



OPERATIONAL MEMO

Title: FY 2022-23 Accuracy Performance Incentive	Topic: Administrative Policy
Audience: County Departments of Human/Social Services (Counties)	Sub-Topic: County Relations
Supersedes Number: HCPF OM 22-055	Division: Partner Relations and Administration
Effective Date: August 9, 2023	Office: Policy, Communication & Administration
Expiration Date: August 9, 2025	Program Area: County Incentives
Key Words: Accuracy, Incentives Program, Quality Assurance, MAP Dashboard Measures, Performance, Targets	
Legal Authority: FY 2022-23 County Incentives Program contracts	
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Operational Memo Number: HCPF OM 23-051	
Issue Date: August 17, 2023	
Approved By: Rachel Reiter	

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Purpose and Audience:

The purpose of this Operational Memo is to provide guidance to county departments of human/social services (counties) on how to operationalize the FY 2022-23 County Incentives Program Accuracy Incentive. The County Incentives Program creates performance-based benchmarks and deliverables for county departments of human/social services to achieve certain performance standards related to County Administration and Medical Assistance Eligibility. The Accuracy Incentive states the Contractor shall comply with monthly Eligibility Quality Assurance (EQA) case reviews to monitor the accuracy and timeliness of eligibility determinations for Medical

Assistance made by the Contractor, with cases pulled monthly for quality review. Results of the EQA reviews are displayed on the MAP Accuracy Dashboard.

** This Operational Memo was updated in June 2023 to reflect revised payment methodology. See section: Earning the Accuracy Performance Incentive Payment **

Information:

The Department of Health Care Policy and Financing (the Department or HCPF) has statutory responsibility for the supervision of local administration of the Medical Assistance Program (which includes Medicaid and Child Health Plan *Plus*); it is also obligated under federal law, specifically 2 CFR Part 200 Uniform Guidance, to establish performance measures and targets for the Department and Eligibility Sites to continuously strive to achieve to meet the program objectives as established by the Centers for Medicare and Medicaid Services. Further regulatory requirements at 10 CCR 2505-5 1.020.3.4.iii require the Eligibility Site Director to establish adequate internal controls, including organizing operations and staff functions to support performance management.

The Payment Error Rate Measurement (PERM) is an audit program developed and conducted by the federal government to comply with law. The program examines eligibility decisions and payments to providers for Health First Colorado (Colorado's Medicaid Program) and Child Health Plan Plus (CHP+) for accuracy. PERM helps the Department identify areas for improvement and helps cut down on fraud, waste and abuse. PERM is required by the federal law, the Payment Integrity Information Act of 2019, which is a consolidation of the Improper Payments Information Act of 2002 (IPIA, Public Law 107-300) which was amended by the Improper Payments Elimination and Recovery Act of 2010 (IPERA, Public Law 111-204) and further amended by the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA, PUB. L. 112-248).

The Accuracy Incentive was implemented for county departments of human/social services with the purpose of reducing eligibility determination error rates to assist in meeting federal PERM requirements and to ensure compliance with the Eligibility Quality Assurance (EQA) program requirements, case review findings and processes. The EQA program reviews eligibility determinations completed for new applications, redeterminations, and case changes. County compliance with the EQA program is required per 10 CCR 2505-5 1.020.10.2.

Funding for Accuracy Incentive

The Accuracy Incentive is weighted at forty percent (40%) of the total County Incentives funding for the fiscal year. The Accuracy Incentive is earned as follows:

1. To earn 100% of funding, counties must meet both Target 1 and Target 2 for both Accuracy Performance Measures, as communicated on the “Director Accuracy DB” tab of the MAP Accuracy Dashboard, by June 30, 2023. The county’s cumulative monthly accuracy data from the EQA reviews will be used to determine if counties met both Target 1 and Target 2 for both Performance Measures to earn 100% of the Accuracy Performance Incentive Payment.
2. To earn 50% of funding, counties may meet either Target 1 or Target 2 on the Accuracy Performance Measures, as communicated on the “Director Accuracy DB” tab of the MAP Accuracy Dashboard by June 30, 2023. The county’s cumulative monthly accuracy data from the EQA reviews will be used to determine if counties met either Target 1 or Target 2 for one Accuracy Performance Measure to earn 50% of the Accuracy Performance Incentive Payment.

Eligibility Quality Assurance (EQA) Program

The HCPF Eligibility QA team pulls 120 individuals per month to review. This includes actions taken at application, redetermination and case change. The EQA team sends the counties the review findings and provides the county the opportunity to respond on the findings. Counties shall respond to case review findings with rebuttal/concurrence process per [OM 21-057](#), or whichever later Operational Memo supersedes OM 21-057,

which specifies the Contractor's role in the state quality assurance (QA) case review process.

Once the review finding is final, the results are published on the monthly Medical Assistance Performance (MAP) Accuracy Dashboard. The Accuracy Dashboard is available at the MAP Dashboard [SharePoint site](#) and/or Tableau; it is also sent to the County Directors and Commissioners on a monthly basis.

Calculation of the Accuracy Performance Measures for the MAP Dashboard

Performance Measure 1. Number of individuals that were incorrectly approved, denied, or terminated divided by the total number of individuals in the sample (%), monthly (includes applications, redeterminations and changes)

Performance Measure 2. Number of individuals with error(s) that did not impact eligibility divided by number of individuals in the sample, monthly (includes applications, redeterminations and changes)

Performance Measure 1: Incorrect Eligibility Determination Rate Targets for All Counties

Tier 1 target percentage (%): Counties with twenty (20) or more cumulative quality assurance case reviews conducted over a twelve-month period. This is the target reported on the MAP Accuracy Dashboard.

