PRISM Training

Utah Department of
Health & Human Services
Integrated Healthcare

CHIP Out of Pocket Maximum (OOPM)

Current OOPM Process in Legacy

The CHIP OOPM is 5% of the member's countable income and runs through the member's eligibility certification period. Under the Legacy system, members keep track of when they meet their OOPM during their certification period and contact the Medicaid Office of Managed Health (OHM) data team if they believe they have met their OOPM. The data team verifies the member's/household's eligible medical and dental claims and coordinates with the CHIP plans to update their systems to remove the co-pay requirements for the eligible certification period.

Changes to the OOPM Process in PRISM

PRISM will use medical, dental, pharmacy encounters and premium late fees to calculate and report the member's OOPM amount remaining on the 834-audit and daily files sent to the managed care plan. Unless there is another change to the members eligibility information, a change to the OOPM will not trigger a daily 834. The 834-audit file will list how much of the OOPM has been met and when the maximum has been reached.

The CHIP medical and dental plans will be responsible for monitoring the 834-audit and daily files and ending the copay requirement once the member has reached their 5% OOPM and the cost share met flag been updated to a "Y".

The OOPM Overview

- PRISM will receive the member's eligibility record through the eREP interface. The record will indicate the CHIP household's 5% out of pocket amount based on the income reported for the certification period. The OOPM will start over that the beginning of each new certification period.

- Cost Sharing from the following counts toward the CHIP 5% Out of Pocket accumulation (CHIP OOP) and impacts the setting of CHIP Cost Share Met Flag for a CHIP beneficiary.

    o CHIP medical encounter

    o CHIP pharmacy encounter

    o CHIP dental encounter

    o CHIP late fees (received from the eREP interface

- Plans can email managedcaredata@utah.gov with questions and if needed, the OMH data team can pull a report for members that includes all encounters, whether the OOPM has been met, what encounters were used toward the OOPM and if any encounters were requiring reconciliation.

- When the member is American Indian or Alaska Native (AI/AV) they are exempt from cost share. The plan will be able to recognize this exemption using the race code and the rate cell.

- When the CHIP out of pocket is reached, the 834 will report the out of pocket remaining as zero and the CHIP Cost Share Met Flag as "Y".

- PRISM will only be able to update the cost share flag and calculate the remaining OOPM balance through adjudicated encounters and any premium late fees reported through the eREP interface.

- The following fields will be included in the 2300 REF segment of the 834 file

    o Native American/Alaska Native - Y/N

- - Cost Share Met Flag that will be set to - Y/N
    - Y = Yes, the member has met their OOPM
    - N = No, the member has not met their OOPM
  - Cost Share Remaining amount
  - The members rate code listed in the 2300 HD04 positions 1-5
    - Race 2100A DMB05-1 = 'I - American Indian or Alaskan Native

- When the certification period is extended beyond twelve months, expenses will continue to be applied toward the OOPM for that period. If the member has already met their OOPM the cost share flag will remain "Y" and they will remain exempted from cost sharing until a new certification period begins.

- Changes reported in the beneficiary's income or household composition during a certification period may cause a change in the status of the cost share met flags for all members of the household.

Reporting CHIP OOPM Payment Contributions through CHIP Encounters

CHIP Managed Care Health and Dental Plan encounters contribute towards the incurred cost for a beneficiary. In PRISM, the determination of when the OOPM is met will be based on the <u>date the encounter was adjudicated.</u>

- The copay amount is reported in the 837 in loop 2320 (header) or loop 2430 (line) in field CAS (Monetary Amount) when CAS (Claim Adjustment Reason Code) is 1(Deductible Amount), 2(Co-Insurance Amount), and/or 3(Copayment Amount) and CAS (Claim Adjustment Group Code) is PR (Patient Responsibility).

- Only 'Accepted' encounters will be considered for the CHIP OOP contributions. The accepted status will be checked at the header level for encounters for which the copay is reported at the Header and at the line level for encounters where the copay is reported at the Line level.

  PRISM Encounter Adjudication Date (the date the encounter was processed by the state) is used to contribute the amount to the corresponding Certification Period's CHIP OOP Utilization bucket.

Void Encounter CHIP OOPM Contribution Logic

For Void CHIP encounter transactions, the system will get the parent encounter CHIP OOP Payment amount to subtract from the member utilization bucket and will store the void transaction in the CHIP Transaction Utilization History table with the negative CHIP OOP Payment amount.

