DEPARTMENT OF HEALTH AND HOSPITALS - MEDICAID PERFORMANCE INDICATORS

PERFORMANCE AUDIT
ISSUED FEBRUARY 2, 2011

LEGISLATIVE AUDITOR
1600 NORTH THIRD STREET
POST OFFICE BOX 94397
BATON ROUGE, LOUISIANA 70804-9397

FOR QUESTIONS RELATED TO THIS PERFORMANCE AUDIT, CONTACT KAREN LEBLANC, PERFORMANCE AUDIT MANAGER, AT 225-339-3800.

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LOUISIANA LEGISLATIVE AUDITOR
DARYL G. PURPERA, CPA, CFE

February 2, 2011

The Honorable Joel T. Chaisson, II,
President of the Senate
The Honorable Jim Tucker,
Speaker of the House of Representatives

Dear Senator Chaisson and Representative Tucker:

This report provides the results of our performance audit on the Department of Health and Hospitals - Medicaid Performance Indicators.

The report contains our findings, conclusions, and recommendations. Appendix A contains the Department of Health and Hospitals response to this report. I hope this report will benefit you in your legislative decision-making process.

We would like to express our appreciation to the management and staff of the Department of Health and Hospitals for their assistance during this audit.

Sincerely,

Daryl G. Purpera, CPA, CFE
Legislative Auditor

DGP/dl

DHH 2011

Office of Legislative Auditor

Daryl G. Purpera, CPA, CFE, Legislative Auditor

Department of Health and Hospitals - Medicaid Performance Indicators

February 2011

Audit Control # 40090023

Objectives and Overall Results

Louisiana Revised Statute (R.S.) 39:87.3(D)(E) directs the Office of the Legislative Auditor to provide an assessment of state agencies' performance data. To fulfill this requirement, we examined the relevance and reliability of the performance indicators and indicator data for the Department of Health and Hospitals (DHH) Medicaid Division within the Bureau of Health Services Financing (BHSF). The audit objectives and results of our work are as follows:

Objective 1: Are the performance indicators for FY2011 relevant?

Results: Performance indicators for FY2011 for the Medicaid program are generally relevant based on the following criteria:

- BHSF's mission, goals, and objectives are in alignment with its federal and state legal authority.
- Twenty-five activities of 27 (93%) have at least one outcome indicator that measures progress toward that activity's objective.
- BHSF has developed some performance indicators that are in alignment with nationally recommended outcome measures; however, additional measures could be developed.
- Management stated that it uses its performance indicator results to make decisions and manage its programs; however, no formal written policies and procedures are in place for the use of this data.

Objective 2: Were the performance indicators reported reliably for the 3rd quarter of FY2010?

Results: The majority of DHH's performance indicators are reliable. To assess reliability, we recalculated performance indicator values. Those values within plus or minus 4% of actual performance were considered reliable. Of the 22 indicators reviewed, we found that 21 (95%) were reliable. The remaining indicator could not be recalculated because of an inadequate database. In addition, we identified six indicators that had methodology or input errors but were still within plus or minus 4% of actual value. We also identified eight indicators in the Louisiana Performance Accountability System (LaPAS) that were reported quarterly or by another method instead of cumulatively but were still reliable.

Background

The Louisiana Department of Health and Hospitals (DHH) is responsible for the Medicaid system for the state of Louisiana. To administer the program, DHH has established two budget units: the Medical Vendor Administration and Medical Vendor Payments units. The Medical Vendor Payments budget unit serves a pass-through function for the Medicaid program. The Medical Vendor Administration budget unit administers the funding in the Medical Vendor Payments budget. Together, these budget units comprise the Bureau of Health Services Financing (BHSF). BHSF had a total budget of $6,538,976,967 enacted for FY2009-2010. This total accounted for 82% of DHH's budget. BHSF also has a total of 1,263 authorized positions.

Objective 1: Are the performance indicators for FY2011 relevant?

