

Risk Adjustment Coding Corner

Neighborhood News – July 2023

RADV Audit

What is it?

- The Department of Health and Human Services' Risk Adjustment Data Validation (HHS-RADV) audit occurs annually for our Commercial (Affordable Care Act) population of members, typically running from May to January. (Note that Centers for Medicare and Medicaid Services [CMS]-RADV audits happen randomly for Medicare plans, and we are currently not selected for one).
- The purpose is to validate issuer External Data Gathering Environment (EDGE) data used in risk adjustment calculations. This promotes confidence in risk transfer payments by ensuring the integrity and quality of issuer data.



How does it work?

- CMS (operating risk adjustment on behalf of HHS) selects a sample of 200 enrollees and associated data submitted to the issuer's EDGE server. The three areas to be validated are:
 - Demographics & Enrollment – 50 enrollee sub-sample
 - Prescription Drug Category (RXC) – 50 RXC sub-sample
 - Health Status (Medical records) – 200 enrollees
- Full sample data validation is done by the Initial Validation Audit (IVA) entity, and then a subsample of that is validated by the Second Validation Audit (SVA) entity.
- IVA/SVA findings are used to determine which issuers are outliers, and by how much.
- Results are applied to the benefit year's Plan Liability Risk Score(s), which may affect the risk transfer amount that the issuer (Neighborhood Health Plan of Rhode Island) either must pay or receive.

How does it affect providers?

- The main way this affects providers is simple: record retrieval. During audit months, especially July to November, you may notice some new faces in your offices pulling charts for HHS-RADV.
 - This may not seem different to some since our nurses are often onsite for retrospective record retrieval all throughout the year. This allows our coders to conduct medical record reviews and capture missing conditions not already billed on claims.
- This may also impact providers via signature attestation requests. Rarely, a record doesn't have a valid or legible signature, and we need to obtain an attestation from the provider.

HHS-RADV and all audits are important not only for compliance but also for correctly capturing members' complete illness burdens. We sincerely thank you for your continued cooperation and flexibility. **With your help, we are proud to say that in all five years of the HHS-RADV audits, our validation rates fell within the normal range, and we were not outliers!**

Cavo Coder Tool



- In the beginning of 2023, the Risk Adjustment coding team implemented a tool by Cavo Health, called Cavo Coder, to supplement their work.
- Cavo Coder uses “precise word matching” technology to quickly identify risk adjustable diagnoses, along with the language in the charts to support them.
- Coders will use their training and expertise to confirm which diagnoses meet the requirements for submission to CMS.
- Before Cavo – 1,000 charts per month coded.
- **After Cavo – 2,000 charts per month coded.**