



Process 1 – MCO Payments

- Step 1. HHSC Pays MCOs Monthly Capitated Actuarially Sound Rate
- Step 2. MCOs Adjudicate Provider Claims through Normal Processes
- Step 3. MCOs submit Encounter Data to HHSC

Process 2 – Provider Interim Payments

- Step 1. Provider Submits Required Data to HHSC
- Step 2. HHSC Directs MCOs to Pay Providers Monthly Payment Based Upon Historical Claims
- Step 3. MCOs Issue Monthly Payment To Provider

Process 3 – Provider Payment Reconciliation

- Step 1. HHSC Calculates Reconciliation of Historical to Actual Utilization
- Step 2. HHSC informs MCOs of Any Necessary Recoupments and Redistributions of Program Funds to Providers
- Step 3. MCOs Execute Recoupments and Redistributions so All Providers Receive a Uniform Rate Increase Based Upon Actual Claims