MDPCP Track 3
Performance Based Adjustment
Advisory Council Presentation

Maryland Department of Health

Maryland Primary Care Program

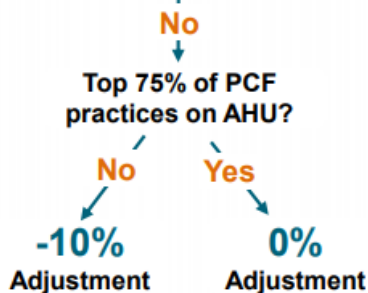**Program Management Office**

8 December 2020

Performance-Based Adjustments Incentivize Cost Reduction and Quality Improvement

https://innovation.cms.gov/files/slides/pcf-info-webinar-series-slides.pdf

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Performance-Based Adjustments under PCF

- 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)
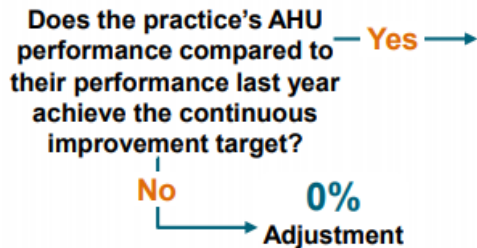
- Three primary steps to determining PBA amount for Regional Adjustment:
    - Pass Quality Gateway? (>30th percentile for each measure; measured **annually** starting in Q2 2022)
    - AHU above 50th percentile of national benchmark? (1.16; measured **quarterly**)
    - AHU above 75th percentile of regional practices? (measured **quarterly**)
        - If yes, PBA based on performance relative to regional AHU percentile distribution

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Practice Impacts - PCF PBA
All Pass/Fail Quality Gateway
hMetrix Preliminary Analysis

Percentile	Practice Percent Impact		
	Pre-PBA	1. All Pass QG	4. 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%

Beneficiary Group Model Practice Impacts

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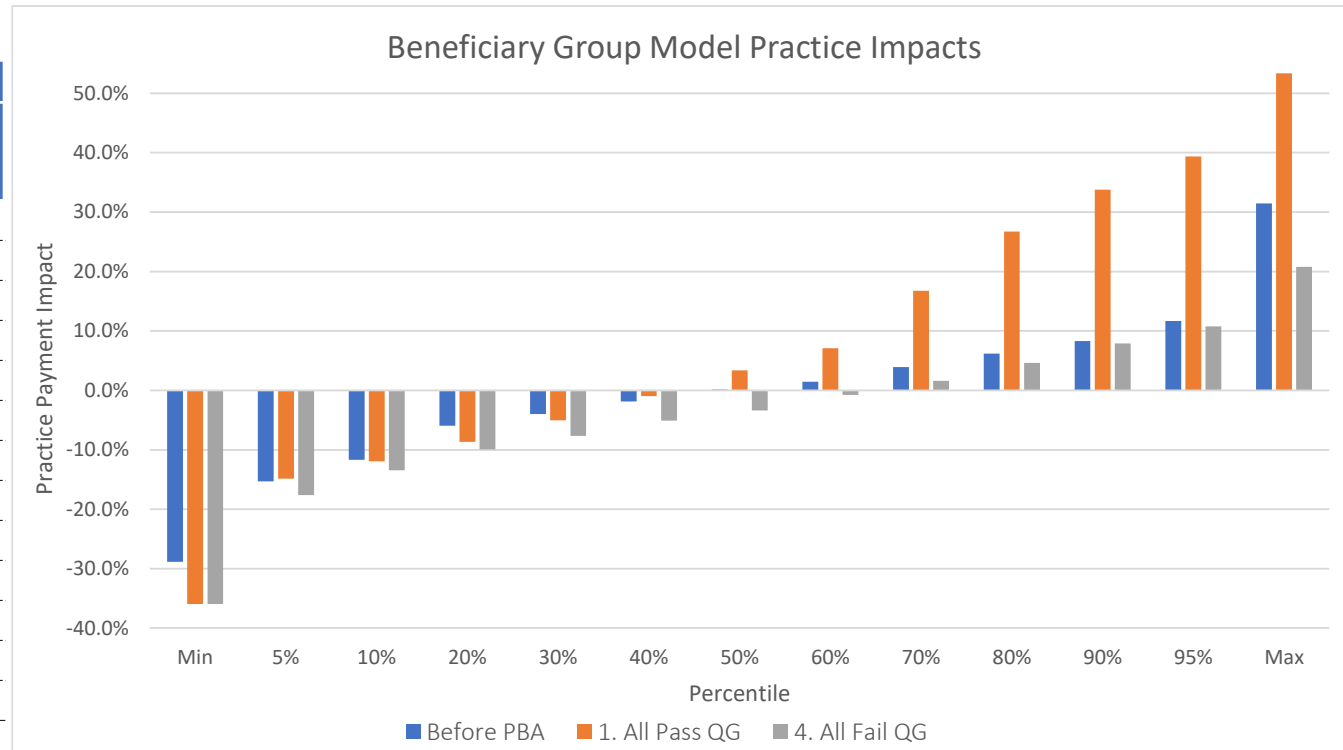
Practice Impacts: PCF PBA
Winners/Loser Pass QG (based on % Impact)

