

SEPTEMBER 1, 2019 THROUGH AUGUST 31, 2021

**COMPARISON OF LOUISIANA
MEDICAID DENTAL BENEFIT
MANAGEMENT PROGRAM
ENCOUNTERS TO CASH
DISBURSEMENTS FOR
MCNA DENTAL PLANS**



NOVEMBER 16, 2021





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The Louisiana Department of Health (LDH) engaged Myers and Stauffer LC to analyze Louisiana Dental Benefit Program Manager (DBPM) encounter data that has been submitted by the Dental Benefit Program Manager (DBPM) contractor, MCNA Dental Plans, to Louisiana's fiscal agent contractor (FAC), Gainwell Technologies, and complete a comparison of the encounters to cash disbursement journals (CDJ) provided by the DBPM contractor. For purposes of this analysis, "encounter data" are claims that have been paid by the DBPM contractor to health care providers that have rendered health care services to members enrolled with the DBPM contractor.

Myers and Stauffer LC receives encounter data on a monthly basis from the FAC in a standardized data extract. This data extract contains paid and denied DBPM encounters that were submitted by the DBPM to the FAC and were subsequently loaded into the Medicaid Management Information System (MMIS).

Myers and Stauffer LC analyzes the information of each paid encounter in the MMIS to capture the amount paid on each line of an entire claim. In certain instances, we identify potential duplicate and calculated void encounters and conclude that some of these potential duplicates appear to be partial payments, some are actual duplicate submissions and some are replacement encounters without a matching void when the encounter data is compared to the CDJ submissions.

Once the potential duplicate and calculated void encounters have been identified, we adjust the encounter totals to reflect the actual payment made (i.e. removing the duplicate payment amounts from our analysis). The net encounter total is then used for the reconciliation analysis and compared to the DBPM submitted CDJs based on common fields, such as DBPM identification number (ID) and DBPM paid date.

Our work was performed in accordance with American Institute of Certified Public Accountants (AICPA) professional standards for consulting engagements. We were not engaged to, nor did we perform, an audit, examination, or review services; accordingly, we express no opinion or conclusion related to the procedures performed or the information and documentation we reviewed. In addition, our engagement was not specifically designed for, and should not be relied on, to disclose errors, fraud, or other illegal acts that may exist.

The results of our engagement and this report are intended only for the internal use of the Louisiana Department of Health (LDH) and should not be used for any other purpose.





SUMMARY

LDH requested that, for this study, we review the plan's paid encounters to determine if the paid encounters meet the state contract minimum completeness requirement of **95 percent** when compared to the CDJ files that are submitted by the DBPM. The encounters and CDJ file utilized in this study met the following criteria:

- Encounters were paid within the reporting period of September 1, 2019 and extending through August 31, 2021;
- CDJ transactions had payment dates within the reporting period of September 1, 2019 and extending through August 31, 2021;
- Encounters were received and accepted by the FAC and transmitted to Myers and Stauffer LC through September 28, 2021.

Table A — MCNA Cumulative Completion Totals and Percentages

Description	Entire Plan	Value-Added Services (VAS)
Encounter Total (FAC reported)	\$215,975,194	\$0
<i>Total Encounter Adjustments (\$)</i>	<i>(\$3,091,335)</i>	<i>\$0</i>
<i>Total Encounter Adjustments (%)</i>	<i>-1.43%</i>	
Net Encounter Total	\$212,883,859	0%
CDJ Total	\$220,799,806	\$50,014
Variance	<i>(\$7,915,946)</i>	<i>(\$50,014)</i>
Completion (%)	96.41%	0.00%
100% Limited^ Completion (%)		
Contract Minimum Completeness Requirement (%)	95.00%	
Non-Compliant (%)		-95.00%





For this study, Myers and Stauffer analyzes the encounter data that is submitted by the DBPM to the FAC and loaded into the FAC MMIS. Encounters submitted by the DBPM that were rejected by the FAC for errors in submission or other reasons are not transmitted to Myers and Stauffer.

Furthermore, Myers and Stauffer analyzes the encounter data from the FAC MMIS and makes the following adjustments. Table B below outlines the impact of applying these encounter analysis adjustments to the encounter paid amounts, when compared to the raw data received.

1. The payment amounts associated with denied encounters are identified as zero dollars in the encounter reconciliation analysis since they bear no impact on cash disbursements.
2. We identified potential duplicate encounters using our encounter review logic. Based on a comparison to the CDJ files, we noted some of these potential duplicates appear to be partial payments, some are actual duplicate submissions, and some are replacement encounters without a matching void. At the direction of LDH, we have attempted to adjust our totals to reflect the actual payment made and have removed duplicate payment amounts from our analysis.

