



MDPCP Track 3: Impact of Performance-Based Adjustments (PBAs)

Presentation to the Advisory Council
November 17, 2020

Performance-Based Adjustments (PBAs)

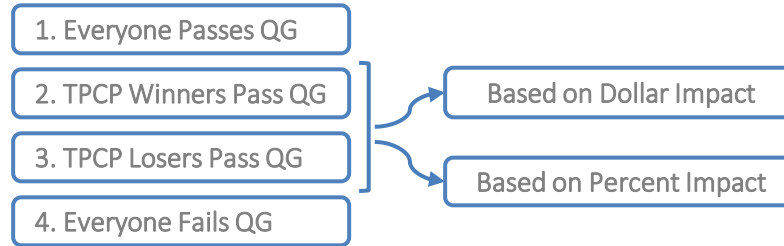
- To achieve a positive adjustment, practice must pass the **Quality Gateway** *and* have high **AHU performance relative to its peers**
- Two components:
 - Regional Adjustment: Two-thirds of total PBA
 - Continuous Improvement Adjustments: One-third of total PBA (not modeled)
- Three primary steps to determining PBA amount for Regional Adjustment:
 - Pass Quality Gateway? (>30th percentile for each measure; measured **annually** starting in Q2 2022)
 - AHU above 50th percentile of national benchmark? (1.16; measured **quarterly**)
 - AHU above 75th percentile of regional practices? (measured **quarterly**)
 - If yes, PBA based on performance relative to regional AHU percentile distribution

1. Is the 30th percentile threshold appropriate for passing the Quality Gateway?
2. Are there too many steps in the PBA process?
3. Are there too many performance thresholds?
4. Are the PBA adjustments too steep?



Performance-Based Adjustments

- PBAs were applied to show various potential impacts on total program payments:



- AHU Data – Used 2019 data when available; Q1 & Q2 2020 data when 2019 data not available
 - No use of total per-capita cost (TPCC) for Groups 3 & 4, per PCF
- Based on 2019 MDPCP Quality Measures:
 - CMS165v6 – Controlling High Blood Pressure
 - CMS122v6 – Diabetes: Hemoglobin A1c (HbA1c) Poor Control
 - Combined CAPHS Score for Patient Experience
- Quality Gateway (QG) Data – Used 2019 MDPCP quality data across all Track 1 & 2 practices to understand relationship between measures; 65% of practices would pass Quality Gateway across all measures
- AHU Regional Peer Group based on all Track 1 & 2 MDPCP practices
- National AHU based on PCF analysis – 1.16

PBAs: Beneficiary-Group Level

Total Primary Care Payment for Track 3 Practices based on Q3 2020 Attribution: Current vs Modeled Payments using **Beneficiary Groups** – Alternative PBA Assumptions

| | Track 2 Total Payments (Current) | Track 3 TPCP (Modeled Pre-PBA) | Track 3 TPCP with PBAs | |
|------------------------------|-------------------------------------|-----------------------------------|------------------------|----------------|
| | | | 1. All Pass QG | 4. All Fail QG |
| TPCP | \$86,059,594 | \$84,864,733 | \$89,799,732 | \$82,867,937 |
| % Impact from Track 2 | | -1.4% | 4.3% | -3.7% |
| % Impact from Track 3 | - | - | 5.8% | -2.4% |

| | Track 2 Total Payments (Current) | Track 3 TPCP (Modeled Pre-PBA) | Track 3 TPCP with PBAs | |
|---|-------------------------------------|-----------------------------------|------------------------|-------------------|
| | | | 2. Winners Pass QG | 3. Losers Pass QG |
| Winners/Losers based on Dollars | | | | |
| TPCP | \$86,059,594 | \$84,864,733 | \$86,501,087 | \$87,414,954 |
| % Impact from Track 2 | | -1.4% | 0.5% | 1.6% |
| % Impact from Track 3 | - | - | 1.9% | 3.0% |
| Winners/Losers based on Percent Impact | | | | |
| TPCP | \$86,059,594 | \$84,864,733 | \$87,540,790 | \$88,045,290 |
| % Impact from Track 2 | | -1.4% | 1.7% | 2.3% |
| % Impact from Track 3 | - | - | 3.2% | 3.7% |

1. All Pass: Roughly 25% of practices will receive a negative (-10%) PBA, and 37% of practices will receive a neutral (0%) PBA

