

Network Adequacy Measurement Beyond the Application

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The Importance of Network Adequacy

- Access to appropriate care is the single most important service a health plan provides
- Beneficiaries consistently rank access to care and providers among the most important factors in their health care
- CMS believes that maintaining network adequacy in MA plans may become a greater challenge in the near future
 - Creation of many new PFFS-network plans in areas where network development has been historically difficult
 - Potential changes to MA program might impact provider contracting and network development

Network Adequacy Problems in Perspective

- Provider access remains a central interest in considerations of health care quality and policy
- In last few years, CMS has dealt with a few serious network issues
- Two examples:
 - Health plan moved a large bloc (1,000+) of members from one primary care practice to another without full consideration of the transfer of medical records or adequate notice to members
 - In-network hospital dropped out of network requiring members to travel 70 miles to nearest hospital

CMS's Network Adequacy Measurement to Date

- New health plan applicants have provider networks rigorously scrutinized and assessed for adequacy through HSD review
- Incumbent (renewed) health plan reviews to determine continued network adequacy based on:
 - Some audit activity
 - Survey questions in CAHPs

Special Considerations Regarding Network Adequacy Determinations

- As health plans mature in a market their membership increases--it stands to reason that networks must grow to serve the increased membership
 - 'Mature' plans may have different network expectations than new applicant plans
- Special Needs Plans and other plans catering to specific populations may have different requirements than general market MA plans
 - e.g., a ESRD SNP plan should have more Nephrologists and Dialysis facilities than other plans

Network Adequacy: Looking Ahead

- More In-depth Measurement and assurance of network adequacy in incumbent plans will become a focus area for CMS
 - CMS has investigated allegations of network decay primarily based on complaints
 - First measurement project undertaken this summer will provide CMS with formative information for future monitoring
- Specifics are still to come but MA and Cost Plans should expect
 - An annual automated process for uploading network information
 - Annual determinations of network adequacy
 - Appropriate follow up if networks are determined inadequate

The Road Map

- CMS will complete its assessment on incumbent networks
- CMS to discuss this topic in greater detail in the Call Letter
- Goal:
 - Transparent guidance and standards
 - Annual automated network adequacy assessment for incumbent plans

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