

Quality Incentive Payment Program (QIPP)

Program Overview & Facts

What is QIPP?

The Quality Incentive Payment Program (QIPP) is a new component the Mississippi Division of Medicaid (DOM) is adding to the Mississippi Hospital Access Program (MHAP) for hospitals, beginning in state fiscal year (SFY) 2020. The goal of the QIPP is to utilize state and federal funds to improve the quality of care and health status of the Mississippi Medicaid population. The QIPP is envisioned to be a multi-year process with an increasing percentage of the pass-through payments being linked to performance improvements achieved and maintained by the hospital industry.

In 2016, the Centers for Medicare and Medicaid Services (CMS) issued new regulations, known as a final rule, for all Medicaid managed care programs. The new regulations included a requirement that pass-through payments, such as DOM's MHAP, are fully phased out or that the payments transition to accountability-based models within 10 years. Consequently, DOM developed QIPP to begin linking MHAP payments – now referred to as the transitional payment pool (TPP) – to utilization, quality, or outcomes.

In order to demonstrate that we are transitioning TPP payments to an accountability-based model, QIPP aims to improve potentially preventable readmission (PPR) rates by measuring those rates on a quarterly basis. You can learn more about how QIPP will work below, but first it is important to be aware that you will receive your first quarterly PPR report this Sunday, June 30.

What does my hospital have to do?

- **Each hospital should receive, review and attest to the receipt of their quarterly PPR reports within 30 days of receipt.**
- During SFY 2020, each hospital should be developing initiatives to improve its readmission rates based upon review of their quarterly PPR reports.

How will QIPP work?

Readmissions will be measured across all hospitals with the readmission being attributed to the original discharging hospital. The metric will exclude maternity and newborn readmissions. Also, the metric will include Emergency Department admits for a condition related to a recent hospital discharge. The readmission rate metric will include all clinically-related readmissions associated with a hospital discharge within the previous 15 days.

DOM will phase in QIPP over three years. For SFY 2020 the QIPP portion of the TPP will be ten (10) percent. To do this, we are working with hospitals to set a hospital-wide readmission rate threshold, as well as a targeted improvement percentage for hospitals with rates exceeding that threshold.

On an annual basis, DOM will establish an initial acceptable hospital-wide readmission rate threshold, as well as a targeted improvement percentage for hospitals with rates exceeding the threshold. The goal will be set as a percent improvement over each individual hospital's baseline performance. For hospitals with rates below the threshold, those hospitals must remain below the threshold. The actual to expected PPR measures will be adjusted for acuity and patient mix and made available by the DOM.

What do I need to know for SFY 2020?

In SFY 2020, ten percent of the original TPP will be devoted to the incentive payments. The program will operate as follows.

- By June 30, 2019, DOM will generate the baseline hospital-specific PPR rates and share that baseline data with each hospital. This baseline will include hospitalizations with discharge dates between Jan. 1, 2018, and Dec. 31, 2018, for claims paid through May 31, 2019. This data will serve as the hospital's baseline performance for the first three years.
- DOM will generate the hospital-wide readmission rate PPR reports on a quarterly basis and make those reports available to each hospital. These reports will include a rolling years' worth of data along with the most recent available quarter of data. Among the content of these reports will be a summary report as well as a patient level detail report with sufficient data to permit hospitals to research readmissions attributed to their hospital.
- Hospitals that have completed the quarterly attestation submissions will be eligible for the full 10 percent QIPP payment.
- The QIPP portion of the pass-through payment to the hospitals will be made on a quarterly basis.
- No payment in SFY 2020 will be linked to actual PPR performance.
- Hospitals forfeiting their pass-through payments or a portion thereof due to noncompliance with the quarterly attestation will have their portion of the QIPP payments redistributed among the hospitals with 100 percent attestation compliance.
- Hospitals with insufficient readmission volume to reach a statistically meaningful threshold will receive reports, attest to receipt, and receive their full QIPP payment.

Questions?

DOM will share more details and information about QIPP as the program develops. In the meantime, please review any messages you receive from the QIPP@medicaid.ms.gov email address. You may also direct any questions you have to the same address, QIPP@medicaid.ms.gov.