Table B — Myers and Stauffer LC's Adjustments to MCNA Encounters

Description	Encounter Count	Paid Amount	Paid Amount (% of Total*)
Total Encounter Amount (FAC Reported)	6,184,515	\$215,975,194	100.00%
<i>Adjustment Type</i>			
<i>Denied</i>	(355,320)	(\$3,089,609)	-1.43%
<i>Calculated Void</i>	0	\$0	0.00%
<i>Duplicate</i>	(16)	(\$1,725)	0.00%
<i>Total Adjustments Made</i>	(355,336)	(\$3,091,335)	-1.43%
Net Encounter Amounts	5,829,179	\$212,883,859	98.57%

* Percentage ratios are rounded down for each adjustment type and may not add up to the total percentage of adjustments made for this reporting period. Please see data analysis assumption number 5 on page 13 for further explanation.





During this analysis, Myers and Stauffer identified potential data issues that may impact the completion percentages for MCNA Dental.

Please reference Table C on page 7 for MCNA Dental's reconciliation period table. This table contains detailed reconciliation totals, completion percentages, and encounter analysis adjustments.

Data issues that may cause completion percentages outside the targeted range (below 95 percent or above 100 percent):

1. We noted much lower monthly completion percentages for the following months:
 - July 2020 appears to have a significant number of missing voids in the CDJ transactions when compared to the encounters.
 - October 2020, January 2021, April 2021 through June 2021 appear to have missing encounters when compared to the CDJ transactions.
 - July 2021 and August 2021 appear to have significant encounters that were system-denied by the FAC.

We recommend MCNA work with LDH and Gainwell to identify and correct any CDJ file and/or encounter data submission issues.

2. For MCNA value-added services given in Table D, we noted the following:
 - VAS CDJ transactions are present for all months except May 2021.
 - No encounters appear to be identified as VAS when compared to the corresponding VAS CDJ transactions.

We recommend MCNA work with LDH and Gainwell to identify and correct any CDJ file and/or encounter data submission issues.





MCNA DENTAL PLAN'S MONTHLY TABLES

Table C - MCNA

Paid Month	Monthly Encounter Total (FAC Reported)	Monthly Encounter Total (Adjustments)	Percentage of Encounters Adjusted	Monthly Encounter Net Total	CDJ Monthly Reported Total	Monthly Variance	Monthly Completion Percentage
September 2019	\$10,876,315	(\$35,788)	0%	\$10,840,526	\$10,923,591	(\$83,064)	99.23%
October 2019	\$14,458,648	(\$43,370)	0%	\$14,415,278	\$14,565,963	(\$150,685)	98.96%
November 2019	\$11,184,448	(\$31,929)	0%	\$11,152,519	\$11,218,919	(\$66,400)	99.40%
December 2019	\$10,950,677	(\$30,650)	0%	\$10,920,027	\$10,966,396	(\$46,369)	99.57%
January 2020	\$10,771,356	(\$27,509)	0%	\$10,743,847	\$10,812,219	(\$68,371)	99.36%
February 2020	\$11,471,773	(\$23,394)	0%	\$11,448,379	\$11,537,937	(\$89,558)	99.22%
March 2020	\$10,586,552	(\$38,868)	0%	\$10,547,684	\$10,648,449	(\$100,764)	99.05%
April 2020	\$2,337,230	(\$21,680)	-1%	\$2,315,550	\$2,349,030	(\$33,480)	98.57%
May 2020	\$8,230,634	(\$92,747)	-1%	\$8,137,887	\$8,238,857	(\$100,970)	98.77%
June 2020	\$8,490,202	(\$33,166)	0%	\$8,457,036	\$8,506,262	(\$49,226)	99.42%
July 2020	\$11,172,232	(\$41,923)	0%	\$11,130,308	\$11,919,476	(\$789,168)	93.37%
August 2020	\$10,660,526	(\$54,558)	-1%	\$10,605,968	\$10,689,274	(\$83,306)	99.22%
September 2020	\$10,190,930	(\$866,743)	-9%	\$9,324,187	\$9,493,996	(\$169,810)	98.21%
October 2020	\$12,708,256	(\$35,986)	0%	\$12,672,270	\$13,889,262	(\$1,216,993)	91.23%
November 2020	\$11,011,478	(\$41,793)	0%	\$10,969,685	\$11,286,577	(\$316,892)	97.19%
December 2020	\$11,774,077	(\$43,564)	0%	\$11,730,513	\$12,193,452	(\$462,938)	96.20%
January 2021	\$6,965,633	(\$23,533)	0%	\$6,942,100	\$7,397,609	(\$455,509)	93.84%
February 2021	\$5,346,735	(\$31,908)	-1%	\$5,314,827	\$5,462,293	(\$147,466)	97.30%
March 2021	\$7,495,069	(\$52,370)	-1%	\$7,442,699	\$7,692,791	(\$250,092)	96.74%
April 2021	\$5,893,236	(\$47,498)	-1%	\$5,845,739	\$6,232,461	(\$386,723)	93.79%
May 2021	\$5,418,156	(\$40,966)	-1%	\$5,377,190	\$5,684,387	(\$307,197)	94.59%
June 2021	\$5,250,179	(\$45,005)	-1%	\$5,205,174	\$5,544,987	(\$339,813)	93.87%
July 2021	\$6,696,899	(\$423,855)	-6%	\$6,273,044	\$7,267,002	(\$993,958)	86.32%
August 2021	\$6,033,955	(\$962,532)	-16%	\$5,071,423	\$6,278,616	(\$1,207,193)	80.77%
Cumulative Totals	\$215,975,194	-\$3,091,335	-1%	\$212,883,859	\$220,799,806	-\$7,915,946	96%
100% Limited^ Cumulative Total							
State Contract Minimum Completeness Percentage Requirement							95.00%
Non-Compliant							



