# CT DSS Maternity Bundle

**Advisory Council Meeting**
December 20th, 2022

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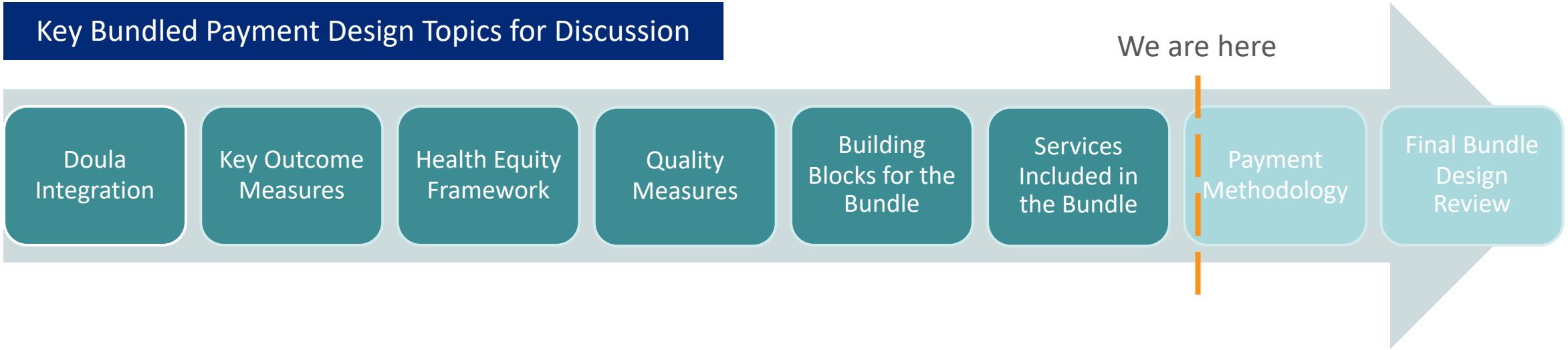
# Bundled Payment Program Development

## Key Bundled Payment Design Topics for Discussion




| Date | Meeting | Upcoming Discussion Topics |
|---|---|---|
| 12/13 & 12/20 | Provider Discussion Group<br>Maternity Bundle Advisory Meeting | Payment methodology (continued); financial risk; social risk adjustment, and billing/claims. |
| 1/17 & 1/24 | Provider Discussion Group<br>Maternity Bundle Advisory Meeting | Quality & payment methodology. Input on outstanding policy questions. |
| Feb TBD | Maternity Bundle Advisory Meeting | Review of final bundle design. |

# AGENDA

- Payment and Price Structure
- Provider-Specific Target Price
- Baseline Performance
- Social Risk Adjustment
- Prospective Payment Trigger
- Questions

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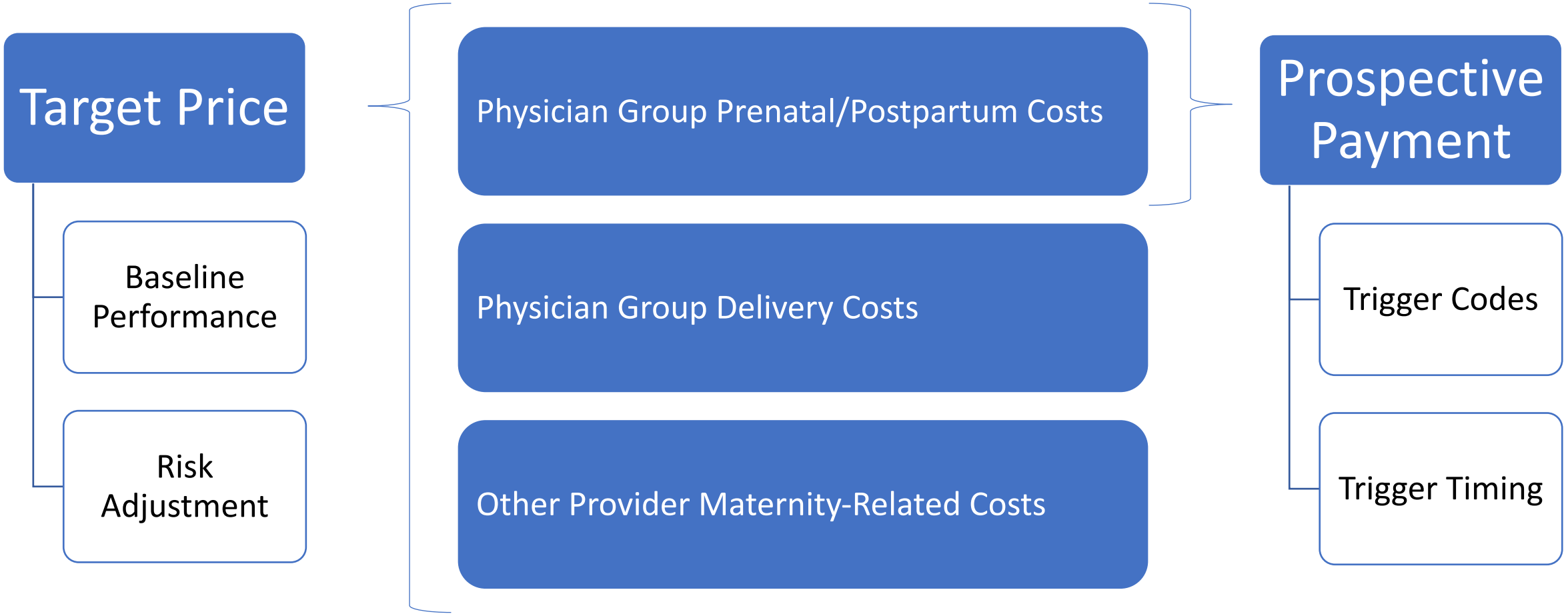
# Payment and Price Structure



