



Health Care
Innovation Initiative

Patient Centered Medical Homes (PCMH)
Provider Information Webinar
October 12, 2016

Provider Operating Manual

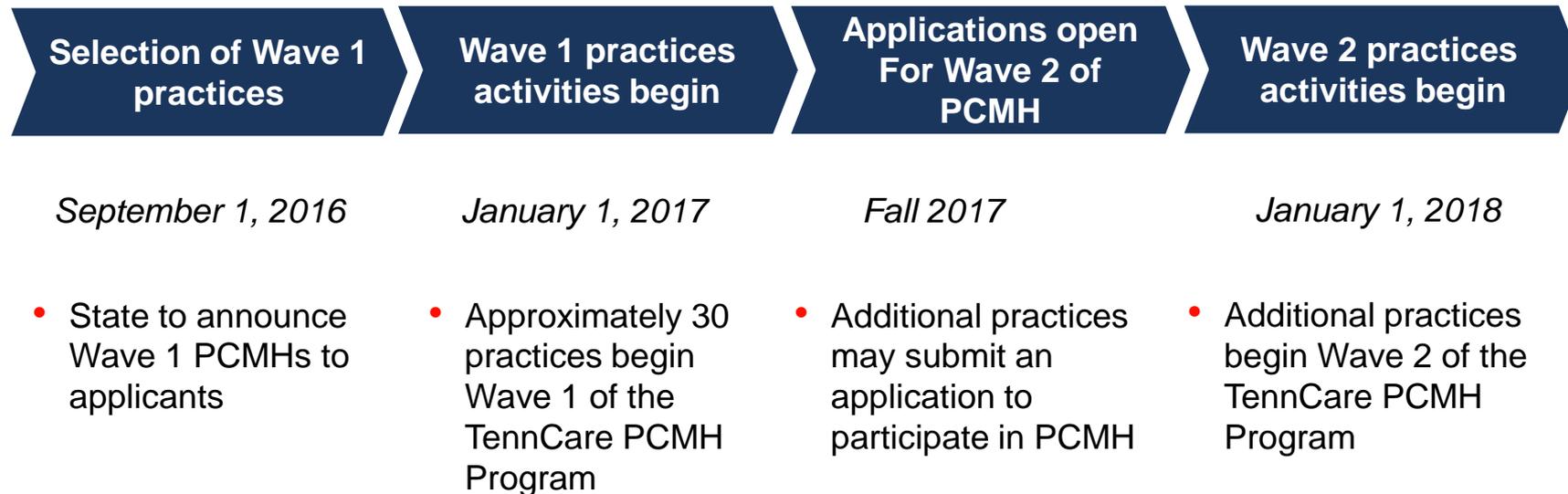
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1 General Information

PCMH timeline



PCMH will begin with approximately 30 practices in January 2017 and will add practices each year

1 General Information

TennCare PCMH Program Overview

PCMH Practices commit to:

- Patient-centered access
- Team-based care
- Population health management
- Care management support
- Care coordination and care transitions
- Performance measurement and quality improvement

PCMH Providers receive:

- Ongoing financial support as well as financial rewards for high performance
- Training and custom curriculum
- Actionable quarterly reports on practice performance
- Access to a Care Coordination Tool with member level detail



Benefits to patients, providers, and the health care system:

- Increased quality of care for Medicaid members throughout Tennessee
- Deep collaboration between providers and health plans
- Support and learning opportunities for primary care providers
- Appropriateness of care setting and forms of delivery
- Enhanced chronic condition management
- Referrals to high-value medical and behavioral health care providers
- Reduced readmissions through effective follow-up and transition management

② How Does a Practice Become a PCMH?

1. Application

2. Eligibility

- PCMHs are designated at the Tax ID level
- Each Tax ID must have at least 500 members with one MCO to qualify

3. Contracting

- MCOs have already started reaching out. If you haven't heard from one of your TennCare contracted MCOs, you can reach out to your provider reps.

③ Which Members are in a PCMH?

- The intent of the PCMH program is to be as broad and inclusive as possible. As a result, all TennCare members enrolled with the MCO are eligible for the PCMH program, including adults and children. CoverKids members are not included at this time.
- All TennCare eligible members attributed to a PCMH are included in the calculation for the monthly activity per member per month (PMPM) payment.
- The Care Coordination Tool will enable practices to see which patients are attributed and included on their panel.
- Providers are not held accountable for the quality and efficiency outcomes of some members (such as those with third party liability or those with extended nursing home stays). Those members are not included in the outcome payment calculation.

