Medicaid Transformation Project

ACH P4P Project Incentives

Myers and Stauffer LC

October 2020
VIDEO SERIES

1. MTP accountability (presented by HCA)
2. ACH Project incentives (GTG, IOS, AV calculations) (presented by IA)
3. ACH QIS methodology and high-performance pool achievement (presented by IA)
4. Statewide accountability and VBP P4P (presented by HCA)
<table>
<thead>
<tr>
<th>Acronym</th>
<th>Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACH</td>
<td>Accountable Communities of Health</td>
</tr>
<tr>
<td>AV</td>
<td>Achievement Value</td>
</tr>
<tr>
<td>DY</td>
<td>Demonstration Year</td>
</tr>
<tr>
<td>IA</td>
<td>Independent assessor</td>
</tr>
<tr>
<td>MTP</td>
<td>Medicaid Transformation Project</td>
</tr>
<tr>
<td>P4P</td>
<td>Pay-for-Performance</td>
</tr>
<tr>
<td>P4R</td>
<td>Pay-for-Reporting</td>
</tr>
</tbody>
</table>
# P4P PROJECT ACHIEVEMENT

<table>
<thead>
<tr>
<th>Metric</th>
<th>Earned AV</th>
<th>Possible AV</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acute hospital utilization</td>
<td>0.75</td>
<td>1.00</td>
</tr>
<tr>
<td>All cause emergency department (ED) visits per 1000 member months</td>
<td>0.75</td>
<td>1.00</td>
</tr>
<tr>
<td>Children's and adolescents’ access to primary care practitioners</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Comprehensive diabetes care: eye exam (retinal) performed</td>
<td>0.50</td>
<td>1.00</td>
</tr>
<tr>
<td>Comprehensive diabetes care: hemoglobin A1c testing</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Comprehensive diabetes care: medical attention for nephropathy</td>
<td>0.75</td>
<td>1.00</td>
</tr>
<tr>
<td>Medication management for people with asthma</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td>Statin therapy for patients with cardiovascular disease</td>
<td>1.00</td>
<td>1.00</td>
</tr>
<tr>
<td><strong>Total achievement value (TAV)</strong></td>
<td><strong>6.75</strong></td>
<td><strong>8.00</strong></td>
</tr>
<tr>
<td><strong>Percentage achievement value (PAV)</strong> <strong>(6.75 / 8.0) = 84%</strong></td>
<td><strong>84%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
METRIC PERFORMANCE NOTES

• Rounding
  • Performance determination – No rounding will occur in any step of the calculation
  • Reporting – Rounding in visualization products may occur for readability

• Low counts
  • Performance determination – No exclusion for low counts will be used as metrics were chosen with the criteria that low count risk is minimized
  • Reporting – Suppression requirements will determine if low counts are displayed in visualization products
**PROJECT P4P METRICS**

- Appendix G: DSRIP quality and outcome metrics
- The following table defines the metrics used to determine performance and accountability for the DSRIP Program.

<table>
<thead>
<tr>
<th>Name of metric</th>
<th>NQF#</th>
<th>Measure steward</th>
<th>Statewide accountability metric (quality component)</th>
<th>ACH project P4P metrics for project incentives, by year</th>
<th>Associated Toolkit projects</th>
<th>ACH high-performance metric</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acute hospital utilization</td>
<td>N/A</td>
<td>NCQA (HEDIS)</td>
<td>N</td>
<td>Inactive</td>
<td>P4P</td>
<td>2.a, 2.b, 2.c, 3.a, 3.d</td>
</tr>
<tr>
<td>All cause emergency department visits per 1000 member months</td>
<td>N/A</td>
<td>WA DSHS-RDA</td>
<td>Y</td>
<td>P4P</td>
<td>P4P</td>
<td>P4P</td>
</tr>
</tbody>
</table>
• Appendix H: ACH project P4P improvement target and AV methodology

• The purpose of this table is to outline the methodology used to set improvement targets for the associated performance year.

