Performance-Based Contracting

Senate Human Services, Mental Health & Housing Committee
Work Session
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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

2017 Common Measure Set …

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

<table>
<thead>
<tr>
<th>Category</th>
<th>Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Immunizations</td>
<td>4</td>
</tr>
<tr>
<td>Primary Care/Prevention – Children/Adolescents</td>
<td>6</td>
</tr>
<tr>
<td>Primary Care/Prevention - Adults</td>
<td>9</td>
</tr>
<tr>
<td>Behavioral Health</td>
<td>6</td>
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<tr>
<td>Effective Management, Chronic Illness in Outpatient Setting</td>
<td>15</td>
</tr>
<tr>
<td>Ensuring Appropriate Care and Avoiding Overuse</td>
<td>5</td>
</tr>
<tr>
<td>Effective Hospital-Based Care</td>
<td>8</td>
</tr>
</tbody>
</table>

+ 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

Additional measure approved, but not yet activated for reporting:

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

Measure how often follow-up care comes after a diagnosis of either a mental health or substance use disorder need.
26 Core Measures Across State Health Care Contracts

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

- 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

Shared Risk Model

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

Member experience

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

Care Transformation

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

Timely Data

- 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

Benefit Design
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 3rd, 4th, 5th, and 6th 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)

*October 2016 Forecast Step
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

<table>
<thead>
<tr>
<th>Dual Eligibles Included?</th>
<th>Third-party coverage included?</th>
<th>Age group</th>
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</thead>
<tbody>
<tr>
<td>Yes</td>
<td>No</td>
<td>18+</td>
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**October 26, 2016**

<table>
<thead>
<tr>
<th>Regional Service Area</th>
<th>CY 2013</th>
<th>CY 2014</th>
<th>CY 2015</th>
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**Regional Service Area**

- **Statewide**: 18.6% 18.4% 17.5%
- **Greater Columbia**: 17.5% 16.6% 16.3%
- **King**: 19.2% 19.4% 18.9%
- **North Central**: 15.8% 16.5% 18.0%
- **North Sound**: 17.5% 17.3% 16.7%
- **Peninsula**: 19.3% 18.8% 17.2%
- **Pierce**: 20.5% 20.3% 18.2%
- **Southwest Washington**: 22.2% 20.8% 18.2%
- **Spokane**: 18.2% 17.9% 16.6%
- **Thurston-Mason**: 15.7% 15.3% 16.4%
- **Timberlands**: 17.9% 15.8% 16.0%

[Source](https://www.dshs.wa.gov/sesa/research-and-data-analysis/cross-system-outcome-measures-adults-enrolled-medicaid-0)
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

- 196.7 Medicaid Enrollees with Co-Occurring Mental Illness and Substance Use Disorders
- 145.1 Medicaid Enrollees with Indication of Serious Mental Illness
- 71.7 All Medicaid Enrollees

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

49.9%
All Medicaid Enrollees

33.4%
Medicaid Enrollees with Indication of Serious Mental Illness

35.1%
Medicaid Enrollees with Co-Occurring Mental Health and Substance Use Disorders

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

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