Void CHIP Encounter received in the same Certification Period as the Parent Encounter

- If the member's CHIP Cost Share Met Flag is 'N', then update the member's current CHIP OOPM Utilization bucket with the void transaction copay amount.
- If member's CHIP Cost Share Met Flag is 'Y' then do not update the member's CHIP OOPM Utilization bucket with the void transaction copay amount.

Void CHIP Encounter Received in a Different Certification Period than the Parent Encounter

No impact on CHIP OOPM Utilization bucket as well as the CHIP OOPM Transaction Utilization History.

Adjustment Encounter CHIP OOPM Contribution Logic

The following applies to adjustment encounters received in the certification period as the parent encounter.

- Irrespective of the member's Cost Share Met Flag value ('N'/'Y'), update the member's current CHIP OOPM Utilization bucket with the adjustment transaction copay amount and corresponding system generated void transaction copay amount.
- Overage Flag is 'N' for all adjustment transactions going into transaction utilization history for CHIP Encounters. If the Cost Share Met Flag is set to "Y", set the Overage Flag to "Y" for the adjustment transaction going into the transaction utilization history. If the Cost Share Met Flag is set to "N" set the Overage Flag to "N".

- If the member's CHIP Cost Share Met Flag is 'N' then update the member's current CHIP OOPM Utilization bucket with the adjustment transaction CHIP OOPM Copay amount and corresponding system generated void transaction CHIP OOPM Copay amount which is from the parent CHIP OOPM Copay amount. Set the overage flag for the adjustment transaction to 'N'.

- If the member's CHIP Cost Share Met Flag is 'Y' then do not populate the member's current CHIP OOPM Utilization bucket with the adjustment transaction Copay amount and corresponding system generated void transaction Copay amount. Set the overage flag for adjustment transaction to 'Y'.

- Add both adjustment record and system generated void record to the CHIP OOPM Transaction Utilization History irrespective of the Member's CHIP Cost Share Met Flag value.

The following applies to adjustment encounters received in a different certification period than the parent encounter.

- Always ignore the system generated void if the adjustment encounter is received in the different Certification Period than the parent.

- If the difference between adjustment copay amount and parent copay amount is greater than zero and the Member Cost Share Met Flag is 'N' for the current Certification Period, then add the copay difference to the member's cost share utilization bucket for the current Certification Period. Add the adjustment TCN record to the transaction utilization history for the current Certification Period.

- If the difference between adjustment copay amount and parent copay amount is zero or less ignore the adjustment.

- If the difference between adjustment copay amount and parent copay amount is greater than zero and the Member Cost Share Met Flag is 'Y' for the current Certification Period, then ignore the adjustment.

- If adjustments for the parent claim are spread over multiple Certification Periods and the copay amount for the current adjustment is more than the total copay amount contributed through the previous transactions then add the balance copay amount to the current Certification Period bucket if the Member Cost Share Met Flag is 'N', ignore otherwise.

- If adjustments for the parent claim are spread over multiple Certification Periods and the copay for the current adjustment is less than the total copay contributed through the previous transactions, then ignore the adjustment.

If the difference between adjustment CHIP OOPM Copay amount and parent CHIP OOPM Copay amount is greater than zero and the Member's CHIP Cost Share Met Flag is 'Y' for the current Certification Period, then do not populate the member's current CHIP OOPM Utilization bucket with the difference. Add the adjusted amount to the CHIP OOPM Transaction Utilization History with the overage flag 'Y'.

CHIP OOPM for CHIP Pharmacy Encounters

This section covers the rules for CHIP OOPM amount contribution and derivation of the CHIP Cost Share Met Flag for Pharmacy encounters.

- 5% cost sharing for CHIP Encounter Pharmacy Claims only considers Claims that are 'Accepted'.

- Pharmacy encounter copay amount reported by the plan contributes towards the CHIP OOPM accumulation.

- Field 518-FI-AMOUNT OF COPAY in NCPDP file will contain the pharmacy encounter Copay Amount.

PRISM created date (load date) is used to contribute the amount to the corresponding Certification Period's CHIP OOPM bucket.

Void Pharmacy Encounters CHIP Contribution Logic

Voided Encounter Pharmacy transactions will follow the corresponding CHIP Voided transactions process for Medical Encounters.

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