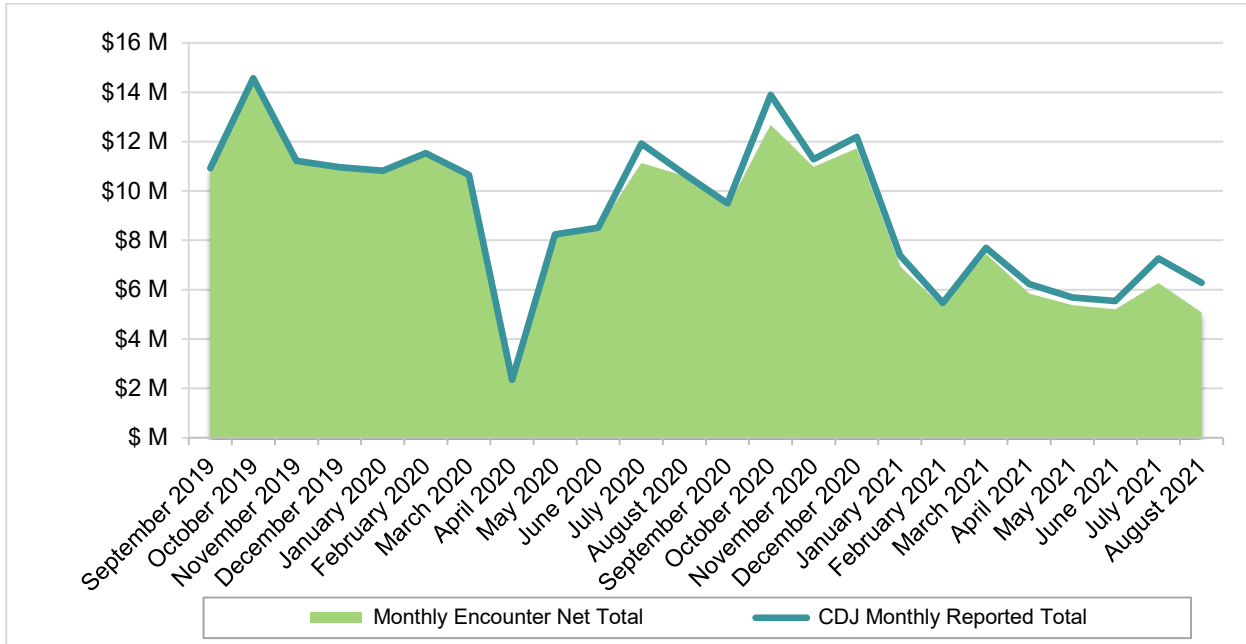
MCNA DENTAL PLAN'S MONTHLY TABLES

Table D — MCNA VAS							
Paid Month	VAS Monthly Encounter Total (FAC Reported)	VAS Monthly Encounter Total (Adjustments)	VAS Percentage of Encounters Adjusted	VAS Monthly Encounter Net Total	VAS CDJ Monthly Reported Total	VAS Monthly Variance	VAS Monthly Completion Percentage
September 2019	\$0	\$0		\$0	\$0	\$0	
October 2019	\$0	\$0		\$0	\$0	\$0	
November 2019	\$0	\$0		\$0	\$0	\$0	
December 2019	\$0	\$0		\$0	\$0	\$0	
January 2020	\$0	\$0		\$0	\$0	\$0	
February 2020	\$0	\$0		\$0	\$0	\$0	
March 2020	\$0	\$0		\$0	\$0	\$0	
April 2020	\$0	\$0		\$0	\$0	\$0	
May 2020	\$0	\$0		\$0	\$0	\$0	
June 2020	\$0	\$0		\$0	\$0	\$0	
July 2020	\$0	\$0		\$0	\$0	\$0	
August 2020	\$0	\$0		\$0	\$0	\$0	
September 2020	\$0	\$0		\$0	\$0	\$0	