4 What Services Will a PCMH Provide?

All PCMHs must meet the NCQA Recognition Requirement:

- Maintain Level 2 or 3 PCMH Recognition from the National Committee for Quality Assurance (NCQA)

OR

- Meet Tennessee's specific activity requirements and begin working towards meeting NCQA's 2017¹ PCMH Recognition, once standards are finalized

NCQA PCMH Recognition organizes requirements into the following categories:

- Team-based care and practice organization
- Knowing and managing your patients
- Patient-centered access and continuity
- Care management and support
- Care coordination and transitions
- Performance measurement and quality improvement

¹NCQA's 2017 recommended standards are expected to be finalized in March 2017. The recommended standards are available here:

<http://www.ncqa.org/Portals/0/PublicComment/PCMH%202017%20Recommendations%20Table.pdf?ver=2016-06-13-094129-053>

5 How Will PCMH Practices Be Paid?

	Objective	Payment
Practice Transformation Payment	<ul style="list-style-type: none"> Support initial investment in practice transformation 	<ul style="list-style-type: none"> \$1 per member per month (PMPM) payment Not risk adjusted Each practice will receive this payment for their first year of participation
Activity Payment	<ul style="list-style-type: none"> Support practices for the labor and time required to evolve their care delivery models. Practices may hire new staff (e.g., care coordinators) or change responsibilities for existing staff to support practice transformation. Incentivize ongoing activity requirements 	<ul style="list-style-type: none"> Risk-adjusted PMPM payment Each PCMH will be assigned to a risk band based on the acuity of their membership MCOs will set payment levels for these bands, but average payment across all practices will be \$4 PMPM Starting in Year 3, a portion of activity payments will be at-risk based on performance on quality and efficiency metrics.
Outcome Payment	<ul style="list-style-type: none"> Encourage improvements in total-cost-of care and clinical outcomes Reward high quality providers 	<ul style="list-style-type: none"> Annual bonus payment available to high performing PCMHs High-volume (5,000+ member) PCMH practices: Shared savings based on total cost of care and quality metrics Low-volume (<5,000 member) PCMH practices: Bonus payment based on efficiency and quality metrics

5 How Will PCMH Practices Be Paid?

PCMH Outcome Payment

The outcome payment is meant to reward high quality providers in shared savings opportunities. This outcome payment is based on performance throughout a full calendar year. The way this payment is calculated varies by panel size:

- **Low volume providers:** PCMHs with less than 5,000 members in a given MCO panel
- **High volume providers:** PCMHs with 5,000 or more members in a given MCO
- It is possible that one PCMH may generate outcome payments as a low volume provider under one MCO and a high volume provider with another MCO. It depends on the panel size with each distinct MCO.
- The following slides depict the step by step calculation for outcome payments to both low volume and high volume providers.

5 How Will PCMH Practices Be Paid?

PCMH Outcome Payment

Step 1:

Measure Quality

Statewide thresholds are set. Low volume and high volume providers are measured in the same way.

Earn Stars

Step 2:

Measure Efficiency Performance

Low Volume: Measure efficiency metrics against thresholds

High volume: Measure total cost of care compared to other PCPs

Earn Stars

Step 3:

Measure Efficiency Improvement

Low Volume: Measure improvement in efficiency metrics compared to your past performance

High volume: Measure actual savings to total cost of care

Step 4:

Calculate Payment

Low volume: Eligible for up to 25% of shared savings

High volume: Eligible for up to 50% of shared savings

5 How Will PCMH Practices Be Paid?

PCMH Outcome Payment

**Step 1: For both low volume and high volume PCMHs
Measure Quality Performance (relative to statewide threshold)**

Sample Adult Practice Provider

Quality metric	Threshold	Denominator	Performance	Star
Quality Measure 1	≥ 45%	60	55%	★
Quality Measure 2	≥ 60%	50	60%	★
Quality Measure 3	≥ 55%	65	60%	★
Quality Measure 4	≥ 50%	80	20%	☆
Quality Measure 5	≥ 85%	5	90%	N/A ☆

A minimum denominator of 30 is required to be measured

Quality stars: ★★☆☆☆

At least 2 stars earned?