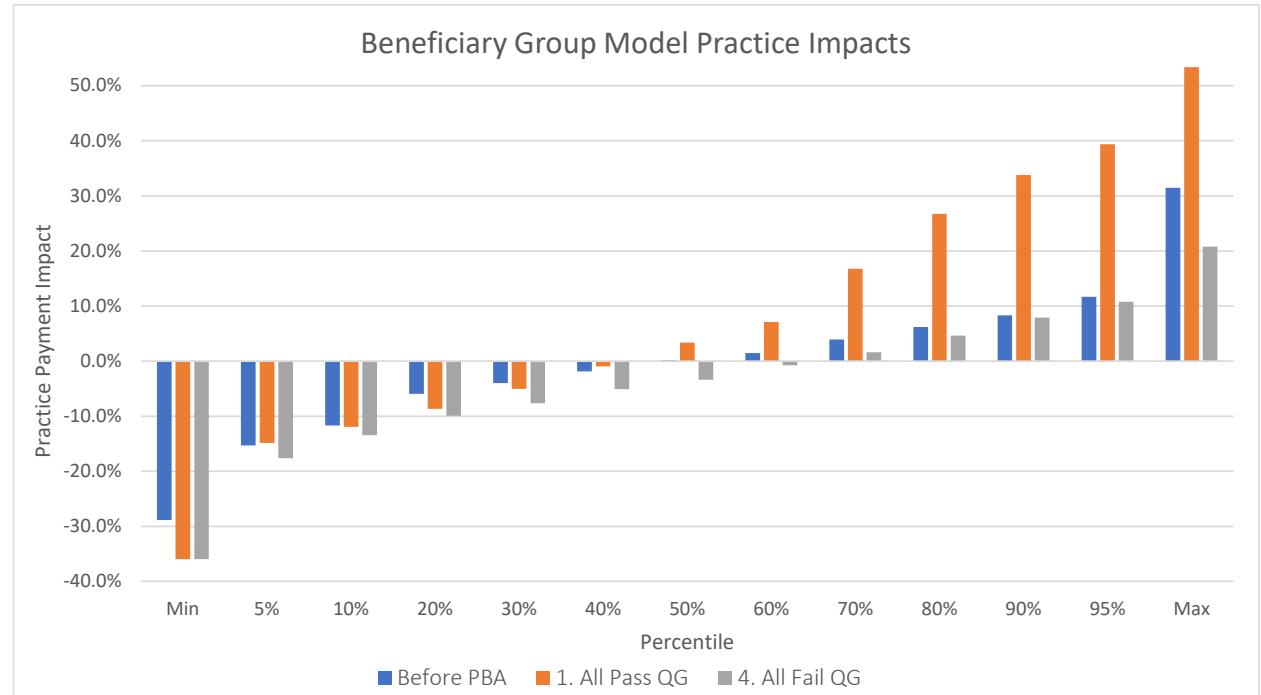
4. All Fail: Roughly 25% of practices will receive a negative (-10%) PBA, and 75% of practices will receive a neutral (0%) PBA

2 & 3. Winners/Losers Pass: Roughly 25% of practices will receive a negative (-10%) PBA, and 50% of practices will receive a neutral (0%) PBA

Preliminary Results

Practice Impacts: All Pass/Fail Quality Gateway

| Percentile | Practice Percent Impact | | |
|------------|-------------------------|----------------|----------------|
| | Pre-PBA | 1. All Pass QG | 2. All Fail QG |
| Min | -28.9% | -36.0% | -36.0% |
| 5% | -14.9% | -14.9% | -17.6% |
| 10% | -11.0% | -11.9% | -13.4% |
| 20% | -5.8% | -8.7% | -9.9% |
| 30% | -3.9% | -5.1% | -7.7% |
| 40% | -1.8% | -1.0% | -5.1% |
| 50% | 0.1% | 3.4% | -3.4% |
| 60% | 1.4% | 7.1% | -0.8% |
| 70% | 4.0% | 16.8% | 1.6% |
| 80% | 6.2% | 26.7% | 4.6% |
| 90% | 8.3% | 33.8% | 7.9% |
| 95% | 11.7% | 39.4% | 10.8% |
| Max | 31.4% | 53.4% | 20.8% |

