**COLORADO**
Department of Health Care
Policy & Financing

# OPERATIONAL MEMO

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| **Title:** Implementation of the FY 2024-25 Accuracy and Performance Compliance Incentives | **Topic:** County Incentives Program |
| **Audience:** County Departments of Human/Social Services | **Sub-Topic:** N/A |
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| **Legal Authority:** 10 CCR 2505-5 1.020.3.4 | |
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*HCPF Memo Series can be accessed online:* https://www.colorado.gov/hcpf/memo-series

## Purpose and Audience:

This Operational Memo gives guidance to county human and social services departments on how to implement the FY 2024-25 County Incentive Contract. It covers two key areas: Accuracy Performance Incentive Standard and Performance Compliance Performance Incentive Standard. The County Incentives Program creates performance-based targets and deliverables for county departments of human/social services to ensure they achieve certain performance standards related to County Administration and Medical Assistance Eligibility.

## Information:

In the FY 2024-25 County Incentives Contract, each county human/social services department with a signed contract can earn three incentive payments at the end of

the fiscal year. To qualify for these payments, the county must meet specific targets for each incentive or submit the necessary deliverables for the incentive.

The County Incentive Contract aims to improve accuracy, timeliness, and customer service. By tracking performance in each incentive category, HCPF can evaluate how well each county is doing. The incentive contract also helps counties follow rule 10 CCR 2505-5 1.020.3.4, which requires county directors to establish internal controls. These controls ensure that the HCPF provides timely, respectful, and culturally appropriate service to Medical Assistance applicants and members.

The Department of Health Care Policy and Financing (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 HCPF and counties 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.

This memo will discuss two Performance Incentive Standards: 1. Accuracy Performance Incentive Standard 2. Performance Compliance Performance Incentive Standard.

## Accuracy Performance Incentive Standard

The Accuracy Performance Incentive Standard was implemented for county departments of human/social services with the goal is to lower the error rates in eligibility determinations to meet federal standards and to comply with the requirements of the Eligibility Quality Assurance (EQA) program, including case review findings and processes. The EQA program reviews eligibility determinations completed for new applications, redeterminations, and case changes.

Eligibility Quality Assurance (EQA) Program

The HCPF Eligibility Quality Assurance (EQA) Program pulls 120 individuals per month to review eligibility determinations for accuracy. 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 HCPF IM 23-011 or whichever later Operational Memo supersedes OM 21-057, which specifies the county'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 Tableau site. It is updated on or around the 3rd of each month.

Earning Accuracy Incentive Payment

The Accuracy Incentive makes up 40% of the total County Incentives funding for the fiscal year.  HCPF will use the updated MAP data from July 2025 to score the Accuracy Incentive payment for the entire fiscal year. HCPF will use twelve (12) consecutive months of MAP Accuracy data which may be outside of the timeframe of the fiscal year.

Counties can earn the Accuracy Incentive for Reporting Period 2 by doing the following:

1. They will receive 100% of the Accuracy Performance Incentive Payment if they meet both accuracy performance measures based on their size, as shown in Table 1 and Table 2, using the cumulative twelve-month data.
2. The payment will be divided as follows: 75% will be awarded for meeting the Incorrect Eligibility Determination Measure, and 25% will be awarded for meeting the Errors That Do Not Impact Eligibility Measure.
    a.  If only one measure is met, the payment will be adjusted accordingly.
3. The twelve (12) consecutive months of MAP Accuracy data may extend outside of the timeframe of the contract cycle.

Calculation of the Accuracy Performance Measures for the MAP Dashboard

Performance Measure 1: Incorrect Eligibility Determination

- 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. Errors That Do Not Impact Eligibility

- 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% |

*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 | 20.9% | 23.2% |

| 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.*

## Action To Be Taken:

Ensure your county's MAP Owners have access to the county's Tableau MAP Accuracy Dashboard  MAP Dashboard Access Requirements

The monthly business process for MAP owners regarding the Accuracy Incentive includes reviewing data, checking for any discrepancies, and ensuring all findings are addressed.

