

Managed Care Technical Assistance Center
Medicaid Managed Care (MMC) Readiness Assessment Tool
September 9, 2014

*This MMC Readiness Tool is designed to provide organizations with 11 categories of processes, practices and change management activities needed to effectively prepare for and function during the early stages of a business relationship with a Managed Care organization. When completed, the self-assessment tool offers a snapshot of the organization’s current level of readiness as well as an assessment of the need for technical assistance. This tool may be helpful as a planning resource to guide organizations in their preparation and decision making activities. Statements presented will be answered either as **Yes/No** or on a scale from **1-5** as defined below:*

- 5= We are **definitely** ready right now (we currently have the needed knowledge, resources, infrastructure, and plans in place)*
- 4= We are **mostly** ready (we are unlikely to need technical assistance to get this done on our own in a timely manner)*
- 3= We are **moderately** ready (we may or may not need technical assistance to get this done on our own in a timely manner)*
- 2= We are **somewhat** ready (we are likely to need technical assistance to get this done in a timely manner)*
- 1= We are **not at all** ready (we will definitely need technical assistance and guidance to get this done in a timely manner)*

The Managed Care Technical Assistance Center strongly suggests that an agency bring its leadership team together and respond to the series of statements collectively. The discussion will not only assure that the answers are an accurate reflection of managed care readiness, but may also represent the beginning of your planning process to address any opportunities identified during the conversation.

Readiness Item	Readiness Rating (1-5) or Yes/No
Understanding MCO Priorities & Present Managed Care Involvement	
Your organization currently holds contracts with one or more managed care organizations	Yes or No
Your organization has identified a point person in the organization who is responsible for understanding MCO priorities; directing agency policy and interactions	Yes or No
Your organization knows which managed care organizations reimburse for services you provide in our service region	Yes or No
Your organization has held meetings with leadership of the MCOs to understand their expectations and discuss opportunities to work together on system priorities	Yes or No
Your agency/facility leadership team knows and understands the array of BH services provided within your system.	Yes or No

Your organization's board is actively involved in planning for the transition to Managed Care.	Yes or No
Your organization's board would benefit from technical assistance specifically targeted for board members.	Yes or No
Rate your organization's readiness to meet with MCO leadership to understand their expectations and discuss opportunities to work together on system priorities	
Rate your organization's readiness to market services to an MCO	
MCO Contracting	
The organization has identified an individual to be responsible for providing oversight to MCO contracting.	Yes or No
Rate your organization's capability to understand the requirements of the managed care contracts you have.	
Rate your organization's capability of assessing compliance with the requirements of the managed care contract you have.	
Rate your fiscal staff's capability of assisting with pricing issues during contract negotiations	
Rate your fiscal staff's ability to readily compare actual to anticipated revenue and expense by contract.	
Rate your organization's understanding of CMS compliant codes that will be used for billing	
Communication /Reporting (Services authorization, etc.)	
Your organization has a designated liaison responsible for communication and reporting with the MCOs	Yes or No
Your organization knows the reporting requirements for the MCOs in your region with which you contract.	Yes or No
Your organization knows the name and contact information for the Provider Relations Department for each MCO with which you contract.	Yes or No
Rate your organization's knowledge of the MCO data exchange requirements and the required formats for submission	
Rate your organization's knowledge of the steps for member verification for each plan and who within the plan to contact when questions arise.	
IT System Requirements	
Your organization has determined whether there are specific IT system requirements with which you will need to comply when working with the MCOs	Yes or No
Rate the capability of your organization's IT system to handle the following functions:	
<ul style="list-style-type: none"> • Centralized scheduling 	
<ul style="list-style-type: none"> • Clinical data with a Meaningful Use Certified Electronic Health Record (treatment plans, medication prescribing & management, progress notes, etc.) 	
<ul style="list-style-type: none"> • Submission of claims electronically (using both 837i and 837p billing formats) 	
<ul style="list-style-type: none"> • Financial accounting and revenue cycle management tools 	
<ul style="list-style-type: none"> • Reporting 	
<ul style="list-style-type: none"> • Quality Assurance 	
Rate the capability of your IT system to integrate functions for client information; services utilization and financial information, including payer type by client	
Your IT infrastructure meets HIPAA security standards and your access controls	Yes or No