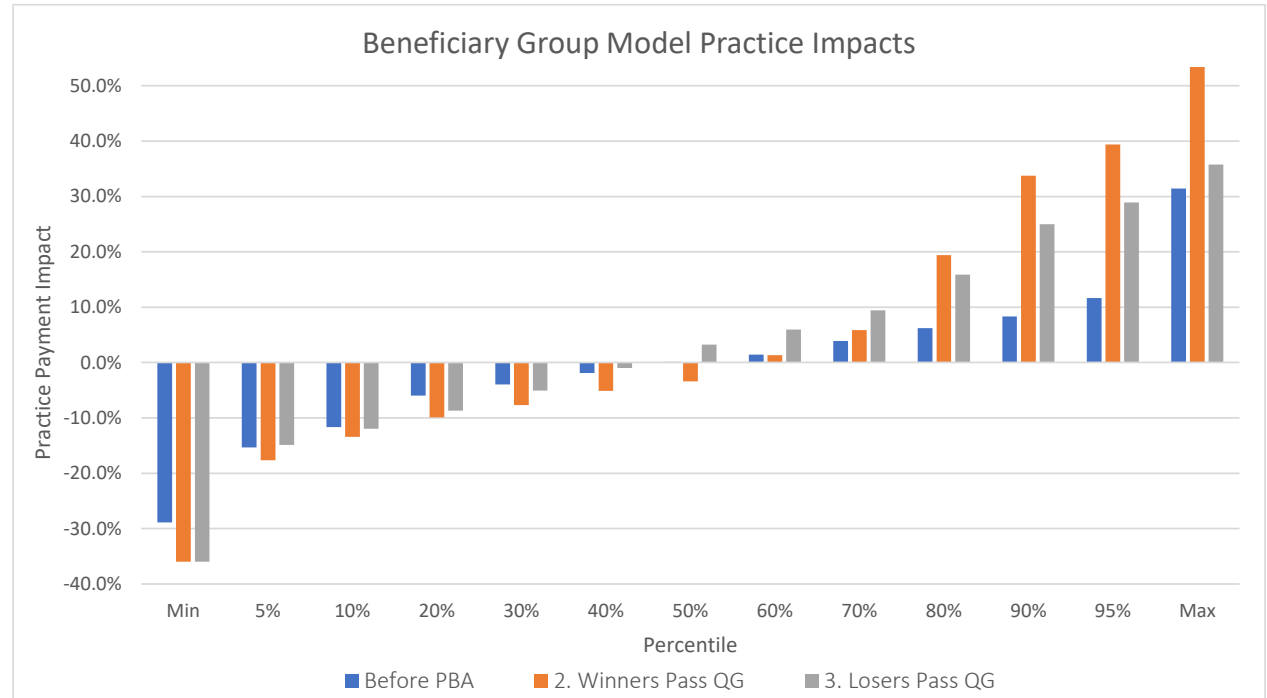


Preliminary Results

Practice Impacts:

Winners/Loser Pass QG (based on % Impact)

| Percentile | Practice Percent Impact | | |
|------------|-------------------------|-------------------------------|------------------------------|
| | Pre-PBA | 2. Winners Pass QG (% Impact) | 3. Losers Pass QG (% Impact) |
| Min | -28.9% | -36.0% | -36.0% |
| 5% | -14.9% | -17.6% | -14.9% |
| 10% | -11.0% | -13.4% | -11.9% |
| 20% | -5.8% | -9.9% | -8.7% |
| 30% | -3.9% | -7.7% | -5.1% |
| 40% | -1.8% | -5.1% | -1.0% |
| 50% | 0.1% | -3.4% | 3.2% |
| 60% | 1.4% | 1.3% | 6.0% |
| 70% | 4.0% | 5.9% | 9.4% |
| 80% | 6.2% | 19.4% | 15.9% |
| 90% | 8.3% | 33.8% | 25.0% |
| 95% | 11.7% | 39.4% | 28.9% |
| Max | 31.4% | 53.4% | 35.8% |



Preliminary Results Reference

Performance-Based Adjustments Incentivize Cost Reduction and Quality Improvement

Did the practice meet the annual quality benchmarks (i.e., Quality Gateway)?

Note: this begins in year 2, based on year 1 performance*

No

0% or -10%

Performance Based Adjustment

For year 2, PBA will be 0% or -10%, based on AHU measure performance; years 3-5, PBA is automatically -10%

Yes

Is practice performance above the 50th percentile of the national Acute Hospital Utilization (AHU) benchmark?

Yes

1

Regional Adjustment

No

Top 75% of PCF practices on AHU?

No

-10% Adjustment

Yes

0% Adjustment

| AHU Measure Performance | TCPC Adjustment |
|----------------------------------|-----------------|
| Top 10% of regional practices | 34% |
| 11-20% of regional practices | 27% |
| 21-30% of regional practices | 20% |
| 31-40% of regional practices | 13% |
| 41-50% of regional practices | 6.5% |
| 51-75% of regional practices | 0% |
| Bottom 25% of regional practices | -10% |

2

Continuous Improvement Adjustment

Does the practice's AHU performance compared to their performance last year achieve the continuous improvement target?

Yes

No

0% Adjustment

| AHU Measure Performance | TCPC Adjustment |
|----------------------------------|-----------------|
| Top 10% of regional practices | 16% |
| 11-20% of regional practices | 13% |
| 21-30% of regional practices | 10% |
| 31-40% of regional practices | 7% |
| 41-50% of regional practices | 3.5% |
| 51-75% of regional practices | 3.5% |
| Bottom 25% of regional practices | 3.5% |

* Performance-based adjustments in year 1 are based on performance on the AHU measure only and does not follow the above process.