Office of the Governor | Mississippi Division of Medicaid

# Quality Incentive Payment Program

## Potentially Preventable Complications, Potentially Preventable Hospital Returns, and Ambulatory Potentially Preventable Complications

July 23 and July 24, 2026

MISSISSIPPI DIVISION OF MEDICAID

# Agenda

1. Introduction / MS DOM and CMS
2. QIPP Incentive Payment Programs
3. QIPP Process
4. New QIPP Report Templates
5. PPCs Updates
6. AM-PPCs Updates
7. PPHRs Updates
8. Looking Ahead
9. Statewide Performance
10. QIPP Payments
11. Contact Information
12. Q&A

# DOM Introductions

Medical Director

Dr. Robert Besinger

Deputy Director of Quality

Candace Powell

# Mississippi Division of Medicaid
# (MS DOM)
# &
# Centers for Medicare and Medicaid Services
# (CMS)

# A Decade of Advancing Care in MS

Over the past ten years, the Division has aligned the program with CMS directives requiring the transition of federal pass-through payments to accountability-based models, part of a broader national shift toward value-based care, where Medicaid supplemental payments are increasingly tied to performance and outcomes rather than volume alone.

**CMS Directives**
Federal push away from pass-through payments

→

**Value-Based Shift**
National move toward performance-based Medicaid

→

**QIPP Framework**
Ties MHAP payments to results

→

**Improved Outcomes**
Better care for MS Medicaid population

## WHAT QIPP TIES MHAP PAYMENTS TO

### Utilization Patterns
Measurable hospital service use

### Quality Benchmarks
Defined performance standards

### Patient Outcomes
Real improvements in patient health

QIPP leverages state and federal funds to enhance the quality of care delivered to, and improve the overall health status of, the Mississippi Medicaid population.

# QIPP Program Structure & VBP Allocation

## For SFY 2027, the QIPP program will disburse 50% of all MHAP payments.

- The DOM annually evaluates the percentage of MHAP to include in QIPP with the expectation that the QIPP portion will increase as more of MHAP is tied to quality metrics.
- A Value-Based Payment Program (VBP) will receive $50 million in SFY27.

**To qualify for incentive payments, hospitals must:**

- Demonstrate either a 2% improvement over the prior fiscal year, or
- Meet or be below the statewide performance threshold.

Each hospital's incentive share is determined by its proportionate funding relative to the total QIPP funding pool. Within the value-based payment (VBP) program, potentially preventable complications (PPC) and potentially preventable hospital readmissions (PPHR) are each assessed independently and weighted equally in the overall calculation after the close of the fiscal year.

# SFY 2026 MHAP Reconciliation Timeline

1

**Fall 2026**

Division conducts preliminary reconciliation for SFY 2026 MHAP (FSA and QIPP).

2

**SFY 2027 (interim)**

**New for SFY 2027:** 10% of interim MHAP (FSA & QIPP) payments are withheld

3

**Spring 2027**

Final SFY 2026 Reconciliation

4

**Close of SFY 2027**

Remaining reconciliation balances do not carry forward.

Any remaining reconciliation balance at the close of SFY 2027 will not carry forward — unless the recoupment amount exceeds your hospital's remaining SFY 2027 payment amount, in which case it carries forward to the next state fiscal year.

# CMS Managed Care Rule – 2024

The Division would like to remind hospitals that based on the *Medicaid and CHIP Managed Care Access, Finance, and Quality Final Rule* (Rule) (CMS-2439-F) published in the Federal Register on May 10, 2024, a provision of the rule (copied below) requires states to only use managed care utilization "during" the rating period. [42 CFR § 438.6(c)(2)(vii)]

> "Any State directed payment described in paragraph (c)(1)(iii) of this section must:
>
> - (A) Condition payment from the MCO, PIHP, or PAHP to the provider on the utilization and delivery of services under the contract for the rating period for which the State is seeking written prior approval only; and
> - (B) Not condition payment from the MCO, PIHP, or PAHP to the provider on utilization and delivery of services outside of the rating period for which the State is seeking written prior approval and then require that payments be reconciled to utilization during the rating period."

This portion of the Rule is effective for rating periods beginning on or after July 9, 2027. For Mississippi, this new rule will become effective for SFY 2029 beginning July 1, 2028. The Division is providing this information to the hospitals for advanced notification of this new rule.

# CMS Proposed Rule H.R. 1:
# Impact on Supplemental Payment Programs

## 10% Annual Phase-Down

- Under Section 71116 of H.R. 1, beginning on the first rating period on or after January 1, 2028, total SDP payment rates are set to be reduced by 10% annually until the total payment rate is equal to 110% of the Medicare. CMS proposes phasing down SDPs by applying a fixed annual reduction equal to 10 percentage points **of the original grandfathered SDP dollar amount**, as documented in question 4 of the grandfathered preprint. This fixed reduction amount is held constant over time and applied against the SDP until the payment reaches the Medicare-based cap (110%).

## Separate Payment Terms

- CMS proposes continuing use of separate payment terms for SDPs until the Medicare-based payment limit is reached, after which States must transition programs to rate adjustments.

## Uniform Rate Increases (Such as MHAP FSA IP amount per IP Discharge)

- CMS proposes that for grandfathered SDPs, uniform rate increases will continue to be permitted until the payment limit of 110% of Medicare is reached.

# Proposed MHAP Phase Down

| State Fiscal Year | MHAP Beginning Preprint Amount | Phase-Down Amount | Total MHAP Preprint Amount |
|---|---|---|---|
| **SFY 2026 | $1,540,423,694 | $(0) | $1,540,423,694 |
| SFY 2027 | $1,540,423,694 | $(0) | $1,540,423,694 |
| SFY 2028 | $1,540,423,694 | $(0) | $1,540,423,694 |
| SFY 2029 | $1,540,423,694 | $(154,042,369) | $1,386,381,325 |
| SFY 2030 | $1,386,381,325 | $(154,042,369) | $1,232,338,955 |
| SFY 2031 | $1,232,338,955 | $(154,042,369) | $1,078,296,586 |
| SFY 2032 | $1,078,296,586 | $(154,042,369) | $924,254,216 |
| SFY 2033 | $924,254,216 | $(154,042,369) | $770,211,847 |
| SFY 2034 | $770,211,847 | $(143,456,961) | $626,754,886 |

**Subject to CMS approval of amended SFY 2026 Preprint submission

# SFY 27 Operational Updates

## PROGRAMMATIC & PAYMENT UPDATES

### Attestation Requirements

PHASED OUT

Being phased out entirely; no longer part of the program.

### Health Information Network (HIN)

ENCOURAGED

Ongoing participation remains strongly encouraged.

### Data Initiatives

UNDERREVIEW

Evaluating a new Admission, Discharge, Transfer (ADT) requirement.

## ACCESS & SECURITY POLICIES

### Microsoft Constraints

60 days

Log in every 60 days to retain active access.

Profiles are deactivated/deleted after inactivity.

### SharePoint Activity

90 days

System-wide Microsoft access enforcement.

# Quality Incentive Payment Programs

Lillian Johnson; Manager

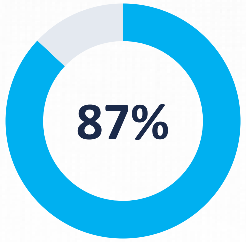
Joe Gamis; Member/Partner

## *Thank you for…*

- *Your commitment to excellence that makes a difference in the lives of those served.*
- *Your commitment to providing safe and effective care.*
- *Prioritizing patient care and well-being while actively working to minimize negative outcomes and risk.*
- *All your efforts in ensuring a safer environment for all patients.*

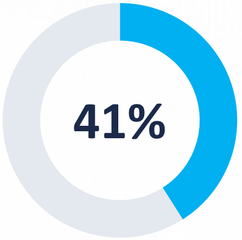
# Hospital Highlights

## PPC



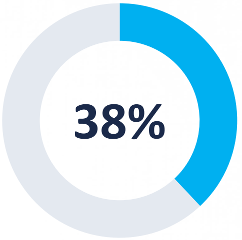

### Compliant A/E Ratio

*Threshold 1.00, Grouper V41*




### Improved A/E Ratio Over Time

*Threshold 1.00, Grouper V41*

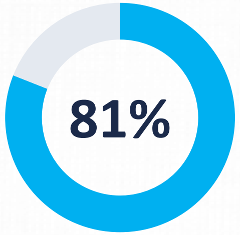



### Reduction in PPC Counts

*Threshold 1.00, Grouper V41*

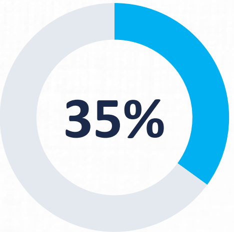
# Hospital Highlights

## PPHRs



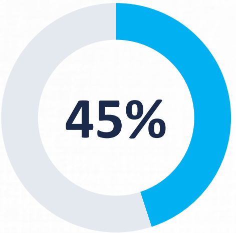

### Compliant PPHR A/E Ratio

*Threshold 1.02, Grouper V41*




### Improved PPHR A/E Ratio

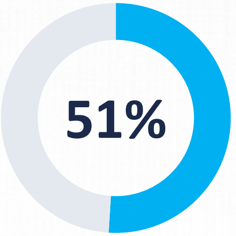
*Threshold 1.02, Grouper V41*




### Improved PPHR Rate

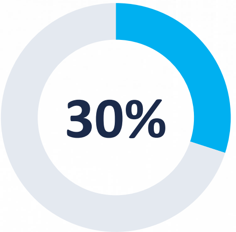
*Threshold 1.02, Grouper V41*

## AM-PPC



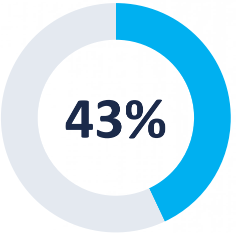

### Compliant AM-PPC A/E Ratio

*Threshold 1.00, Grouper V1.2*




### Improved AM-PPC A/E Ratio

*Threshold 1.00, Grouper V1.2*




### Improved AM-PPC Rate

*Threshold 1.00, Grouper V1.2*

# Methodist Olive Branch Hospital

**Increasing compliance with:**

- Ensuring patients are discharged with necessary medications.
- Initiating discharge planning at the time of admission to ensure patients and families are fully prepared for a safe transition home.
- Securing home health services before discharge and coordinating timely primary care and specialty follow-up appointments.

"The use of AI technology, together with a multidisciplinary team approach and daily multidisciplinary rounds, has helped us ensure better outcomes and decreases in readmissions for patients with sepsis."