adequately mitigate the risk of breaching PHI	
Rate the capability of your organization to run formatted and ad hoc reports from your electronic health record and billing applications	
Your organization understands the clinical information that must be available /maintained for the members you are serving	Yes or No
Your organization is connected to the Regional Health Information Organization (RHIO) for your service area	Yes or No
Rate the capability of your IT system to report out client and services information to all major payers	
Level of Care (LOC) Criteria / Utilization Management Practices	
Your organization has an individual responsible for knowing MCO requirements and procedures regarding communication of Level of Care for each MCO.	Yes or No
Your organization has an individual responsible for knowing MCO requirements and procedures regarding utilization management practices for each MCO.	Yes or No
If yes to above statement, this individual has information concerning LOC and utilization management for each MCO in your region	Yes - Partially - No
Rate your organization's readiness to meet MCO service authorization requirements, including time frames	
Rate the capability of your clinical supervisors to understand the MCO utilization management requirements and supervise staff to practice accordingly	
Rate the capability of staff members in your organization to understand and effectively meet MCO LOC and utilization management expectations	
Rate your staff members' capability to articulate the clinical need for services, including the ability to translate psycho-social issues, such as homelessness, into a clinical need.	
Regular training is provided to assure a current understanding of LOC and utilization management expectations	Yes - Partially - No
Your organization is capable of assessing whether staff are able to effectively work within the LOC/UM expectations established by the MCO.	Yes - Partially - No
Your organization has a mechanism for providing feedback to/having discussions with MCOs concerning LOC, UM, denials and appeals expectations.	Yes - Partially - No
Rate the capability of your organization to monitor ongoing authorizations and prompt staff to seek initial and re-authorizations when appropriate	
Your organization has an individual responsible for knowing MCO requirements and procedures for obtaining authorizations for covered services.	Yes or No
Your organization has an individual responsible for knowing MCO requirements and procedures for transition of care.	Yes or No
Member Services/Grievance Procedures	
Your organization has assigned a person to be responsible for understanding MCO member services expectations.	Yes or No
Your organization has assigned a person to be responsible for understanding MCO complaints, grievances and appeals processes.	Yes or No
Rate your organization's ability to train staff regarding MCO Member Services.	
Rate your organization's ability to train staff regarding MCO complaints, grievances and appeals processes.	
Interface with Physical Health, Social Support and Health Homes	
Rate your organization's ability to effectively interact with physical health providers on behalf of the recipients you serve	
Rate your organization's ability to effectively interact with social services providers on behalf of the recipients you serve	

Rate your organization's ability to effectively interact with Health Homes on behalf of the recipients you serve.	
Your organization works closely with inpatient and /or detox providers to coordinate linkages and transition to and from levels of care	Yes or No
Your organization has contracted with one or more Health Homes	Yes or No
Quality Management/Quality Studies/Incentive Opportunities	
Your organization has an individual responsible for managing the Quality Assurance/ Quality Study expectations of MCOs	Yes or No
Your organization has sufficient staff assigned to the QA function	Yes or No
Staff members in your organization have been made aware of the MCO quality expectations and QA procedures have been shared with staff	Yes or No
Rate your organization's understanding of QARR and HEDIS measures for Physical Health and Behavioral Health services.	
Rate the capability of your organization's clinical practices to meet established MCO Quality Assurance/ Quality Study expectations	
Rate the capability of the organization's QA function to closely tie to your management information system	
Rate the capability of your supervisors and clinical staff to receive and then act on regular QA reports	
Rate the capability of the organization's QA function to maintain records of managed care appeals and suggest strategies for improving relationships and /or modifying service delivery to reduce denials	
Patient satisfaction surveys or Perception of Care tools are a function of your organization's QA process	Yes or No
Finance and Billing	
Your organization has an individual (or a Financial Management consultant) who has experience billing MCOs	Yes or No
Rate the ability of your organization to submit clean claims to MCOs on a timely basis	
Your organization understands the appeals process for denials of claims	Yes or No
Rate your organization's ability to appeal denied claims: read remittances and resubmit	
Rate the ability of your organization to accurately capture and report the unit costs of services being reimbursed by the MCOs by program and location.	
Rate the ability of your organization to translate Unit costs into Episode of Care costs	
Rate the ability of your organization to monitor the differential between the Medicaid payment and your cost, by service type as well as by episode of care	
Rate the capability of your organization to regularly communicate cost, revenue, and service value information to all staff.	
Rate the success of your revenue cycle management infrastructure, building on the service delivery process, to capture and collect every dollar owed to the organization by all payers. Good process would include monitoring and addressing billing collection issues on a daily or weekly basis.	
Rate the capability of your business office to conduct internal service audits to ensure that documentation of services in patient records can withstand an external audit.	
Rate the capability of your organization's corporate compliance process: Does it	

