

HUSKY Maternity Bundle Payment Program

Program Overview

March 2024

Presentation Goals

This presentation aims to provide an overview of key components of the HUSKY Maternity Bundle Payment Program.

**Maternity
Episode**

**Accountable
Providers**

**Case Rate
Payment**

**New
Covered
Services**

**Incentive
Payment**

**Quality
Methodology**

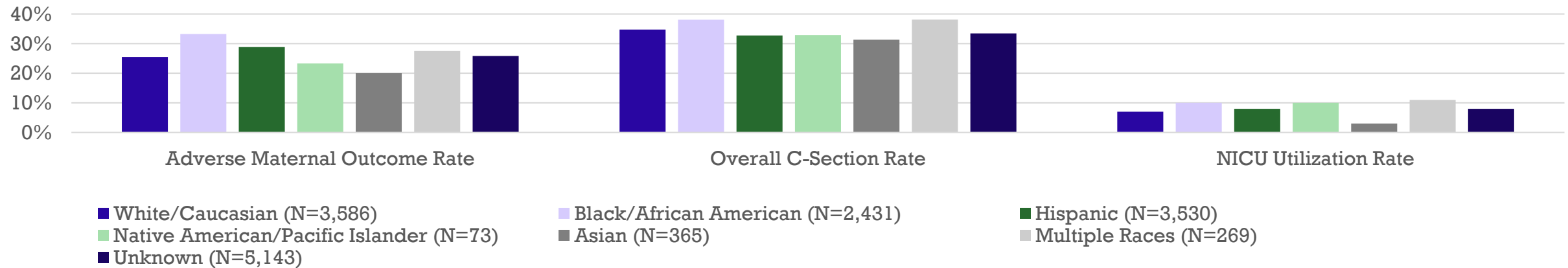
More information about the HUSKY Maternity Bundle Payment Program can be found at the DSS website [here](#).

Connecticut's Starting Point in Maternal and Infant Health

Since 2021, DSS has been working with a diverse group of stakeholders to address **disparities of access, utilization and outcomes for pregnant individuals**, with an **emphasis on birthing people of color**, through development and implementation of a **Medicaid maternity bundle** program.

- Rates for Adverse Maternal Outcomes, Overall C-section, and NICU utilization among HUSKY Health members have increased between 2017-2021.
- In 2020, Connecticut's overall c-section rate (34.1%) was the highest in New England and 8th highest in the United States.¹
- Connecticut has the 8th highest Neonatal Abstinence Syndrome (NAS) rate per 1,000 births in the country²

Benchmarking Metrics by Race / Ethnicity, CT (2021)



