



# Performance-Based Contracting

Senate Human Services, Mental Health & Housing Committee  
Work Session  
February 27, 2017

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# **Performance Measures and the Common Measure Set**



# What is the Purpose of Performance Measures?

- To standardize the way we measure performance
- Promote voluntary alignment of measures
- Drive quality improvement:
  - Transparency
  - Contracting
  - Outcomes



# History: Common Measure Set

## 2014:

- Legislation ESHB 2572 (Chapter 223, Laws of 2014)
- Performance Measures Coordinating Committee (PMCC) established
- Three technical workgroups (Prevention, Acute Care, Chronic Illness)
- Common Measure Set approved; 52 measure “starter set”

## 2015:

- Performance Measures Coordinating Committee continues
- One technical workgroup (Behavioral Health)
- First report on Common Measure Set

## 2016:

- Performance Measures Coordinating Committee continues
- Modification of Common Measure Set for 2016; 55 measures approved
- Includes additional behavioral health measures
- One technical workgroup (Pediatrics)
- Modification of Common Measure Set for 2017, 56 measures approved



# Measure Categories

Population Health

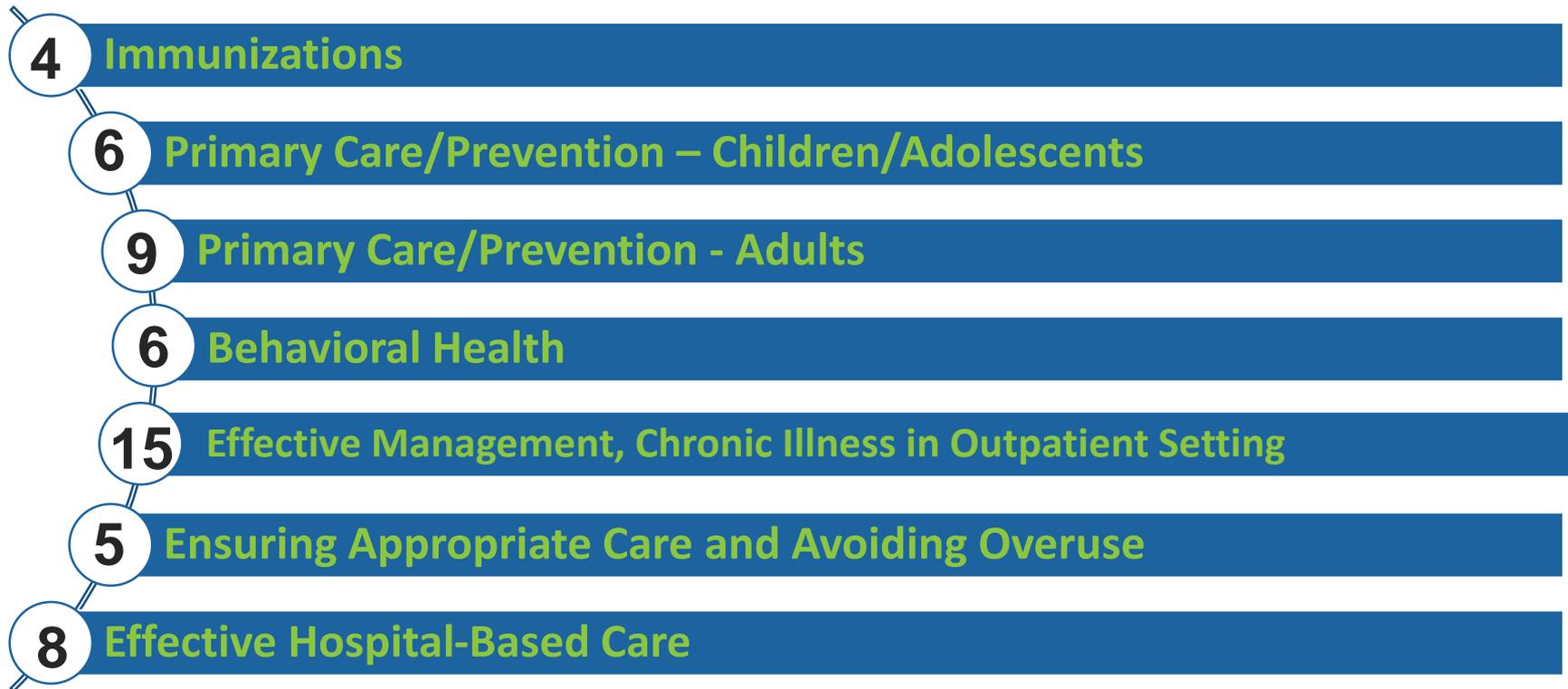
Clinical Process/Outcome

Health Care Costs

See the 2017 set of measures at <http://www.hca.wa.gov/about-hca/healthier-washington/performance-measures>

