Enlyte, Workers' Comp

What is an MCO?

July 16, 2019
3 MIN READ
Author profile image

Mitchell | Genex | Coventry

More often than not clients will ask the question: What is an MCO? Well isn't that a loaded question? If we take it at face value, a Managed Care Organization (MCO) is an organization that manages care. Like Coventry, who manages all types of "care" injured workers seek to get on the road to recovery. However, usually the question has more to do with State Certified Managed Care Programs, commonly referred to as MCOs. From there it gets clear as mud. While the general category of state certified programs may be commonly referred to as MCOs, when you get into the state specifics you won't find it to be that easy. For instance, California refers to their program as the Medical Provider Network (MPN), Texas is the Health Care Network (HCN), and Florida is the Managed Care Arrangement (MCA), just to name a few. Some states simply refer to it as their MCO. There are more than 21 states that have enacted MCO legislation. Typically the enticement for using these programs is the ability to direct injured workers to certified network providers and achieve PPO savings. Such direction is usually defined for a specified period, some for the lifetime of the claim, and this direction and savings in some cases is not available outside the MCO. In some states the MCO will be voluntary and in others mandatory for certain groups. Organizations that offer MCO programs to payers act as the facilitators for these complex systems bridging the gap between state regulators, payers and injured workers. Some will offer networks only and others will offer fully bundled programs that include the utilization review required to determine medical necessity, case management for care coordination, quality improvement initiatives and reporting to monitor compliance in order to entice usage and demonstrate success of the MCO in the overall claim management process. Some will do the MCO filing with the legislative bodies and others will provide you with the documentation to do the filing yourself – often times this differs depending on who is stringing the MCO program together as a complete program. So if you thought this piece was going to simplify the world of certified managed care organizations, I apologize for leading you astray. The most important bit of advice I can provide is to do your homework. If you have the manpower to dig into and understand the details in all the states where you operate you may just need a certified network. If you prefer to let someone else do the driving, partner with a company that has the know-how and the resources to build, maintain and operate network only and fully bundled programs and do all the necessary heavy lifting to get it approved well before you need to go live.



©2022 Enlyte Group, LLC.

mitchell | genex | coventry