

# MERCER GOVERNMENT HUMAN SERVICES CONSULTING

## INFORMATICS: PUTTING YOUR DATA TO WORK FOR YOU

Today's health care leaders are often data-rich but information-poor, and laboring under tight time constraints. Accurate analysis and use of health care data can ensure effective policy design and program management, ultimately supporting the overall program goal and budget.

Mercer Government Human Services Consulting (Mercer) understands the critical role health care data plays in key decisions around measuring, reporting, and policy-making within Medicaid and other health care programs. Our expert team has more than 15 years of experience assisting many of the nation's largest Medicaid programs in how to better use their detailed and summarized encounter and fee-for-service (FFS) data.

Mercer's expertise is unique because we are able to work side by side with actuaries, clinicians, pharmacists, and consultants to ensure an integrated approach

to addressing a client's data-related issues. Our experience includes using and analyzing encounter and FFS data in a wide array of analyses and reporting.

### ACTUARIAL

- Perform validation and analysis of encounter data.
- Manipulate and summarize detailed data for capitation-rate development.
- Analyze data to assess proposed or pending policy or legislative changes.
- Analyze validity and feasibility of data for use in developing risk-adjusted rates.



- Perform risk adjustment and risk profiling.
- Analyze and compare health plan efficiency.
- Shadow price data and perform benchmarking.
- Conduct predictive modeling.
- Complete claim grouping.

### CLINICAL/QUALITY IMPROVEMENT

- Identify and analyze populations to target disease management programs.
- Analyze the effectiveness of disease management programs.
- Assess health status of FFS or managed care recipients via disease-based risk scoring.
- Complete HEDIS performance measurements and validation.

### PHARMACY

- Model the impact of reimbursement methodology changes and drug utilization trends.
- Identify patterns of overusage or improper pharmacy usage based on clinical guidelines.
- Evaluate pharmacy usage patterns and projections under different reimbursement benchmarks.

### DATA CONSULTING

- Perform health plan claims-system-readiness reviews for new systems or programs.
- Perform health plan operational reviews.
- Compare encounters to claims data through onsite reviews.
- Analyze claims data for quality and missing data.
- Assist with MMIS implementation with edits for encounter data and system requirements.
- Improve encounter data through recommendations for best practices.
- Perform external quality review in conjunction with the clinical team to perform the Information Systems Capabilities Assessment and encounter data validation.
- Assist in writing and scoring request for proposals.

In addition to the support that we provide directly to our clients, we can also offer solutions for clients to use and manipulate the data themselves.

For more information, please contact a Mercer representative at one of the following offices:

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### CASE STUDY #1

#### Situation

The state hired a new data vendor to process its FFS and managed care data. However, the managed care encounter data lacked some key information, such as payment data.

#### Challenge

The state has six health plans running on different systems. The current data vendor was not able to collect all the required data, process the information, and upload it to the state's data warehouse in time for rate-setting activities.

#### Action

Mercer developed master data requests and liaised with multiple contractors to identify the data elements that satisfied the various required efficiency analyses. Mercer worked directly with the state's managed care organizations to ensure that data submission was consistent and accurate.

#### Results

The data collection process provided complete and accurate data necessary to perform actuarial rate-setting analyses and efficiency analyses. The process identified existing inefficiencies — providing direct savings for the state. The state has used the collected data to update its data warehouse and to further instruct its health plans on the process of sending data directly to the state. The state has asked Mercer to perform the process again while the data warehouse issues are resolved.

### CASE STUDY #2

#### Situation

The state compared financial data to encounters and found differences between the two sources. In particular, there were large differences for one specific health plan. The state wanted to know the reasons for the differences and to understand other concerns with encounter-data submissions.

#### Challenge

The root cause(s) of the data issues needed to be determined. The data were necessary for important project work.

#### Actions

Mercer performed onsite reviews at all health plans to determine whether encounter-submission issues existed. A data request went out to the plans in preparation for the meetings, which were to include a health plan demonstration of the plans' claims systems. Mercer extracted sample encounters to examine during the meetings.

#### Results

The review found multiple issues, the biggest of which was a misunderstanding of the process for submitting adjustment encounter records to the State. Rather than voiding and replacing the original encounter, one health plan was submitting only the incremental adjustment, causing a dollar shortage. The state has now engaged Mercer to perform more regular onsite meetings with the health plans.