# 2017 Common Measure Set ...

## By the Numbers (# of related measures in each category)



+ 3 measures on WA state health care spending



# Behavioral Health Measures

Two new measures approved to 2016 Common Measure Set:

- **Mental health services penetration**
- **Substance use disorder services penetration**

Measure how often follow-up care comes after a diagnosis of either a mental health or substance use disorder need.

Additional measure approved, but not yet activated for reporting:

- **Follow-up after discharge from the ER for mental health, alcohol or other drug dependence**

# 26 Core Measures Across State Health Care Contracts

1. **Adult Access to Preventive/Ambulatory Health Services**
2. **Adult Body Mass Index Assessment**
3. **Ambulatory Care - ED visits per 1,000**
4. **Annual Monitoring for Patients on Persistent Medications (ACE/ARB component)**
5. **Antidepressant Medication Management (2 rates)**
6. **Appropriate Testing for Children with Pharyngitis**
7. **Avoidance of Antibiotic Treatment in Adults with Acute Bronchitis (AAB)**
8. **Breast Cancer Screening**
9. **Cervical Cancer Screening**
10. **Childhood Immunization Status (Combo 10)**
11. **Children and Adolescents' Access to Primary Care Practitioners**
12. **Chlamydia Screening in Women**
13. **Comprehensive Diabetes Care: Blood Pressure Ctrl.**
14. **Comprehensive Diabetes Care: Eye Exam**
15. **Comprehensive Diabetes Care: Hemoglobin A1c (HbA1c) Poor Control (>9.0%)**
16. **Comprehensive Diabetes Care: Hemoglobin A1c Testing**
17. **Comprehensive Diabetes Care: Medical Attention for Nephropathy**
18. **Controlling High Blood Pressure**
19. **Follow-Up After Hospitalization for Mental Illness (2 rates)**
20. **Immunizations for Adolescents**
21. **Medication Management for People With Asthma**
22. **Statin Therapy for Patients With Cardiovascular Disease**
23. **Use of Imaging Studies for Low Back Pain**
24. **Use of Spirometry Testing in the Assessment and Diagnosis of COPD**
25. **Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents**
26. **Well-Child Visits in the 3rd, 4th, 5th, and 6th Years of Life**

# Legislative directives for transformation

## E2SHB 2572 (2014)

- Transforming the Health Care Delivery System

## 2SSB 6312 (2014)

- Fully Integrated Medicaid Managed Care and Behavioral Health Organizations

## SHB 1879 (2015)

- Integrated Medicaid Managed Care for Foster Children

## 2ESHB 2376 / Subsections 213 (1)(d-g) (2016)

- Appropriation for Medicaid Transformation Demonstration Waiver Initiatives

# UMP Plus

## HCA's Accountable Care Program for Public Employees

### Shared Risk Model

- Both Networks at risk for cost and quality
- Cost: Multi-year, negotiated trend guarantee
- Quality: HCA created Quality Improvement Model, rewards improvement and target achievement

### Member experience

- Timely care
- Expanded service hours, dedicated call center and website

### Care Transformation

- Patient Centered Medical Home & IT requirements
- Annual QI plans based on Bree Collaborative
- Shared Decision Making

### Timely Data

- Daily inpatient and monthly Medical and Rx data feeds on members

### Benefit Design

- 30% reduced premium from UMP PPO plan
- Preventive and in-network primary care visits covered at 100%; most specialty and hospital care at 85%
- No medical deductible if wellness plan and follow up done





# Uniform Medical: Accountable Care Program

- Adult body mass index
- Antidepressant medication management (2 rates)
- Breast cancer screening
- CAHPS – patient experience (4 rates)
- Cervical cancer screening
- Childhood immunization status
- Chlamydia screening in women
- Colorectal cancer screening
- Comprehensive diabetes care: Blood pressure control
- Comprehensive diabetes care: Eye exam
- Comprehensive diabetes care: HbA1c poor control
- Controlling high blood pressure
- C-section rate
- Proportion of days covered (statin adherence)
- Statin therapy for patients with cardiovascular disease