Overall, we found that BHSF's performance indicators for FY2011 are relevant and meaningful based on the following criteria:

- Mission, goals and objectives relate to its legal authority.
- Major program activities have at least one outcome indicator.
- Indicators are consistent with best practices.
- Indicators are used to make decisions and manage programs.

Specific results of our work are summarized below.

BHSF's mission, goals, and objectives are related to its legal authority. DHH uses Manageware, a publication developed by the Office of Planning and Budget (OPB) within the Division of Administration, as its guidance for developing, monitoring, and reporting performance indicators. According to Manageware, performance indicators should be relevant and meaningful, which includes ensuring program mission, goals, and objectives relate to its legal authority. We compared BHSF's mission, goals, and objectives in the FY2011 Executive Budget to its federal and state legal authority and found that the mission, goals, and objectives are related to its program's federal and state legal authority.

Of BHSF's 27 major activities, 25 (93%) have at least one outcome indicator that measures progress toward that activity's objective as required by OPB. According to Manageware documentation, each objective must have at least one outcome, efficiency, or quality performance indicator to provide a clear view of progress toward an activity's objective. BHSF has developed 114 performance indicators that include the following:

- 69 (61%) outcome indicators
- 25 (22%) output indicators
- 13 (11%) input indicators
- 7 (6%) efficiency indicators

However, two activities within the Medical Vendor Payments budget unit do not have outcome performance indicators that measure progress toward the objective as shown in Exhibit 1.

Exhibit 1
BHSF's Activity and Objectives Containing Only Input Performance Indicators

Activity and Objective	Performance Indicator
Through the Clawback activity, to help finance the Medicare Part D benefit for dual eligibles (individuals insured by both Medicare and Medicaid) as required by the Medicare Prescription Drug Improvement Modernization Act of 2003	1. Number of dual eligibles
Through the Hospice and Nursing Home Room and Board Payments activity, to provide quality palliative care to Medicaid Hospice recipients at the most reasonable cost to the state	1. Number of Room and Board Services for Hospice Patients 2. Number of Hospice Services

Source: Prepared by legislative auditor's staff using information from the Executive Budget Supporting Document (FY2010-2011).

In addition, of BHSF's 27 major activities, five have objectives not fully measured by their respective performance indicators. The Medicaid Managed Care, Community-Based Services, Clawback, Operations, and Inpatient Hospitalization activities contain performance indicators that do not fully measure all aspects of their objectives as shown in Appendix C.

BHSF has developed some performance indicators that are aligned with nationally recommended outcome measures. Since Medicaid is a state-run program, it was difficult to identify best practices specifically related to Louisiana's program. However, we did identify national outcome measures for the Medicaid program recommended at the federal level.[1] These outcome measures are health-related which allows states to evaluate the impact of Medicaid programs on actual health outcomes, such as the prevalence of asthma and congestive heart failure. Louisiana is currently using 10 of these measures for its performance indicators.

BHSF is not using many national outcome measures because many of its objectives are financial-related. Although it is important to measure expenditures, cost savings, and enrollment, BHSF may also want to develop more health outcome indicators to better measure the actual performance of its Medicaid programs. The 10 nationally accepted performance indicators BHSF measures in its current set of performance indicators are summarized in Exhibit 2.

[1] The Centers for Medicaid and Medicare Services (CMS) published a compendium of measures recommended for Medicaid programs. These measures were compiled from a variety of sources including the National Committee for Quality Assurance (NCQA) and the Agency for Healthcare Research and Quality (AHRQ).

Exhibit 2 BHSF's Performance Indicators Based on Health Effectiveness Data and Information Set Measures
Performance Indicator
Percentage of children that have at least six well visits within the first 15 months of life
Percentage of adults aged 21-44 who have at least one preventive care visit per year
Percentage of Medicaid enrollees aged 2-21 who had at least one dental visit in a year
Percentage change in the number of children at age 2 receiving appropriate immunizations
Total number of LaChip Affordable Plan eligibles who have annual dental exams
Number of well-care visits, including immunizations, for adolescents
Congestive heart failure admission rate
Asthma adult admission rate
Uncontrolled diabetes admission rate
Percentage of Medicaid enrollees aged 12-21 who had at least one comprehensive well-care visit in a year
Source: Prepared by legislative auditor's staff using information from the Executive Budget Supporting Document (FY2010-2011) and documentation from NCQA.

