



Maximus, Inc., Member Communications

Texas Medicaid and CHIP Enrollment Broker

Results in Brief

Why OIG Conducted This Audit

The Texas Health and Human Services Commission (HHSC) contracts with Maximus to perform as the sole Medicaid and Children's Health Insurance Program (CHIP) enrollment broker for Texas. Maximus has served as the state enrollment broker since 1997. In state fiscal year 2021, Maximus reported an average of 103,006 new Medicaid medical enrollments every month, 35 percent of which were based on member choice; and 6,924 new CHIP medical enrollments every month, 70 percent of which were based on member choice.

Summary of Review

The audit objective was to determine whether Maximus, accurately, timely, and in accordance with applicable requirements:

- Communicated enrollment-related information to members who were determined eligible for Medicaid and CHIP services.
- Received and processed enrollment-related information from those members.

The audit scope included Maximus's enrollment-related processes for the period from September 1, 2020, to August 31, 2021. The scope also included a review of significant information system controls related to those processes for state fiscal year 2021 through the present.

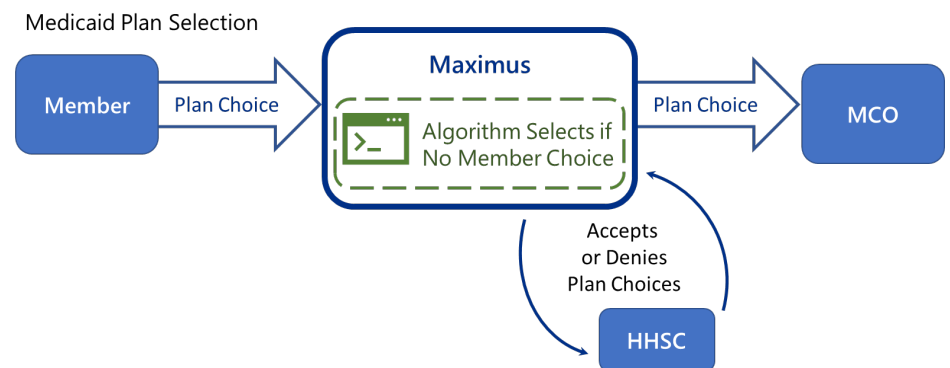
Conclusion

Maximus, Inc., (Maximus) substantially complied with applicable requirements related to communicating enrollment-related information to eligible Medicaid and Children's Health Insurance Program (CHIP) members and receiving and processing member enrollment-related information. However, it has opportunities to (a) improve its default managed care organization (MCO) selection process for CHIP members, (b) improve service to members, and (c) strengthen oversight of its mailing contractor. Additionally, while Maximus had processes and controls in place for its enrollment system, it should strengthen certain information system controls.

Key Results

Receiving and Processing Enrollment-Related Information From Members

Maximus received and processed Medicaid and CHIP enrollment-related transactions, accurately capturing members' enrollment choices and accurately communicating them to MCOs, as required. The figure below depicts the process for Medicaid. For CHIP, enrollments are processed without HHSC's approval.



Maximus did not initiate its default enrollment process for CHIP members in accordance with its documented procedures. Maximus's procedures, which it submits to HHSC quarterly for review, require Maximus to enroll CHIP members who had prior coverage one year or less from the current enrollment with their prior MCO. Maximus's default algorithm enrolled CHIP members with their previous MCO regardless of when that prior coverage occurred.

Background

For both Medicaid and CHIP enrollments, HHSC determines member eligibility and provides that information to Maximus.

Recommendations

Maximus should:

- Work with HHSC to update its process for initiating its default algorithm for CHIP members to ensure that it operates in accordance with the procedures it has submitted to HHSC.
- Continue to strengthen its process for resolving TIERS-denied transactions by developing clear procedures for the process and implementing a review of the process to ensure that all TIERS-denied transactions are captured and resolved according to its contract.
- Work with HHSC to review prior TIERS-denied transactions that were not captured in its review process to ensure that they were appropriately resolved.
- Implement a process to ensure that its enrollment packets provide accurate response deadlines.
- Implement a process to verify the accuracy of mail date information provided by its subcontractors.
- Strengthen its controls to help protect its data from unauthorized changes.

Management Response

OIG Audit presented preliminary audit results, issues, and recommendations to Maximus in a draft report dated August 5, 2022. Maximus's management responses are included in the report following each recommendation.

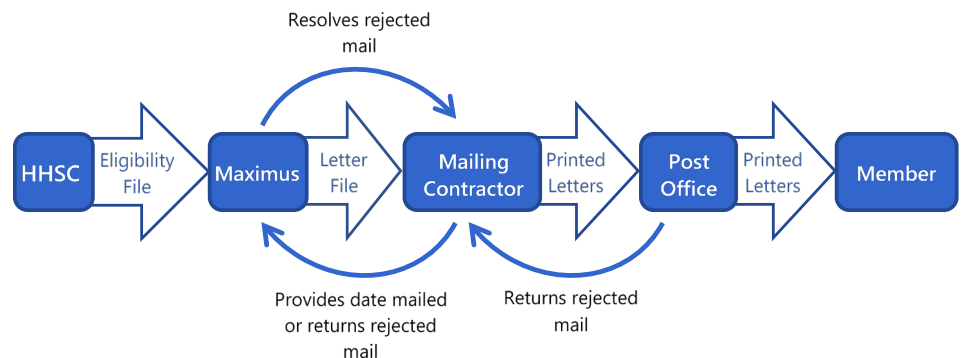
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After an enrollment selection is made, Maximus communicates Medicaid transactions to the Texas Health and Human Services Commission (HHSC) Texas Integrated Eligibility Redesign System (TIERS) and is required to resolve any transactions that TIERS denies. Its process for tracking and resolving transactions did not ensure it resolved all TIERS-denied transactions. Specifically:

- Maximus runs a daily report to capture TIERS-denied transactions, but the daily report did not include all TIERS-denied transactions.
- For TIERS-denied transactions that were included on the daily reports, Maximus did not include 68 percent of transactions in its tracking spreadsheet for the 12 daily reports tested.
- For the 25 tested transactions on its spreadsheet, all were resolved; however, 11 were not resolved timely and one did not address the member's selection of MCO.

Processing Enrollment-Related Information from HHSC and Communicating to Members

While Maximus communicated accurate enrollment-related information to Medicaid and CHIP members, it should improve its processes related to communicating enrollment deadlines and monitoring its mailing contractor. The figure below depicts the process.



For 26 of 27 applicable Medicaid enrollment packets tested, Maximus included an incorrect date by which the member must respond. Medicaid beneficiaries may not be enrolled with their preferred MCO because they may not respond by the stated deadline.

Maximus also did not review the accuracy of its mailing contractor's self-reported information about the date the mailing contractor delivered letters to the postal service.

IT General Controls

Maximus should strengthen certain controls to help protect its data from unauthorized changes. To minimize security risks, OIG Audit communicated details about the identified weaknesses to Maximus's management in a separate written communication.