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# Provider Specific Target Prices

- Target prices include the overall costs of the pregnancy and delivery for all providers.
- Provider-specific targets reflect a blend of statewide and provider-specific data.
- Inpatient costs will be adjusted based on hospital base prices to mitigate cost differences between hospitals.
- Prices for specific services may be adjusted for pricing differences between providers.
- ***Discussion:*** *Is an initial 50/50 blend of statewide and provider-specific data reasonable to establish target prices? Are there other costs that should be adjusted for beyond inpatient costs?*

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# Provider Specific Target Prices

- For year one, target prices will be adjusted to add amounts for funding breastfeeding support and doulas.
- To ensure reasonable trends and program stability, target prices may be adjusted for:
  - AAE (Actionable Adverse Event) costs
  - C-Section rate (percentage of blend)
  - Other factors

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# Baseline Performance

- Historical claims form the basis for the baseline performance.
- The first two columns of the following table represent current claims for the delivering physician group, separated by physician services and Lab/Rad/Other.
- The target price includes all the columns.

| Delivering Physician Group - Physician Services | Delivering Physician Group Lab/Rad/Other | Hospital Inpatient | Hospital Outpatient | Other Providers | Total |
|---|---|---|---|---|---|
| $ 2,155 | $ 227 | $ 4,968 | $ 1,350 | $ 1,683 | $ 10,383 |

- The prospective payment will include the practice-specific non-delivery portion of the first two columns.

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# Social Risk Adjustment

- Year one proposal: Area Deprivation Index (ADI) will be used for social risk adjustment.
- The ADI is a measure for ranking relative income, education, employment, and housing quality between neighborhoods. A low ADI score indicates affluence, and a high ADI score indicates high levels of deprivation.
- The specifics of how ADI will be used are still being determined, but factors such as hospital cost differences will be removed to not influence the adjustment.
- ADI will be applied in a budget neutral manner. Risk adjustment will pay providers with higher risk patients more compared to providers who serve lower risk patients.
- For future years, other adjustments, including individual-level, may be used as further data becomes available.
- ***Discussion****: What data could be gathered now for future risk adjustment?*
- ***Discussion****: How would use of diagnosis codes, like Z-codes, impact administrative effort to record necessary patient information?*

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# Prospective Payment Trigger

- Prospective payment will be triggered on a Z34, Z3A, or O09 diagnosis code indicating a pregnancy in the second trimester. About three quarters of pregnancies already include a claim with a second trimester of a Z34, Z3A, or O09 code.
- Submitting a claim with a second trimester a Z34, Z3A, or O09 code will be required to begin the prospective payments.
- That claim and subsequent maternity-related claims for that member from that provider would be paid through the prospective payment.

# Prospective Payment Trigger

- Claims submitted in the first trimester will be paid FFS.
- About 80% of miscarriages occur during the first trimester. This approach avoids beginning prospective payments when miscarriages are most likely.
- However, this also means that add-on Doula payments are not provided during the first trimester.
- ***Discussion:*** *Any challenges from providers' perspective on implementing this triggering approach to prospective payments?*

# Questions?
# Additional Feedback?

# CONTACT US


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