1.) The MAP owner reviews all EQA findings in the MAP dashboard every month.
    a.) The accuracy data from MAP is linked to the monthly reviews done by HCPFs Eligibility Quality Assurance (EQA) team.
    b.) Make sure you have access to the monthly summary from the EQA team which gives more detailed information.
        i.)    You can get this information by request from the EQA team HCPF MOO_EQR - HCPF or by checking with the worker(s) that handle EQA reviews.
    c.) If MAP QA targets are not met, use MAP raw data and EQA case review information to identify the root causes for errors that are causing the county to not meet the accuracy targets.
    d.) Using root cause information, implement action and training plans to mitigate the errors from recurring to help meet the accuracy targets.
    e.) If you want to dispute a finding, use the EQA rebuttal process outlined here in the Eligibility Quality Assurance (EQA) Case Review Process Manual

The County Incentive Contract gives you a limited time after Status Report 2 to dispute accuracy scores, which you can find in section 8.1.1.1.1 of the contract. HCPF strongly suggests that counties check the MAP dashboard every month and use the EQA rebuttal process to avoid future accuracy incentive scoring issues or questions.

## Performance Compliance Performance Incentive Standard

The Performance Compliance Performance Incentive Standard was implemented for county departments of human/social services to ensure the goal is to increase timeliness percentages, decrease exceeding processing guideline(backlog) cases, meet federal and state performance standards, to address counties' internal

performance management processes, and to comply with the Medical Assistance Performance (MAP) Dashboard program. MAP Dashboards are the established performance management methods used by HCPF to measure county compliance with performance standards.

Earning Performance Compliance Performance Incentive

The Performance Compliance Incentive makes up 30% of the total County Incentives funding for the fiscal year. HCPF will use MAP data for Status Report 1 July 2024 to December 2024 and MAP data for Status Report 2 January 2025 to June 2025 to score for the Performance Incentive Earnings. The targets for each reporting period are outlined below.

Counties can earn the Performance Incentive for Reporting Periods 1 and 2 by doing the following:

- They will receive 100% of the Performance Incentive Payment if they meet the targets for both status reports as shown below within the Target section.
- The payment will be divided as follows: 50% will be awarded for meeting status report 1 and 50 % will be awarded for meeting status report 2.
    o If only one status report period is met then partial payment will be adjusted accordingly.

**Performance Incentive Targets**

**Reporting Period 1:** To earn the performance incentive payment for Reporting Period 1, you need to meet three (3) out of the four (4) targets listed below.

- **Application 45 Timeliness** - ≥ 95.00% timeliness average over the first Reporting Period for Application Timeliness of Determinations, 45 Days.
- **Application 90 Timeliness** - ≥ 95.00% timeliness average over the first Reporting Period for Application Timeliness of Determinations, 90 Days.
- **EPG 45**- ≤ Pending EPG 45 determinations must average at or below the target level during Reporting Period 1, taking into account the size of the County.
    o *Application exceeding processing guidelines (EPG) 45 days*

| County Size | App EPG 45 Target |
|---|---|
| Large | ≤ 25 |
| Medium | ≤ 5 |
| Small | ≤ 3 |

- **EPG 90**- ≤ Pending EPG 90 determinations must average at or below the target level during Reporting Period 1, taking into account the size of the County.
  - o *Application exceeding processing guidelines (EPG) 90 days*

| County Size | App EPG 90 Target |
|---|---|
| Large | ≤ 10 |
| Medium | ≤ 3 |
| Small | ≤ 1 |

**Reporting Period 2**: To earn the performance incentive payment for reporting period 2, you need to meet four (4) out of the six(6) targets listed below.

- **Application 45 Timeliness** - ≥ 95.00% timeliness average over the first Reporting Period for Application Timeliness of Determinations, 45 Days.
- **Application 90 Timeliness** - ≥ 95.00% timeliness average over the first Reporting Period for Application Timeliness of Determinations, 90 Days.
- **Renewal Non-LTSS Timeliness** - ≥ 95.00% timeliness average over the second Reporting Period for Renewal Non-LTSS Timeliness.
- **EPG 45**- ≤ Pending EPG 45 determinations must average at or below the target level during Reporting Period 1, taking into account the size of the County.
  - o *Application exceeding processing guidelines (EPG) 45 days*

| County Size | App EPG 45 Target |
|---|---|
| Large | ≤ 25 |
| Medium | ≤ 5 |
| Small | ≤ 3 |

- **EPG 90**- ≤ Pending EPG 90 determinations must average at or below the target level during Reporting Period 1, taking into account the size of the County.
  - o *Application exceeding processing guidelines (EPG) 90 days*

| County Size | App EPG 90 Target |
|---|---|
| Large | ≤ 10 |
| Medium | ≤ 3 |
| Small | ≤ 1 |