# Medicaid MCO Quality Incentive Measures

- Antidepressant medication management
- Childhood immunization status
- Comprehensive diabetes care: Blood pressure control
- Comprehensive diabetes care: HbA1c poor control (>9.0%)
- Controlling high blood pressure
- Medication management for people with asthma\*
- Well-child visits in the 3<sup>rd</sup>, 4<sup>th</sup>, 5<sup>th</sup>, and 6<sup>th</sup> years of life

\*Only includes pediatric population



# **Managed Care Organizations (MCOs)**





# Managed Care Contracting Principles

- Provide comprehensive services through collaborative care coordination and integration
- Maintain a network capable of ensuring access
- Control the cost of care





# Medicaid Performance Measures

- Beginning 2016, a core set of performance measures were included as contractual terms in Medicaid managed care contracts.
  - Applies to both medical and behavioral health contractors



# Value-based purchasing

## Quality improvement – 1% withhold

- Approximately \$53 million\*

## Quality measures

- Comprehensive diabetes care (2 measures: HbA1c control & high blood pressure control)
- Controlling high blood pressure
- Antidepressant medication management (2 measures: acute phase treatment & continuation phase treatment)
- Childhood immunizations
- Well-child visits
- Medication management for people with asthma (2 measures: Ages 5-11 & ages 12-18)

# Fully Integrated Managed Care (FIMC)

- Mental health service penetration
- Psychiatric hospitalization readmission rate
- Substance use disorder service penetration
- Substance use disorder treatment initiation and engagement\*

**Tied to incentive payments in 2018 contracts in SW WA (Early Adopter)**

\*Currently not in Common Measure Set



# Medicaid Demonstration

The 5-year demonstration has 3 key initiatives:

1. Transformation through Accountable Communities of Health (ACHs)

2. Long-term services and supports

3. Foundational community supports and services



# Medicaid Demonstration: Measure Alignment

- Current Apple Health measures tied to incentives
- Other measures from the Common Measure Set
- Additional measures as needed to adequately evaluate demonstration
- Payment for any included measure tied to either reporting or performance



# Justice-Involved Individuals

- Beginning July, 2017: Medicaid suspension—rather than termination—of individuals in confinement
- Provides immediate opportunities for continuity of care
- Outcome measurements:
  - Reduce recidivism
  - Improve health outcomes for those with chronic health conditions and infectious diseases
  - Increase utilization rates for those with behavioral health needs



# **Behavioral Health Organizations (BHOs)**





# BHO Contract Performance Measures

- January 2017 BHO Pre-Paid Inpatient Hospitalization Program (PIHP) measures:
  - **Psychiatric Hospitalization Readmission Rate**  
*(5732/1519 PM and PMCC/Common Measure Set measure)*
  - **Substance Use Disorder Treatment Initiation and Engagement**  
*(Washington Circle Adaptation) (5732/1519 PM)*
  - **Behavioral Health Access Monitoring**  
*(Newly developed PM for Results WA)*





# BHO Contracting Strategies for Performance

- BHO contracts include measures identified in 2SSB 5732/ESHB 1519:
  - Access to both SUD and MH services
  - Retention in SUD services
  - Follow-up to inpatient care for MH
- No financial incentives or penalties tied to performance measures in current BHO contracts



# **Data Utilization, Measurement, and Reporting**



# Overview of 1519 Cross-System Outcome Reporting

- ESHB 1519 (Chapter 320, Laws of 2013) requires public reporting of cross-system outcome measures for Medicaid populations in a form that allows comparison between geographic regions of Washington State.
- Areas identified for outcome measurement:
  - Health and wellness
  - Participation in meaningful activities
  - Involvement with criminal justice systems
  - Reductions in avoidable costs in hospitals, ERs, crisis services, and criminal justice systems
  - Stable housing in the community
  - Client satisfaction with quality of life
  - Population-level health disparities



# 1519 Cross-System Outcome Measures

- Initial set of 51 measures identified by workgroups—including approx. 60 community organizations, provider associations, service contracting entities, state and local agencies, and Tribes.
- 14 measures have been prioritized for current public reporting:
  - Adults' access to preventive/ambulatory health services
  - Substance use disorder (SUD) treatment penetration
  - Initiation of, and engagement in, SUD treatment (2 measures)
  - Mental health treatment penetration (2 measures)
  - All-cause 30-day readmission
  - Psychiatric inpatient 30-day readmission
  - Percent homeless (2 measures)
  - Percent employed
  - Percent arrested
  - Emergency department utilization per 1000 coverage months
  - HCBS and nursing facility utilization balance

