Optum Medicaid Management Services

A new, strategic approach to managing fee-for-service populations using a managed care model
When it comes to managing and operating Medicaid programs, states can no longer make do with the status quo for fee-for-service populations. Expanding enrollment, aging populations, complex MMIS system implementation and rapid regulatory change all pose significant challenges to state health care programs.

To make Medicaid work better today, three issues are at the forefront:

1. The need to improve health outcomes by coordinating and integrating patient care, especially for those with chronic conditions
2. The need to keep pace with health care reform and legislative changes
3. Better value for the taxpayer dollar

To help manage their Medicaid programs and improve patient care, many states have transferred a percentage of their Medicaid population from fee-for-service to capitation-based managed care. Still, most states continue to have a certain percentage of their populations in fee-for-service care. The economics of this situation is unsustainable and requires new thinking to improve.

Optum offers states a compelling solution to their current Medicaid fee-for-service programs — one that offers the opportunity to improve Medicaid outcomes and contain costs, yet also qualifies for enhanced federal funding. The solution, Optum Medicaid Management Services (OMMS), lets states manage their fee-for-service populations using a low-risk, services-only model that provides comprehensive administrative, health care management and analytics capabilities for fee-for-service populations of any size. These populations benefit from the same tools and techniques used in capitation-based managed care.

The Optum solution is fresh, innovative and bold, but neither radical nor risky. Its comprehensive and streamlined approach combines the best practices of both the fee-for-service and managed care models — essentially, an MCO-based care management system delivered in an FFS financing model. And it all qualifies for enhanced FFP.

As you know, the federal government requires states to undergo certification to receive enhanced FFP, which pays 90 percent for MMIS implementation and 75 percent for ongoing operations. States acquiring services rather than a system may wonder whether they qualify for enhanced funding. The legal and regulatory rationale for accessing MMIS-enhanced FFP for the cost of MMIS services without actually purchasing a system is documented in an opinion paper authored by Covington & Burling LLP, a Washington, D.C.-based law firm with extensive experience in public policy. We have confirmed with CMS their support for this approach and its alignment with their view of MMIS in the future.
freedom to focus on the big issues —
a proven differentiator

Optum Medicaid Management Services is a comprehensive, services-based approach to managing your fee-for-service populations. Core capabilities encompass:

**Optum Medicaid Business Services:**
Efficient program administration leveraging proven commercial capabilities.

**Optum Medicaid Health Services:**
Integrated health services focusing on prevention and care management to improve member health.

**Optum Triple Aim Analytic Services:**
Comprehensive analytics and data warehouse services that drive operational efficiencies, improve outcomes and identify improvements for your Medicaid program.

**Optum Medicaid Business Services**

Optum Medicaid Business Services (OMBS) provides certifiable Medicaid administrative services for fee-for-service claims processing and program administration. Services include claims processing, provider and member enrollment, call center services, service authorizations and operations reporting.

By purchasing services only rather than maintaining an outdated MMIS system, states avoid the budget overruns, delayed implementations and expensive, time-consuming procurements that impede program reforms. The benefits of purchasing services only include:

- A shortened implementation period
- Reduced implementation risk
- Reduced implementation costs
- Proven commercial solutions already performing well in the marketplace
- Significantly improved administrative operations
- Reduced need for state resources supporting implementation
- New technologies, including evergreen and cloud-based approaches

With careful planning, Optum business services may be up and running within a short **12–18 month implementation window**.

Included in our business services is Optum Program Integrity Solutions, an integrated suite of analytics tools that detect fraud, waste and abuse in Medicaid claims processing before payment is made. Optum program integrity software helps states prevent erroneous claims payment, pursue suspicious activity and increase recoveries. Identifying improper claims before payment helps ensure that money is spent correctly to begin with and provides greater savings.
**Optum Medicaid Health Services**

Optum Medicaid Health Services (OMHS) provides comprehensive medical and behavioral management services with a focus on wellness, prevention and specialty programs. Our data-driven health management services help ensure quality care that is timely, appropriate and tailored to member category and individual need, while reducing unnecessary, inappropriate and fraudulent expenses. By emphasizing management and prevention, we help states sharply reduce the number of emergency room visits, treatment programs and expensive medications down the road.

**Optum Triple Aim Analytic Services**

Optum Triple Aim Analytic Services (OTAAS) provides the resource capability, actionable information and cohesive, data-driven environment you need to reinvigorate or even reinvent your HHS enterprise. With access to enriched data assets and analytics capabilities, you gain operational insights that drive innovation and advance cost-effective program delivery.

Our comprehensive Triple Aim analytic services are designed specifically for HHS program operations. Chief among these is establishment of an expandable enterprise data warehouse that includes financial data, MES claims data, encounter data, provider data, and enrollment and eligibility data. The architecture supports MITA 3.0 and CMS’ Seven Standards and Conditions while fulfilling CMS reporting requirements. This “single source of truth” is the foundation for data enrichment and analytics services and drives a decision-making process geared toward better outcomes and sustainability.

**Contact us**

Optum Medicaid Management Services is a comprehensive answer to your agency’s need to reduce costs and improve outcomes for fee-for-service populations. At the same time, it is flexible enough to take into account your state’s unique needs, qualifying it for enhanced FFP.

*Learn how Optum can develop a package of business, health care management and analytics services that works for you. Contact us at 1-800-765-6092 or email innovate@optum.com today.*