Data Source: CT DSS Data, provided by CHN

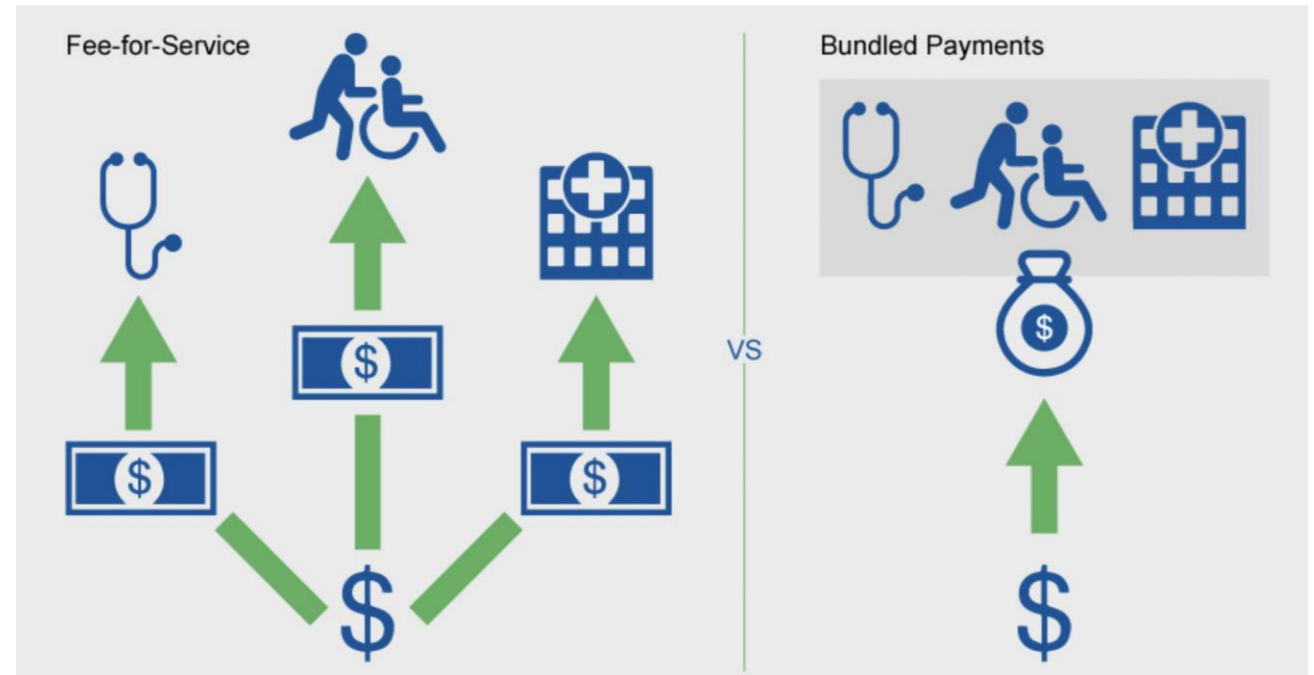
About the Metrics: **Adverse Maternal Outcome** – Race based on mother’s member record. Current outcomes defined as Adverse Maternal Outcomes: Acute Myocardial Infarction, Cerebral Infarction, Disseminated Intravascular Coagulation, Eclampsia, HELLP Syndrome, Hemorrhage, Maternal Death within 1 year, Peripartum Cardiomyopathy, Placenta Accreta, Placenta Increta, Placenta Infarction, Placenta Percreta, Placenta Previa, Preeclampsia, Premature Separation of Placenta, Stillborn, Thrombosis Embolism. **Overall C-Section** – Race based on mother’s member record. Determined by match in the C-Section value set. **NICU** – Race based on baby’s member record. Defined by a stay under revenue codes 0174 or 0203 prior to baby turning 29 days old.

Sources: 1: [CDC Natl. Center for Health Statistics: Cesarean Delivery Rate by State](#) 2: CT NAS Data Visualization (Sept 2020)

About Episode-Based Payments

In contrast to fee-for-service payments which incentivize a high volume of care, episode-based payments (or “bundled payments”) create incentives to manage high-quality care and costs across a set of services in an episode of care, focusing on the provider with the greatest role in delivering these services.

- The episodes of care model is designed to:
 - Encourage **greater efficiency and coordination** in the overall management of patients
 - **Improve care quality and outcomes**
 - **Reduce costs**
- Episode-based payments give providers an opportunity to **share in savings** when costs are kept below the bundle’s target price; providers may also **assume risk** for costs that go above the target price.
- **Quality measures** will be attached to the payment bundle for provider accountability and performance incentives.



Sources:

“What Are Bundled Payments?”, New England Journal of Medicine Catalyst, February 28, 2018. <https://catalyst.nejm.org/doi/full/10.1056/CAT.18.0247>

“Innovation in Health Care Delivery: Bundled Payments for High-Value Care”, Robin Wang and Dr. Amol Navathe. https://ldi.upenn.edu/sites/default/files/sumr_docs/WangRobin_InnovationinHealthCareDelivery.pdf

Program Goals

- **Strengthen maternal health** in Connecticut Medicaid through improved quality of care
- **Promote health equity** through program design and health disparity reduction targets
- **Improve health outcomes** with enhanced flexibility to deliver person-centered care
- **Incentivize high quality care** through performance-linked quality measures
- **Increase patient satisfaction** with new coverage of community-based, peer resources
- **Reduce unnecessary costs** through greater efficiency and care coordination

Program Overview

Program Start Date: September 1st, 2024

Eligible Providers: Maternity practices who deliver 30 or more births per year

Key Design Components:

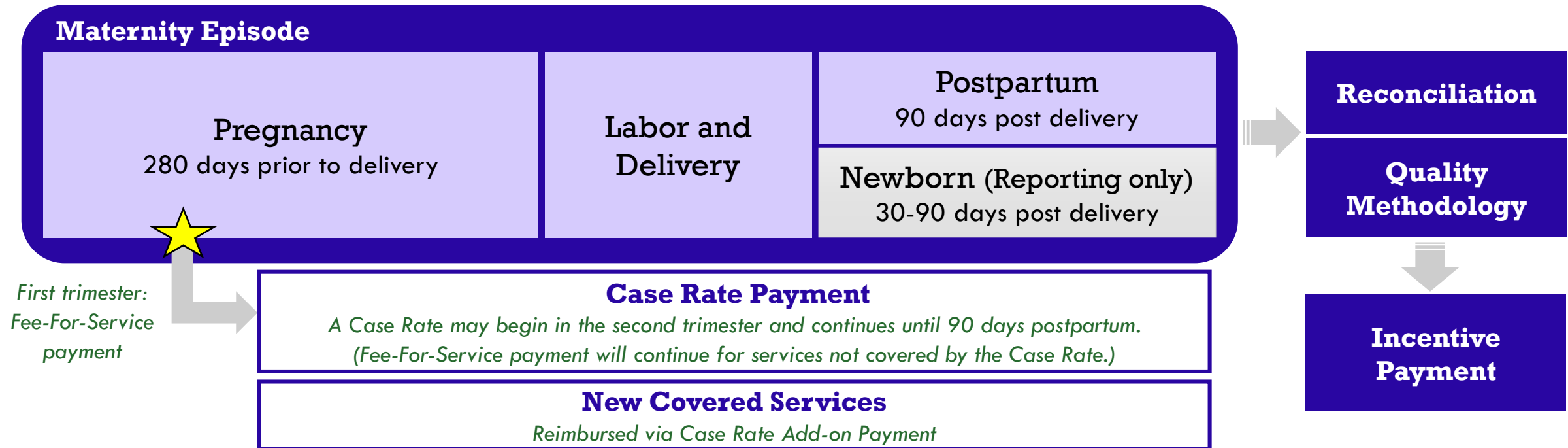
- Provider-specific “**Case Rate**” **payments** to encourage flexibility in care delivery
- Episode cost calculated through **retrospective reconciliation**
- **Quality measures** to ensure high-quality care and improvements in care
- **Social and clinical risk adjustment** to reward providers who care for Medicaid members with greater social and health needs

Program Highlights:

- New coverage of **doula and lactation support** services
- Opportunity for “**incentive**” **payments** (shared savings) without downside risk

Maternity Episode

An episode of care describes the total amount of care provided to a patient during a set timeframe. In this program, the maternity episode includes services across all phases of the perinatal period, spanning 280 days before birth to 90 days postpartum.



Maternity Episode Services

See the full list on the following slide.

Pregnancy

- Monthly prenatal visits
- Routine ultrasound
- Blood testing
- Diabetes testing
- Genetic testing
- Doulas

- Care navigators
- Group ed meetings
- Birth ed classes
- Preventive screenings (chlamydia, cervical cancer, etc.)

Labor & Delivery

- Vaginal delivery
- C-section delivery

Postpartum

- Breastfeeding support
- Depression screening
- Contraception Planning
- Ensure link from labor and birth to primary and pediatric care occurs for birthing person & baby

Accountable Providers

Ambulatory maternity providers who have the greatest role in delivering obstetric care will be designated as the episode's Accountable Provider.

Accountable Providers

- Ambulatory maternity providers (i.e., qualified licensed physicians, nurse practitioners, and nurse-midwives) who have the greatest role in delivering obstetric care will be designated as the episode's Accountable Provider.
- Accountable Providers must meet a minimum volume threshold of 30 or more deliveries annually to participate.
- Accountable Providers will be eligible to receive Case Rate and incentive payments.
- Accountable Providers will be transitioned from the OB Pay for Performance (OBP4P) program to the Maternity Bundle Program.