According to BHSF management, it uses performance indicator data to make decisions and manage its programs; however, no formal written policies and procedures are in place for use of these indicators. According to Manageware, each agency must indicate how each performance indicator is used in management decision making. We interviewed each section chief within BHSF to determine how each uses the results of their performance indicators to manage their programs. Management reported using their performance indicator data in various ways, including budget tracking and development, monitoring, judging program and activity effectiveness, staff allocation and performance, and gauging program performance to achieve targeted goals. However, while management does appear to use its performance indicator data in making decisions and managing its programs, management does not however have formal written policies and procedures in place for how it uses this data.

Recommendation 1: DHH should ensure that all objectives have at least one outcome or efficiency performance indicator.

Summary of Management's Response: DHH agrees with this recommendation.

Recommendation 2: DHH should ensure that the Medicaid Managed Care, Community-Based Services, Clawback, Operations, and Inpatient Hospitalization activities contain performance indicators that fully measure all aspects of its objectives.

Summary of Management's Response: DHH agrees with this recommendation.

Recommendation 3: DHH should determine if additional health outcome indicators should be developed to help evaluate the impact of Medicaid programs on actual health outcomes in Louisiana.

Summary of Management's Response: DHH agrees with this recommendation.

Recommendation 4: Management should develop formal written policies and procedures for how it should use performance data.

Summary of Management's Response: DHH agrees with this recommendation.

Objective 2: Were the performance indicators reported reliably for 3rd Quarter FY2010?

Overall, the majority of DHH's performance indicators are reliable. To assess reliability, we recalculated performance indicator values. Those values within plus or minus 4% of actual performance were considered reliable. Of the 22 indicators reviewed, we found that 21 (95%) were reliable. The remaining indicator could not be recalculated because of an inadequate database. In addition, we identified six indicators that had methodology or input errors but were still within plus or minus 4% of the actual value. We also identified eight indicators in LaPAS that were reported quarterly or by another method instead of cumulatively but were still reliable.

Most indicators are reliable. Of 22 key indicators, we found that 21 (95%) had values that were accurate for the 3rd quarter of FY2010. However, for one indicator (Percentage of licensing surveys conducted), we could not re-create 3rd quarter data on the number of licensed facilities because of an inadequate database. This database did not have the capacity to run reports or queries. According to DHH staff, DHH is in the process of replacing this outdated system.

Six indicators had methodology or input errors but were still reliable. Of the 21 indicators with accurate values, we found that six (29%) had methodology, reporting, or input errors. While these six values had errors, these reported values were still within 4% of the actual value. However, these issues could affect the reliability for future reporting. These indicators and an explanation of the control issues are summarized in Exhibit 3.

Exhibit 3
Explanation of BHSF's Performance Indicators

Performance Indicator	Explanation
Percentage of total claims processed within 30 days of receipt	**Input incorrectly into LaPAS:** One value in LaPAS did not match the documentation at DHH. According to DHH, an input error was made when entering the information in LaPAS. Therefore, the 3rd quarter value in LaPAS was incorrect.
Percentage of potential children enrolled	**Reporting the incorrect percentage in LaPAS:** DHH is directly taking the "percent of uninsured children in Louisiana" value from the 2009 Louisiana Health Insurance Survey (LHIS) and using that value in calculating a percentage in LaPAS.[2] However, DHH should be using the "percent of uninsured Medicaid eligible children" value from the LHIS since the performance indicator is the "percentage of potential children enrolled (LaCHIP/Medicaid)."

[2] The LHIS is conducted every two years. Therefore, the value being reported in LaPAS will not change until 2011.

