

Preventing Additional Respondent Backlog

Candice Smith-Byrd

South Carolina Department of Health and Human Services

February 7, 2022

Introduction

The South Carolina Department of Health and Human Services (SCDHHS) is the state's cabinet agency that administers the state's Medicaid program under Title XIX of the Social Security Act. Healthy Connections Medicaid is South Carolina's medical assistance program by which the federal and state governments share the cost of providing medical care for persons in need, who may not be able to pay for health care services.

Potential Healthy Connections Medicaid beneficiaries must apply and be deemed eligible for Medicaid coverage in one of the qualifying categories. If someone is deemed eligible for Medicaid, case documents are reviewed periodically or when there is a change in circumstance, such as finances, marital status etc. to ensure the person continues to meet the Medicaid criteria for coverage. If a Medicaid applicant or beneficiary disagrees with an eligibility decision, such as does not qualify or no longer qualifies for benefits, he/she has the right to file an appeal. Appeal rights are provided to applicants/beneficiaries and/or authorized representatives with any adverse notice. Appeal rights and the appeal process are also available to anyone through the SCDHHS website (scdhhs.gov/Getting-Started and scdhhs.gov/appeals).

The Medicaid eligibility appeal process is governed by the 42 Code of Federal Regulations (CFR) §431.220, §431.221, §431.224 and §431.244. In addition, SCDHHS has internal policies and procedures for Medicaid eligibility appeals found in the SCDHHS Medicaid Policy and Procedures Manual (MPPM) sections 101.04.01 and 101.12.11. Based on 42 CFR 431.244, in general, appeal requests should be adjudicated by the SCDHHS Division of Appeals and Hearings-Hearing Officer within 90 days of receipt of the appeal request.

Problem Statement

Currently there is a backlog of eligibility appeal cases, and the goal would be to have no backlog.

Prior to March 17, 2021, the intake of eligibility appeals was housed within SCDHHS' Division of Eligibility, Enrollment and Member Services (EEMS). When appeal requests were received, they were logged in and assigned to an eligibility appeals coordinator (now referred to as eligibility respondent coordinator) using an excel spreadsheet stored in the agency's SharePoint site. The assigned eligibility appeals coordinator was to then review the Medicaid eligibility case and submit a summary packet regarding the case progression to include the determination made with supporting policy to the Division of Appeals and Hearings. There were no processing timeframes in place for when appeal requests and case information was to be released to the SCDHHS Division of Appeals and Hearings, nor was there an adequate method of tracking the appealed cases. This along with other factors contributed to a substantial backlog of cases within EEMS that needed to go to the Division of Appeals and Hearings for adjudication.

As of March 11, 2021, there were approximately 480 Long Term Care eligibility appeal requests sitting within EEMS that needed to be processed and sent to the Division of Appeals and Hearings. Of these, the oldest appeal request was received in EEMS December 30, 2015 (over 5 years old). Of the approximate 480 Long Term Care eligibility appeal cases backlogged within EEMS, 373 were for nursing home eligibility. Nursing home services are costly and could cause financial hardship to the applicant/applicant's family/authorized representative if the nursing facility requires payment prior to the Medicaid determination or appeal adjudication. Often, if

an applicant is already in a nursing facility, the nursing facility will await SCDHHS' eligibility decision or appeal adjudication (if an appeal was filed) before billing the applicant/family/authorized representative for services. Nursing home eligibility appeals being in a backlog and not being processed could become costly to the nursing facility who is already rendering needed services. Oftentimes the nursing home will choose to write off expenses instead of bill the applicant/family/authorized representative when the Medicaid appeal has been pending for a long period of time and the appeal results are not in favor of the applicant.

SCDHHS' mission and vision are "To purchase the most health of our citizens in need at the least possible cost to the taxpayer while being a responsive and innovative organization that continuously improves the overall health of South Carolina." To not have an appeal backlog would ensure we are aligning with being a responsive organization.

