

**Incontinence
Supplies
Single Source
Vendor Contract**



**2015
Annual Report**

Quality of Life - Independence - Dignity



Incontinence RFP - Annual Report 2015 Year Two

Background:

On January 1, 2014, the Department of Medical Assistance Services (DMAS) Division of Long Term Care (LTC) entered into a single statewide vendor contract for the supply of incontinence products. The single vendor contract was awarded to Home Care Delivered (HCD). The savings related to this award has been at least \$1.5 million over the length of the contract.

The contract period is for an initial three years which began on January 1, 2014 and ends December 31, 2016. DMAS and HCD then have the option of three one year extensions.

Enhancements:

DMAS has been able to implement the following program enhancements under the contract:

- Performing assessments to verify that individuals receive appropriate supplies;
- Operating a toll-free telephone number and TTY for members and prescribing practitioners;
- Reporting detailed purchasing activity and all member inquiries and complaints to the Department;
- Supplying a minimum of three different products for each HCPCS code to provide member freedom of choice;
- Ensuring products have a higher level of consistency and quality to meet the member needs;

- Providing products to meet specific population needs such as pediatrics, youth and the geriatric population;
- Providing a system for emergency deliveries; and
- One point of contact for the provision of these services that affords individuals greater access to staff with a specific knowledge base and information related to their product needs and choices.

HCD prides itself on offering exceptional customer service which allows individuals under the contract to receive the most appropriate product which best meet their needs. In addition, HCD has implemented many user friendly ways individuals can access services such as on-line ordering which was not previously available.

Benefits:

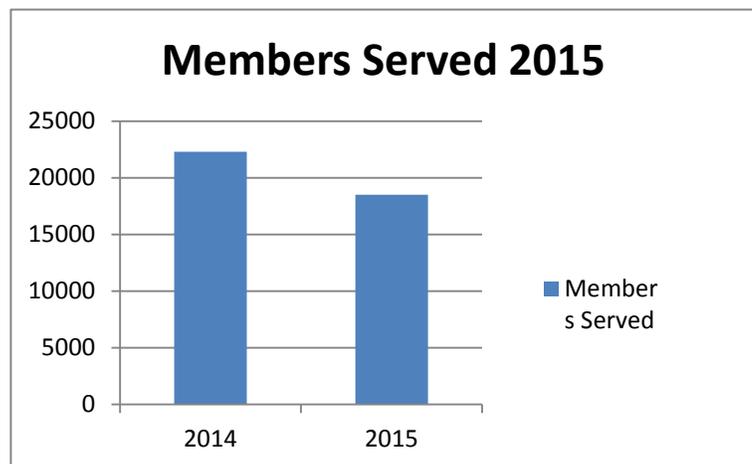
Some of the benefits realized through the contract are:

- Access to HCD’s ordering system 24 hours per day 7 days per week and thus increased their abilities to remain independent and in the community which accessing the appropriate products to meet their needs;
- If members decide not to use the online system, HCD will make a monthly phone call to determine whether supplies are still needed;
- Unique ability to clearly define performance standards and required member services;
- Fixed rates for contract duration eases burden of periodic rate change procedures;
- Ease of contracting and auditing fixed price contracts with limited vendor set; and
- Less incentive for providers to engage in inappropriate billing practices.

Statistics:

HCD served 18,496 individuals during the calendar year of 2015.

- Total Reimbursements for 2015 is \$12,106,335.
- Overall the volume of members has decreased in the second year of the contract to approximately 18,000 individuals.



Data Source – HCD provided statistics



HCD's pricing under the provision of the contract will allow DMAS to realize cost savings, but still ensures that quality products are delivered to Medicaid individuals as well as the addition of new products to further meet the needs of the individuals. Use of a single source vendor contract allows DMAS the ability to leverage reduced rates for products over the life of the contract.

As part of the process to insure all members' needs were met, HCD was authorized to implement an Individual consideration (IC) process for members who could not find a product under the formulary set out under the contract. DMAS has this authority under the contract to ensure that the needs of the individual being served are met and they have access to the appropriate and necessary products.

The 'individual consideration process' has only been accessed by approximately 218 individuals since inception of the contract in January of 2014, This results in less than 1% of the total members served from over the periods of January 2014 to December 2015). As of December 2015, the number of individuals being served through this process has been reduced to only 149 active cases.