Outcome payment eligible



Each Quality Star is worth 10%. See Step 2.

In Family Practices, each Quality Star is worth 5% because there are 10 possible Quality Stars.

5 How Will PCMH Practices Be Paid?

**Step 2: for PCMH practice volume less than 5,000 members
Measure Efficiency Performance (relative to statewide threshold)**

Efficiency metric	Threshold	Performance	Star
ED/ 1000 MM	≤ 70	60	★
Inpatient/ 1000 MM	≤ 15	10	★
Mental Health Inpatient /1000 MM	≤ 5	9	☆
All Cause Readmission /1000 MM	≤ 5	6	☆
Avoidable ED/ 1000 MM	≤ 25	30	☆

Efficiency stars: ★★☆☆☆

Outcome savings percentage:
 3 Quality stars at 10% 3*10% = 30%
 2 Efficiency stars at 10% 2*10% = 20%

Outcome savings percentage: 50%

These thresholds are placeholders. They will be set by each MCO.



5 How Will PCMH Practices Be Paid?

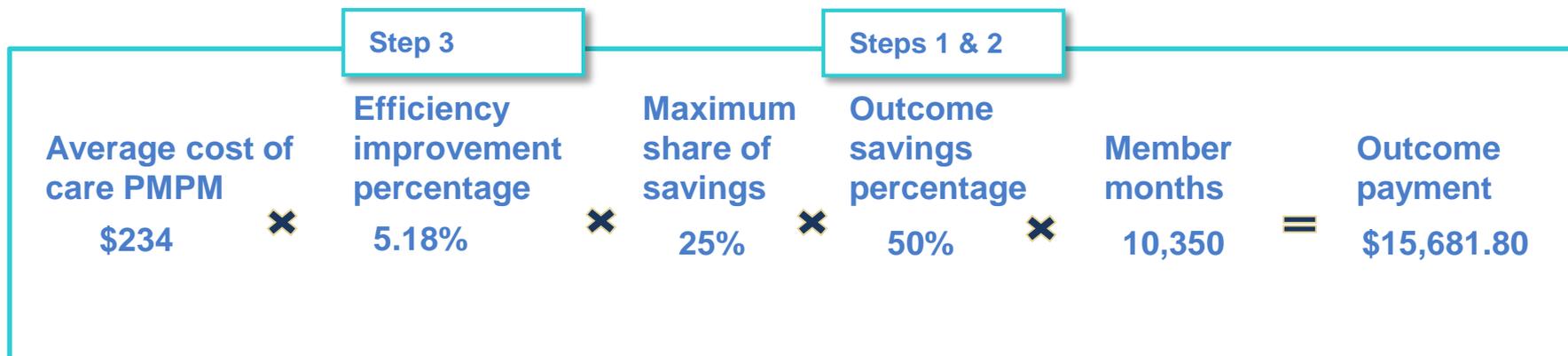
Step 3 for PCMH practice volume less than 5,000 members :
Measure Efficiency Performance (relative to self)

Efficiency metric	Year over Year performance
ED utilization /1000 MM	+2.69%
Inpatient/1000 MM	-7.14%
Mental Health Inpatient /1000 MM	+20.00%
All Cause Readmission /1000 MM	+9.62%
Avoidable ED/1000 MM	+0.76%
Average efficiency improvement percentage: 5.18%	

5 How Will PCMH Practices Be Paid?

Step 4: Calculate payment

Practice volume less than 5,000 members



Set by TennCare; represents average PMPM for PCMH eligible members across all 3 MCOs

Represents provider's efficiency performance relative to self last year; 0-20% performance improvement range

Set by TennCare; represents the maximum percent of the shared savings pool that providers access

Represents percent of shared savings unlocked by provider by passing set thresholds on quality and efficiency; 0-100% range

Represents members on outcome panel

Outcome payment paid to high performing providers after one full year of data and claims run out

5 How Will PCMH Practices Be Paid?

PCMH Outcome Payment

**Step 1: For both low volume and high volume PCMHs
Measure Quality Performance (relative to statewide threshold)**

Sample Adult Practice Provider

Quality metric	Threshold	Denominator	Performance	Star
Quality Measure 1	≥ 45%	60	55%	★
Quality Measure 2	≥ 60%	50	60%	★
Quality Measure 3	≥ 55%	65	52%	☆
Quality Measure 4	≥ 50%	80	20%	☆
Quality Measure 5	≥ 85%	5	90%	N/A

A minimum denominator of 30 is required to be measured

Quality stars: ★★☆☆☆

At least 2 stars earned?