# Example Content from ESHB 1519 Public Reporting Site

Service Contracting Entity: Medicaid Enrollees with Mental Health Service Needs  
 Medicaid Coverage Population: All Medicaid  
 Performance Measure: Plan All-Cause 30-Day Readmission  
 Dual Eligibles Included? Yes  
 Third-party coverage included? No  
 Age group 18+

October 26, 2016

Regional Service Area	CY 2013		CY 2014		CY 2015	
	1/13-12/13	1/14-12/14	1/14-12/14	1/15-12/15	1/15-12/15	1/15-12/15
Statewide	18.6%	18.4%	17.5%	16.3%	16.3%	16.3%
Greater Columbia	17.5%	16.6%	16.3%	16.3%	16.3%	16.3%
King	19.2%	19.4%	18.9%	18.9%	18.9%	18.9%
North Central	15.8%	16.5%	18.0%	18.0%	18.0%	18.0%
North Sound	17.5%	17.3%	16.7%	16.7%	16.7%	16.7%
Peninsula	19.3%	18.8%	17.2%	17.2%	17.2%	17.2%
Pierce	20.3%	20.3%	18.2%	18.2%	18.2%	18.2%
Southwest Washington	22.2%	20.8%	18.2%	18.2%	18.2%	18.2%
Spokane	18.2%	17.9%	16.6%	16.6%	16.6%	16.6%
Thurston-Mason	13.7%	15.3%	16.4%	16.4%	16.4%	16.4%
Timberlands	17.9%	15.8%	16.0%	16.0%	16.0%	16.0%

Regional Service Area	CY 2013		CY 2014		CY 2015	
	Numerator	Denominator	Numerator	Denominator	Numerator	Denominator
Statewide	6,549	35,120	6,596	35,876	8,439	48,190
Greater Columbia	678	3,870	656	3,953	873	5,365
King	1,623	8,458	1,741	8,967	2,255	11,916
North Central	142	898	155	939	231	1,283
North Sound	855	4,773	832	4,818	1,079	6,443
Peninsula	325	1,685	342	1,813	414	2,404
Pierce	1,038	5,101	993	4,900	1,172	6,432
Southwest Washington	532	2,398	580	2,790	621	3,419
Spokane	772	4,234	752	4,201	992	5,972
Thurston-Mason	194	1,411	220	1,435	336	2,051
Timberlands	410	2,292	325	2,055	466	2,905

**NOTES:**  
 Different coverage groups have significantly different characteristics and experiences. Regions vary in the share of their caseloads comprised of different coverage groups. Reviewing trends and regional differences by major coverage group supports more valid comparisons of client experiences across regions. See the public reporting website for detailed information about measure specifications, attribution of clients to service contracting entities and guidance on interpretation of measure results. Information in subgroups with fewer than 10 clients in the denominator is suppressed.



DSHS | Research and Data Analysis Division

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Southwest Washington	22.2%	20.8%	18.2%
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# Factors Affecting Cross-System Outcomes Across Regions, Plans, and Providers