Exhibit 3
Explanation of BHSF's Performance Indicators

Performance Indicator	Explanation
Average cost per Title XXI enrolled per year	**Inefficient programming code**: DHH was using inefficient programming code used to pull data from a report that was capturing duplicate eligibility and payment information. Currently, certain search criteria has been adjusted in the code, and the report is capturing data correctly and calculating results properly. **Input incorrectly in LaPAS:** DHH was incorrectly reporting the same figure for the first three quarters of FY2010. It was calculating the actual figure for 4th quarter only (annually).
Average cost per Title XIX enrolled per year	**Input incorrectly in LaPAS:** DHH was incorrectly reporting the same figure for the first three quarters of FY2010. It was calculating the actual figure for 4th quarter only (annually).
Percentage of TPL claims processed through edits	**Invalid calculation methodology:** DHH calculated this indicator by averaging percentages, which is an invalid statistical method. DHH averages the monthly percentages of TPL claims edited per quarter. The correct methodology should be to take the total amount of claims edited for the three months of the quarter and then divide by the total amount of claims available for editing.
Number of cases added in Louisiana's Health Insurance Premium Payment Program (LaHIPP)	**Incomplete source data:** The data used in calculating this performance indicator was incomplete because it did not take into account the last three days of the 3rd quarter reporting period. This error occurred because of data reporting problems associated with the transition of LaHIPP application processing to a third-party contractor, which occurred during this quarter. According to the section chief responsible for this indicator, DHH is working closely with its contractor to resolve any problems with this process, including data reporting.

Source: Prepared by legislative auditor's staff using information from the Executive Budget Supporting Document (FY2010-2011).

Eight indicators in LaPAS were reported quarterly or by another method instead of cumulatively but were still reliable. According to Manageware, key indicators are to be reported cumulatively on a quarterly basis to show actual year-to-date performance. Five indicators are being reported quarterly in LaPAS and three indicators are reported using another method that differs from what is required by Manageware. However, these reported values were still within 4% of the actual value. The indicators are summarized in Exhibit 4.

Exhibit 4
Performance Indicators Reported Incorrectly

LaPAS Number	Performance Indicator
2219	Percentage of total claims processed within 30 days of receipt
17038	Percentage of procedural closures at renewal
22324	Percentage of children that have at least six well visits within the first 15 months of life
22325	Percentage of adults aged 21-44 who have at least one preventive care visit per year
22947	Percentage of Medicaid enrollees aged 2-21 who had at least one dental visit in a year
7957	Percentage of TPL claims processed through edits
22943	Percentage of Total Scripts PDL Compliance
22942	Percentage of total drug rebates collected

Source: Prepared by legislative auditor's staff using information from LaPAS and the Executive Budget Supporting Document (FY2010-2011).

Several indicators did not have explanatory notes which resulted in the indicator appearing unreliable. Indicators should have explanatory notes to ensure the reader clearly understands what is being measured. However, we identified the following issues:

- Five indicators used data from earlier time periods rather than data that occurred during the relevant reporting period. Three of these instances include intentional delays of two quarters to capture more complete data. The remaining two instances include a one quarter delay as the data used is large and complex and requires a quarter to calculate the indicator accurately. We believe that the lag time for these indicators is justified; however, DHH does not state in LaPAS or the Executive Budget documents that the lag time exists. See Appendix E, Exhibit 1 for a list of performance indicators with reporting time lags.

- One instance of performance indicators contained confusing terminology that does not clearly portray what the indicator is measuring so that LaPAS users can easily understand the meaning. See Appendix E, Exhibit 2 for the performance indicator with confusing terminology.

Recommendation 5: DHH should ensure that the new system has the capability to generate reports to support the "Percentage of licensed surveys conducted" indicator.

Summary of Management's Response: DHH agrees with this recommendation. DHH stated it will explore the feasibility of adding the ability of the new database to produce a report that is able to portray the number of licensing surveys actually performed as a percentage of the total aggregate during a 12 month period. However, adding this as an additional feature will likely require additional costs.

Recommendation 6: For the "Percentage of total claims processed within 30 days of receipt" indicator, DHH should ensure that it has sufficient review controls to ensure input errors are identified and corrected.