Outcome payment eligible

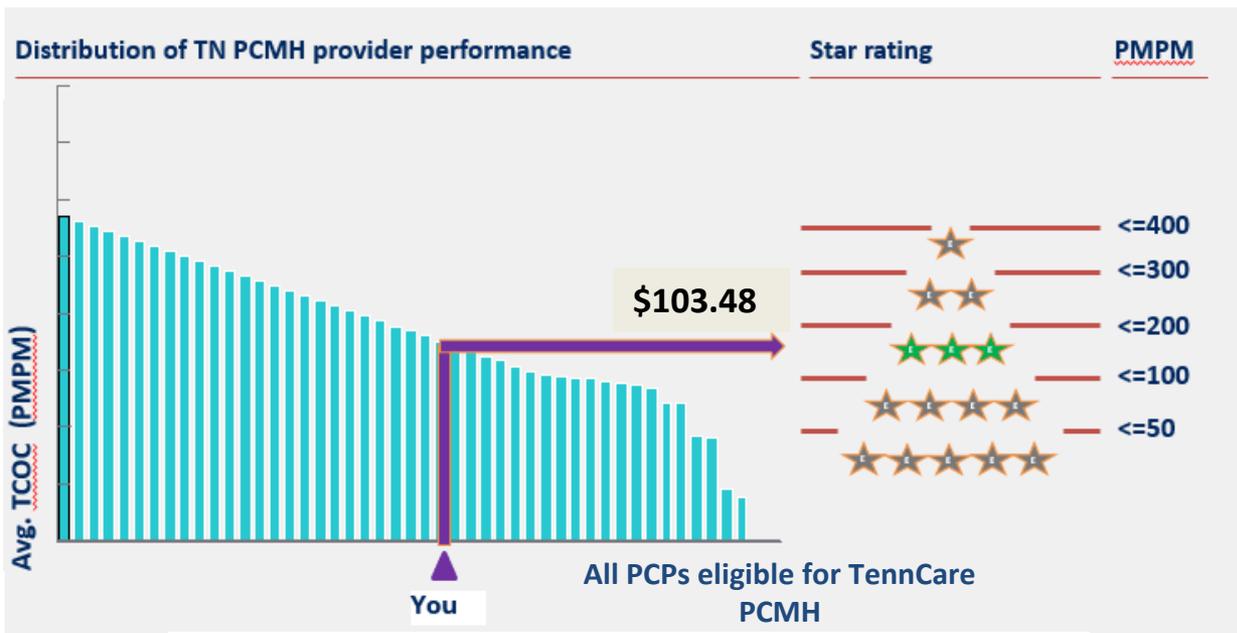


Each Quality Star is worth 10%. See Step 2.

In Family Practices, each Quality Star is worth 5% because there are 10 possible Quality Stars.

5 How Will PCMH Practices Be Paid?

Step 2: for PCMH practice volume over 5,000 members
 Measure Total Cost of Care Performance (relative to other PCPs)



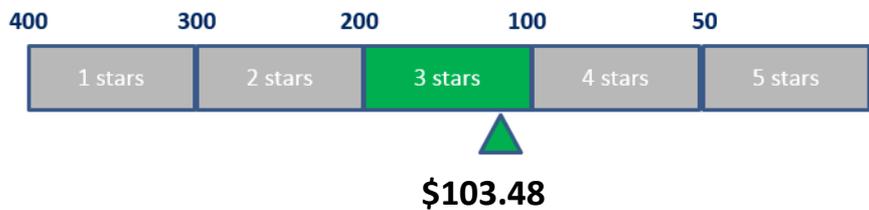
Efficiency stars: ★★☆☆☆

Outcome savings percentage:

2 Quality stars at 10% 2*10% = 20%

3 Efficiency stars at 10% 3*10% = 30%

Outcome savings percentage: 50%



5 How Will PCMH Practices Be Paid?

Step 3 for PCMH practice volume over 5,000 members: Measure Total Cost of Care Savings

Risk adjusted baseline	2017 Benchmark (Baseline at 1% growth rate)	Your Actual 2017 TCOC	TCOC Savings Amount
\$107.41	\$108.48	\$103.48	\$5.00

The baseline is the 3 year risk adjusted average total cost of care.

