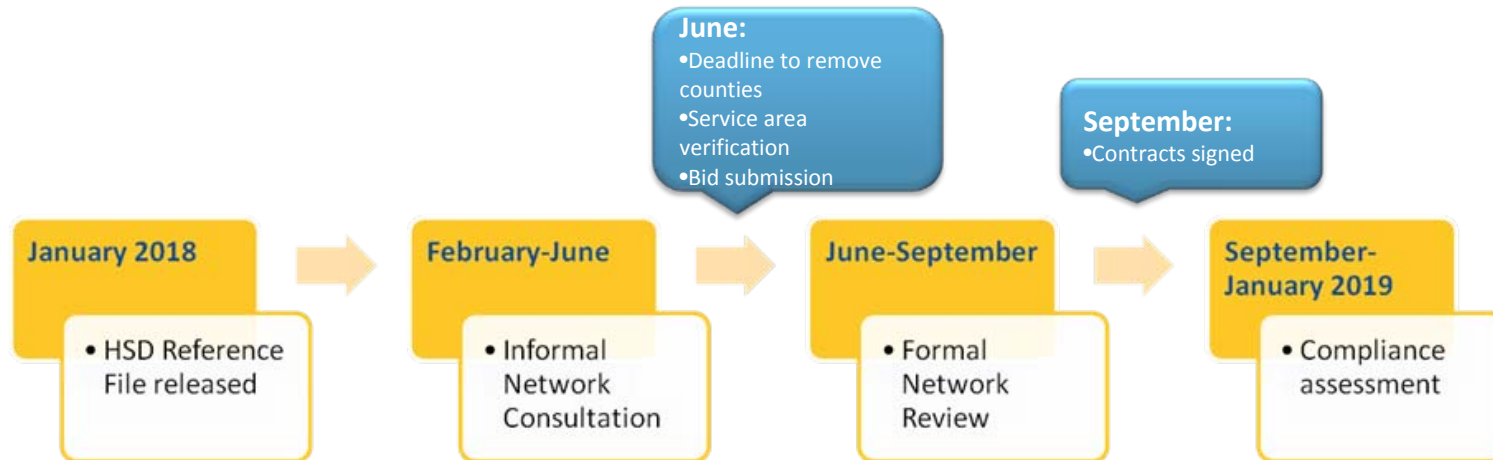
# Evolution of the Network Adequacy Review

- CY 2011 – 2017
  - CMS reviewed networks during the Medicare Advantage Application cycle
    - Initial applicants' full networks
    - Service area expansion (SAE) applicants' new counties (existing counties also reviewed in CY-16/17)
- Beginning CY 2018
  - CMS now reviews contract-level networks on a triennial basis (every 3 years) as part of operations
  - CMS may also review networks based on certain triggering events (full review resets 3-year clock)

# Triggering Events

- Initial application (very first review)
- SAE application (only new counties reviewed)
- Significant provider/facility contract termination
- Change of ownership transaction
- Network access complaints
- Organization-disclosed network gap

# 2018 Network Timeline



# Network Adequacy Exceptions Process

- What is an Exception?
- CMS Exception Review Team
- Point-in-time determination
- Real-time update to provider/facility supply

# Valid Rationale for an Exception

- Provider(s) moved/retired or facility(ies) closed.
- Provider(s)/facility(ies) may cause enrollee harm.
- Provider(s)/facility(ies) are inappropriately credentialed under MA regulations.
- Provider(s)/facility(ies) do not contract with **any** organization.
- Provider(s)/facility(ies) contract **exclusively** with another organization.

# Valid Rationale for an Exception

Micro, Rural, and Counties with Extreme Access Considerations (CEAC) counties:

- Pattern of Care
- Telehealth
- Mobile Providers



# Invalid Rationale for an Exception

- Inability to successfully negotiate and establish a contract with a provider/facility.
- Inability to come to a financial contracting agreement with a provider/facility.
- Being in the process of negotiating a contract with a provider.
- Failure to cross state or county lines to contract with a provider/facility.
- Pattern of care, telehealth, and mobile providers in Large Metro and Metro county types.

# Network/Exception Determinations

- Exception results in the NMM
  - Approvals
  - Deficiencies
- Compliance assessment
- Next network review in 3 years (absent triggering event)
- Ongoing network monitoring – org-initiated uploads in NMM

# Resources

- **Medicare Advantage and Section 1876 Cost Plan Network Adequacy Guidance:** <https://www.cms.gov/Medicare/Medicare-Advantage/MedicareAdvantageApps/Downloads/2018-Network-Adequacy-Guidance.pdf>
- **Health Service Delivery (HSD) Reference File:** <https://www.cms.gov/Medicare/Medicare-Advantage/MedicareAdvantageApps/index.html>
- **HPMS – Network Management Module:** <https://hpms.cms.gov/app/login.aspx?ReturnUrl=%2fapp%2fhome.aspx>
- **Division of Medicare Advantage Operations (DMAO) Mailbox Portal:** <https://dmao.lmi.org/dmaomailbox/>

# Questions?