Summary of Management's Response: DHH agrees with this recommendation.

Recommendation 7: For the "Percentage of potential children enrolled" indicator, DHH should ensure that it uses the correct percentage from the Louisiana Health Insurance Survey.

Summary of Management's Response: DHH agrees with this recommendation.

Recommendation 8: For the "Percentage of TPL claims processed through edits" indicator, DHH should not average percentages when calculating indicator values.

Summary of Management's Response: DHH agrees with this recommendation.

Recommendation 9: For the "Number of cases added in LaHIPP" indicator, DHH should ensure that its third-party contractor, used for LaHIPP application processing, is providing accurate and complete information when reporting data.

Summary of Management's Response: DHH agrees with this recommendation.

Recommendation 10: DHH should report cumulatively on a quarterly basis to show actual year-to-date performance.

Summary of Management's Response: DHH agrees with this recommendation.

Recommendation 11: DHH should include explanatory notes in LaPAS and/or the Executive Budget when reporting performance indicators to clarify any instances of time lags associated with the data and confusing terminology.

Summary of Management's Response: DHH agrees with this recommendation.

APPENDIX A: MANAGEMENT'S RESPONSE

Bobby Jindal
GOVERNOR

Bruce D. Greenstein
SECRETARY

State of Louisiana

Department of Health and Hospitals
Bureau of Health Services Financing

January 4, 2011

Mr. Daryl G. Purpera, CPA, CFE
Louisiana Legislative Auditor
P.O. Box 94397
Baton Rouge, LA 70804-9397

RE: Medicaid Performance Indicators

Dear Mr. Purpera:

Please accept this letter as the Department of Health and Hospitals (DHH) official response to your Offices' audit of DHH's Medicaid Performance Indicators. DHH has reviewed the eleven recommendations included in the report and we concur with each of these recommendations.

For recommendation number five, we will explore the feasibility of adding the ability of the new database to produce a report that is able to portray the number of licensing surveys actually performed as a percentage of the total aggregate to be done in a 12 month period. As the database contract has already been negotiated and work is nearing completion, adding an additional feature such as this report will likely require additional costs. Health Standards Section will continue to produce the percentage manually until automated process is available.

The Department appreciates the thorough review of current processes and suggested recommendations and we appreciate the courtesy and consideration shown by the auditors to our staff.

Further questions concerning this response may be directed to me at Don.Gregory@LA.GOV or by telephone at 225.342.3891.

Sincerely,

Don Gregory, Medicaid Director
Department of Health and Hospitals

c: Jerry Phillips, Undersecretary
Jeff Reynolds, Fiscal Director

APPENDIX B: Audit Initiation, Scope, and Methodology

We conducted this performance audit under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. R.S. 39:87.3 (D) (E) directs the Office of the Legislative Auditor to provide an assessment of state agencies' performance data. Our audit focused on the relevance and reliability of the performance indicators and indicator data for the Department of Health and Hospitals (DHH) Medicaid Division within the Bureau of Health Services Financing (BHSF). We selected indicators related to Medicaid because BHSF accounted for 82% of DHH's total budget during FY2009-2010. The audit objectives were to answer the following questions:

1. Are the performance indicators for FY2011 relevant?

2. Were the performance indicators reported reliably for 3rd quarter of FY2010?

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. To answer our objectives, we reviewed internal controls relevant to the audit objectives and performed the following audit steps for each objective:

Objective 1: Are the performance indicators for FY2011 relevant?

- Conducted background research and a risk assessment, including reviewing state and federal laws relating to performance accountability
- Identified the federal and state legal authority for BHSF, including its missions, goals, and objectives
- Reviewed and identified BHSF's performance indicators, mission, goals, and objectives in the Executive Budget documents of FY2011, as well as its major activities (initiatives)
- Reviewed all 114 BHSF performance indicators of FY2011 for relevancy
- Interviewed DHH staff and management to determine how they use performance data to make decisions and manage programs
- Reviewed Manageware, the Office of Planning and Budget's guidance documentation on performance indicators

- Researched best practices and compared BHSF's performance indicators to other best practices organizations and leading states

Objective 2: Were the performance indicators reported reliably for 3rd quarter of FY2010?

