



DATA VALIDATION: WHAT'S IT ALL ABOUT?

The goal of the Centers for Medicare and Medicaid Services (CMS) is to assure that the Part C and D reporting of Medicare Advantage Organizations (MAOs) and Part D Plan Sponsors is “reliable, valid, complete and comparable.” To meet that goal, CMS is requiring that Plans undergo a Data Validation Audit (DVA) in 2011. DVA will test a Plan’s 2010 reported data. CMS has made clear its intention to hold Plans accountable by signaling that poor Data Validation Audit findings will result in an actionable “compliance event.”

A key challenge of DVA is that not all data is the same; it is not simply a “numbers game.” There are two critical types of data that will be subject to a Data Validation Audit:

- “Decisional” data sets include data on grievances, appeals, organizational determinations, coverage determinations and sales oversight events. Accuracy in reporting these data sets requires adherence to extensive CMS regulations about the events that need to be captured, how they are recorded and the process by which they are categorized and ultimately reported.
The majority of data sets to be validated in 2011 are based on Decisional Part C and Part D Data.
- “Transactional” data sets include data that is primarily produced by or stored in rules-based claims processing and similar types of systems. This includes data for areas such as Part C Benefit Utilization, Procedure Volume, Network Access and similar reported data.

A number of reports undergoing validation in 2011 use both types of data. Properly synching and reporting of this information becomes more complicated when a Plan incorporates and aggregates data from downstream subcontractors, relying in part on that vendor’s accuracy as well.

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Testing the completeness, accuracy and validity of that data requires:

- Day-to-day, hands-on experience with the CMS regulations that underlie and drive the proper capture, categorization and reporting accuracy of Decisional data sets for both Part C and Part D data.
- Hands-on experience with the data streams for both Part C and Part D, both decisional and transactional and their relation to other CMS data sets such as bid submissions.
- Experience in dealing with the challenges posed by integrating and normalizing sub-contractor data into a Plan's data sets.
- Understanding of unique operational factors in MA and Part D Plans that can influence data accuracy such as retroactive enrollment changes, plan changes and variances between departments generating common data within the same data stream.
- Experience with numerous types of IT and other systems employed by Plans and their subcontractors to record the data.

Data Validation by ATTAC Consulting Group

ATTAC Consulting Group, (ACG) is one of the nation's leading MA and Part D auditing and consulting firms. We work with both the Part C and Part D data sets and regulations that drive that data every day. We understand the data; we understand its sources and Plan systems. We're not learning as we go. For years ACG has been assisting MA and Part D Plan Sponsors with:

- Compliance Auditing – ACG is a well known national leader in working with Plan Sponsors to assure that they apply CMS regulations in a reliable, valid and complete manner.

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- Operations and Business Process – Including data capture and testing for reporting accuracy on Part C and Part D measures.
- CMS 1/3 Financial Audit Readiness – ACG has been assisting plans establish compliant methodologies and internal controls for balancing, along with documenting data and financial flows to support the CMS financial requirements.
- Preliminary Data Validation Auditing – ACG is already working with Plans to test their data, identify deficiencies and guide correction. 2010 data gathering is already underway.

How can ATTAC Consulting Group benefit you as a Plan Sponsor?

DVA will be an extra cost to Plans, one that is substantial. Yet what you pay your auditor is only a fraction of the cost. The time and effort required on the part of your Plan and staff to support the audit may be greater than the external costs.

ACG's experience is your assurance of a focused and efficient audit, one based on detailed knowledge of the issues. We don't go fishing; we know where to look and how to test.

- ▲ ACG's extensive experience with CMS standards and expectations has given us an unparalleled ability to judge whether observed variances are material or immaterial to overall reporting accuracy.
- ▲ HIPAA and HI-TECH ACT requirements and core security are fully embraced and adopted by ACG; our infrastructure is designed to keep your Plan and member sensitive data secure and confidential.
- ▲ ACG's audit team is experienced and meets CMS requirements. It includes:
 - ▲ IT and data specialists familiar with common systems and data warehouses
 - ▲ Finance specialists and actuarial partners

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- ▲ CMS Decisional data specialists in Grievances, Appeals, ODs, Coverage Determinations and Exceptions and other arenas
- ▲ Knowledge of typical PBM claims and financial systems

ACG's Auditing and Knowledge - Trusted by the Industry

ACG has been performing plan audits for years, and it has an extensive array of clients ranging from firms with a few thousand beneficiaries to those with over one million. Examples of ACG's audit and data testing experience include:

- Plan # 1 - Multi-State Organization, million+ beneficiary lives
 - ▲ Part C and Part D - Preliminary Data Validation Audit – Decisional Data, Guidance on Correcting Data
 - ▲ CMS 1/3 Financial Audit support – Financial allocation models and testing
- Plan # 2 - Multi-State Organization
 - ▲ Medicaid Encounter Audit assistance – working with business process, financial and other tie-out testing methods and documentation
- Plan # 3 – Multi-State Organization – 400,000 + lives
 - ▲ CMS 1/3 Financial Audit support – Financial allocation models and testing
 - ▲ Subcontractor Audit requirements development
 - ▲ Controls development and testing
- Plan # 4 – Regional Health Plan
 - ▲ PDE accuracy data testing, contract negotiation support

DVA Services and Contracting

2010

In addition to providing DVA services in 2011, ATTAC Consulting Group is offering three preliminary services in 2010:

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- **Readiness Assessment:** A two- to three-day focused assessment that helps your team prepare for 2011 DVA and avoid 1st-quarter scramble in 2011 by reviewing critical issues and areas of focus. Deliverables include a high-level gap assessment of how well you have addressed potential issues.
- **Focused Preliminary DVA Audit:** Aimed at testing the Decisional Data reporting data sets that will be audited in 2011. This data is accumulating now.
- **Full Preliminary DVA Audit:** For Plans that want to be fully prepared for their 2011 audit. Identifies gaps or issues internally and downstream with contractors, including PBMs with sufficient time to get them corrected. Prepares firms to pass the audit and avoid potential corrective actions in 2011.

2011

ACG will be providing full DVA audit support in 2011. We expect to begin contracting in the 3rd quarter of 2010 for the 2011 audit season following release of final CMS regulations and standards for the actual DVA. ACG will then begin audit planning with each client, providing time during the 4th quarter to begin data gathering.

Because CMS is likely to require additional reports to be audited in subsequent years and definitions may change regarding the reports submitted, ACG will offer multi-year audit agreements to our DVA clients. This will enhance out-year audit efficiency for both the audit itself and the Plan's internal costs and resource time.

Next Steps

1. E-mail dva@attaconsulting.com or call 734-214-2990 to discuss how ACG can help you prepare for the 2011 DVA audit season.
2. Submit any Plan Request for Proposal to dva@attaconsulting.com.
3. Complete ACG's quotation questionnaire, providing us with the necessary information to develop a proposal for your Plan's 2011 DVA audit season.

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