**Component 1 Reconciliation Timeline and Processes**

- **Sep 2021** Program Period Begins
- **Sep 2021 - Aug 2022** MCOs Receive Capitated Payments
- **Sep 2021 - Dec 2022** Encounter Data Runout Period
- **Sep 2022** Program Period Ends
- **Oct 2022** - Sep 2023 MCOs Recoup and Redistribute Payments to Providers as Necessary Based upon Actual Utilization
- **Jan 2023** Reconciliation of Historical to Actual Utilization Calculation Performed
- **1/15/2023 - 1/31/2023** MCOs Receive Reconciliation File from HHSC

**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.** Using the Data from Process 1.3, and Process 2.3, 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