Tier 2 target percentage (%): Counties with fewer than twenty (20) quality assurance case reviews. This is not reported on the MAP Accuracy Dashboard and used for County Incentives purposes only.

Table 1.

County Size	Tier 1 Target %	Tier 2 Target %
Large	5.5%	N/A
Medium	6.6%	13.2%
Small	7.3%	14.6%

Based on EQA sampling, large counties will exceed twenty cumulative quality assurance reviews over the twelve-month period, resulting in no Tier 2 target for

large counties. Observations generated from EQA reviews are not used to determine whether the county is eligible to earn an Accuracy Performance Incentive Payment.

Performance Measure 2: Errors that do not Impact Eligibility Targets for All Counties

Tier 1 target percentage (%): Counties with twenty (20) or more cumulative quality assurance case reviews conducted over a twelve-month period. This is the target reported on the MAP Accuracy Dashboard.

Tier 2 target percentage (%): Counties with fewer than twenty (20) cumulative quality assurance case reviews conducted over a twelve-month period. This is not reported on the MAP Accuracy Dashboard and used for County Incentives purposes only

Table 2.

County Size	Tier 1 Target %	Tier 2 Target %
Large	17.9%	N/A
Medium	16.9%	20.9%
Small	23.2%	27.2%

Based on EQA sampling, large counties will exceed twenty cumulative quality assurance reviews over the twelve-month period, resulting in no Tier 2 target for large counties. Observations generated from EQA reviews are not used to determine whether the county is eligible to earn an Accuracy Performance Incentive Payment.

Earning the Accuracy Performance Incentive Payment

After the second semi-annual due date, July 5, 2023, the Department may use the cumulative twelve-months data reported in the June 2023 MAP Accuracy Dashboard to determine if counties met the targets in Table 1 and/or Table 2.

Counties will be eligible for 100% of the Accuracy Performance Incentive Payment if both accuracy performance measures, based on county size, are met based on Table 1 and Table 2, based on the cumulative twelve-months data.

Counties will be eligible for 50% of the Accuracy Performance Incentive Payment if one accuracy performance measure, based on county size, is met based on Table 1 or Table 2, based on the cumulative twelve-months of EQA data.

** If the Department does not use the MAP Accuracy Dashboard, then the county's Accuracy Incentive Payment will be earned if the county's Quality Assurance/Quality

Control Plan was submitted by the due date listed in [HCPF OM 22-053](#), State Requirements for Eligibility Site Quality Assurance Plans.

Tips for Achieving Accuracy Targets

Reviewing EQA information

- Provide the entirety of the case file for the individual being reviewed; any and all documentation supporting the eligibility determination should be submitted.
- Be proactive with the QA case review findings; share case review findings, especially errors, with all impacted staff.
- Work with staff to access training documentation based on errors reported.
- Be willing to revise and improve processes that are causing or impacting errors reported.

Using MAP Accuracy Dashboards

- Ensure your county's MAP Performance Owners have access to the county's MAP Accuracy Dashboard, which should be reviewed monthly.
- Proactively monitor the MAP Accuracy Dashboard to ensure targets are met; if targets are not met, use EQA case review information to identify the root

- causes for errors that are causing the county to not meet the accuracy targets.
- Using root cause information, implement action plans to mitigate the errors to help meet the accuracy targets.

Accessing Support

- For EQA questions, please refer to HCPF OM 21-057 or whichever later Operational Memo supersedes OM 21-057, which specifies the Contractor's role in the state quality assurance (QA) case review process.
- For questions about specific case reviews conducted by EQA, please contact hcpf_moo_eqr@state.co.us.
- For questions regarding contract provisions or support for the County Incentives Program, please complete a [County Relations Request form ticket](https://hcpfdev.secure.force.com/HCPFCountyRelations) at <https://hcpfdev.secure.force.com/HCPFCountyRelations>.
- To access process and performance improvement support that may be needed to address county error rates, please contact hcpf_performance.improvement@state.co.us.
- For training support, contact SOC_StaffDevelopment@state.co.us.

Exemptions

Accuracy Performance Incentive Standard exemptions will ONLY be considered on a case-by-case basis per contract section 4.2.1.5. Upon the Department's review of the exemption information, the Department will follow up with qualified counties for exemption per the contract section 4.2.1.5.5.

Contract Language

Contract Language for the Accuracy Incentive can be found in the FY 2022-23 County Incentives Contract in section 4.2. If conflict arises between contract language and guidance issued through the HCPF Memo Series, contract language supersedes the guidance provided through the HCPF Memo Series.

Definition(s):

Eligibility Quality Assurance (EQA) Program - the program which reviews eligibility determinations made for Medical Assistance Programs in the Colorado Benefits Management System.

Medical Assistance Performance (MAP) Dashboard Program - the program which reports performance measures, targets and information particular to performance management for Medical Assistance Programs.

Performance Measure - a quantification that provides objective evidence of the degree to which a performance result is occurring over time.

Semi-Annual Due Date - the due date(s) for the County Incentives Program, which occur bi-annually, on January 5th and July 5th.

Target - a degree of performance that we continuously strive to achieve.

Attachment(s):

FY 2022-23 HCPF County Size List

HCPF Contact:

For questions on the Performance Compliance Incentive, please complete a [County Relations Request form ticket](#) (<https://hcpfdev.secure.force.com/HCPFCountyRelations>). Please select Ticket Type "Incentives Program".

For more information on MAP Dashboards and to request access to the MAP Dashboard External SharePoint Page or Tableau, reach out to:

hcpf_mapdashboards@state.co.us

For assistance and support with Performance Improvement, reach out to:

hcpf_performance.improvement@state.co.us