*Shailesh Patel, MD, CMO*

**CMO Insights on Reducing Readmissions for Patients with Sepsis**

**"The use of sepsis order sets beginning at the time a patient arrives in the emergency department, coupled with appropriate treatment, timely follow-up, and AI technology, has helped us achieve better outcomes for patients who present with sepsis."**

***Shailesh Patel, MD, Chief Medical Officer***

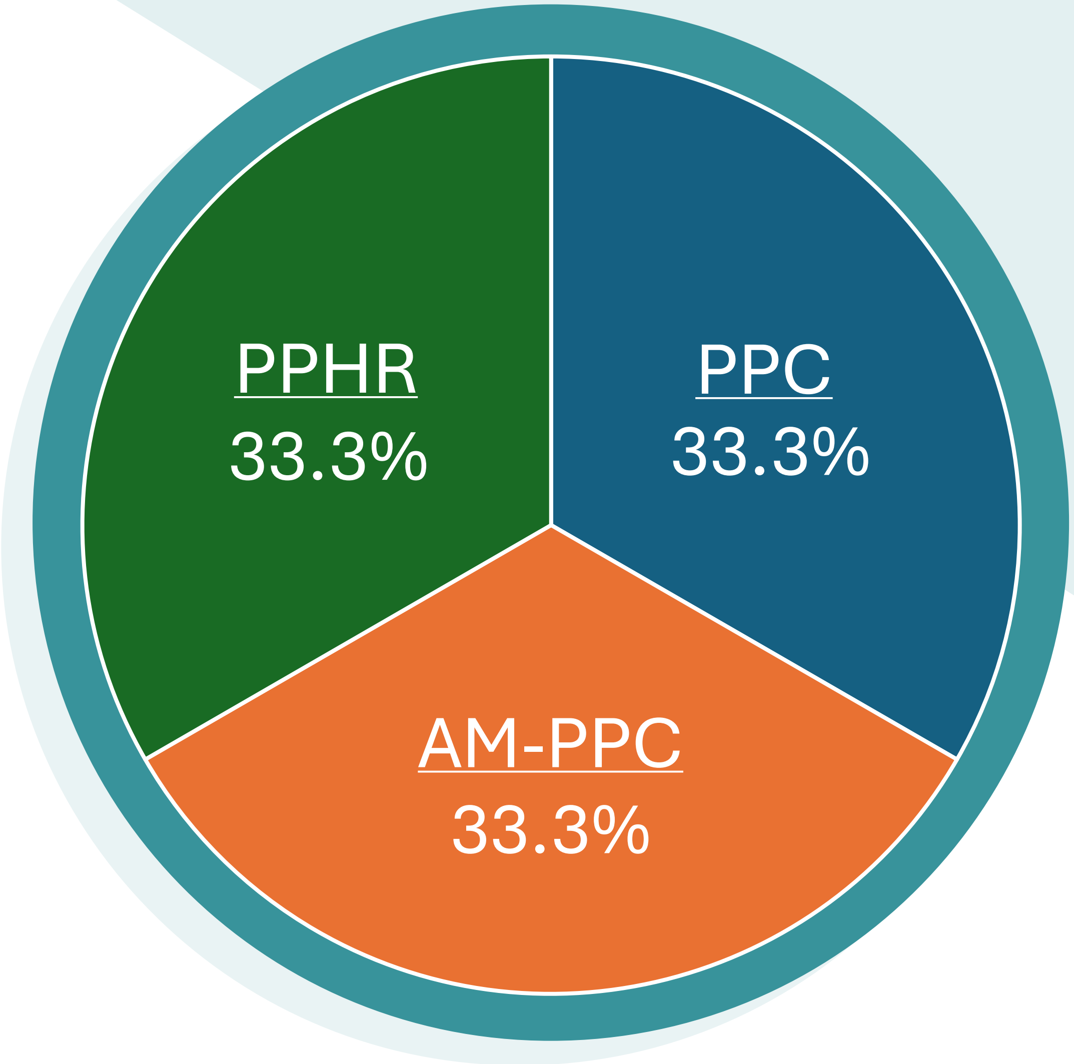
# QIPP Process

Understanding timing of encounters, data and reporting.

# For SFY 2027 Components of QIPP

## 3 Separate Quality Reports – Total Allocation 100%

- Potentially Preventable Hospital Returns (PPHR)
- Potentially Preventable Complications (PPC) (Inpatient)
- Ambulatory Potentially Preventable Complications (AM-PPC)



# QIPP Reporting Lifecycle

| | |
|---|---|
| **Initial Submission:** | Provider submits the original encounter to the Managed Care Organization (MCO). |
| **Timely filing:** | Requires submission within 180 days from the Date of Service (DOS). |
| **MCO Processing:** | The MCO processes, reviews, and adjudicates the encounter.<br><br>Hospitals have 90 days after the adjudicated date to submit any corrections to the MCO. |
| **State Data Reporting:** | The state extracts Medicaid data and sends it to Myers and Stauffer. |
| **Myers and Stauffer Reporting**: | To allow for adequate claim 'run out', a 6-month lag time occurs before reports are compiled and generated. |
| **Denial Risk Period:** | Upon review of distributed reports, hospitals may determine that certain encounters require correction or resubmission.<br><br>At this stage, the encounters fall outside of the timely filing, and the 90 days paid date. QIPP doesn't override timely filing rules. Hospitals run the risk of the resubmission being denied and the reversal of previously adjudicated payments. |

# The Danger Lies In The Delay!

By the time quarterly reports are provided a hospital acts on needed corrections or appeals, resubmissions fall outside the MCO's 90-day timely filing parameters. The result is denied encounters and reversed payments that could have been avoided with earlier intervention.

## Proactive Monitoring

| | |
|---|---|
| **Ongoing Claims Review:** | Start now by implementing robust and concurrent reviews of claims data that ensures your team stays ahead of emerging risks in real time, rather than waiting on delayed state reports. |
| **The 90-Day Standard:** | Internal controls must be in place to identify, flag, and resolve clinical and coding issues within 90 calendar days of the MCO Payment Date (refer to MCO Provider Manuals). |
| **Rapid Resolution:** | Swift action by clinical staff and billing teams to address PPHR, PPC, and AM-PPC events is key to improving actual-to-expected ratios and sustaining long-term performance. |

# Data Governance & Guidelines

**Deliverable Dates:** MS DOM determines the deliverable dates for each quarterly report prior to the start of each State Fiscal Year (SFY).

**Data Assumptions:** Myers and Stauffer assumes that all data provided from the MMIS system is complete and accurate.

**Finality of Data:** The report reflects a snapshot of data at a specific point in time and will only be rerun or updated in the case of a material error or statewide data anomaly (e.g., Health Emergency) that impacts all statewide providers.

**Reporting Accuracy:** The only cause for reprocessing a quarterly report is the detection of material errors (e.g., miscalculation, systematic MMIS miscoding) affecting all providers or data anomalies affecting all submitted data.

**Reporting Precedence:** In the event of any conflict between the Methodology Supplement and the Quarterly Report, the Report shall govern.

# What are Potentially Preventable Complications?

The Potentially Preventable Complications (PPC) component of QIPP takes a population-based approach to identify hospitals that have more complications than would be expected based on a national benchmark.

**Hospital complications often represent adverse healthcare outcomes.**

# What are Potentially Preventable Complications?

Hospital complications often represent adverse healthcare outcomes, but some complications of care are unavoidable and are a natural consequence of disease progression.

- <u>Based on the Solventum (formerly 3M) PPC algorithm:</u>
  - The algorithm identifies 57 separate complications ranging from major (myocardial infarction, pulmonary embolism) to "monitor" (renal failure without dialysis, clostridium difficile colitis).
  - Not every PPC can be prevented, even with the best possible care.
  - A population approach reflects the expectation that hospitals with higher-than-expected complication rates have room to improve the quality of care that they provide.

Some PPCs are more difficult to treat and costly than other PPCs.

  - PPC weights reflect the relative impact on hospital cost of a given PPC, adjusted for a MS Medicaid population

# PPC Exclusions and Low Volume

**For a full list of exclusions please visit Solventum's website located here:**

https://patientclassificationmethodologies.solventum.com/login

Some notable exclusion groups for PPC include are based off:

| | |
|---|---|
| • **APR DRGs** | • **Principal Diagnosis** |
| • **Secondary Diagnosis** | • **Diagnosis Codes with POA Markers** |

**A/E Ratio Low Volume** applies to hospitals with fewer than 10 expected PPCs.
**POA Low Volume** applies to hospitals with fewer than 10 at-risk stays.

- These two designations are evaluated independently.
- A hospital designated as A/E Ratio Low Volume will not be assigned an A/E Ratio, but may still receive a POA Score.
- Low volume status does not exempt a hospital from any core components of QIPP.

# PPC
# Changes to Reporting

Changes to v43 Solventum

APR DRG v43.0 classification system is a significant update with seven deleted APR DRGs, three new APR DRGs, six APR DRGs with modified descriptions and movement throughout the categorizations.

- Identification logic for 7 PPCs have been updated
- 2 new exclusion groups created. Codes updated to existing groups.
- 24 PPCs have changes in assignment criteria.
- Utilized updated CPT codes list.

# POA for PPC

The Present on Admission (POA) indicator differentiates between conditions a patient had upon entering the hospital (comorbidities) and those that developed during the hospital stay (complications).

## Identifying True Complications:

- This distinction between POA and HACs is critical for accurately identifying actual in-hospital complications.

## Driving Quality Improvement:

- By identifying and analyzing preventable complications, hospitals can target specific areas for improvement, ultimately enhancing patient care and outcomes.

## Focusing on Preventable Issues:

- Hospitals can better assess and address preventable events within the hospital environment.

## Ensuring Fair Comparisons:

- Hospitals receive a more accurate assessment of performance by distinguishing between pre-existing conditions and HACs, enabling fairer comparisons of quality of care.

# Cycles of QIPP PPC Reporting

| State Fiscal Year (SFY) | SFY24 | SFY25 | SFY26 | SFY27 |
|---|---|---|---|---|
| PPC Cycle | Cycle 3 | Cycle 4 | Cycle 5 | Cycle 6 |
| Statewide Threshold A/E Ratio | 1.00 | 1.00 | 1.00 | 1.00 |
| **Baseline Reporting (Year 1)** | | | | |
| **Baseline Period** | 7/1/2023 - 6/30/2024 | 7/1/2024 - 6/30/2025 | 7/1/2025 - 6/30/2026 | 7/1/2026 - 6/30/2027 |
| Baseline Historical Data Q1 | 1/1/2021 - 12/31/2022 | 1/1/2022 - 12/31/2023 | 1/1/2023 - 12/31/2024 | 1/1/2024 - 12/31/2025 |
| **Corrective Action Plan (Year 2 and 3)** | | | | |
| **CAP Period** | 7/1/2024 - 6/30/2026 | 7/1/2025 - 6/30/2027 | 7/1/2026 - 6/30/2028 | 7/1/2027 - 6/30/2029 |
| CAP Determination Report | July 2024 | July 2025 | July 2026 | July 2027 |
| CAP Historical Data Q1 | 1/1/2022 - 12/31/2023 | 1/1/2023 - 12/31/2024 | 1/1/2024 - 12/31/2025 | 1/1/2025 - 12/31/2026 |
| CAP Submission Due | 9/16/2024 | 9/2/2025 | 9/1/2026 | 9/1/2027 |
| **Performance Incentives (Year 4)** | | | | |
| **Performance Incentives Period** | 7/1/2026 - 6/30/2027 | 7/1/2027 - 6/30/2028 | 7/1/2028 - 6/30/2029 | 7/1/2029 - 6/30/2030 |
| Incentive Assessment Report | January 2027 | January 2028 | January 2029 | January 2030 |
| Incentive Historical Data Q3 | 7/1/2024 - 6/30/2026 | 7/1/2025 - 6/30/2027 | 7/1/2026 - 6/30/2028 | 7/1/2027 - 6/30/2029 |

Note about QIPP PPC cycles: A PPC cycle is a reporting period of four years that includes one baseline reporting year, two years for corrective action plan reporting, and one reporting year for performance incentives. Each reporting year has a corresponding performance period; Baseline, Corrective Action Plan (2 years), and Performance Incentives. A new cycle starts each state fiscal year.