Data Collection

As of March 2021, there was a known backlog of appeal cases within EEMS that needed to be provided to the Division of Appeals and Hearings. To address this concern, a couple of things occurred. First, the process for appeal intake changed from EEMS to the Division of Appeals and Hearings. Second, a database was created to assist with better tracking cases. Third, case response timeframes were implemented. The goal of data collection was to analyze the effectiveness of the new database and timeframe implemented August 12, 2021, compared to the previously used SharePoint excel spreadsheet with no case response timeframe. Effectiveness would be defined as responding to appeal requests timely by completing a summary packet to the Division of Appeals and Hearings and having no cases go into a backlog.

To do this, data from the SharePoint excel spreadsheet was collected for cases received May 1, 2021, through August 11, 2021, and data from the database was collected for cases received August 12, 2021, through November 30, 2021. This is a three-month period prior to the database and timeframe implementation and a three-month period after the database and timeframe implementation.

For cases received during the identified timeframe, the number of business days it took to send an appeal summary packet to the Division of Appeals and Hearings was calculated from the date of receipt of the request. A response timeframe was established based on the following appeal status category:

- 4 business days for expedited appeals
- 5 business days for Modified Adjusted Gross Income (MAGI) appeals
- 10 business days for Non-MAGI and Long-Term Care appeals

Since the project goal is to keep appeal cases from going in a backlog, data collected was based on responding within or over a ten-business day period. Refer to the following charts for data collected for this project.

Chart 1: SharePoint Excel Spreadsheet Data Collected

May 1, 2021-August 11, 2021
Data collected effective November 18, 2021

Total # Received	Total # Sent to Appeals and Hearings (A&H)	# Sent to A&H within 10 business days	# Sent to A&H over 10 business days	Longest # of business days to submit to A&H	# In backlog/ not sent to A&H
376	315	195	120	108	61
<p>*There were 3 cases that appeared to be a data entry error. The sent to A&H date was prior to the case received date. There is an assumption that these dates were entered in reverse. These 3 cases were entered as follows: received from A&H 7/23/2021 sent to A&H 7/7/2021 (-13 business days to submission); received from A&H 6/3/2021 sent to A&H 5/20/2021 (-11 business days to submission); and received from A&H 5/11/2021 sent to A&H 5/10/2021 (-2 business days to submission). For this project, 2 were placed in the calculation for response over 10 business days and 1 was placed in calculation for response under 2 business days.</p>					