October 2020	\$0	\$0		\$0	\$0	\$0	
November 2020	\$0	\$0		\$0	\$0	\$0	
December 2020	\$0	\$0		\$0	\$0	\$0	
January 2021	\$0	\$0		\$0	\$1,163	(\$1,163)	0.00%
February 2021	\$0	\$0		\$0	\$3,295	(\$3,295)	0.00%
March 2021	\$0	\$0		\$0	\$7,670	(\$7,670)	0.00%
April 2021	\$0	\$0		\$0	\$7,199	(\$7,199)	0.00%
May 2021	\$0	\$0		\$0	\$0	\$0	
June 2021	\$0	\$0		\$0	\$9,375	(\$9,375)	0.00%
July 2021	\$0	\$0		\$0	\$13,954	(\$13,954)	0.00%
August 2021	\$0	\$0		\$0	\$7,358	(\$7,358)	0.00%
Cumulative Totals	\$0	\$0		\$0	\$50,014	-\$50,014	0%
100% Limited^ Cumulative Total							
State Contract Minimum Completeness Percentage Requirement							95.00%
Non-Compliant							-95.00%



MCNA DENTAL PLAN'S SUMMARY REPORTING CHARTS

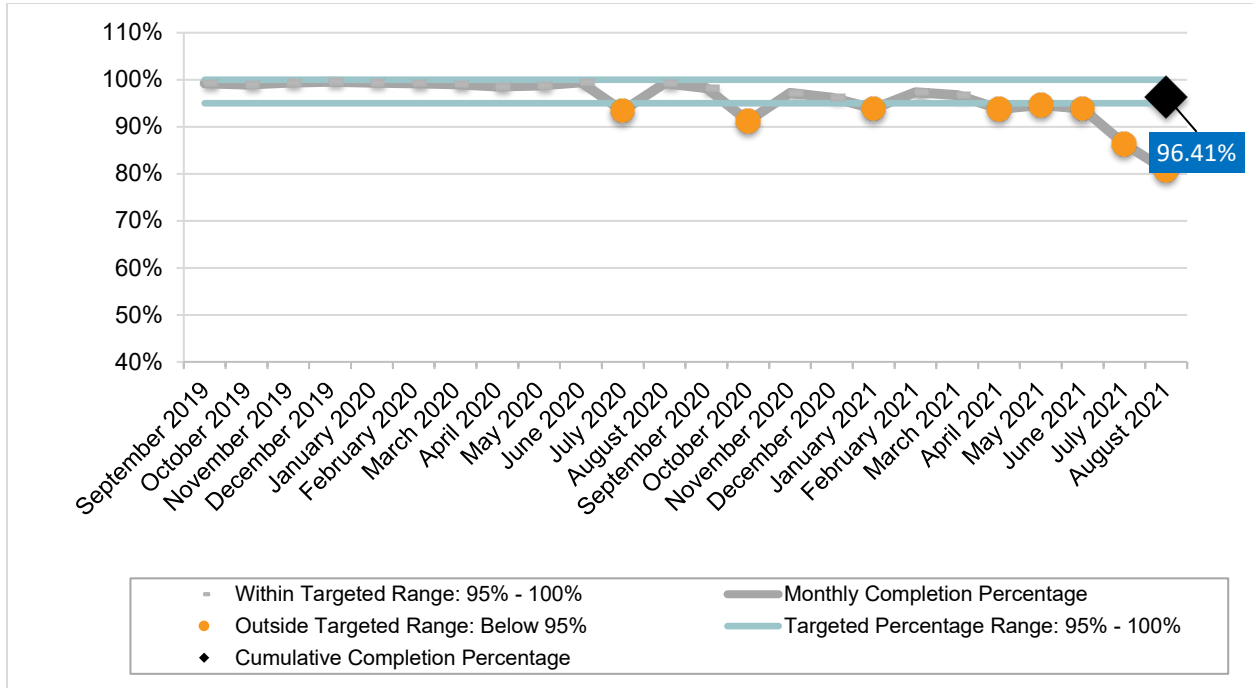
Chart 1. Monthly CDJ totals and encounter submission for MCNA Dental