- Assessed the control structure and reliability for 22 of BHSF's key performance indicators that did not change from FY2010 to FY2011.
- Interviewed DHH staff and management on BHSF's performance indicators, their processes and calculations, and use of their results
- Conducted an online survey and interviewed management to assess performance indicator input, process, and review controls
- Examined BHSF's policies and procedures relating to our audit objectives
- Compared BHSF's performance indicators in the Executive Budget documents to Louisiana Performance Accountability System (LaPAS)
- Obtained and analyzed performance indicator source data for accuracy and completeness, including database report coding
- Analyzed performance indicator calculation methodology for accuracy
- Recalculated the performance indicators based on established calculation methodology
- Reviewed LaPAS reported results for entry errors
- Assessed performance indicator names and data for clarity
- Calculated the percentage difference between the actual performance and reported performance and if the percentage difference was more than 4%, considered the value to be inaccurate

APPENDIX C: Objectives Not Fully Measured by Indicators

BHSF's Activity and Objectives Not Fully Measured by Performance Indicators		
Activity and Objective	**Performance Indicators**	**Explanation**
Through the Medicaid Managed Care activity, to perform all federally mandated administrative activities required for Medicaid managed care programs Primary Care Case Management (PCCM), new CommunityCARE Plus enhanced (PCCM), and new comprehensive prepaid managed care plans	1. Key: Percentage of CommunityCARE enrollees who select a provider 2. Supp.: Percentage of prepaid managed care enrollees who select a health plan 3. Supp.: Percentage of PCCM providers receiving ARRA incentive payments for meaningful use of electronic health records	This objective is broad in its scope and the performance indicators associated with it does not appear to measure all parts of the objective.
Through the Community-Based Services activity, to achieve better health outcomes for the state by promoting affordable community-based services, decreasing reliance on more expensive institutional care, and providing choice to recipients	1. Key: Percentage change in the unduplicated number of recipients receiving community-based services	This objective includes three specific tasks for the activity, but only contains one performance indicator. In addition, the performance indicator is not relevant to all parts of the objective.
Through the Clawback activity, to help finance the Medicare Part D benefit for dual eligibles (individuals insured by both Medicare and Medicaid) as required by the Medicare Prescription Drug Improvement Modernization Act of 2003	1. Key: Number of dual eligibles	This performance indicator does not seem to measure progress toward the objective. In addition, this activity does not have an outcome indicator as mentioned above.

BHSF's Activity and Objectives Not Fully Measured by Performance Indicators		
Activity and Objective	**Performance Indicators**	**Explanation**
Through the Operations activity, to operate an efficient Medicaid claims processing system, to increase the number of patients receiving community-based mental health services, and to reduce the number of High Tech Radiology Services	1. Key: Percentage of total claims processed within 30 days of receipt 2. Supp.: Average processing time in days 3. Key: Percentage of Medicaid claims processed within 30 days of receipt 4. Key: Percentage reduction in the number of High Tech Radiology Services 5. Gen.: Total number of claims processed	This objective includes three tasks for the Operations activity. The five performance indicators for the activity measure progress toward two tasks in the objective, but the third (to increase the number of patients receiving community-based mental health services) does not have an indicator measuring progress toward it.
Through the Inpatient Hospitalization activity, to provide necessary care for Medicaid recipients when acute care hospitalization is most appropriate and to lower the growth of inpatient hospital costs while moving toward a higher and consistent level of quality medical care	1. Key: Average (mean) length of stay in days (non-psych) for Title XIX Medicaid recipients	While the single performance indicator for this activity measures progress toward the objective, there are no additional indicators to measure progress toward the latter portion of the objective ("moving toward a higher and consistent level of quality medical care").
Source: Prepared by legislative auditor staff using information from the Executive Budget Supporting Document (FY2010-2011).		