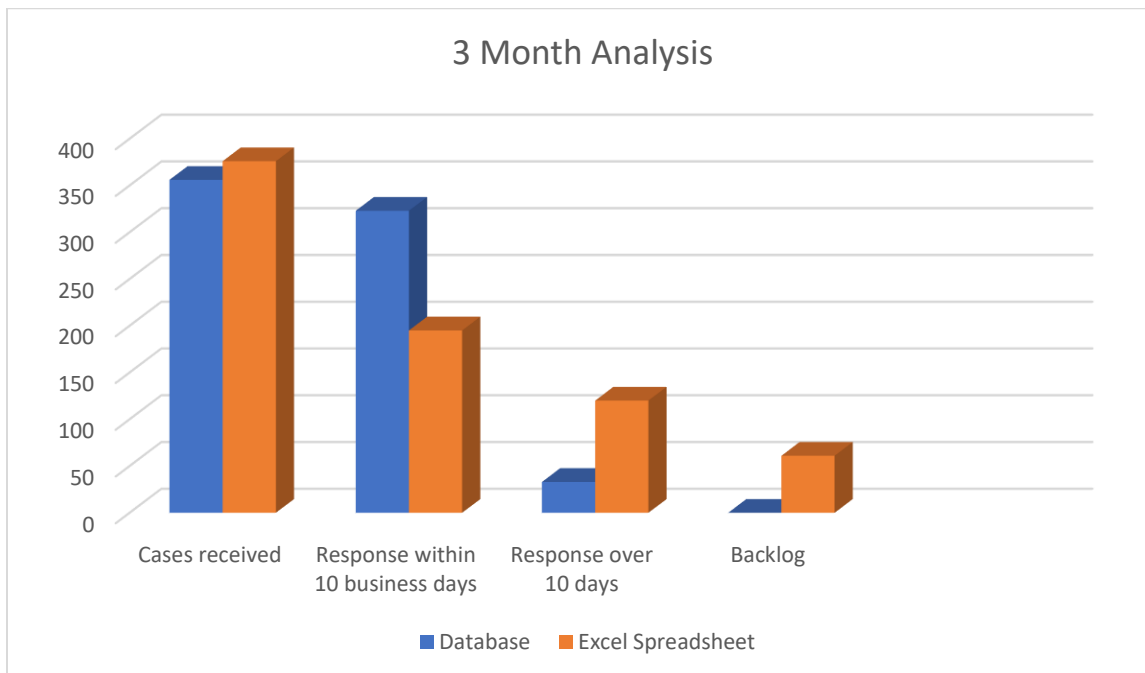
Chart 2: Database Data Collected

August 12, 2021-November 30, 2021
Data collected effective December 16, 2021

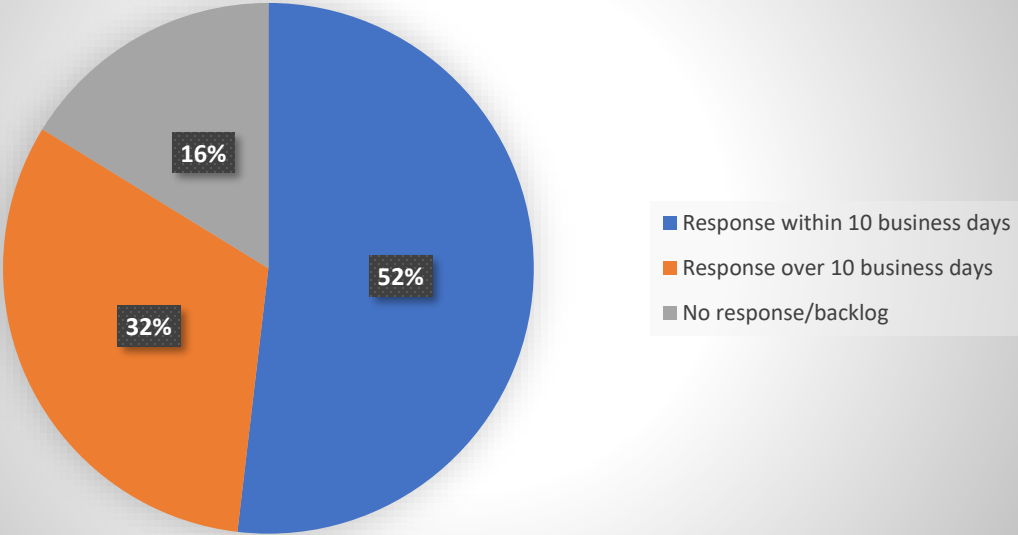
Total # Received	Total # Sent to Appeals and Hearings (A&H)	# Sent to A&H within 10 business days	# Sent to A&H over 10 business days	Longest # of business days to submit to A&H	# In backlog/ not sent to A&H
368	356	323	33	34	0
<p>* A total of 368 cases were received but 12 cases did not require a summary packet to be submitted to A&H, which leaves the total cases needing a response 356. Reason for not needing summary packet on these 12 cases: 8 were withdrawn appeals, 1 was adjudicated by hearing officer without the need of a summary packet, 1 remand order to continue processing of current application, 2 dismissals. All 12 of these cases were closed.</p>					