<table>
<thead>
<tr>
<th>Name of metric</th>
<th>NQF#</th>
<th>Method (gap to goal, improvement over self)</th>
<th>ACH P4P improvement target methodology</th>
<th>ACH P4P AV methodology</th>
<th>Metric/submetric results used to determine AV</th>
<th>AV determination</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acute hospital utilization</td>
<td>N/A</td>
<td>Improvement over self</td>
<td>N/A (2018 for DY 4 performance)</td>
<td>N/A (2017 for DY 3 performance)</td>
<td>Single metric result (18+ years)</td>
<td>Single metric result</td>
</tr>
</tbody>
</table>
| All cause emergency department visits per 1000 member months                | N/A  | Improvement over self                       | N/A (2018 for DY 4 performance)        | N/A (2017 for DY 3 performance) | • 0 – 17 years
• 18 – 64 years
• Age 65+ | Weighted average of performance for each submetric is used to calculate overall AV, determined by number of Medicaid beneficiaries the ACH has in each submetric.
**METRIC PERFORMANCE METHODS**

- Improvement over self (IOS)

Figure 22. Example: Improvement target set using IOS - improvement target

**Percentage Point Change**

\[ \text{Percentage Point Change} = \text{Baseline} \times 1.9\% \]

\[ = 73.00 \times 1.9\% = 1.39\% \]

**Improvement Target**

\[ \text{Improvement Target} = \text{Baseline} + \text{Percent Change} \]

\[ = 73.00 + 1.93 = 74.93\% \]

Note: Subtract the Percent Change from Baseline if a lower result is better for the measure.
METRIC PERFORMANCE METHODS

- Gap to goal (GTG)

**Gap**

\[
\text{Gap} = \text{Benchmark} - \text{Baseline} = 73.00 - 50.00 = 23.00\%
\]

**Gap Reduction**

\[
\text{Gap Reduction} = \text{Gap} \times 10\% = 23.00 \times 10\% = 2.30\%
\]

**Improvement Target**

\[
\text{Improvement Target} = \text{Baseline} + \text{Gap Reduction} = 50.00 + 2.30 = 52.30\%
\]

Baseline performance

50.00%

Improvement target

52.30%

Absolute benchmark: 73.00%
AV DETERMINATION – SINGLE METRIC

Improvement Progress = (Performance – Baseline) / (Target – Baseline)

= (77.30 - 76.00) / (77.68 – 76.00)

= 0.7738
AV DETERMINATION – SUB METRIC WITH GREATEST PROGRESS

Most & Moderately Effective Methods (Age 15-20 years)

Baseline performance: 56.0%
Actual performance: 56.3%
Improvement: 57.1%
Baseline performance: 45.0%
Actual performance: 45.8%
Improvement: 45.9%

Improvement Progress = 47%
Improvement Progress = 94%

Submetric AV = 0.25
Submetric AV = 0.75
AV DETERMINATION – EQUAL WEIGHT OF SUB METRICS

- Improvement progress: 90.2% × Equal weight adjustment: 50% = Adjusted contribution to overall AV: 0.45
- Improvement progress: 100% × Equal weight adjustment: 50% = Adjusted contribution to overall AV: 0.50

Total adjusted contribution: 0.95

Achievement Value = 0.75
AV DETERMINATION – WEIGHTED AVERAGE OF SUB METRICS

Submetric: Ages 12-17
- Improvement progress: 85.7%
- Qualified Medicaid beneficiaries: 20.0%
- Adjusted contribution to overall AV: 0.17

Submetric: Ages 18-65
- Improvement progress: 75.0%
- Qualified Medicaid beneficiaries: 78.0%
- Adjusted contribution to overall AV: 0.59

Submetric: Age 65+
- Improvement progress: 80.0%
- Qualified Medicaid beneficiaries: 2.0%
- Adjusted contribution to overall AV: 0.02

Make-up of qualified Medicaid beneficiaries for the metric.

Total adjusted contribution: 0.78

Achievement Value = 0.75
CALCULATIONS DEMO
PAY-FOR-PERFORMANCE REFERENCES

- Delivery System Reform Incentive Payment Measurement Guide
  - Chapter 7: ACH project incentives - pay-for-performance
  - Appendix G: DSRIP quality and outcome metrics
  - Appendix H: ACH project P4P improvement target and AV methodology
  - Appendix I: ACH project P4P metrics - sample AV calculations
- hca.wa.gov/assets/program/mtp-measurement-guide.pdf/
- hca.wa.gov/assets/program/dsrip-p4p-example-calculations.xlsx
If you have questions, please contact

MTP Team
MedicaidTransformation@hca.wa.gov

IA Team
WADSRIP@mslc.com