	Practice Percent Impact		
Percentile	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%

Beneficiary Group Model Practice Impacts

Practice Payment Impact

Percentile

■ Before PBA   ■ 2. Winners Pass QG   ■ 3. Losers Pass QG

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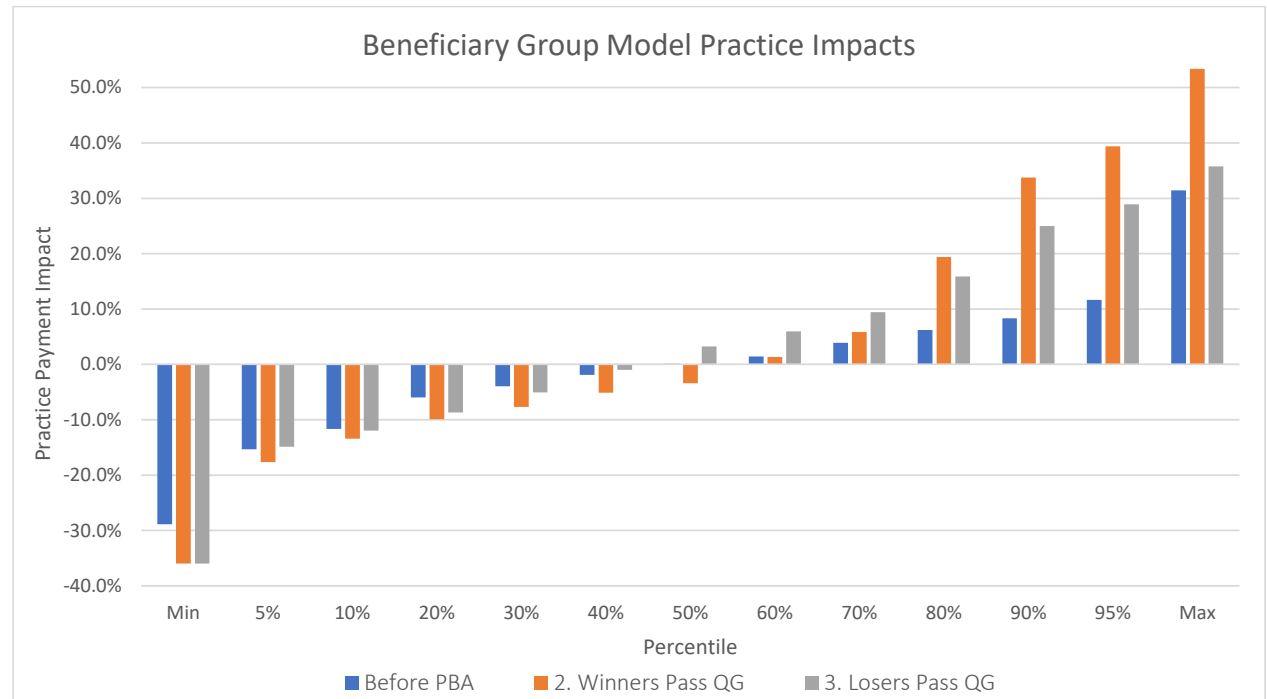
Alternative Design – MDPCP Performance Based Adjustment Principles

❖ **Simplicity**- for ease of program administration and ease of reporting and budgeting for the practices

❖ **Understandable**- in order to achieve adoption and performance improvement

❖ **Alignment with State population health goals** - driving actions that support the state's goals

❖ **Actionable**- able to be impacted by the performance of primary care practices

❖ **Standardized**- using National benchmarks for quality and utilization and alignment with TCOC Model measurement against the nation

❖ **Consistent** with Track 1 and 2 measurement

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Three Step Approach for Track 3