HCD added additional items to the formulary in 2015 to further meet the needs of the individuals in the Commonwealth which has added to the overall reduction in the number of individual consideration cases. Addition of new products has also contributed to some minor shifts in utilization across the products. HCD continues to work with DMAS regarding moving products out of the typically more costly category of IC and into the standard formulary of products to continue to meet the needs of the Commonwealth while providing cost savings. The new products allow for individuals to receive the most appropriate product, which best meet, their incontinence needs, while decreasing the need for costlier, non-formulary products.

Also In 2015, DMAS increased the allowable limit on several product codes from 100 per month to 180 per month, which in turn decreased the volume of service authorizations. The increase in 'allowables' per month brings DMAS more closely in line with industry stands and other commercial insurance products which cover incontinence products.

Contract Monitoring Overview

The DMAS – LTC contract monitoring staff, continues to monitor the provision of incontinence supplies under the durable medical equipment (DME) program. HCD has consistently met the overall compliance requirement of 95% for each section of the contract (Sections 3.2, 3.3, 3.4, 3.5 and 3.7). DMAS reviewed a total of 1067 records during from January 2015 to December

2015). DMAS found that all of the records met the DME performance measures for the provision of services and were well organized in the HCD electronic record system.

HCPSC Code	RFP Section	Total # Met	Total # Not Met	Performance Measure %	Overall Met/Not Met
Overall Compliance All codes combined	3.2	1063	4	99.63%	Met
	3.3	7198	275	96.32%	Met
	3.4	3745	25	99.34%	Met
	3.5	1063	4	99.63%	Met
	3.7	6444	0	100.00%	Met

The areas of the contract which are monitored are as follows:

- 3.2 - Ensure contractor verifies the following prior to the provision of service;
- 3.3 - Receipt of Orders: Ensure compliance with receipt of licensed practitioner orders for supplies to include;
- 3.4 - Ensure contractor documents the need for incontinence products as evidenced by the following;
- 3.5 - Ensure Service Authorization (SA) is obtained for the amount on incontinence products over the allowable limit; and
- 3.7 - Delivery: Ensure compliance with delivery requirement.

Customer Satisfaction:

LTC staff meets with HCD staff on a quarterly basis to discuss any issues associated with the provision of the contract. The discussions center on any issues or complaints that HCD has received, the resolutions, and any outstanding issues that need to be addressed by both DMAS and HCD.

Information regarding overall satisfaction is discussed based on the individual surveys that are sent out monthly by HCD. HCD currently surveys random individuals each month with an approximate return rate of 20%. The overall satisfaction rate was 95.9% for calendar year 2015 and documented comments on the surveys were very positive. Based on the survey results, individuals satisfied or very satisfied with the services provided by HCD.

2015 Average Tabulation (Customer Service Survey Results)

Question	n	Very Satisfied	Satisfied	Neutral	Dissatisfied	Very Dissatisfied	Total
1. I am satisfied regarding my overall experience with HCD.	130	77.2%	18.6%	1.8%	1.7%	0.7%	95.8%
2. I am satisfied with the quality of the products HCD offers.	130	65.4%	30.4%	2.5%	0.0%	1.7%	95.8%
3. I find placing an order with HCD is easy and convenient.	130	71.9%	24.6%	2.3%	0.0%	1.3%	96.5%
4. I am satisfied with the time it takes to receive my order.	130	72.6%	23.7%	3.1%	0.6%	0.0%	96.3%
5. I am satisfied with how quickly HCD resolves my concerns or issues.	130	70.5%	23.7%	5.2%	0.0%	0.6%	94.2%
6. HCD representatives are courteous.	130	78.9%	17.6%	2.3%	0.5%	0.7%	96.5%
						Total	95.9%

Actual Comments received by individuals:

"I have used HCD for some years now and I look forward to your call each month"

"Everyone is always pleasant and helpful. Great phone skills working with elderly and family."

"I am thankful for the way HCD helps with my orders. I don't have to call for them, they call me and I am thankful for that because I am forgetful."

"The employees are very helpful and kind!"



Summary:

Based on the overall contract monitor findings and information provided through the individual surveys, DMAS is very satisfied with the overall performance during the second year of the contract. It is DMAS' goal to continue to work with staff at HCD to ensure continued success in 2016.

