

DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid State Plan Amendment (SPA)

SPA 20-Q: Person-Centered Medical Home (PCMH) Program Update

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

Changes to Medicaid State Plan

Effective on or after October 1, 2020, SPA 20-Q will amend Attachment 4.19-B of the Medicaid State Plan to change the Person-Centered Medical Home (PCMH) program within the physicians' services benefit category as follows:

Performance and Improvement Supplemental Payment: The methodology for calculating performance and improvement supplemental payments within the PCMH program is being revised as described below.

Quality Measures Updated: The list and description of the quality performance measures for the PCMH program have been updated.

Combined Pool: The performance and improvement payments will now be combined into a single supplemental payment pool, in which practices will be measured on both their performance and improvement.

Scoring: The scoring of each practice's performance and improvement will be updated as follows. **Performance Component**: Each PCMH practice's performance on the quality performance measures are compared against all Medicaid-enrolled primary care practices that meet the minimum statistical thresholds for such measures and placed into percentiles, which are converted into points and averaged into a composite performance score. A practice earns 1 point for each measure where the rate is at or above the 75th percentile. A practice loses 1 point for each measure where the rate is at or below the 25th percentile. For measure rates that are between the 25th and 75th percentiles, the practice earns 0 points. Total earned performance points are then divided by the maximum possible earned points (i.e. the number of measures the practice qualified for) to yield the Performance Score.

Improvement Component: Each PCMH practice's earned points for improvement for each measure compared to the practice's rates from the previous year are calculated into a composite improvement score. A practice earns 1 point for each qualified measure where the rate for the current measurement year improved compared to the rate from the prior year. A practice loses 1 point for each qualified measure where the rate for the current measurement year worsened compared to the prior year rate. For rates that remain the same across both the measurement year and the year prior, the practice earns 0 points. Total earned improvement points are then divided by the maximum possible earned points (i.e. the number of measures the practice qualified for) to yield the Improvement Score.

Composite Score: Each qualified practice receives both the performance and improvement composite scores that range from -1 to 1. Those with higher overall performance or high improvement receive higher scores (close to 1). Low performers and practices with no improvement receive lower scores (close to -1). The scored practices are plotted on the four quadrant graph with performance on the Y axis and improvement on the X axis as shown in this graph (specifically, quadrant 1 includes practices with high performance and high improvement; quadrant 2 includes practices with high performance and no improvement; quadrant 3 includes practices with low performance and high improvement; and quadrant 4 includes practices with low performance and no improvement):



Payment Amount: Per-member per-month (PMPM) payment amounts for this supplemental payment pool will be distributed based on the quadrant into which the practice falls:

Performance Quadrant	Supplemental Payment PMPM Amount
Quadrant 4	No payment
Quadrant 3	\$0.30
Quadrant 2	\$0.30
Quadrant 1	\$0.50

Challenge Pool Supplemental Payment: This SPA also adds a challenge pool for practices that are in the 90th percentile or higher of performance on the challenge pool measures. This payment is \$0.20 per member month, paid in the same manner and timeframe as the Performance and Improvement Supplemental Payment.

Effective Date: These changes apply to PCMH quality supplemental payments made in 2021 and future years for each applicable measurement year (which is the calendar year preceding the year in which the payments are scheduled to be made). If the measurement year needs to be adjusted to a shorter period, then the PMPM amounts would be adjusted accordingly.

Adjustment Due to COVID-19: The methodologies for quality payments (both the performance and improvement and challenge supplemental pools) may be adjusted as necessary to account for disruptions in utilization patterns as a result of Coronavirus Disease 2019 (COVID-19).

Purpose: The purpose of this SPA is to improve the effectiveness of the PCMH quality supplemental payments to encourage and reward performance and improvement by more intensively focusing the payments on PCMH practices with higher performance and higher improvement.

Fiscal Impact

The new methodology is designed to be cost-neutral to the previous methodology. Therefore, this SPA is not anticipated to result in any substantial change in annual aggregate expenditures.

Obtaining SPA Language and Submitting Comments

The proposed SPA is posted on the DSS website at this link: <http://portal.ct.gov/dss>. Scroll down to the bottom of the webpage and click on “Publications” and then click on “Updates.” Then click on “Medicaid State Plan Amendments”. The proposed SPA may also be obtained at any DSS field office, at the Town of Vernon Social Services Department, or upon request from DSS (see below).

To request a copy of the SPA from DSS or to send comments about the SPA, please email: Public.Comment.DSS@ct.gov or write to: Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105 (Phone: 860-424-5067). Please reference “SPA 20-Q: PCMH Program Update”.