***DOM will evaluate the threshold for PPCs in consideration of using the statewide expected values versus the national values.**

# What are Ambulatory Potentially Preventable Complications?

The AM-PPC component takes a clinically based approach that uses sequenced administrative data (e.g. claims) to provide comparative rates of potentially preventable complications for outpatient procedures.

**Negative outcomes developed after an elective ambulatory procedure was performed.**

# What are Ambulatory Potentially Preventable Complications?

Medical services performed on an outpatient basis, without admission to a hospital or other facility, where a negative outcome developed after an elective ambulatory procedure was performed and is the result from processes of care rather than from natural progression of an illness. Only the components of an ambulatory claim that is billed under a hospital provider will be included in analysis.

**Based on the Solventum (formerly 3M) AM-PPC algorithm:**

- The algorithm identifies **117 Procedure Subgroups** (PSGs) based on procedure codes included on the elective outpatient ambulatory event PSGs range from PSG 01: Shoulder and Elbow Arthroscopy to PSG 268: Intrathecal Spinal Pain Pump Procedures.
- The algorithm identifies **70 AM-PPCs** complications ranging from AM-PPC 01, Stroke and intracranial hemorrhage to AM-PPC 78, Amputation Stump Complications.
- Not every AM-PPC can be prevented, even with the best possible care.
- A population approach reflects the expectation that outpatient facilities with higher-than-expected complication rates have room to improve the quality of care that they provide.

Overall AM-PPC performance is measured by comparing the AM-PPCs that occurred after an elective ambulatory procedure, to the AM-PPCs that were expected to occur based on national AM-PPC rates for the same mix of patients.

# AM-PPC Exclusions and Low Volume

**For a full list of exclusions please visit Solventum's website located here https://patientclassificationmethodologies.solventum.com/login**

Some notable exclusion groups for AM-PPC include:

| | |
|---|---|
| • **Emergency Dialysis** | • **Emergency Tracheostomy** |
| • **Same Day** | • **Timing Requirements** |

**Low volume** applies to hospitals with fewer than 10 actual *or* expected AM-PPCs.

- AM-PPCs identify both potentially preventable inpatient admissions and emergency department visits that occur within 30 days of an elective ambulatory surgery.
- If a hospital is determined to be low volume, they will not be assigned an A/E Ratio. However, it is the hospital's responsibility to keep monitoring their report.
- Low volume does not exempt a hospital from core components of QIPP.

# AM-PPC
# Changes to Reporting

Solventum has made updates to the clinical logic for AM-PPC version 1.3 used for SFY27 reporting.

Effective with v1.3, the AM-PPC classification system integrates the Solventum™ Clinical Risk Groups (CRGs) methodology for additional risk adjustment for ambulatory procedure encounters based on chronic condition diagnoses identified during the procedure.

Four PSGs added, one PSG deleted, and two PSGs with modified descriptions.

Two AM-PPCs added and one AM-PPC with a modified description.

PSGs 11 and 13 now specifically delineate total hip and total knee replacements,

Four new cardiology Procedure Subgroups (PSGs) have been introduced

# Cycles of QIPP AM-PPC Reporting

| State Fiscal Year (SFY) | SFY25 | SFY26 | SFY27 | SFY28 |
|---|---|---|---|---|
| AM-PPC Cycle | Cycle 1 | Cycle 2 | Cycle 3 | Cycle 4 |
| Statewide Threshold A/E Ratio | 1.00 | 1.00 | 1.00 | 1.00 |
| Baseline Reporting (Year 1) | | | | |
| Baseline Period | 7/1/2024 - 6/30/2025 | 7/1/2025 - 6/30/2026 | 7/1/2026 - 6/30/2027 | 7/1/2027 - 6/30/2028 |
| Baseline Historical Data Q1 | 1/1/2022 - 12/31/2023 | 1/1/2023 - 12/31/2024 | 1/1/2024 - 12/31/2025 | 1/1/2025 - 12/31/2026 |
| Corrective Action Plan (Years 2 and 3) | | | | |
| CAP Period | 7/1/2025 - 6/30/2027 | 7/1/2026 - 6/30/2028 | 7/1/2027 - 6/30/2029 | 7/1/2028 - 6/30/2030 |
| CAP Determination Report | No CAP Required | July 2026 | July 2027 | July 2028 |
| CAP Historical Data Q1 | 1/1/2023 - 12/31/2024 | 1/1/2024 - 12/31/2025 | 1/1/2025 - 12/31/2026 | 1/1/2026 - 12/31/2027 |
| CAP Submission Due | No CAP Required | 9/1/2026 | 9/1/2027 | 9/1/2028 |
| Performance Incentives (Year 4) | | | | |
| Performance Incentives Period | 7/1/2027 - 6/30/2028 | 7/1/2028 - 6/30/2029 | 7/1/2029 - 6/30/2030 | 7/1/2030 - 6/30/2031 |
| Incentive Assessment Report | N/A | January 2029 | January 2030 | January 2031 |
| Incentive Historical Data Q3 | 7/1/2025 - 6/30/2027 | 7/1/2026 - 6/30/2028 | 7/1/2027 - 6/30/2029 | 7/1/2028 - 6/30/2030 |

Note about QIPP AM-PPC cycles: An AM-PPC cycle is a reporting period of four years that includes one baseline reporting year, two years for corrective action plan reporting, and one reporting year for performance incentives. Each reporting year has a corresponding performance period; Baseline, Corrective Action Plan (2 years), and Performance Incentives. A new cycle starts each state fiscal year. Hospitals were not required to submit CAP for AM-PPC Cycle 1.

# What Are Potentially Preventable Hospital Returns?

A PPHR is an inpatient discharge that is followed by one or more PPR and/or PPED.

**Continuation or recurrence of the reason for the initial admission or related to care.**

# What Are Potentially Preventable Hospital Returns?

## Basis for clinical relationships in the PPR/PPED algorithm:

Readmissions to address a continuation or a recurrence of the problem causing the initial admission that may have resulted from care during the initial admission or in the post-discharge period after the initial admission.

- Medical: a closely related medical condition, and acute medical condition
- Surgical: a complication that may be related to or may have resulted from care during the surgical procedure.
- Chronic Problem: reoccurrence of the initial complication, new or worsening issues related to chronic condition.
- Mental Health: reasons following an initial admission for a non-mental health, non-substance abuse reason, substance abuse or mental health diagnosis.
- Substance Abuse: diagnosis for a non-mental health, non-substance abuse reason, substance abuse or mental health diagnosis
- Ambulatory: care sensitive conditions as designated by ARHQ.

# PPHR Exclusions and Low Volume

**For a full list of exclusions please visit Solventum's website located here**

https://patientclassificationmethodologies.solventum.com/login

Some notable exclusion groups for PPHR include:

| | |
|---|---|
| • **Neonate** | • **Left Against Medical Advice** |
| • **COVID-19** | • **Other Global Exclusion Groups** |
| • **Malignancy DRGs** | |

Low volume applies to hospitals with fewer than 10 actual *or* expected PPHRS.

- PPHRs identify both *potentially preventable inpatient readmissions and return emergency department visits* that occur within 15 days of an initial admission.
- If a hospital is determined to be low volume, they will not be assigned an A/E Ratio. However, it is the hospital's responsibility to keep monitoring their report.
- Low volume does not exempt a hospital from core components of QIPP.

# PPHR
# Changes to Reporting

Changes to v43 Solventum

APR DRG v43.0 classification system is a significant update with seven deleted APR DRGs, three new APR DRGs, six APR DRGs with modified descriptions and movement throughout the categorizations.

- Discharge Status of Expired now includes 40, 41, & 42
- Discharge of 66, 94, & 95 (transfers) added to Non Events
- Updated new, deleted, or revised ICD-10-CM/PCS diagnosis and procedure codes
- Updates to 180, 694, and 721 APR DRG Descriptions

# Cycles of QIPP PPHR Reporting

| State Fiscal Year (SFY) | SFY 24 | SFY 25 | SFY 26 | SFY 27 |
|---|---|---|---|---|
| PPHR Cycle | Cycle 5 | Cycle 6 | Cycle 7 | Cycle 8 |
| Statewide Threshold A/E Ratio | 1.04 | 1.02 | 1.02 | 1.00 |
| **Baseline Reporting (Year 1)** | | | | |
| **Baseline Period** | 7/1/2023 - 6/30/2024 | 7/1/2024 - 6/30/2025 | 7/1/2025 - 6/30/2026 | 7/1/2026 - 6/30/2027 |
| Baseline Historical Data Q1 | 1/1/2021 - 12/31/2022 | 1/1/2022 - 12/31/2023 | 1/1/2023 - 12/31/2024 | 1/1/2024 - 12/31/2025 |
| **Corrective Action Plan (Year 2)** | | | | |
| **CAP Period** | 7/1/2024 - 6/30/2025 | 7/1/2025 - 6/30/2026 | 7/1/2026 - 6/30/2027 | 7/1/2027 - 6/30/2028 |
| CAP Determination Report | July 2024 | July 2025 | July 2026 | July 2027 |
| CAP Historical Data Q1 | 1/1/2022 - 12/31/2023 | 1/1/2023 - 12/31/2024 | 1/1/2024 - 12/31/2025 | 1/1/2025 - 12/31/2026 |
| CAP Submission Due | 9/16/2024 | 9/2/2025 | 9/1/2026 | 9/1/2027 |
| **Performance Incentives (Year 3)** | | | | |
| **Performance Incentives Period** | 7/1/2025 - 6/30/2026 | 7/1/2026 - 6/30/2027 | 7/1/2027 - 6/30/2028 | 7/1/2028 - 6/30/2029 |
| Incentive Assessment Report | January 2026 | January 2027 | January 2028 | January 2029 |
| Incentive Historical Data Q3 | 7/1/2023 - 6/30/2025 | 7/1/2024 - 6/30/2026 | 7/1/2025 - 6/30/2027 | 7/1/2026 - 6/30/2028 |

Note about QIPP PPHR cycles: A PPHR cycle is a reporting period of three years that includes one baseline reporting year, one year for corrective action plan reporting, and one reporting year for performance incentives. Each reporting year has a corresponding performance period; Baseline, Corrective Action Plan, and Performance Incentives. A new cycle starts each state fiscal year.

