

DRAFT CONCEPT PAPER
Mississippi Division of Medicaid
Physician Quality Incentive Payment Program (PQIPP)

FOR DISCUSSION PURPOSES ONLY

Background

The Mississippi Division of Medicaid (DOM or Division) has demonstrated a commitment to improve access, quality of care, and health status of the Mississippi Medicaid population through the introduction and advancement of payment transformation initiatives. This commitment has resulted in the Division's development and implementation of programs such as the following:

- **Quality Incentive Payment Program (QIPP).** The QIPP was implemented in 2017 and leverages a directed payment program to fund incentive payments to hospitals to improve quality of care and the health status of the Mississippi Medicaid population.
- **Medicaid Access to Physician Services (MAPS).** MAPS is a directed payment program developed in 2019 in conjunction with the University of Mississippi Medical Center (UMMC) to increase access to primary and specialty care services while improving quality of care for Medicaid beneficiaries. Under MAPS, enhanced payments are made based on the encounters of qualified practitioners employed by or affiliated with UMMC.
- **Managed Care Value Based Payment Incentive Withhold.** DOM withholds a portion of the Coordinated Care Organization (CCO) capitation payments which the CCOs can earn back based on performance associated with established quality metrics.

QIPP and MAPS payments are accomplished by DOM directing payments to providers through the CCOs. These directed payments are made consistent with 42 C.F.R. 438.6(c). The 2016 Medicaid and CHIP Managed Care Final Rule¹ limits the conditions under which states can make directed payments through managed care organizations. Both QIPP and MAPS are compliant with the permissible CMS exceptions for directed payments which include value-based purchasing models, multi-payer or Medicaid-specific delivery system reform or performance improvement initiatives, or fee schedule requirements for provider reimbursement (e.g., minimum fee schedules, maximum fee schedules, and uniform increases). These programs align with the Mississippi Medicaid Comprehensive Quality Strategy, and DOM is responsible for evaluating these programs to assess their advancement of the State's Quality Strategy on an annual basis.

Proposed Program: Physician Quality Incentive Payment Program

Currently, DOM is providing payments to physicians through the quality-based MAPS program referenced above, the fee schedule based physician's upper payment limit (UPL) (currently only available to UMMC), and primary care enhanced payments (PCP). In an effort to streamline these physician payments and reduce administrative burden, DOM is considering a single comprehensive payment program for physicians.

¹ Medicaid and Children's Health Insurance Program (CHIP) Programs; Medicaid Managed Care, CHIP Delivered in Managed Care, and Revisions Related to Third Party Liability; Final Rule, 81 Fed. Reg. 27498 (May 6, 2016) (available at: <https://www.federalregister.gov/documents/2016/05/06/2016-09581/medicaid-and-childrens-health-insurance-program-chip-programs-medicaid-managed-care-chip-delivered>).

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DOM seeks to further advance its commitment to payment transformation through the expansion of incentive payments for access, quality, and outcomes attributed to physician practices. This initiative will be known as the Physician Quality Incentive Payment Program (PQIPP). PQIPP will be a directed payment program with providers receiving payments from the CCOs. The intent of this concept paper is to document the conceptualized PQIPP model and receive stakeholder input and feedback to be considered by DOM in finalizing the program.

Timeline. DOM plans to design the PQIPP, request and receive CMS approval for implementation on July 1, 2022.

Annual Submission. DOM will be required to submit the PQIPP for CMS approval on an annual basis via a preprint in accordance with 42 C.F.R. 438.6(c) similar to its current submissions for MHAP and MAPS.

Included Providers. Providers included in the PQIPP program are Mississippi physicians, Advance Practice Registered Nurses (APRNs), Physician Assistants (PAs) or other eligible providers, based on the reporting of selected quality metrics. All providers will be eligible for payments whether they are affiliated with a hospital system or not.

Impact to Hospitals. To assess the impact on the hospital industry, DOM has worked to identify hospital-affiliated providers. The Division has analyzed both Medicaid provider enrollment data, as well as claims data, to attribute providers to hospitals appropriately. This will be important to accurately determine the impact to each hospital and hospital system. The affiliation methodology requires additional refinement, but to date, the following steps have been performed:

- Identified physician incentive encounter claims where the physician is a rendering provider, but the billing provider is a Mississippi hospital.
- Reviewed the provider enrollment file to identify affiliation data that links the billing or rendering provider to a Mississippi hospital.
- Reviewed historical Mississippi hospital claims to identify potential relationships to providers on the physician encounters.