APPENDIX D: Overview of Performance Indicator Reliability

Department of Health and Hospitals - Bureau of Health Services Financing
Fiscal Year 2011 - 3rd Quarter

PI Number	Performance Indicator	Target	Value Reported	Actual Performance	Accurately Reported within +/- 4%?
Medical Vendor Administration					
2219	Percentage of total claims processed within 30 days of receipt	98%	98%	100%	Yes
2215	Number of TPL claims processed	4,652,268	4,451,445	4,451,445	Yes
7957	Percentage of TPL claims processed through edits	100%	99.10%	99.13%	Yes
16533	Percentage of complaint investigations conducted within 30 days after receipt by the Health Standards section of MVA	95.00%	95.24%	95.24%	Yes
16534	Percentage of abuse complaint investigations conducted within 2 days after receipt by the Health Standards section of MVA	97%	96.43%	96.43%	Yes
16535	Percentage of licensing surveys conducted	45%	40.86%	n/a	Cannot determine
17038	Percentage of procedural closures at renewal	1.30%	0.51%	0.53%	Yes
2240	Percentage of potential children enrolled	95%	95%	94.7%	Yes
10013	Total number of children enrolled	705,097	711,993	711,993	Yes
10016	Average cost per Title XXI enrolled per year	$1,688	$1,688	$1,745	Yes
10017	Average cost per Title XIX enrolled per year	$2,524	$2,524	$2,594	Yes

Department of Health and Hospitals - Bureau of Health Services Financing (Continued) Fiscal Year 2011 - 3rd Quarter					
PI Number	**Performance Indicator**	**Target**	**Value Reported**	**Actual Performance**	**Accurately Reported within +/- 4%?**
Medical Vendor Payments					
2263	Total number of buy-in eligibles (Part A & B)	164,999	162,592	162,592	Yes
22324	Percentage of children who have at least six well visits within the first 15 months of life	52%	53.41%	53.41%	Yes
22325	Percentage of adults aged 21-44 who have at least one preventive care visit per year	5%	5.39%	5.39%	Yes
22947	Percentage of Medicaid enrollees aged 2-21 who had at least one dental visit in a year	45%	47.27%	47.27%	Yes
2271	Amount of federal funds collected in millions (public only)	$446.9	$415.2	$415.2	Yes
17041	Total federal funds collected in millions	$551.9	$487.2	$487.2	Yes
2266	Total savings (cost of care less premium costs for Medicare benefits)	$729,021,850	$819,496,685	$819,496,685	Yes
22327	Number of cases added in LaHIPP	368	372	375	Yes
15421	Amount in cost avoidance (in millions) through the prior authorization program and use of the preferred drug list	$28.97	$38.65	$38.65	Yes
22943	Percentage of Total Scripts PDL Compliance	90%	89.70%	91%	Yes
22942	Percentage of total drug rebates collected	90%	87%	90%	Yes

Source: Prepared by legislative auditor's staff using data obtained from LaPAS and our analysis of reliability.

APPENDIX E: Overview of Performance Indicator Reliability

Exhibit 1
Performance Indicators With Reporting Time Lags

LaPAS Number	Performance Indicator
22324	Percentage of children who have at least six well visits within the first 15 months of life
22325	Percentage of adults aged 21-44 who have at least one preventive care visit per year
22947	Percentage of Medicaid enrollees aged 2-21 who had at least one dental visit in a year
15421	Amount in cost avoidance (in millions) through the prior authorization program and use of the preferred drug list
22943	Percentage of Total Scripts PDL Compliance

Source: Prepared by legislative auditor's staff using information from LaPAS and the Executive Budget Supporting Document (FY2010-2011).

Exhibit 2
Performance Indicator With Confusing Terminology

LaPAS Number	Performance Indicator
17038	Percentage of procedural closures at renewal

Source: Prepared by legislative auditor's staff using information from LaPAS and the Executive Budget Supporting Document (FY2010-2011).

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