***DOM has lowered the statewide threshold to 1.0 for SFY 27**

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# New QIPP Report Templates

Redesigned for clarity.
Smarter Visualizations.
Clear Performance Tracking.

# New QIPP Report Templates

| | |
|---|---|
| **Enhanced Layouts:** | Redesigned layouts prioritize improved clarity and usability, ensuring information is organized in a more intuitive and user-friendly manner. |
| **Interactive Charts:** | Introduction of interactive visuals that empower users to delve deeper into the data with greater flexibility. These charts provide a more tailored and insightful data exploration experience. |
| **Performance Measurement:** | Highlights the specific cycles tied to performance incentives, providing greater transparency. |
| **Hospital Summary:** | Enhanced hospital summary displays now include a complete view of the entire cycle in one consolidated screen. |

# Reporting

### Hospital performance

- Compared to the statewide baseline, adjusted for each hospital's casemix, age mix, and mental health burden.

### Actual-to-Expected ratio

- Performance is measured using the actual-to-expected ratio. Expected rates are calculated separately for general acute care and psychiatric care hospitals.

### Rate

- The number of at-risk inpatient discharges that are followed by one or more PPHRs, PPCs or AM-PPCs.

### High Rates -Can signal problems with:

- PPHR - premature inpatient discharge, inadequate discharge planning, poor follow-up care, or difficulty accessing care in the community.
- AM-PPC - patient selection, patient safety, infection control practices, patient communication, and post-surgical coordination of care.
- PPC - care processes (e.g. Improper use of medical equipment, insufficient Hygiene, failure to follow protocols) rather than natural disease progression.

# Cover Tab

The possible MHAP funds percentage.

| | |
|---|---|
| **Changes in this report:** | This report has been updated with refreshed formatting to enhance transparency and usability, offering key insights at a glance. It includes improved visual cues, streamlined navigation, and clearer indicators of your current position within the reporting cycle. For more details, please visit the MS Medicaid website.<br><br>Additionally, starting in SFY27 Cycle 6, Solventum's grouper has been updated to V43, phasing out the use of V39.1 from Cycle 2.<br><br>A key methodology change in Cycle 6 is the addition of a Present on Admission (POA) reporting requirement. Providers failing to meet this requirement must submit a separate POA Corrective Action Plan (CAP). This change will be integrated into the Potentially Preventable Complications (PPC) component of the Quality Incentive Payment Program (QIPP). |

**Cycle 3: Performance Incentives - Year 4**

We utilize the calculation of the CAP Threshold and A/E Ratio Improvement to determine the potential amount of eligible MHAP funds. This section will show as "POSSIBLE" during Q1 and Q2. It will show as "FINAL" during Q3 of the SFY, and "FINAL Q3" during Q4. Please see the Performance Measurement tab for the full calculation.

**FINAL MHAP Funds calculation for Cycle 3 will be calculated in the January 2027 report for SFY27 Q3.**

**Possible MHAP Eligible Funds Calculation:**

| **POSSIBLE ELIGIBLE FUNDS** |
|---|
| **100.0%** |

*Date that provider performance incentives will be assessed: **1/11/2027**.*

**Cycle 5: Corrective Action Plan - Year 2**

| | |
|---|---|
| **Corrective Action Plan Required:** | **No** |

*Providers that are required to submit a CAP, use the CAP template located here: https://medicaid.ms.gov/value-based-incentives/*

# Performance Measurement Tab

Performance Measurement tab now outlines calculations for all cycles. Additional definitions have been added for clarity.

**Cycle 3: Performance Incentives - Year 4**

We utilize the **CAP Threshold** and **A/E Ratio Improvement** to determine the potential amount of eligible MHAP funds.

**A/E Ratio**

Using your most recent quarter's A/E ratio, this calculation reflects the share of MHAP QIPP PPC eligible payments your hospital has secured.

| Section 1: CAP Threshold Calculation: | | Section 2: A/E Ratio Improvement Calculation: | |
|---|---|---|---|
| | | *Note: Goal is at least 2%* | |
| Current quarter PPC Performance A/E ratio: | 0.951 | | |
| Statewide target: | 1.000 | CAP Incentive Assessment SFY25 Q1: | 0.997 |
| Hospital specific performance target, cycle three | N/A | Percent improvement in PPC A/E ratio: | 4.62% |
| **% of QIPP PPC funds eligible** | **100%** | **A/E Ratio Performance Measurement Impact** | **Full Funds** |

*Note: Cycle 3 performance adjustments will be assessed based on the report distributed in January 2027.*

**POA Reporting - Informational Purposes Only**

POA Reporting is for informational purposes only and is not used to calculate possible eligible MHAP funds this cycle.

| POA Reporting: | |
|---|---|
| Current Quarter POA Score | 2 |
| Statewide Target: | 0 |
| CAP required: | No |
| **POA Performance Measurement Impact** | |

**Possible QIPP PPC Eligible Funds**

This is calculated by adding the CAP Threshold (B22) and the A/E Ratio Improvement (E22) amounts together.

| Section 3: Possible QIPP PPC Eligible Funds: | |
|---|---|
| Possible QIPP PPC Eligible Funds **(B22 + E22)** | **POSSIBLE QIPP PPC Eligible Funds** |
| | **100.0%** |

**Cycle 4: Corrective Action Plan - Year 3**

We utilize the **CAP Threshold** and **A/E Ratio Improvement** to determine the potential amount of eligible MHAP funds.

**A/E Ratio**

**Calculation for the A/E Ratio Improvement metrics.** This shows you the improvement of the current quarter A/E Ratio compared to the A/E Ratio in Q1 of CAP determination.

| Section 1: CAP Threshold Calculation: | | Section 2: A/E Ratio Improvement Calculation: | |
|---|---|---|---|
| | | *Note: Goal is at least 2%* | |
| Current quarter PPC Performance A/E ratio: | 0.968 | | |
| Statewide target: | 1.000 | CAP Incentive Assessment SFY26 Q1: | 1.003 |
| Hospital specific performance target, cycle four | 1.000 | Percent improvement in PPC A/E ratio: | 3.50% |
| **% of QIPP PPC funds eligible** | **100%** | **A/E Ratio Performance Measurement Impact** | **Full Funds** |

*Note: Cycle 4 performance adjustments will be assessed based on the report distributed in January 2028. This is for informational purposes only.*

**POA Reporting - Informational Purposes Only**

POA Reporting is for informational purposes only and is not used to calculate possible eligible MHAP funds this cycle.

| POA Reporting: | |
|---|---|
| Current Quarter POA Score | 1 |
| Statewide Target: | 0 |
| CAP required: | No |
| **POA Performance Measurement Impact** | |

**Cycle 5: Corrective Action Plan - Year 2**

# POA Score

Starting with Cycle 6: POA Performance Incentives may impact up to 10% of your hospital's QIPP PPC eligible payments. For this metric, the state uses Solventum's national benchmarks to set the threshold percentage for Pass or Fail. In the table below, a detailed description is provided for each POA Test.

| | Included for Informational Purposes Only | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Performance Measurement | Cycle 3 - V40 | | Cycle 4 - V41 | | Cycle 5 - V42 | | Cycle 6 - V43 | |
| TOTAL POA SCORE | Fail | | Pass | | Pass | | Pass | |
| TOTAL POA POINTS | 2 | | 1 | | 0 | | 1 | |
| Description of POA Test | Points | Percent | Points | Percent | Points | Percent | Points | Percent |
| PERCENT NOT POA FOR LIKELY PRE-EXISTING SECONDARY DIAGNOSIS | 0 | 3% | 0 | 3% | 0 | 3% | 1 | 6% |
| This metric identifies hospitals with a high non-POA rate for likely pre-existing conditions, as identified by a list of ICD-10 diagnosis codes associated with pre-existing conditions published by Solventum. Hypertension, obesity and diabetes mellitus are just a few examples of pre-existing conditions. Since these diagnoses are likely pre-existing, they should be reported as POA=Y. This metric identifies those hospitals that have higher than expected rates of POA=N for these diagnoses.<br>2 Points: Percent Not POA on pre-existing diagnosis list ≥ 7.5%<br>1 Point: 5% ≤ Percent Not POA on pre-existing diagnosis list < 7.5% | | | | | | | | |
| PERCENT OF SECONDARY DIAGNOSIS LISTED AS UNCERTAIN POA | 0 | 3% | 1 | 8% | 0 | 3% | 0 | 3% |
| This metric identifies hospitals with a high rate of uncertain POA indicators. An uncertain POA indicator is a POA entry of "U", "W", blank or another invalid POA value for diagnoses that are not on the POA-exempt list published by CMS.<br>2 Points: Percent of secondary diagnosis with uncertain POA indicator ≥ 10%<br>1 Point: 5% ≤ Percent of secondary diagnosis with uncertain POA indicator < 10% | | | | | | | | |
| HIGH PERCENT POA FOR SECONDARY DIAGNOSIS | 2 | 97% | 0 | 90% | 0 | 90% | 0 | 90% |
| This metric identifies hospitals with a higher than expected POA rate for diagnoses that do not represent pre-existing conditions and are not considered exempt from POA indicators by CMS. High rates on this metric indicate the hospital is identifying an unusually high number of secondary diagnoses as POA.<br>2 Points: % POA ≥ 96%<br>1 Point: 93% ≤ % POA < 96% | | | | | | | | |

# Hospital Summary

View entire cycle so you know where you are at.
Shows dates of data used for each quarterly report

This color-coded legend helps you quickly see if you are making the % improvement goals.