Non-Participating Providers

- FQHCs and providers who perform fewer than 30 deliveries annually will be ineligible to participate in the program and will be paid according to their current payment methodology.
- Non-participating providers may still opt to participate in the OBP4P program.

Case Rate Payments

Accountable Providers will receive monthly case rate payments for a subset of office-based prenatal and postpartum services.

- **What?** For a subset of services, DSS will make monthly “case rate” payments for the majority of prenatal and postpartum care that a birthing person receives.
 - Each provider’s initial Case Rate is based on historical second trimester, third trimester, and postpartum claim expense for historically attributed episodes.
 - The rates will be rebased, not more frequently than once every 12 months.
 - A Case Rate may begin in the 2nd trimester. Claims submitted in the first trimester will be paid fee-for-service.
 - If/when a different provider takes over the patient’s case within the second or third trimester, the Case Rate for the original Accountable Provider will cease.
- **Who?** Case Rate payments will be paid to the Accountable Provider to which the birth is attributed.
- **Why?** DSS designed the maternity bundle’s Case Rate payment to give providers greater flexibility in how they deliver care.

Maternity Episode Services

Services included in the maternity episode will be subject to a retrospective reconciliation to calculate the incentive payment amount.

| Included Services | Excluded Services |
|--|--|
| <ul style="list-style-type: none"> ➤ OB/licensed midwife Professional Services ➤ <i>If performed by the participating Accountable Provider:</i> OB/licensed midwife Professional-related hospitalization costs (Inpatient, Outpatient, and ED) including professional delivery fees ➤ OB/licensed midwife Professional-related Behavioral Health Evals, including screening for depression and substance use ➤ Screenings (general pregnancy, chlamydia, cervical cancer, intimate partner violence, anxiety) ➤ <i>In-house</i> OB/licensed midwife imaging ➤ <i>In-house</i> labs and diagnostics ➤ Prenatal group visits ➤ Birth education services ➤ Care coordination activities ➤ Any of the above services provided via telehealth <ul style="list-style-type: none"> • <i>If performed outside the participating Accountable Provider:</i> OB/licensed midwife imaging & labs • Birth Centers and hospital costs related to maternity care • Specialist/Professional Services related to maternity (e.g., anesthesia) • General Pharmacy related to maternity | <ul style="list-style-type: none"> • Pediatric Professional Services • Neonatal Intensive Care Unit (NICU) • Behavioral Health & Substance Use services • Long-acting reversible contraception (LARC) • Sterilizations • DME (e.g., blood pressure monitors, breast pumps) • High-cost medications (specifically, HIV drugs and brexanolone) • Hospital costs unrelated to maternity (e.g., appendicitis) • Other Care, including Nutrition, Respiratory Care, Home Care, etc. • Maternal Oral Health services |

Key: ➤ Services reimbursed and included in the Case Rate. **Bold** indicates services to be included ***if*** performed by the participating Accountable Provider.

- Services reimbursed Fee-For-Service

New Covered Services

DSS will provide add-on payments for new service coverage of doula care and lactation supports.

- DSS plans to provide new service coverage of two community-based, peer resources: **doula care and lactation supports**. These high-value services aim to bridge the equity gaps for historically marginalized birthing people.
- An additional Case Rate add-on payment of \$21/month will be provided to fund doula services and lactation supports.
- Add-on payments for doula care and lactation supports will not impact opportunity for incentive payment earnings to encourage uptake of the new benefits.
- Doula services and lactation supports will be excluded from incentive payment calculations, and doula services will be subject to a retrospective true up.

Incentive Payment

Accountable Providers can earn incentive payments when total cost of care is lower than the target price, if they also meet quality performance criteria and comply with under-service prevention requirements.

- If episode costs are below the “target price” (the target benchmark), providers will receive a retrospective (i.e., at the end of the bundle) “incentive payment” (shared savings) based on their quality performance.
- This program is upside only, which means providers can only earn incentive payments as a bonus for delivering high-quality, cost-efficient care; there are no penalties if the provider’s costs exceed the target price.



Target Price

The provider-specific target price is the expected total cost of care for the maternity episode based on a blend of the statewide average cost for maternity care and the provider's historical cost.