3 years are used to account for potential year to year variation.

The benchmark is the baseline TCOC adjusted with the annual compound growth rate of 1%

$107.41 * (1.01) = 108.48$

Risk adjusted TCOC is calculated by summing all included spend, capped at \$100k and dividing by the number of months each member was enrolled

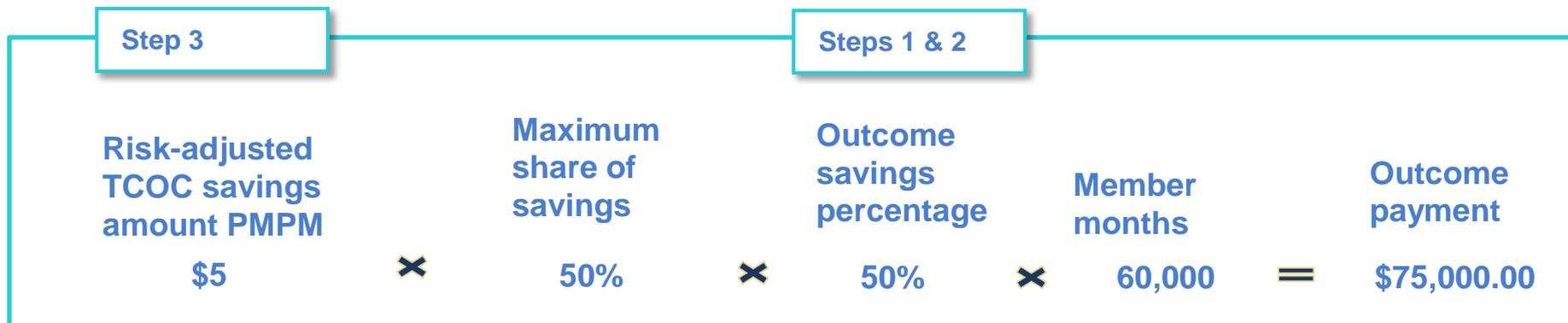
The savings amount is the benchmark minus the actual TCOC.

If costs increase, this value is set to zero.

5 How Will PCMH Practices Be Paid?

Step 4: Calculate payment

Practice volume over 5,000 members



Represents actual TCOC PMPM savings by provider; replaces efficiency improvement percentage

Set by TennCare; represents maximum percent of the shared savings pool that providers access. Practices that are evaluated on TCOC are given access to a larger pool of shared savings

Represents percent of shared savings unlocked by provider by passing set thresholds on quality and efficiency; 0-100% range

Represents members on outcome panel

Outcome payment paid to high performing providers after one full year of data and claims run out



*** Illustrative example, not based on real data ***

6 How Will Quality and Efficiency be Measured?

Pediatric Practice Quality Metrics

1 EPSDT screening rate (composite for older kids)

Well-child visits ages 7-11 years

Adolescent well-care visits age 12-21

2 Asthma medication management

3 Immunization composite metric

Childhood immunizations

Immunizations for adolescents

4 EPSDT screening rate (composite for younger kids)

Well-child visits first 15 months

Well-child visits at 18, 24, & 30 months

Well-child visits ages 3-6 years

5 Weight assessment and nutritional counseling

BMI percentile

Counseling for nutrition

Family Practice Quality Metrics

1 Adult BMI screening

2 Antidepressant medication management

3 Comprehensive diabetes care (composite 1)

Diabetes eye exam

Diabetes BP < 140/90

Diabetes nephropathy

4 Comprehensive diabetes care (composite 2)

Diabetes HbA1c testing

Diabetes HbA1c poor control (> 9%)

5 Asthma medication management

6 Immunization composite metric

Childhood immunizations

Immunizations for adolescents

7 EPSDT screening rate (Composite for youngest kids)

Well-child visits first 15 months

Well-child visits at 18, 24, & 30 months

8 EPSDT: Well-child visits ages 3-6 years

9 EPSDT Screening (Composite for older kids)

Well-child visits ages 7-11 years

Adolescent well-care visits age 12-21

10 Weight assessment and nutritional counseling

BMI percentile

Counseling for nutrition

6 How Will Quality and Efficiency be Measured? Continued

Adult Practice Quality Metrics

- 1 Adult BMI screening
- 2 Antidepressant medication management
- 3 EPSDT: Adolescent well-care visits age 12-21
- 4 **Comprehensive diabetes care (composite 1)**
 - Diabetes care: eye exam
 - Diabetes care: BP < 140/90
 - Diabetes care: nephropathy
- 5 **Comprehensive diabetes care (composite 2)**
 - Diabetes HbA1c testing
 - Diabetes HbA1c poor control (>9%)