MCNA DENTAL PLAN'S SUMMARY REPORTING CHARTS

Chart 2. MCNA Dental's monthly encounter submissions expressed as a percentage of payments submitted to the FAC to reported DBPM monthly CDJ payment





APPENDIX A – DEFINITIONS AND ACRONYMS

The following terms are used throughout this document:

- **Cash Disbursement Journal (CDJ) Monthly Reported Total** – The sum of all payments from the dental benefit management program (DBPM) contractor to LDH.
- **Fiscal Agent Contractor (FAC)** – A contractor selected to design, develop and maintain the claims processing system (Medicaid Management Information System); Gainwell Technologies is the current FAC.
- **Gainwell Technologies (Gainwell)** – State fiscal agent contractor, known as DXC Technology prior to October 1, 2020
- **Dental Benefit Program Manager (DBPM)** – A program authorized under a 1915(b) Medicaid waiver to serve all Medicaid beneficiaries eligible for dental services including children, eligible SCHIP Medicaid expansion children and adults. It was implemented statewide in July 2014 as a Prepaid Ambulatory Health Plan (PAHP).
- **Louisiana Department of Health (LDH)** - The agency in charge of overseeing the health services for the citizens of the state of Louisiana.
- **Medicaid Management Information System (MMIS)** – The claims processing system used by the FAC to adjudicate Louisiana Medicaid and LaCHIP claims. DBPM -submitted encounters are loaded into this system and assigned a unique claim identifier.
- **Monthly Completion Percentage** – The percentage of the monthly encounter net total in relation to the CDJ monthly reported total.
- **Monthly Encounter Net Total** – The sum of the encounter submissions for a given month incorporating the Myers and Stauffer LC encounter data adjustments made to the encounter submissions stored in the FAC's encounter data warehouse.
- **Monthly Encounter Total (Adjustments)** – The sum of all Myers and Stauffer LC adjustments for a given month that were removed from the encounter submissions stored in the FAC's encounter data warehouse.
- **Monthly Encounter Total (FAC Reported)** – The sum of all encounter submissions for a given month stored in the FAC's encounter data warehouse.
- **Monthly Variance** – The difference between the monthly encounter net total and the CDJ monthly reported total.
- **Dental Benefit Program Manager (DBPM) Contractor** – A private organization contracted to manage the Louisiana Dental Benefit Program Manager. Managed Care of North America (MCNA) Dental Plans is one of the two current DBPM contractors.





APPENDIX B – ANALYSIS

Encounters from medical service types were combined on like data fields. We analyzed the reported information of each encounter to capture the amount paid on the entire claim. Encounter totals were calculated by summarizing the data by the DBPM paid date and DBPM identification number (ID). The DBPM's submitted cash disbursements were summarized by paid date to create a matching table. These matching tables were combined using common fields and were used to produce the results.





APPENDIX C – DATA ANALYSIS ASSUMPTIONS

1. When the DBPM submits an adjustment encounter, the FAC's encounter processing system automatically creates a void for the original (replaced) encounter. These system-generated voids bear the same paid date as the original encounter. In order to more accurately reconcile to the cash payments, we have attempted to match these voids' paid dates to the adjustment dates. However, we were unable to reallocate void encounters for which there was not an associated adjustment encounter.
2. Instances were noted where a record's transaction type implied a specific sign valuation for the DBPM paid amount (e.g., a void implied that the amount should be negative). However, the data submitted for these records did not accurately reflect the correct sign valuation. Where possible, these CDJ and/or encounter payment amounts were adjusted to reflect the expected sign of the payment in accordance with the transaction type.
3. We instructed the DBPM to exclude referral fees, management fees and other non-encounter related fees from the CDJ data that is submitted to Myers and Stauffer LC. We reviewed the CDJs for these payments and removed them from the analysis when they were identified.
4. Separately itemized interest expenses are excluded from the CDJ and encounter totals when the interest amounts are included in the DBPM paid amounts on the encounters and/or CDJ transaction amounts.
5. Percentage ratios noted in this report are rounded down. The sum of the percentages may not add up to the percentage sum total (Tables A and B).
6. Opportunities for improving the encounter reconciliation process have been identified during the analysis of the encounter data and cash disbursement journals, as well as frequent interactions with the DBPM, LDH, and the FAC. While we have attempted to account for these situations, other potential issues within the data may exist that have not yet been identified which may require us to restate prior reports or modify reconciliation processes in the future.