Step 1- scoring of performance on a bundle of measures

Step 2 –Calculate the weighted scores

Step 3 – applying the aggregate score to the risk based adjustment

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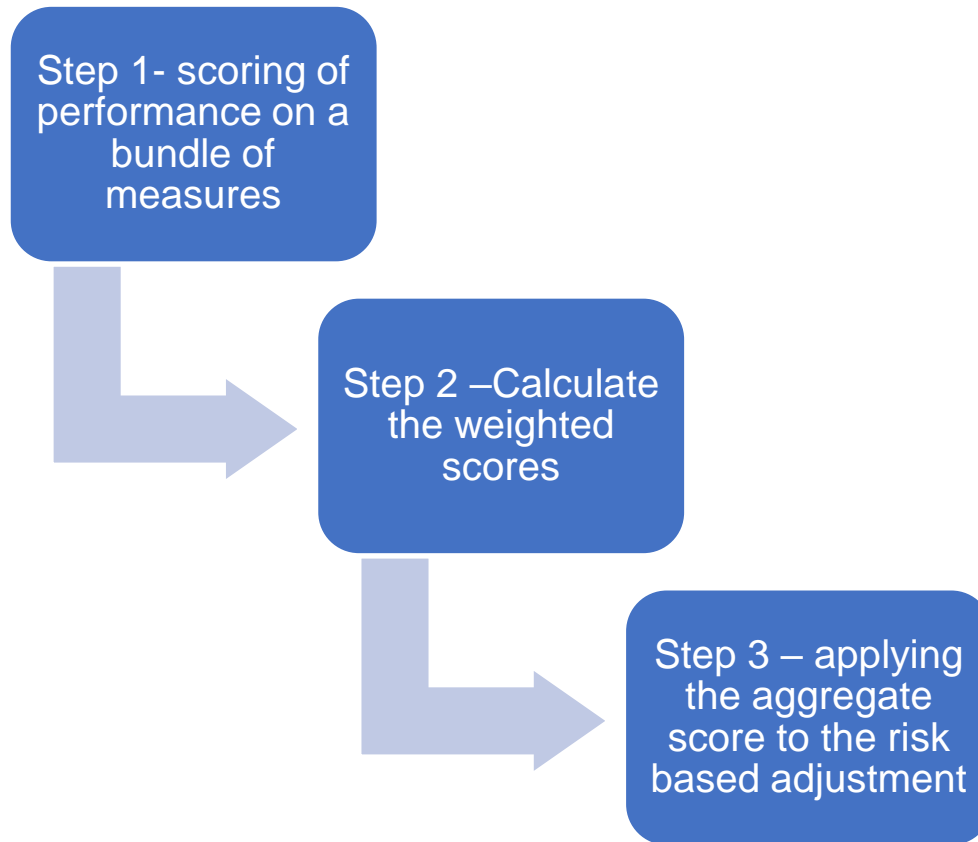
Step 1- Individual performance scoring on each measure in the bundle

❖ **Measures selection** – to be chosen for ease of administration, impact on quality and cost, relevance to SIHIS and impactable by primary care practices

❖ **Weighting** – based on impact and alignment with State population health goals

❖ **Benchmarks** – Performance on each measure is scored against National benchmarks

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Step 1 – Example Measure Structure

Measure	Type	Weight(%) of total	Aligned?	Standard	Benchmark
Diabetes control	Outcome	20	Y	NQF	Nat'l MIPS
Diabetes prevention (BMI or similar)	Process	10	Y	NQF	Nat'l MIPS
Hypertension control	Outcome	20	Y	NQF	Nat'l MIPS
Opioid/SUD/or Depression	Process/Outcome	10	Y	NQF or homegrown	Nat'l MIPS/State
Risk Adjusted PQI	Outcome	10	Y	NQF or homegrown	Nat'l /State
Patient engagement	-	10	Y	CAHPS or ABFM 11 question survey	Nat'l MIPS/State
Total Cost of Care	Outcome	20	Y	TBD	Nat'l /State
TOTAL	-	100	-	-	-

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Step 2 – How much of the weight of the score goes to the total adjustment

Percentile score for measure	Credit Percentage
1-24%	-100%
25-40%	-50%
41-59%	0%
60-75%	50%
76-90%	75%
91 – 100%	100%

- Credit 50% of weighted value for scoring between 60-75% percentile

- Credit 75% of weighted value for scores between 76-90%

- Credit 100% of weighted value for scores above 90th percentile

- Subtract 50% of weighted value for scores between 40- 25th percentile

- Subtract 100% of weighted score for scores below 25%

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Step 2 – Example of Performance Calculation

Performance element	Achievement against benchmark	Effect on weight toward total	Weight of element	Score for element (%)
A	91%	100%	10	10
B	51%	0%	20	0
C	30%	-50%	10	-5
D	76%	75%	20	15
E	61%	50%	20	10
F	20%	-20	20	-20
Total score **Applied to upside if (+), downside if (-)**				**10%**

Step 3 – applying the aggregate score to the risk based adjustment

❖ Practices select their starting asymmetric risk tier

❖ Practices must progress in risk over time – timing tbd- for example:

❖ Example Options by year

Year 1	Year 3	Year 5	Year 7	Year 10
-1/+5	-2/+10	-3/+15	-4/+20	-5/+25
-2/+10	-3/+15	-4/+20	-5/+25	-6/+30
-5/+25	-6/+30	-7/+35	-8/+40	-9/+45
-10/+50	-10/+50	-10/+50	-10/+50	-10/+50

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Step 3 – Final Annual Performance Adjustment

❖ Examples

Practice	Upside Risk(%)	Downside Risk(%)	Performance Score in (%) + applied to upside - Applied to downside	Performance Adjustment (%) (Risk * Perf Score)
A	50	-10	10%	5
B	50	-10	-100%	-10
C	10	-2	10%	1
D	5	-1	-50%	-0.5
E	15	-3	30%	4.5

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Applying Adjustment to Payment

❖ Frequency – annually

❖ Applied against TPCP (PBP + Flat fee)

❖ Retrospective-based performance adjusted on Year ahead

  ➢ E.g., 2019 performance adjusted applied to 2020 TPCP

❖ Formula

  ➢ TPCP x Performance Adjustment %

    ✔ $50 PBPM x 50% = $75 PBPM

    ✔ $50 PBPM x -2% = $49 PBPM

    ✔ $50 PBPM x -10% = $45 PBPM

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