**CAP Implementation A/E Ratio Improvement Legend:**

| | |
|---|---|
| | < .5% Improvement |
| | >=0.5% and < 1.0% Improvement |
| | >=1.0% and < 1.5% Improvement |
| | >=1.5% and < 2.0% Improvement |
| | >= 2.0% improvement or under 1.02 Threshold |

**Cycle 3: V.40 of the PPC algorithm**

**Providers who are required to submit a Corrective Action Plan (CAP) must do so no later than September 1, 2024.**

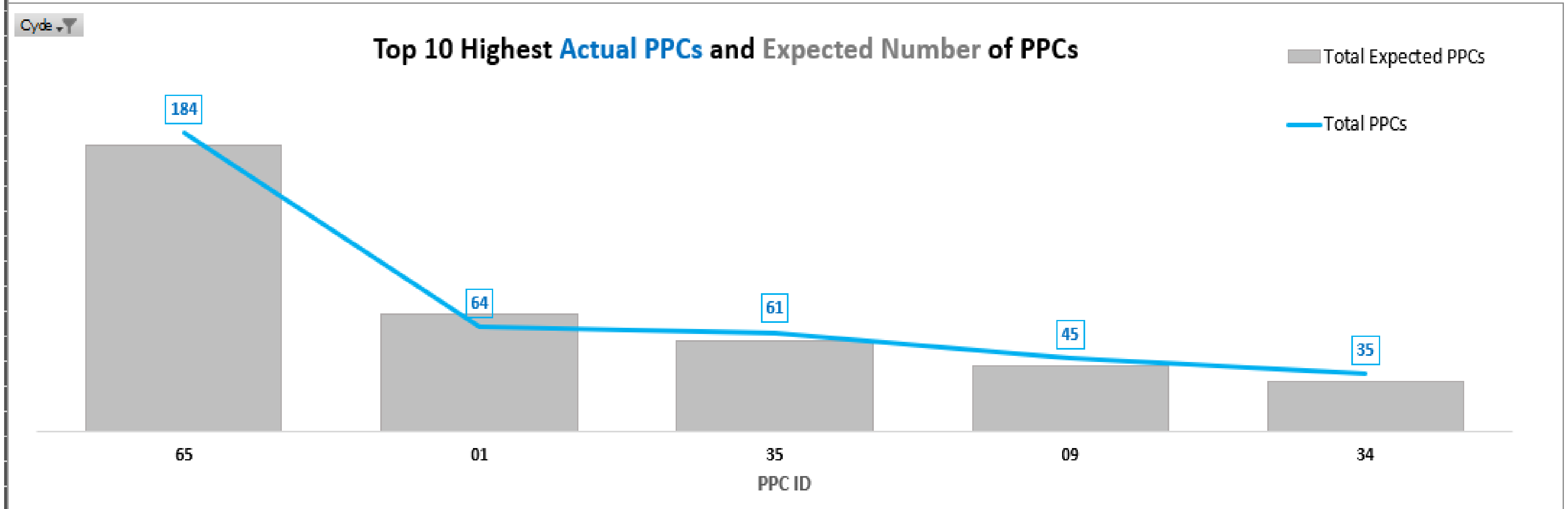
| | Performance Incentives (Year 4) | | | | Correct Action Plan (Year 3) | | | | Correct Action Plan (Year 2) | | | | Baseline Reporting (Year 1) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| State Fiscal Year | SFY27 | | | | SFY26 | | | | SFY25 | | | | SFY24 | | | |
| PPC Cycle 3 Report Quarters | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| **Hospital Performance (rolling two year analysis period):** | **10/1/2024-9/30/2026** | **7/1/2024 - 6/30/2026** | **4/1/2024 - 3/31/2026** | **1/1/2024 - 12/31/2025** | **10/1/2023-9/30/2025** | **7/1/2023 - 6/30/2025** | **4/1/2023 - 3/31/2025** | **1/1/2023 - 12/31/2024** | **10/1/2022 - 9/30/2024** | **7/1/2022 - 6/30/2024** | **4/1/2022-3/31/2024** | **1/1/2022-12/31/2023** | **10/1/2021-9/30/2023** | **7/1/2021-6/30/2023** | **4/1/2021-3/31/2023** | **1/1/2021-12/31/2022** |
| A/E Ratio | | | | | | | | | | | | | | | | |
| Number of total inpatient admissions, including global exclusions[1]: | | | | 10,372 | 11,220 | 11,103 | 11,993 | 10,428 | 10,356 | 11,228 | 11,614 | 10,887 | 11,530 | 11,226 | 11,205 | 10,474 |
| Number of potentially preventable complications (PPCs)[2]: | | | | 232 | 270 | 203 | 290 | 372 | 341 | 234 | 289 | 323 | 335 | 296 | 215 | 378 |
| Actual PPC weight[3]: | | | | 267.13 | 300.00 | 305.00 | 309.74 | 301.00 | 299.00 | 294.00 | 300.00 | 304.00 | 241.53 | 270.89 | 301.92 | 266.02 |
| Expected PPC weight[3]: | | | | 281.00 | 305.00 | 315.00 | 301.00 | 300.00 | 301.00 | 295.00 | 306.00 | 305.00 | 274.00 | 287.00 | 323.00 | 295.00 |
| **Cost-Weighted Actual-to-Expected Ratio[4]:** | | | | **0.951** | **0.984** | **0.968** | **1.029** | **1.003** | **0.993** | **0.997** | **0.980** | **0.997** | **0.881** | **0.944** | **0.935** | **0.902** |
| Statewide threshold for cost-weighted actual-to-expected Ratio: | | | | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| **POA Total Score - Included for Informational Purposes Only** | | | | | | | | | | | | | | | | |
| POA Points | | | | 2 | 0 | 2 | 1 | 1 | 0 | 1 | 2 | 1 | 2 | 0 | 0 | 2 |

Charts have been added to List tabs to aid in review.

- PPC List
- PPHR List
- AM-PPC List

**PPC-Specific Performance - Managed Care Data Only**

The Top 10 APR-DRG by PPC Count highlights the APR-DRGs with the highest number of assigned PPCs. This allows providers to quickly identify the DRGs experiencing the most complications. Utilize the Total PPCs by APR-DRG to drill down into the PPCs that are being included in the reported number for each APR-DRG. This information can assist healthcare providers in identifying areas for improvement.




**PPCs Included in the PPC Performance Metric:**

| PPC | Description | Group | Cycle 3 MS Medicaid PPC Weight | At-Risk Stays | Number of PPCs | PPC Rat | Expected Number of PPCs | Excess Numbe PPCs |
|---|---|---|---|---|---|---|---|---|
| 01 | Stroke & Intracranial Hemorrhage | Cardiovascular-Respiratory Complications | 0.851208864 | 6,500 | 16 | 0.0024615 | 18 | - |
| 02 | Extreme CNS Complications | Extreme Complications | 0.362459975 | 5,410 | 0 | 0 | 0.028 | - |
| 03 | Acute Pulmonary Edema and Respiratory Failure without Ventilation | Cardiovascular-Respiratory Complications | 0.369799844 | 4,568 | 0 | 0 | 0.863 | - |
| 61 | Other Complications of Obstetrical Surgical & Perineal Wounds | Obstetrical Complications | 0.153345683 | 1,853 | 0 | 0 | 1.487 | - |
| 63 | Post-Procedural Respiratory Failure with Tracheostomy | Extreme Complications | 6.324951756 | 5,648 | 0 | 0 | 0 | |
| 64 | Other In-Hospital Adverse Events | Other Medical and Surgical Complications | 0 | 5,481 | 0 | 0 | 0.498 | - |
| 65 | Urinary Tract Infection | Infectious Complications | 0.634394906 | 9,604 | 45 | 0.0047897 | 44 | |
| 66 | Catheter-Related Urinary Tract Infection | Infectious Complications | 0.697791221 | 4,210 | 0 | 0 | 0 | |
| **Total** | | | **NA** | **NA** | **232** | | **245** | **-1** |
| **Monitor PPCs[2] (Not Included in PPC Performance Metric)** | | | | | | | | |
| 21 | Clostridium Difficile Colitis | Infectious Complications | 1.175386388 | 10 | 0 | 0 | 12.549 | - |
| 24 | Renal Failure without Dialysis | Other Medical and Surgical Complications | 0.373038021 | 800 | 300 | 0.375 | 242.177 | 5 |

Notes:

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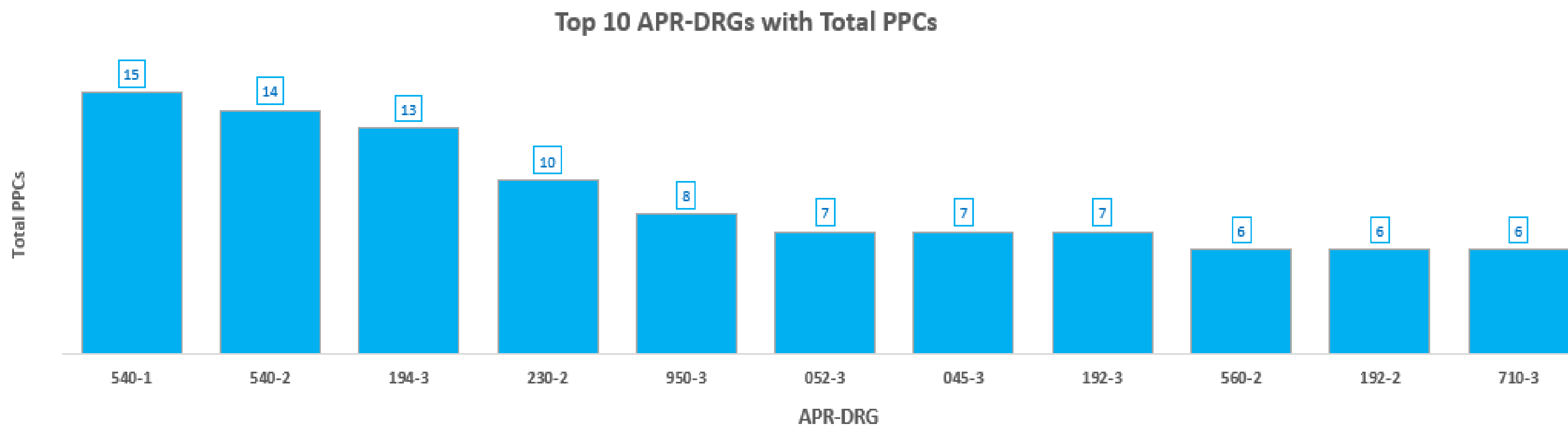
# Charts have been added to Detail tabs to aid in review.

- PPC Details
- PPHR Details

**Potentially Preventable Complications Detail Information:**

**PPCs Identified Using V.40 of the Solventum PPC Algorithm. Discharges from 1/1/2024-12/31/2025**

The Top 10 APR-DRG by PPC Count highlights the APR-DRGs with the highest number of assigned PPCs. This allows providers to quickly identify the DRGs experiencing the most complications. Utilize the Total PPCs by APR-DRG to drill down into the PPCs that are being included in the reported number for each APR-DRG. This information can assist healthcare providers in identifying areas for improvement.