Historical Price

- Calculate the average standardized* episode cost of all services by provider TIN.
- Winsorize outliers — set the total episode cost thresholds between the fifth and 99th percentile.
- Trending — utilize the institutional knowledge from CT Department of Social Services, such as fee schedule changes.

** Standardization includes applying average fee by diagnosis related group and severity level across providers. This process will be used for inpatient hospitals and some other services.*

Risk Adjustment Factor

The historical year's risk adjustment factor, integrated with the Area Deprivation Index (an area-level measure of socioeconomic factor) will be used to risk adjust the historical price.



State-wide Historical Price (50%)



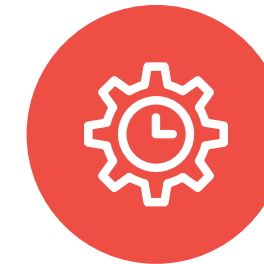
Risk Adjusted Historical Price (50%)
Risk-neutral historical price by provider TIN



Base Price by Provider



Base Price by Provider



Performance Year Risk Factor
Risk adjustment factor of the performance year

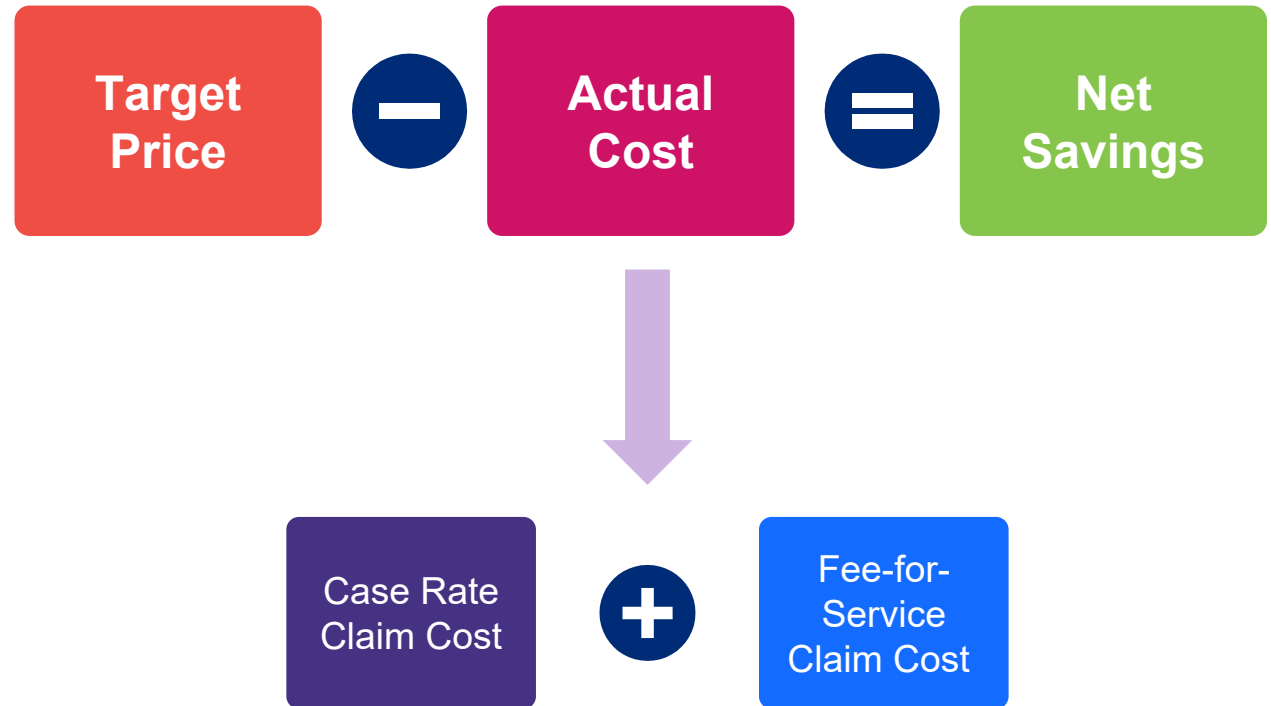


Target Price by Provider

Reconciliation

Reconciliation compares the total cost of care for services provided under the bundle to the target price.