- **Pending EPG Renewal Non-LTSS** must average at or below the target level during Reporting Period 2, taking into account the size of the County.
  - *Renewals Exceeding processing guidelines for Non-LTSS*

| County Size | Renewal EPG Non-LTSS Target |
|---|---|
| Large | ≤ 130 |
| Medium | ≤ 20 |
| Small | ≤ 3 |

## Action To Be Taken:

Ensure your county's MAP Owners have access to the county's Tableau MAP Accuracy Dashboard - MAP Dashboard Access Requirements

The monthly business process for MAP owners regarding the Performance Incentive includes reviewing data, checking for any discrepancies, and ensuring untimely processing is addressed.

The MAP owner reviews all Performance measures targets in the MAP dashboard every month.

1. If MAP performance targets are not met, use MAP raw data to identify the root causes for untimely processing that are causing the county to not meet the target.
2. Use the root cause information to create an action plan that addresses delays in processing, helping you meet the performance targets.
3. If a discrepancy exists within the MAP raw data or you wish to dispute the data, please follow the steps below outlined in the MAP Exemption Process  MAP Eligibility Site Exemption Process V1 (Updated 8.26.24).pdf

The County Incentive Contract gives you a limited time after each Status Report period to dispute performance scores, which you can find in section 8.1.1.1.1 of the contract. HCPF strongly suggests that counties check the MAP dashboard every month and the MAP exemption process to avoid future performance incentive scoring issues or questions.

To access MAP resources, use this link:  MAP Resources & Desk Aids

If you are having challenges meeting performance targets, submit a Continuous

Improvement request or reach out to HCPF_MAPdashboards@state.co.us .The Continuous Improvement Team can assist with identifying the root cause of performance challenges and can work with the county to address identified challenges.

In addition, the Overflow Processing Center may be able to provide processing assistance for those cases non-compliant with performance targets or extenuating circumstances; visit the Overflow Processing Center (OPC) | Department of Health Care Policy and Financing for more information.

Exemptions for Unusual Circumstances

Exemptions for unusual circumstances will be considered as outlined in section 6.2 Definitions of Unusual Circumstance for FY 2024-25 County Incentives Contract. Exemptions will **only** be considered on a case-by-case basis per contract section 6 titled Exemptions.

Contract Language

Contract Language for the Accuracy Performance Incentive Standard can be found in section 4.2 Accuracy Performance Incentive Standard.  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.

Contract Language for the Performance Compliance Incentive can be found in section 4.3 Performance Compliance Performance Incentive Standard. 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.

Long Run – seven consecutive data points of performance on the same side of the moving average that signify a deterioration or improvement in performance.

MAP Dashboard Performance Measure – a performance measure reported to county directors that captures overall county performance in specific work areas and tracks progress towards and/or compliance with federal and state performance requirements.

Medical Assistance Performance (MAP) Dashboard Program – the program which reports performance measures, targets and information particular to

performance management for Medical Assistance Programs.

MAP Dashboard Performance Owner(s) - county designated MAP Dashboard performance owner(s) to access the MAP Dashboards to follow the posted Standard Operating Procedure (SOP), ensure targets are met, and research and address gaps in performance. Also know as a "MAP Owner."

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

Outlier - two continuous months or two of three months of not meeting the performance target.

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

Short Run – three or three out-of-four consecutive data points of performance closer to the limit of the county's normal process than the county's moving average.

Tableau – is an interactive data visualization software focused on business intelligence; provides a graphic representation of essential information regarding performance measures, targets and benchmarks and the county's actual performance.

Target – a degree of performance that we continuously strive to achieve; targets for MAP Dashboard Performance Compliance are set by HCPF based on federal requirements, current county performance and county solicited feedback to drive improvement strategic goals, federal requirements and improvement endeavors.

## Attachment(s):

EQA Process Manual: Eligibility Quality Assurance (EQA) Case Review Process Manual

How to access MAP Tableau: MAP Dashboard Access Requirements

MAP Exemption Process: MAP Eligibility Site Exemption Process V1 (Updated 8.26.24).pdf

Performance Coaching Workbook: Performance Coaching Workbook (Updated June 2024)

Submitting a MAP Exemption Request: MAP Exemption Submittal Request

## HCPF Contact:

For questions on the Performance Incentive Standards, 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 or MAP Program, please contact: HCPF_MAPDashboards@state.co.us