In addition to the above, the Division requested from all Mississippi hospitals a listing of all providers that are affiliated with their hospital. The Division received a response to this request that will allow the association of encounters much more closely with affiliated hospitals.

With the benefit of this hospital-submitted information, DOM is in the process of refining its affiliation documentation. It is anticipated that this draft affiliation document will be made available to each hospital prior to the program's implementation and on an annual basis thereafter if it is needed. DOM will also work with the industry to establish a process for updates if needed.

Quality Requirements. As referenced earlier, directed payments, such as the PQIPP must advance the State's Quality Strategy and meet one or more of the exceptions to be permissible under the Medicaid Managed Care rules. Therefore, DOM will introduce quality metrics into the program that support the

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Quality Strategy. Providers will need to meet certain quality measure performance thresholds to receive PQIPP payments. DOM plans to initiate the program using administrative measures that can be generated from claims data; however, it may advance to hybrid or true outcomes measures over time.

DOM is proposing the inclusion of ten quality metrics in the initial implementation of the program. The proposed metrics and their descriptions are included in the following table.

| Quality Measure | Measure Description |
|---------------------------------|---|
| 1 Transition of Care | Measures the percentage of beneficiaries, 18 years and older, who completed a visit within 30 days of an inpatient stay. Includes medication reconciliation post-discharge. |
| 2 Wellness - Adult | Measures the percentage of beneficiaries age 18 or older who completed an Annual Wellness Visit. Documentation should include measurement of BMI, depression screening results, as well as nutrition and physical activity counseling when abnormal BMI is found. |
| 3 Wellness - Child & Adolescent | Measures the percentage of child and adolescent beneficiaries who completed an Annual Wellness Visit. Includes measurement of BMI, nutritional assessment, physical activity counseling, and depression screening for members age 12 and above. |
| 4 High Blood Pressure | Measures the blood pressure control of beneficiaries age 18 or older with a diagnosis of hypertension (HTN) |
| 5 High Cholesterol | Measures low-density lipoprotein control in beneficiaries age 18 years or older with a diagnosis of elevated cholesterol. |
| 6 HbA1c | Measures blood sugar control of beneficiaries 18-75 years of age with a diagnosis of diabetes (type 1 and type 2). |
| 7 Prenatal Care | Measures the percentage of deliveries in which women had a prenatal care visit in the first 16 weeks of gestation and timing of subsequent visits. |
| 8 Postpartum Care | Measures the percentage of deliveries in which women had a postpartum visit on or between 7 and 84 days after delivery. |
| 9 Depression Screen | Measures the percentage of high-risk category or 65 years or older members with depression screening or assessment during the year. |
| 10 Substance Use | Measures the percentage of adult members with a current substance/alcohol/opioid dependence with a depression screening or counseling during the year. |

In order to monitor these quality measures, DOM will require providers to include accurate CPT® Category II codes on physician, physician assistant, and nurse practitioner claims, effective October 1, 2021². See <https://medicaid.ms.gov/follow-up-information-regarding-use-of-cpt-category-ii-codes/> for additional details.

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On an annual basis, DOM will calculate performance measures using encounter claims, as well as payment achievement for each provider. DOM will work with the industry to review this process. Annually, DOM plans to reassess the quality measures included in the program and any performance thresholds that must be reached to achieve payment.

Attribution of Patients. As the payment program matures and true outcomes can be measured, a methodology may be needed to assign patients to specific practices. Given the reality that Medicaid patients may see a number of different providers, the Division anticipates developing an algorithm based on where the patient receives the majority of their primary care services based on claims volume. DOM plans to share the proposed patient attribution methodology with the industry for feedback once drafted.

Request for Input. DOM recognizes the importance of soliciting feedback from our stakeholders and considering that feedback as the Division develops the PQIPP. As such, DOM plans to perform the following activities:

- **Survey.** The Division will issue an electronic survey to providers and other stakeholders to solicit feedback regarding the general approach to developing the physician quality incentive payment program including physician-hospitals affiliation logic, quality measures proposed, and other design features.
- **Industry Involvement.** The Division will solicit feedback from the Mississippi Hospital Association, the Mississippi State Medical Association and other provider groups to receive direct feedback and engage in solution building to drive success of the program.