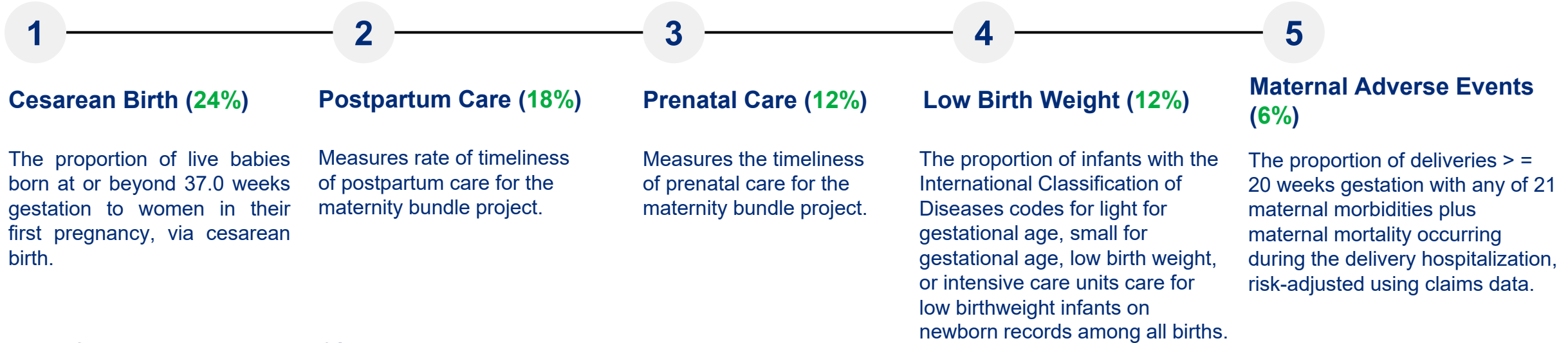
- Occurs no later than six months after the performance period ends.
- The total cost of care for services provided under the bundle will be compared to the target price.
- Bundles will be reconciled once per year with the provision of quarterly provider data reports.
- For year one, providers will not be responsible for losses, but will share a portion of savings based on their quality measure performance.



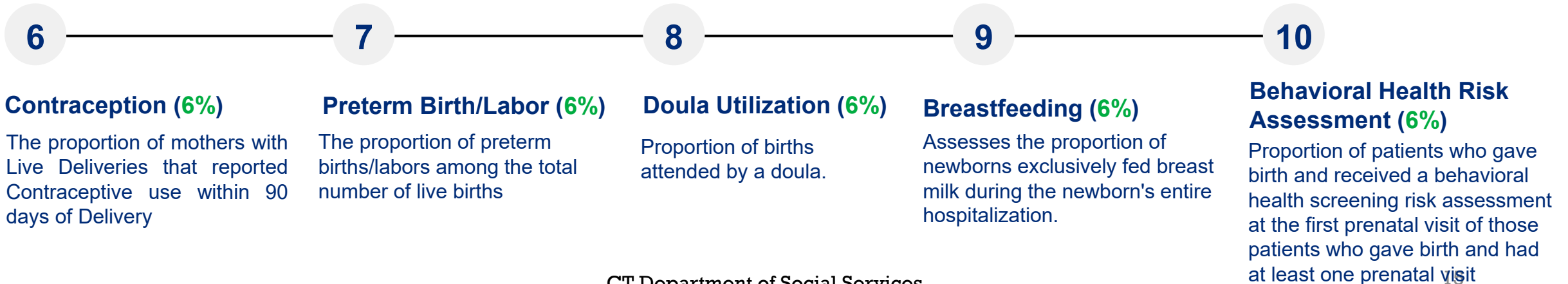
Quality Measures and Weights

This program has ten quality measures: five are Pay for Performance measures and five are Pay for Reporting measures.

Pay for Performance (71% Total)



Pay for Reporting (29%)



Quality Methodology Example

The distribution of incentive payments will be adjusted based on the Accountable Provider's quality performance.