6 How Will Quality and Efficiency be Measured? Continued

PCMH Efficiency Measures

- 1 All cause hospital readmission rate per 1,000 member months
- 2 Avoidable ED visits per 1,000 member months
- 3 Ambulatory care ED visits per 1,000 member months
- 4 Inpatient admissions per 1,000 member months
- 5 Mental health inpatient utilization per 1,000 member months

Risk Adjustment

Risk adjustment is an essential analytic element of the PCMH program. Risk adjustment will be used in the Tennessee PCMH program in 2 ways:

- Risk adjustment of the activity payments PMPM; and
- Risk adjustment of total cost of care

The Tennessee PCMH program utilizes the Combined Chronic Illness and Pharmacy Payment System (CDPS+Rx) version 6.1 for risk adjustment.

The Chronic Illness and Disability Payment System (CDPS) is a diagnostic classification system that Medicaid programs can use to make health-based capitated payments for TANF and disabled Medicaid beneficiaries. The CDPS code is provided under license and at a reduced rate to qualified public agencies, educational institutions, and researchers.

8 Reporting

- Each MCO will send providers reports quarterly, detailing their efficiency and quality stars, total cost of care, and potential payments for the relevant performance period.
- These quarterly reports aim to provide PCMHs an interim view of the member panels that they will be held accountable for during the performance period.
- The first performance period for PCMH is January 1 - December 31, 2017.
- There are 2 types of quarterly provider reports:
 - Preview reports; and
 - Performance reports.

9 Provider Training

TennCare has contracted with **Navigant** to deliver provider training and technical assistance services to PCMH providers across the State.

The training vendor will conduct an **initial assessment** of each PCMH practice that identifies current capabilities. The results of this assessment will allow the trainer to create a **custom curriculum** for each practice to help in meeting transformation milestones. The custom plan will be refined periodically through semi-annual assessments.

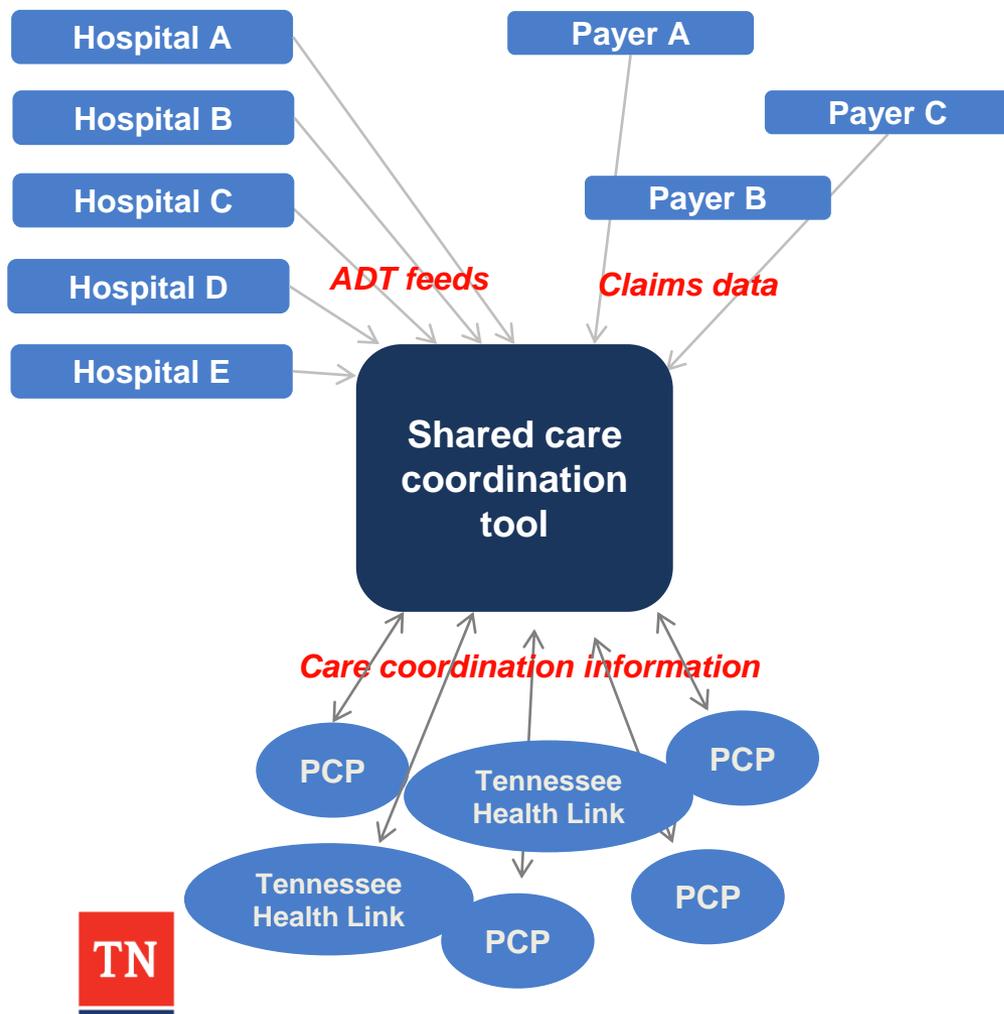
Providers will be encouraged to access this curriculum in various ways including:

- On-site coaching
- Large format in-person trainings
- Live webinars
- Recorded trainings
- Compendium of resources

Navigant will also establish and facilitate peer-to peer **learning collaboratives** among practices to allow PCMH providers to learn from one another's experience.

Care Coordination Tool

A multi-payer shared care coordination tool will allow primary care providers to implement better care coordination in their offices.



- Identifies a provider's attributed patients' risk scores
- Generates and displays gaps-in-care and creates prioritized workflows for the care team
- Maintains, executes and tracks activities against patient-specific care plans
- Alerts providers of any of their attributed patients' hospital admissions, discharges, and transfers (ADT feeds)

The screenshot shows the Altruista Health Quality Measures dashboard. The interface includes a search bar, a 'Member Accessed' dropdown, and a 'Quality Measures' section. The 'Quality Measures' section displays a table of patient data with columns for Scorecard, Last Name, First Name, DOB, Altruista ID, Health Plan, and AWC - Preventiv... (with sub-columns for P, G, and F). The table lists several patients with their respective scores and status indicators (green checkmarks, red triangles, and red X's).

Scorecard	Last Name	First Name	DOB	Altruista ID	Health Plan	AWC - Preventiv...
20%	COCKSEY	ZACKERY	03-20-2002	11020618410	BCBS TN	✓
0%	CROSS	ZACKERY	06-15-1995	11009750080	BCBS TN	△
0%	KNIGHT	ZACKERY	01-22-2008	11034528693	BCBS TN	△
7%	HENEGAR	ZACKERY	04-24-2013	11045751823	BCBS TN	△
0%	COOK	ZACKERY	03-13-2001	11019623337	Tenn_care	△
50%	DENNIS	ZACKERY	06-28-2004	11027099353	Tenn_care	✓
0%	EMERY	ZACKERY	07-03-1998	11014355521	Tenn_care	△
33%	POSTON	ZACKERY	12-04-2003	11020209929	Tenn_care	✓

Total Care Opportunities : 45778

11 Provider Pooling

- Beginning in 2018, PCMH practices with fewer than 5,000 attributed members may elect to pool together to form a shared savings entity.
- When a practice has pooled, its performance is measured in the associated shared savings entity throughout the duration of the performance period

Pooled practices are treated as high volume PCMHs:

- The pool's outcome is measured on **Total Cost of Care**
 - The pool is eligible for a maximum of **50%** of shared savings in outcome payment
-
- More information about pooling and how to sign up will be made available in 2017. Applications for pooling will be available in 2017.

Quality & Efficiency Metrics Appendix

- This appendix provides short descriptions of each of the quality and efficiency measures.
- Many of the measures are HEDIS and will follow the most up to date HEDIS specifications available.
- Providers will be measured against statewide thresholds for quality, as listed in the Appendix.
- Providers will be measured against MCO thresholds for efficiency. These thresholds will be provided during contracting.

Thank You

- Questions?

Email Karly Schledwitz at Karly.Schledwitz@tn.gov

- More information: <https://www.tn.gov/hcfa/article/patient-centered-medical-homes>