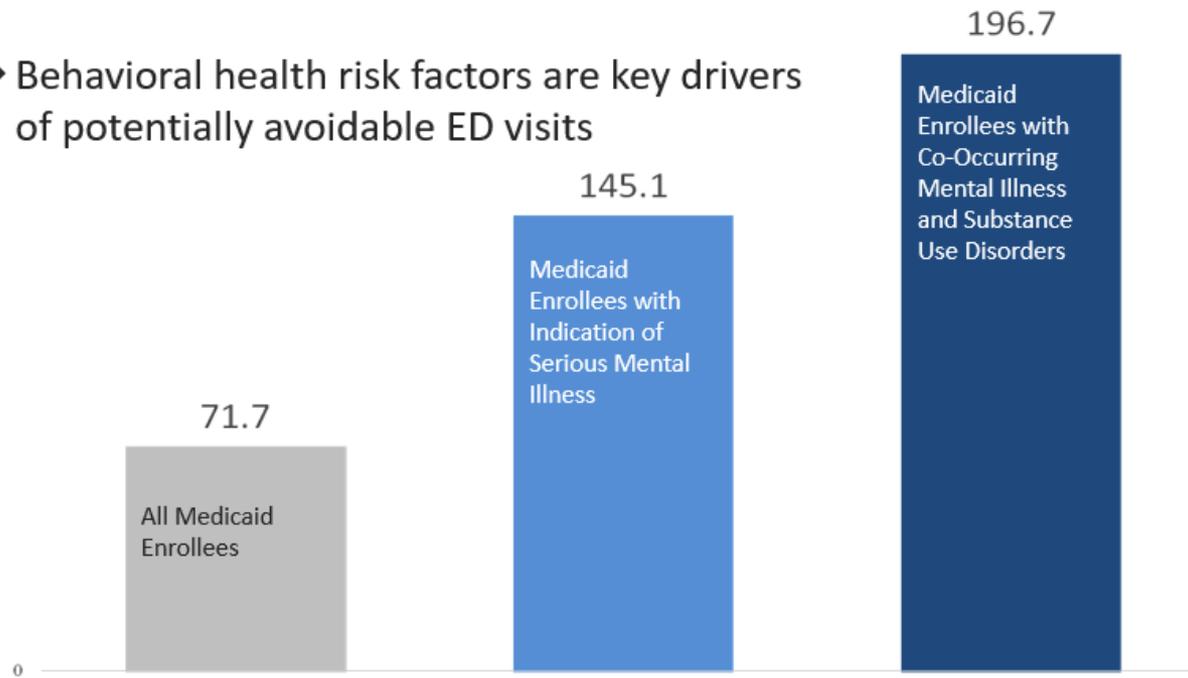
- The impact of activities performed by care management organizations (MCOs, BHOs, and FIMCs)
- Variation in regional efforts to transform health care delivery
- Variation in the quality of services delivered by health care providers
- The impact of other providers of formal or informal services and supports
- The impact of client risk factors (e.g., condition severity, comorbidity, availability of social supports)
- Factors affecting the availability and accessibility of services (e.g., differences between rural/frontier and urban areas in access to care)
- External factors affecting “social” outcomes (e.g., variation in local labor market conditions or the availability of affordable housing)
- Random variation



# Emergency Department Utilization Varies with Client Risk Factors

OUTPATIENT ED VISITS PER 1,000 MEMBER MONTHS • ADULTS AGE 18-64 • CALENDAR YEAR 2015

► Behavioral health risk factors are key drivers of potentially avoidable ED visits



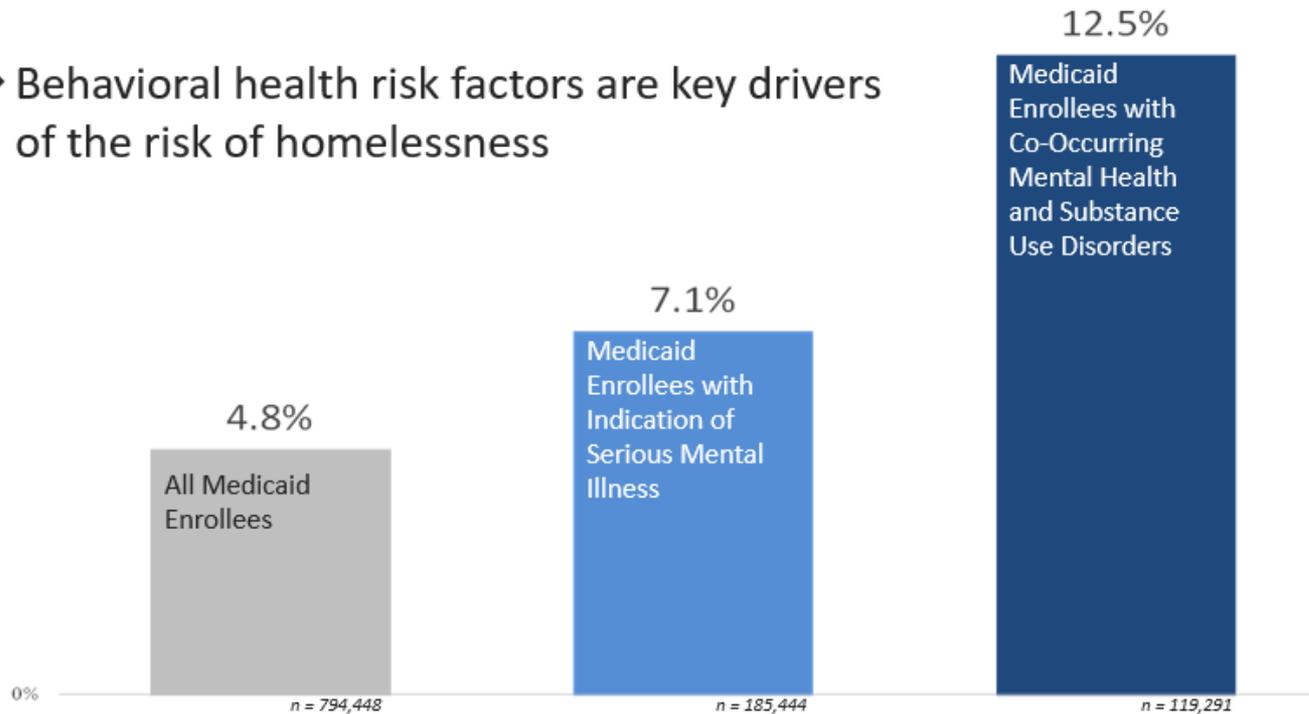
SOURCE: DSHS Research and Data Analysis Division, Client Outcomes Database, February 22, 2017