Anyone may send DSS written comments about this SPA. Written comments must be received by DSS at the above contact information no later than October 14, 2020.

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basis on or before December 31st for services provided in the previous calendar year (the “measurement year”). Payment rates will not vary based on the practitioner type (physician, physician assistant, or nurse practitioner) to whom each recipient is attributed.

- i. Supplemental Payment for Performance and Improvement Incentives: Independent physician groups, solo physicians, nurse practitioner groups, and individual nurse practitioners that meet all requirements for this supplemental payment will receive a payment totaling a maximum of ~~\$0.60~~the amount specified below for each member’s enrollment month attributed to the practice. Payments will be issued retrospectively in a lump sum on an annualized basis on or before December 31st for services provided in the previous calendar year. The payment amount will be based on the practice’s performance ~~compared with all other PCMH practices~~ during the measurement year using the quality performance measures described in subsection (5)(c) below. PCMH practices are eligible for this payment only if they participate as a PCMH for the entire measurement year.

Performance Component: Each PCMH practice’s performance on the quality performance measures are compared against all Medicaid-enrolled primary care practices that meet the minimum statistical thresholds for such measures and placed into percentiles, which are converted into points and averaged into a composite performance score. A practice earns 1 point for each measure where the rate is at or above the 75th percentile. A practice loses 1 point for each measure where the rate is at or below the 25th percentile. For measure rates that are between the 25th and 75th percentiles, the practice earns 0 points. Total earned performance points are then divided by the maximum possible earned points (i.e. the number of measures the practice qualified for) to yield the Performance Score.

Improvement Component: Each PCMH practice’s earned points for improvement for each measure compared to the practice’s rates from the previous year are calculated into a composite improvement score. A practice earns 1 point for each qualified measure where the rate for the current measurement year improved compared to the rate from the prior year. A practice loses 1 point for each qualified measure where the rate for the current measurement year worsened compared to the prior year rate. For rates that remain the same across both the measurement year and the year prior, the practice earns 0 points. Total earned improvement points are then divided by the maximum possible earned points (i.e. the number of measures the practice qualified for) to yield the Improvement Score.

Composite Score: Each qualified practice receives both the performance and improvement composite scores that range from -1 to 1. Those with higher overall performance or high improvement receive higher scores (close to 1). Low performers and practices with no improvement receive lower scores (close to -1). The scored practices are plotted on the four quadrant graph with performance on the Y axis and improvement on the X axis as shown in this graph:



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The ~~tiers levels of per member per month payment of performance~~ are as follows:

Performance Percentile Quadrant	Level of Supplemental Payment PMPM Amount
Under 25th percentile <u>Quadrant 4</u>	No payment
25th–50th percentile <u>Quadrant 3</u>	25% of possible payment <u>\$0.30 PMPM</u>
51st–75th percentile <u>Quadrant 2</u>	50% of possible payment <u>\$0.30 PMPM</u>
76th–90th percentile <u>Quadrant 1</u>	75% of possible payment <u>\$0.50 PMPM</u>
91st–100th percentile	100% of possible payment

- ii. Challenge Pool Supplemental Payment for Performance Improvement:
~~Independent physician groups, solo physicians, nurse practitioner groups, and individual nurse practitioners that meet all requirements for this supplemental payment will receive a payment totaling a maximum of \$0.68 for each member's enrollment month attributed to the practice. Payments will be issued retrospectively in a lump sum on an annualized basis on or before December 31st for services provided in the previous calendar year. PCMH practices are eligible for this payment only if they have participated as a PCMH for at least two full calendar years. The payment amount will be based on the practice's performance using the quality performance measures described in subsection (5)(d) below. In addition to the Performance and Improvement Supplemental Payment described above, practices that are in the 90th percentile of performance on the challenge pool measures referenced in subsection (c) below will be eligible to receive a challenge pool supplemental payment. This payment is \$0.20 per member month, paid in the same manner and timeframe as the Performance and Improvement Supplemental Payment.~~

- (c) Quality Performance Measures for PCMH Program. The department's quality performance measures for the PCMH program were updated as of January 1, ~~2016~~ 2021 and are effective for ~~quality payments made measurement of provider services and care outcomes~~ on or after that date. The quality performance measures can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. Select "Information", then select "Publications", then scroll down to the section regarding the PCMH program. The quality measures are used to measure PCMH practices' performance and their eligibility for certain payments that are described in the relevant section of the plan as being made or determined using these quality measures. These quality measures are based on improving quality, access, and care outcomes.