

Improving Outcomes, Finance & Quality Through Integrated Information Conference

Administrative Cost Reporting-Part 11
What the Numbers Tell us...
June 3, 2010 2:00 pm
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Session-Purpose and Intended Outcome(s)

For this session, the purpose is to:

- 1) Share preliminary summary information from the 46 CMHSP Administrative Cost Reports
- 2) Discuss
 - Is the data consistent with your understanding...appear accurate, comparable
 - What can differences be attributable to
 - What might be opportunities for efficiencies
- 3) What are the "next steps" with regard to the information contained in the summary....for accuracy, comparability and utility...

Caveats

- DCH is still in the process of reviewing the information submitted and a number of CMHSPs are still in the process of updating or confirming the information submitted
- In a few situations, the submissions were adjusted-if formulas were off, or narrative provided sufficient information to adjust (correct) a submission, this was done...otherwise..either blank or as submitted.

Data

- Nine summaries are being shared in this panel session
- In general, because of the interplay with Medicaid, CMHSP information is aggregated to PIHPs
- Unless information is otherwise published, summaries are prepared using percentages

(1) Total Administration-Including Direct Services (2) Unduplicated Functions

- Grand total administrative costs-including delegated to non-CMHSPs and those costs associated with direct provider status
- In total, Administrative costs (non-provider related) are about 10%
- Administrative costs associated with service provision – wide variation depending on CMHSP/region
 - ?does this seem "about right"
 - ?what might differences be attributable to
 - ?are there efficiency opportunities
 - ? What should be the next steps

CMHSP-Comparison to Sub-Element Administration

13 CMHSPs...about same

18 higher...11 lower

A number of the differences arise from the proportion of administrative costs that were allocated to direct service provision—issue requiring clarification/further development—distribution of administrative costs to direct service operations

What should be the next steps...?

Administration by Program (Fund Source)

- Is this information influenced by reimbursement (e.g. funding) available under specialty waivers such as ABW, MIChild
- ?Is this influenced by differences in administrative processes
 - ?does this seem "about right"
 - ?what might differences be attributable to
 - ?are there efficiency opportunities
 - ? What should be the next steps

By Fund Source Rolled Up to PIHPs

- This summary makes comparisons at the PIHP regional level
- Noted...differences between "spoke" and hub reported administration...is this
 - ? Due to caps on reimbursement
 - ? Reporting nuances
 - ?does this seem "about right"
 - ?what might differences be attributable to
 - ?are there efficiency opportunities
 - ? What should be the next steps

Comparison... FY05 and FY09

- No change-financial management
- Down-provider network management; utilization management, customer/beneficiary services, quality management
- Up-general management, information systems
 - ?does this seem "about right"
 - ?what might differences be attributable to
 - ?are there efficiency opportunities
 - ? What should be the next steps

Medicaid-MUNC Comparison

- For 9 PIHPs-2 higher; 6 lower..in total “close” but some-very different-because....?
 - ?does this seem “about right”
 - ?what might differences be attributable to
 - ?are there efficiency opportunities
 - ? What should be the next steps

Functions as Reported and Delegated

Page 8—FY09 functions only
Page 9—Delegated functions

- Most likely delegation is utilization and quality management...then customer services and provider network management
- ? Is the delegation to a “spoke” that is also a significant provider of services
 - ?does this seem “about right”
 - ?what might differences be attributable to
 - ?are there efficiency opportunities
 - ? What should be the next steps

What’s Next

- The workgroup is expected to continue to meet and work toward accuracy, consistency and use of the information
- A response plan to appropriations boilerplate intent for cost information for more service providers must be developed and implemented
- The extent to which greater standardization of cost allocation requirements would be helpful must be determined
- Financial information will be utilized for FY10 reporting for boilerplate and other purposes