# Rates of Homelessness Vary with Client Risk Factors

% IDENTIFIED AS EVER HOMELESS IN THE YEAR USING ACES LIVING ARRANGEMENT DATA • ADULTS AGE 18-64 • CALENDAR YEAR 2015

► Behavioral health risk factors are key drivers of the risk of homelessness

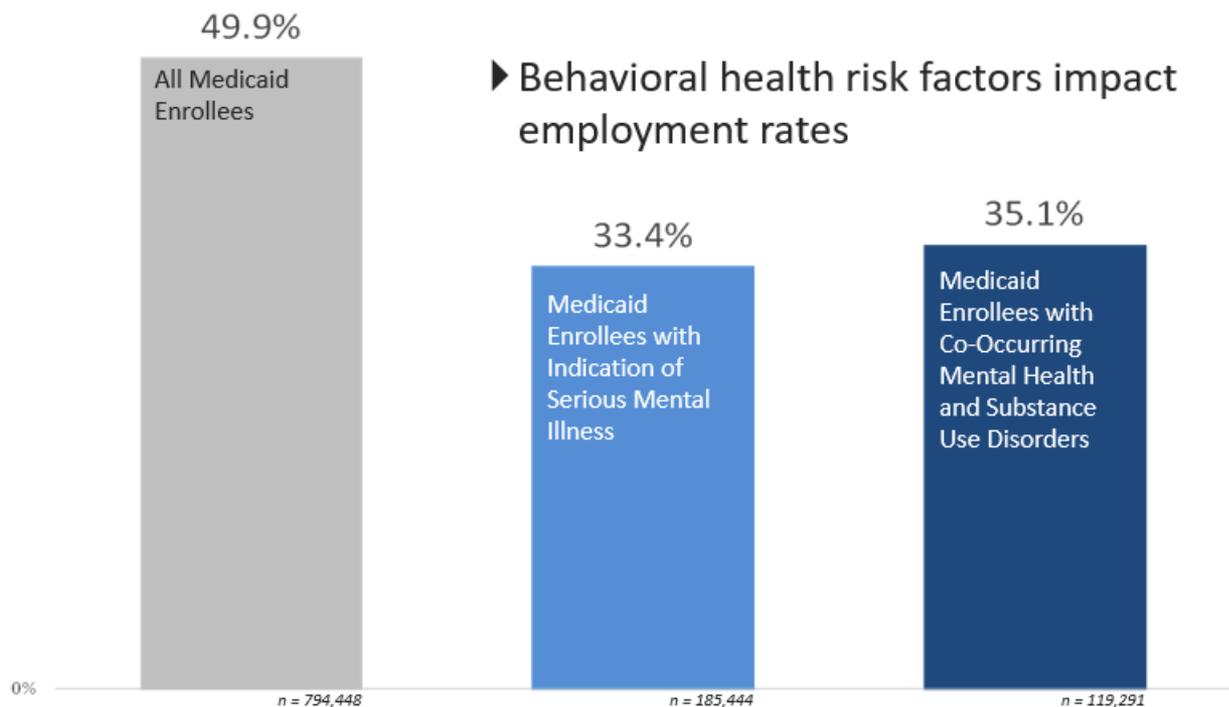


SOURCE: DSHS Research and Data Analysis Division, Client Outcomes Database, February 22, 2017



# Employment Rates Vary with Client Risk Factors

PERCENT WITH ANY EARNINGS IN THE YEAR RECORDED IN EMPLOYMENT SECURITY DEPARTMENT QUARTERLY WAGE DATA  
ADULTS AGE 18-64 • CALENDAR YEAR 2015



SOURCE: DSHS Research and Data Analysis Division, Client Outcomes Database, February 22, 2017



# Questions?

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