Performance Tier Calculation

Improvement Tier Calculation

Raw Data is normalized such that the scores can range between 0% (low performance relative to the historical year) and 100% (high performance relative to the historical year) for each of the 10 metrics

The Performance Tier Score is developed using **ALL** quality measures

The Improvement Tier Score is developed using **ONLY** pay for performance measures

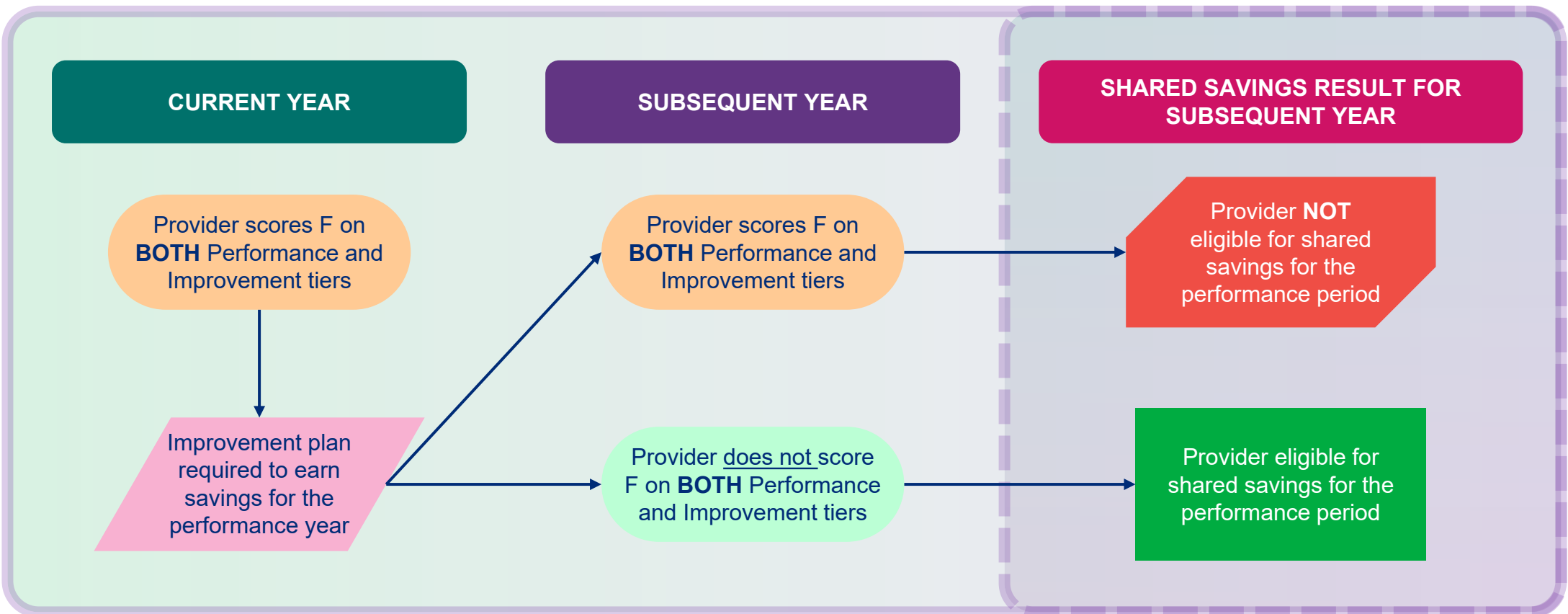
Performance Score of 90%

Improvement Score of 80%

The Final Score is the MAX of Performance Score and Improvement Score
90%

Quality Gate Check

- Accountable Providers who fall into Tier F for both the Performance Earnings Tier and the Improvement Earnings Tier will be required to submit a quality improvement plan in order to earn incentive payments.
- In the subsequent year, if an Accountable Provider consecutively maintains quality performance in Tier F for both tiers, the provider will be ineligible for the incentive payment that year.



Additional Resources

For additional information about this program, see the following resources:

- [DSS Maternity Bundle Website](#)
- [Program Overview](#)
- [Program Specification](#)
- [Draft Code List](#)