Data Analysis

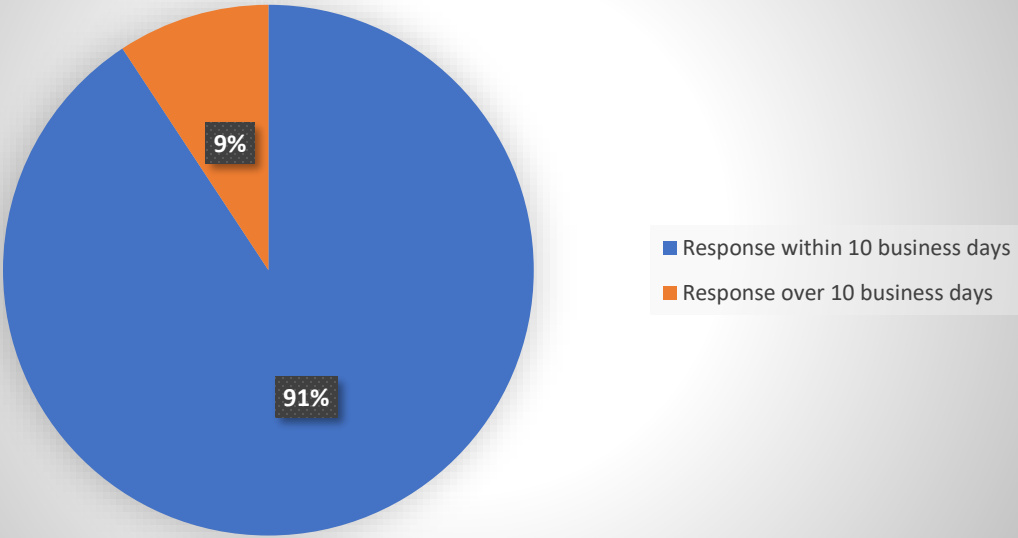
The data collected from SharePoint revealed that 52% of cases were being responded to within a ten-business day period; 32% of cases were being responded to over a 10-business day period and 16% of cases were placed in the backlog. The data collected from the database revealed that 91% of cases were being responded to within a ten-business day period; 9% of the cases were being responded to over a 10-business day period; no cases went into a backlog. The response times increased with the use of the database and having response timeframes implemented. As referenced in **Chart 2**, all cases were processed with a summary packet to the Division of Appeals and Hearings with the longest response timeframe being 34 business days.



Excel Spreadsheet Response Percentages



Database Response Percentages



Implementation Plan

Effective March 17, 2021, the intake for eligibility appeals changed from EEMS to the Division of Appeals and Hearings. There still needed to be a method to be more efficient with tracking eligibility appeal cases to ensure a timely adjudication. The Division of Appeals and Hearings already had a database and case management system. Effective August 12, 2021, a database was designed for EEMS Eligibility Determination Respondent (EDR) team in which demographic information and the assigned appeal case number would be copied from the Division of Appeals and Hearings database. This copying of certain information was to ensure easy data matching between EEMS EDR and the Division of Appeals and Hearings. No actual case information can be shared only between the Division of Appeals and Hearings and EEMS EDR as there can be no ex parte communication. (Ex parte communication occurs when one party communicates (verbal or written) about a case to the hearing officer without the opposing party being involved). When a case is transferred to EEMS EDR from the Division of Appeals and Hearings for a response, the case is assigned to an individual eligibility determination respondent (ERC) in the database by the supervisor. The supervisor also enters a response due date, established by the Division of Appeals and Hearings, in the database for case tracking. The case tracking in the database provides a daily countdown to the due date. The database also has reporting features and is user friendly compared to the previously used SharePoint excel spreadsheet.

The implementation of the database took a team approach. The action steps needed and completed to get the database up and operational included:

1. Eligibility respondent program managers to meet with the database developers to discuss need and functionality,
2. Database developers and eligibility respondent program managers to meet with the Office of General Counsel for approval of the database to ensure no ex parte communication with the Division of Appeals and Hearings,
3. Testing of the database by the eligibility respondent program managers,
4. Development of a user manual by the database developers,
5. Training on the database to the eligibility determination respondent team by the program manager, and
6. Implementation with feedback from the daily users to the developers for any improvements needed.

It was estimated that it would take around a 3-month period to get the database developed and implemented. This was actually the case. The first meeting with the database developers was on May 12, 2021, and the database was implemented on August 12, 2021. There was no additional cost to the agency as the developers were in-house and the database is web-based tied to our secure agency network. Part of the database had already been developed for the Division of Appeals and Hearings which had been operational for a couple of years; therefore, the creation of the database for the eligibility determination respondent team was just an extension of the database already in place.

One potential obstacle was that the use of the database could be perceived as ex parte communication between the eligibility determination respondent team and the Division of Appeals and Hearings. On May 25, 2021, a meeting was held with the developers, eligibility

determination respondent program managers, Office of General Counsel and a representative from the Division of Appeals and Hearings to review the functionality of the database and to ensure there would be no information shared between the eligibility determination team and the Division of Appeals and Hearings that would constitute ex parte communication. Since actual case documents are not stored in or shared through the database, it was determined that no ex parte communication would occur.