Note: FFS stays for reference purposes only. Any missing POA flags indicate that the POA flag was blank for that diagnosis

| Managed Care Claim Numb | Medical Record Number | Medicaid Provider ID | Payer | Date of Service Fro | Date of Service To | Admission APR-DRG | APR-DRG Description |
|---|---|---|---|---|---|---|---|
| A1 | | 831455291 | Payor 1 | 3/25/2024 | 4/3/2024 | 171-3 | PERMANENT CARDIAC PACEMAKER IMPLANT WITHOUT AMI, HEART FAILURE OR SHOCK |
| A2 | | 641422726 | Payor 2 | 9/13/2024 | 9/19/2024 | 241-3 | PEPTIC ULCER AND GASTRITIS |
| A3 | | 598673796 | Payor 1 | 6/6/2025 | 6/12/2025 | 130-3 | RESPIRATORY SYSTEM DIAGNOSIS WITH VENTILATOR SUPPORT > 96 HOURS |
| A4 | | 632995237 | Payor 3 | 6/7/2025 | 6/11/2025 | 194-3 | HEART FAILURE |
| A5 | | 301194865 | Payor 1 | 5/4/2025 | 5/18/2025 | 860-1 | REHABILITATION |
| A6 | | 714039743 | Payor 3 | 4/30/2025 | 5/18/2025 | 045-3 | CVA AND PRECEREBRAL OCCLUSION WITH INFARCTION |
| A7 | | 793652578 | Payor 2 | 5/10/2025 | 5/18/2025 | 751-1 | MAJOR DEPRESSIVE DISORDERS AND OTHER OR UNSPECIFIED PSYCHOSES |
| A8 | | 891986848 | Payor 4 | 5/2/2025 | 5/10/2025 | 750-1 | SCHIZOPHRENIA |
| A10 | | 783026351 | | 6/7/2025 | 6/11/2025 | 468-2 | OTHER KIDNEY AND URINARY TRACT DIAGNOSES, SIGNS AND SYMPTOMS |
| A11 | | 877178167 | | 5/4/2025 | 5/18/2025 | 194-3 | HEART FAILURE |
| A12 | | 762080888 | | 4/30/2025 | 5/18/2025 | 247-1 | INTESTINAL OBSTRUCTION |
| A13 | | 879561082 | | 5/10/2025 | 5/18/2025 | 349-3 | MALFUNCTION, REACTION, COMPLICATION OF ORTHOPEDIC DEVICE OR PROCEDURE |
| A14 | | 813467231 | | 5/2/2025 | 5/10/2025 | 021-3 | OPEN CRANIOTOMY EXCEPT TRAUMA |
| A15 | | 696190235 | | 6/7/2025 | 6/11/2025 | 050-2 | NON-BACTERIAL INFECTIONS OF NERVOUS SYSTEM EXCEPT VIRAL MENINGITIS |
| A16 | | 696603023 | | 5/4/2025 | 5/18/2025 | 192-3 | CARDIAC CATHETERIZATION FOR OTHER NON-CORONARY CONDITIONS |
| A17 | | 695240321 | | 4/30/2025 | 5/18/2025 | 045-3 | CVA AND PRECEREBRAL OCCLUSION WITH INFARCTION |
| A18 | | 769992005 | | 5/10/2025 | 5/18/2025 | 052-3 | ALTERATION IN CONSCIOUSNESS |
| A19 | | 905971390 | | 5/2/2025 | 5/10/2025 | 470-3 | CHRONIC KIDNEY DISEASE |
| A20 | | 778080221 | | 6/7/2025 | 6/11/2025 | 750-2 | SCHIZOPHRENIA |
| A21 | | 804466769 | | 5/4/2025 | 5/18/2025 | 346-3 | CONNECTIVE TISSUE DISORDERS |

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# Looking Ahead: Future Reporting Initiatives

# Rural Health Initiatives

The Division is expanding quality reporting for Small Rural Hospitals, including Rural Emergency Hospitals (REHs), by developing measures tailored to low-volume providers and their unique patient populations. These initiatives are intended to promote meaningful quality measurement, accountability, and improved health outcomes. Provider feedback is currently being solicited to inform implementation.

**SFY 2027**

- Evaluate measures for implementation

- Develop shadow reporting for measures

- No QIPP incentives tied to performance

**SFY 2028**

- Transition from shadow reporting to full inclusion to QIPP

- Performance tied to QIPP incentives

- Continued focus on quality improvement and better health outcomes

# What's on the Horizon

Recognized for its leadership in quality incentive initiatives, DOM continues to build upon its quality strategy by expanding reporting capabilities, supporting value-based care, and enhancing accountability to state and federal partners, providers, and Medicaid beneficiaries.

**Building on these efforts, DOM is evaluating several additional initiatives for future implementation, including:**

## Payor-Level Initiatives

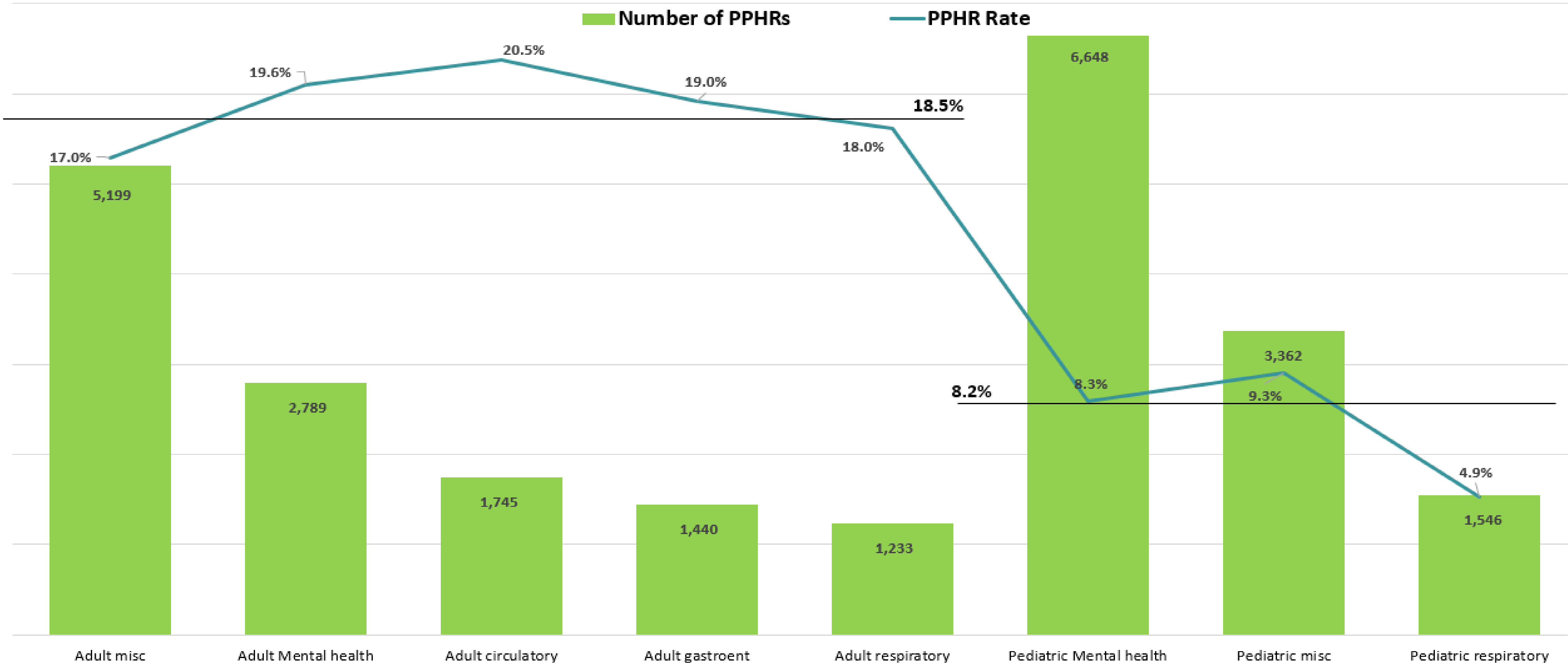
- Potentially Preventable Admissions (PPAs)
- Potentially Preventable ED Visits (PPVs)

## Hospital-Level Initiatives

- Discharge Planning and follow-up care coordination
- Maternity
- Psychiatric

# Statewide Performance

# PPHR Performance by Medicaid Care Category - Cycle 6 V41

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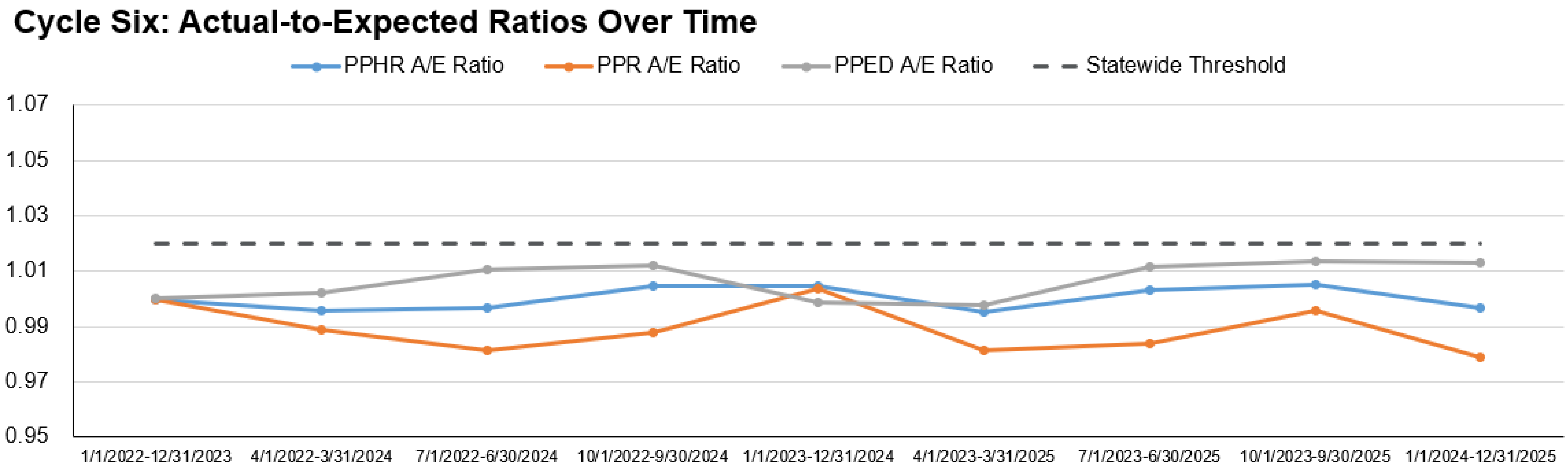
# PPHR Performance - Cycle 6 V41

1/1/2024-12/31/2025 Statewide PPED A/E Ratio = 1.013

1/1/2024-12/31/2025 Statewide PPR A/E Ratio = 0.979

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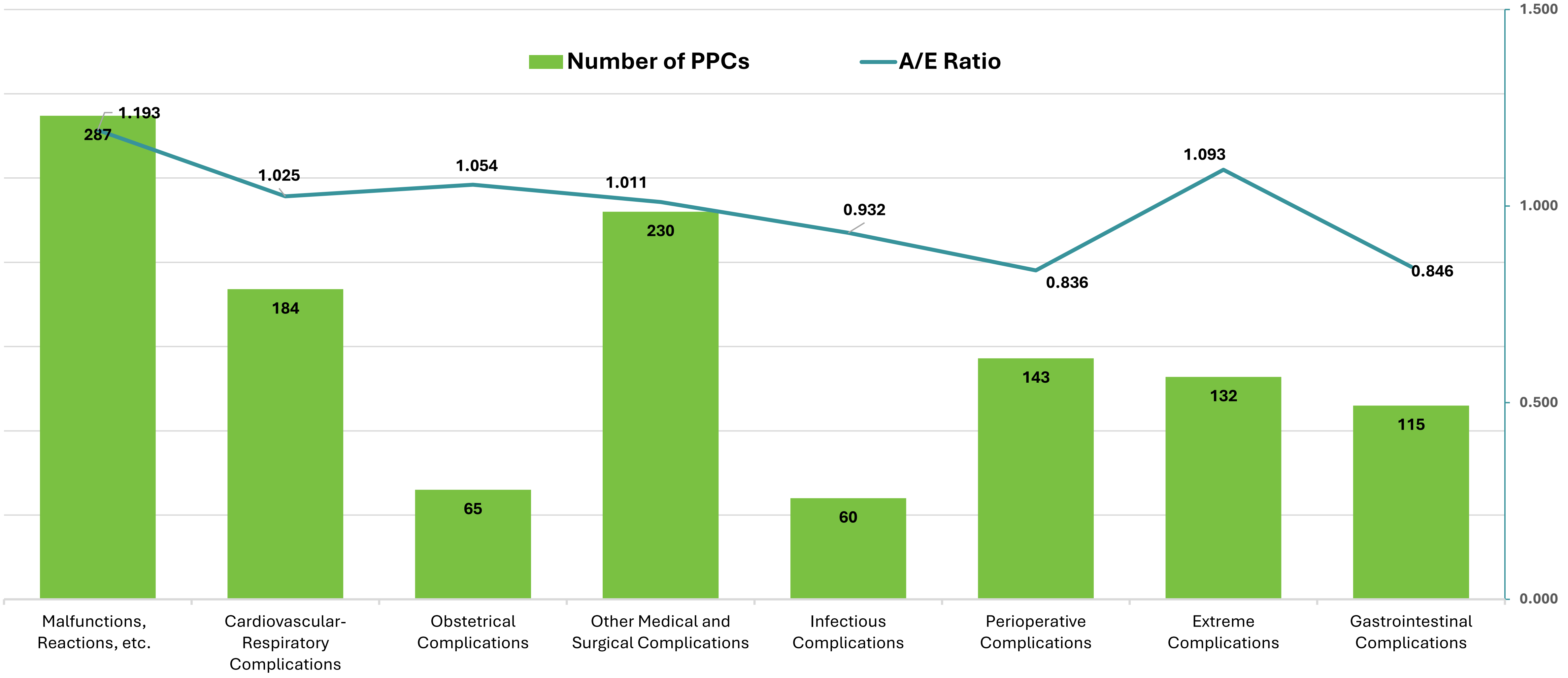
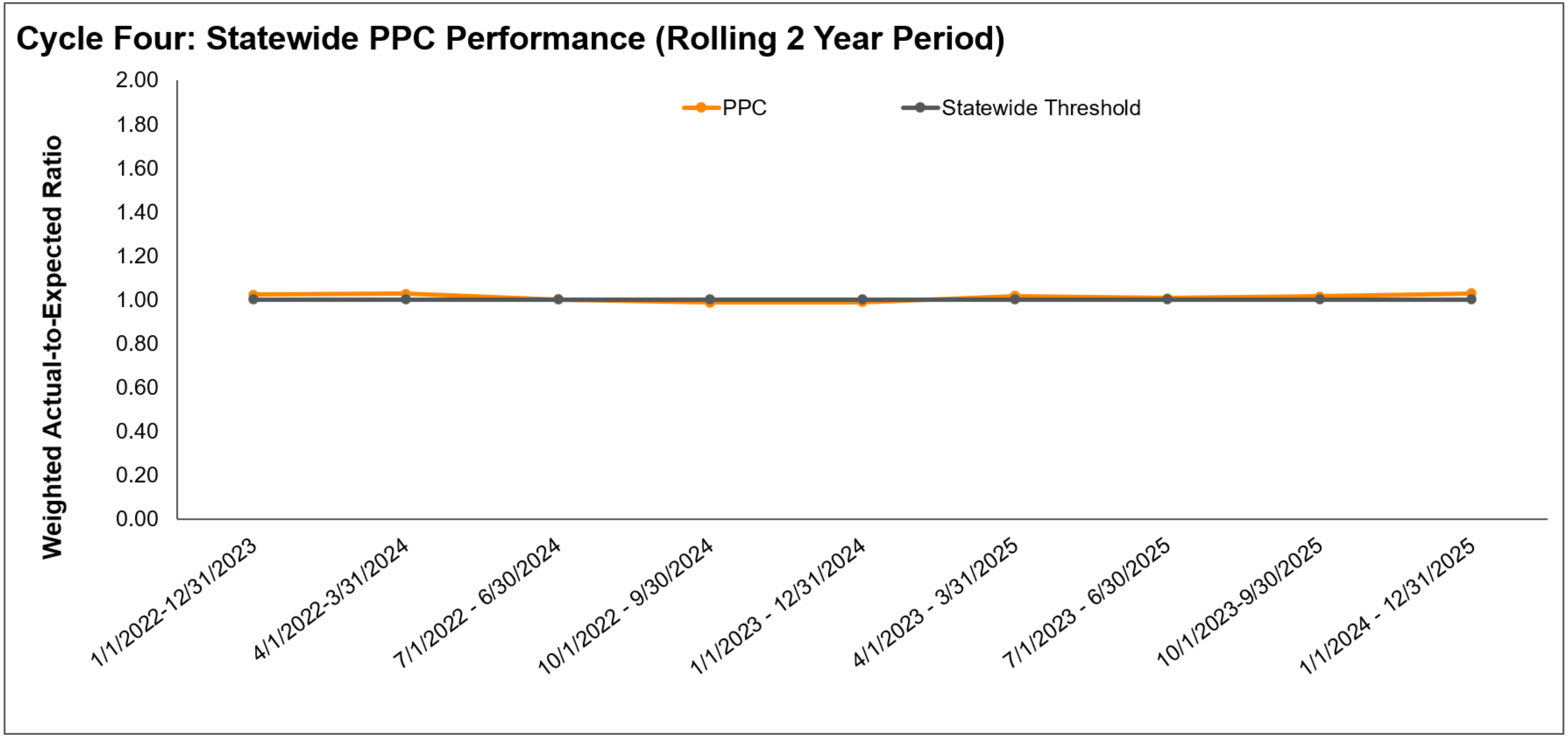
# PPC Performance by Complication Type - Cycle 4 V41

1/1/2024-12/31/2025 Statewide weighted A/E Ratio = 1.029



# PPC Performance - Cycle 4 V41

1/1/2024-12/31/2025 Statewide PPC A/E Ratio = 1.029



# QIPP Payments

# PPHR-Related Payments - Cycle 6

## July 2024: Baseline for Cycle 6

- The first year of the QIPP PPHR cycle is the baseline reporting period.

## July 2025: Corrective Action Plan (CAP)

- Hospitals having a PPHR A/E ratio greater than 1.02 were required to submit a Corrective Action Plan (CAP) in September 2025.

| Eligible Payment Thresholds Cycle 6 | | | |
|---|---|---|---|
| | Low Range | High Range | % Eligible Funds |
| Actual-to-Expected Ratio | | <=1.020 | 100% |
| | >1.020 | <=1.120 | 90% |
| | >1.120 | <=1.220 | 85% |
| | >1.220 | <=1.320 | 80% |
| | >1.320 | | 75% |

- Hospitals with a CAP will be required to improve their performance by 2% or decrease their A/E Ratio to less than or equal to 1.02 to earn QIPP PPHR eligible funds.

## January 2027: Performance Incentives Assessment

- Provider performance incentives will be assessed, and PPHR percentage of eligible funds is calculated based on A/E Ratio & performance improvement.

# PPC-Related Payments - Cycle 3

## July 2023: Baseline for Cycle 3

- The first year of the QIPP PPC cycle is the baseline reporting period.

## July 2024: Corrective Action Plan (CAP)

- Hospitals identified as having a PPC A/E ratio greater than 1.00 will be required to submit a Corrective Action Plan (CAP) by September 2024.

| Eligible Payment Thresholds | | | |
|---|---|---|---|
| | Low Range | High Range | Eligible Funds % |
| Actual-to-Expected Ratio | | <=1.000 | 100% |
| | >1.000 | <=1.100 | 90% |
| | >1.100 | <=1.200 | 85% |
| | >1.200 | <=1.300 | 80% |
| | >1.300 | | 75% |

## July 2025: Corrective Action Plan (CAP)

- Hospitals in the second year of the CAP implementation and reporting can utilize the A/E ratio to track progress and estimate potential QIPP PPC eligible funds.
- Hospitals with a CAP will be required to improve their performance by 2% or decrease their A/E Ratio to less than or equal to 1.00 to earn QIPP PPC eligible funds.

## January 2027: Performance Incentives Assessment

- Provider performance incentives will be assessed, and QIPP PPC percentage of eligible funds is calculated based on A/E Ratio & performance improvement.

# AM-PPC-Related Payments - Cycle 2

## July 2025: Baseline for Cycle 2

- The first year of the QIPP AM-PPC cycle is the baseline reporting period.

## July 2026: Corrective Action Plan (CAP)

- Hospitals identified as having an AM-PPC A/E ratio greater than 1.00 will be required to submit a Corrective Action Plan (CAP) by September 1, 2026.

| Eligible Payment Thresholds | | | |
|---|---|---|---|
| | Low Range | High Range | Eligible Funds % |
| Actual-to-Expected Ratio | | <=1.000 | 100% |
| | >1.000 | <=1.100 | 90% |
| | >1.100 | <=1.200 | 85% |
| | >1.200 | <=1.300 | 80% |
| | >1.300 | | 75% |

## July 2027: Corrective Action Plan (CAP)

- Hospitals in the second year of the CAP implementation and reporting can utilize the A/E ratio to track progress and estimate potential funds forfeiture.
- Hospitals with a CAP will be required to improve their performance by 2% or decrease their A/E Ratio to less than or equal to 1.00 to earn QIPP PPC eligible funds.

## January 2029: Performance Incentives Assessment

- Provider performance incentives will be assessed, and QIPP AM-PPC percentage of eligible funds is calculated based on A/E Ratio & performance improvement.

# Provider Responsibility

## Report Access

- Navigate to your provider-specific folder on the DSH SharePoint site to access and download your report each quarter.

## Review & Attestation

- QIPP attestations are no longer required; however, providers remain fully accountable to reviewing their reports.
- MS DOM recommends providers set a recurring quarterly calendar reminder to ensure timely portal review.

## Corrective Action Plan

- Providers are responsible for submitting the Correct Action Plan when A/E Ratio or POA score is higher than the threshold. Submission of CAP must happen before established deadlines.

## Low-Volume Criteria Status

- PPHR/AM-PPC - Less than 10 actual or expected PPHRs/AM-PPCs
- PPC - Less than 10 expected PPCs
- POA - Less than 10 stays for POA

**Low-Volume status does not exempt you from compliance. You must still fulfill all core QIPP requirements.**

# Corrective Action Plans (CAP) Dates

Hospitals must submit CAPs using the MS DOM CAP Templates to address the root cause or specific areas of improvement identified in your report (e.g., Procedures with higher-than-expected PPHR/PPC/AM-PPC).

## PPC CAP – September 1, 2026

- Hospitals that have a **PPC CAP** requirement for Cycle 5 are expected to complete and submit the Corrective Action Plan template by **September 1, 2026,** to the DSH PSR SharePoint site.