Another potential obstacle was making changes to the database once implemented. Until the daily use of the database by the ERCs, it was unknown if the database would meet the needs of the users and program managers for monitorship and reporting. Since the database implementation, there have been additional requests made to improve the database such as having cells of overdue cases highlight in yellow on the forward-facing screen and adding additional reporting features for the supervisors and managers. So far, the revisions to the database have been made as requested.

Lastly, a potential obstacle was the ease of use of the database for the daily users (ERCs). A database manual was developed by the developers and was shared with the ERCs on August 10, 2021. Training was provided to the ERCs on August 11, 2021, by the program manager, and the database went live on August 12, 2021. At weekly team meetings, the ERCs were asked for feedback on the use of the database. Feedback from the users has been very positive since implementation. One user obstacle noticed with the use of the database was that users were not entering the date the summary packet was due to the Division of Appeals and Hearings. Even after additional user trainings, it was found that this date was not being entered by the individual ERC assigned the case. The workaround for this was to have the ERC's manager/supervisor to

enter the summary due date at case assignment. This has ensured 100% of the cases assigned that require a summary packet have the due date entered and tracked in the database.

There continues to be ongoing assessment and feedback with the use of the database between the users and the developers. There also continues to be Policy and Procedure updates to document current processes. There is a current draft to revise MPPM 121.12.11 to specifically reference the database in operational procedures. Managers and supervisors also continue to monitor the due dates in the database daily. With the monitoring of due dates, there have been a couple more recent developments:

1. If the case is due on the inquiry day, the manager/supervisor reaches out to the ERC to see if being submitted that day, if not, the ERC requests an extension. This is a step that was implemented in November 2021 and is still being reinforced with ERCs. Once the extension is granted, the new due date is entered in the database.
2. The due dates in the database are not only used for the summary packet response date but for also subsequent responses needed such as due dates for orders to produce, prehearing conference dates and hearing dates. This too was implemented in November 2021.

Evaluation Method

On an ongoing basis, during team meetings, time is allotted to obtain feedback on the database to obtain end user feedback. Also, all EDR managers and supervisor have an opened door policy to team members for additional feedback at any time. Adjustments will continue to be made to the functionality of the database as identified.

In addition to the daily monitorship of case due dates, at least monthly, reports are pulled from the database for case response and overall workflow monitorship. Data is reviewed for the total number of appeal requests received for the identified month, the total number of summary packets sent to the Division of Appeals and Hearings for the identified month, and the total number of cases closed for the identified month. If the number of summary packets sent to the Division of Appeals and Hearings is less than the number of appeal requests received, additional investigation will be made into individual cases to find the reason a response was not provided. A resolution will be implemented to ensure the case is not in a backlogged status. Since implementation of the database, the number of cases sent to the Division of Appeals and Hearings has exceeded the number of appeal cases received. This data not only reflects that the ERCs are processing appeal cases and submitting summaries but are also working cases in the previously created backlog.

Month	Number of appeal requests/cases received	Number of packets sent to A&H	Number of cases closed
January 2021	173	61	15
February 2021	179	72	32
March 2021	167	121	61
April 2021	154	64	78
May 2021	107	78	41
June 2021	122	178	99
July 2021	114	148	91
August 2021	112	124	64
September 2021	102	128	92
October 2021	94	237	172
November 2021	86	207	256
December 2021	85	190	193
Effective 8/12/2021 all new opened cases are in the ERC Appeals Database.			

The above monthly report is shared with the EEMS EDR deputy director, agency director and senior staff for transparency of ERC workflow.

Summary and Recommendations

In comparing the data collected prior to the implementation of the database with the data collected after the implementation of the database, no cases went in backlog after database implementation. There are a couple of other contributing factors to the success of the database such as implementation of response timeframes and general process improvements. Since implementation, the database has been an effective tool in tracking and monitoring eligibility determination respondent cases. At this time, it is recommended for the EEMS EDR team to continue to utilize the database for case tracking and monitoring. Another complete analysis of the usefulness of the database will be completed around the one-year mark of implementation. As the EEMS EDR team continues to use the database, ongoing feedback will be received for possible revisions needed. The database will continue to be modified to meet the needs of the department and the agency.