## PPHR CAP– September 1, 2026

- Hospitals that have a **PPHR CAP** requirement for Cycle 7 are expected to complete and submit the Corrective Action Plan template by **September 1, 2026,** to the DSH PSR SharePoint site.

## AM-PPC CAP– September 1, 2026

- Hospitals that have an **AM-PPC CAP** requirement for Cycle 2 are expected to complete and submit the Corrective Action Plan template by **September 1, 2026,** to the DSH PSR SharePoint site.

# CAP Submission & Improvement Requirements

Hospitals that fail to submit or are late submitting a required CAP for any QIPP component will be subject to a reduction of **10%** of the quarterly calculated payment due in **December 2026**.

**Please Note:**

- CAP must be submitted as an **Excel file** (not PDF)
- Signature page must be uploaded separately as a **signed PDF**
- Hospitals that do not achieve the required performance improvements will be limited 75% of the eligible funds applicable QIPP component's total eligible funds for the state fiscal year.

Questions about completing CAPs should be directed to the QIPP mailbox at QIPP@Medicaid.ms.gov.

# Accessing QIPP Reports

**DSH PSR SharePoint site:** https://msmedicaid.sharepoint.com/sites/DSHPSR/.

**Access to SharePoint:**

- All hospitals participating in MHAP should have access to the DSH PSR SharePoint site.
- Hospital Administrator or CFO should send approval for new user access the DSH PSR SharePoint site to the QIPP mailbox at QIPP@medicaid.ms.gov
- Access error issues should be sent to the QIPP mailbox at QIPP@medicaid.ms.gov.
- All users are granted 90-day access (no permanent access).
- Users must log in at least 1 every 60 days or Microsoft will delete your account.

# Upcoming dates of interest: QIPP Payments

In SFY 2027, QIPP payments will be made quarterly by the Managed Care Organizations to hospitals who meet QIPP reporting requirements.

**<u>For each quarter in SFY 27:</u>**

- The PPHR, PPC, & AM-PPC portions of QIPP will be paid the last month of the quarter:
  - September 2026
  - December 2026
  - March 2027
  - June 2027

# Contact Information

# Magnolia Contact Information

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**Care Management Dept.** 1-866-912-6285, ext. 66415
**Provider Services** 1-866-912-6285

# Molina Healthcare of MS Care Management Contacts

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**Molina Care Management Referrals/General Questions**
**1-844-826-4335, Option 5, for Case Management or Email Us at**
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**Utilization Management**
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**Who to contact if hospitals do not receive payment**
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MOLINA® HEALTHCARE

**General Contact Information**
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**Medical Management**
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— and —
**Cara Robertson** – Director, Market Quality Improvement
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**Utilization Management**
**Jenice Dubard** – Utilization Management Market Operations Manager
**Phone:** 228-213-7395 | **Email:** Jenice.dubard@mstruecare.com

**Hospital Payment Questions**
**Provider Services Phone:** 1-833-230-2174 | **Hours:** Monday through Friday, 7:30 a.m. to 5:30 p.m. Central Time (CT)

# For Further Information

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Deputy Director of Quality| Executive Services

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**QIPP mailbox:** QIPP@medicaid.ms.gov

For QIPP Resources including the presentation, see the following link: Value-Based Incentives - Mississippi Division of Medicaid (ms.gov)

# Helpful Links

- **Solventum Methodologies Website:** Solventum | PCM Portal | Login
- **MS Medicaid Website:** Home - Mississippi Division of Medicaid
- **MS Medicaid Quality Website:** Value-Based Incentives - Mississippi Division of Medicaid
- **MS Medicaid QIPP Email:** QIPP@medicaid.ms.gov
- **SFY 2026 Corrective Action Plans**
  - QIPP – PPHR Corrective Action Plan SFY2026
  - QIPP – PPC Corrective Action Plan SFY2026
  - QIPP – AM-PPC Corrective Action Plan SFY2026
- **QIPP Reporting training videos**
  - SFY 27 PPHR Report Training
  - SFY 27 PPC Report Training
  - SFY 27 AM-PPC Report Training

# Questions

# Appendix

# Glossary: PPCs

- **At-risk stays:** Inpatient admissions that may or may not include a potentially preventable complication (PPC), but do not meet the clinical exclusion criteria. Each PPC has a different pool of at-risk stays, depending on the clinical characteristic of the stay. For example, only inpatient stays that included a procedure are at-risk for surgical PPCs.
- **Casemix adjustment:** Mathematically adjusting the expected PPC rate for the mix of DRGs and severities of illness at a given hospital.
- **Corrective action plan (CAP):** Document that describes strategies for reducing potentially preventable complications. CAPs will be required from hospitals with a weighted actual-to-expected ratio greater than 1.00.
- **Monitor PPCs:** PPC 21 (clostridium difficile colitis) and 24 (renal failure without dialysis) are excluded from the PPC performance metric. Coding of these PPCs is inconsistent across hospitals, making it difficult to compare performance across hospitals.
- **Potentially preventable complication (PPC):** Patient conditions that develop during an inpatient stay that may reflect adverse. outcomes
- **Present on admission flag (POA flag):** POA flags are used to identify conditions that develop during an inpatient stay. Only conditions identified as not present on admission are used to identify PPCs.
- **Quality Incentive Payment Program (QIPP):** Mississippi Medicaid program designed to link MHAP funds to care quality.
- **Weighted actual-to-expected ratio:** Performance metric that compares the relative cost of potentially preventable complications at a given hospital to the expected relative cost nationwide during the baseline period.

# Glossary: PPHRs

- **Actual-to-expected ratio:** Performance metric that compares a given hospital to an average Mississippi hospital with the same casemix
- **At-risk stays:** Inpatient admissions that may or may not be followed by an inpatient readmission or return ED visit, but are not excluded from analysis per the requirements
- **Casemix adjustment:** Mathematically adjusting the expected PPHR rate for the mix of patient characteristics at a given hospital
- **Corrective action plan (CAP):** Document that describes strategies for reducing potentially preventable hospital returns
- **Initial admission:** Inpatient admission that is followed by one or more inpatient readmissions and/or ED visits
- **Potentially preventable ED visit (PPED):** Return ED visits that are clinically related to a preceding inpatient admission with a discharge within a specified time period (15 days in this analysis)
- **Potentially preventable hospital return (PPHR):** Hospital returns refer to both inpatient readmissions and return ED visits, the PPHR rate refers to the rate of inpatient admissions that are followed by either an inpatient readmission, or a return ED visit, or both
- **Potentially preventable readmission (PPR):** Inpatient readmissions that are clinically related to a preceding inpatient admission with a discharge within a specified time period (15 days in this analysis)
- **PPHR chain:** The series of an initial admission and one or more inpatient readmissions and/or return ED visits, each chain is only counted once in the PPHR rates
- **Quality Incentive Payment Program (QIPP):** Mississippi Medicaid program designed to link MHAP funds to care quality
- **Time window:** 15 days after the preceding inpatient admission’s discharge, during which clinically related inpatient admissions are considered PPRs, and ED visits are considered PPEDs
- **Low Volume:** Hospitals with fewer than 10 expected and/or actual PPHRs

# Glossary: AM-PPCs

- **Age adjustment weight -** Solventum has determined that patient age is observed as a proxy for patient frailty and presence of undifferentiated comorbid chronic conditions. An age adjusted reference weight is calculated for each Procedure Subgroup (PSG) by Solventum. The observed rate for a PSG is adjusted for the observed difference in complication rate for an age group for PSGs within a common sub service line.
- **Actual-to-expected ratio -** The Actual-to-expected ratio compares the total number of ambulatory potentially preventable complications (Actual AM-PPCs) that occurred to the number of expected AM-PPCs.
- **Actual AM-PPC –** A Procedure Subgroup (PSG) can have more than 1 AM-PPC related to the visit. The Actual AM-PPC reflects the count of each claim that has a PSG assigned with at least 1 AM-PPC. Even if there are multiple AM-PPCs related to the claim/visit, the Actual AM-PPC only assigns a count of 1 to the PSG.
- **Ambulatory potentially preventable complications (AM-PPC) -** Harmful events or negative outcomes that develop, or are discovered, after an elective ambulatory procedure was performed and may result from processes of care rather than from natural progression of an underlying illness and are therefore potentially preventable.
- **At-risk elective outpatient ambulatory services -** An elective outpatient ambulatory service that may or may not result in an AM-PPC. At-risk elective outpatient ambulatory services exclude any visits that met the criteria for global exclusions, such as conditions that have a particularly high rate of expected complications.
- **Elective procedures –** procedures where providers and patients have time and opportunity to decide when it is appropriate to treat patients and in which setting.
  An elective surgery doesn't always mean it's optional. It means that the surgery isn't an emergency and can be scheduled in advance.
- **Expected AM-PPCs –** Solventum has calculated the expected rate from a suitable reference benchmark using Indirect Rate Standardization (IRS) by PSG group. Observed rates are calculated directly from the AM-PPC outputs. For each hospital, the “expected” number of complications is the mean age adjusted reference rates observed in the national claims data.
- **Low Volume –** Hospitals with fewer than 10 actual or expected AM-PPCs.
- **PSG Rate –** Solventum has calculated the expected PSG rate for each PSG. This is the rate of PSGs that they would expect to have an AM-PPC.

# Appendix A – PPC Template

- All fake data in templates

# Cover Tab

The possible MHAP funds percentage.

| | |
|---|---|
| **Changes in this report:** | This report has been updated with refreshed formatting to enhance transparency and usability, offering key insights at a glance. It includes improved visual cues, streamlined navigation, and clearer indicators of your current position within the reporting cycle. For more details, please visit the MS Medicaid website.<br><br>Additionally, starting in SFY27 Cycle 6, Solventum's grouper has been updated to V43, phasing out the use of V39.1 from Cycle 2.<br><br>A key methodology change in Cycle 6 is the addition of a Present on Admission (POA) reporting requirement. Providers failing to meet this requirement must submit a separate POA Corrective Action Plan (CAP). This change will be integrated into the Potentially Preventable Complications (PPC) component of the Quality Incentive Payment Program (QIPP). |
| **Cycle 3: Performance Incentives - Year 4** | |
| We utilize the calculation of the CAP Threshold and A/E Ratio Improvement to determine the potential amount of eligible MHAP funds. This section will show as "POSSIBLE" during Q1 and Q2. It will show as "FINAL" during Q3 of the SFY, and "FINAL Q3" during Q4. Please see the Performance Measurement tab for the full calculation. | |
| **FINAL MHAP Funds calculation for Cycle 3 will be calculated in the January 2027 report for SFY27 Q3.** | |
| **Possible MHAP Eligible Funds Calculation:** | |
| | **POSSIBLE ELIGIBLE FUNDS** |
| | **100.0%** |
| *Date that provider performance incentives will be assessed:* ***1/11/2027*** | |
| **Cycle 5: Corrective Action Plan - Year 2** | |
| **Corrective Action Plan Required:** | **No** |
| *Providers that are required to submit a CAP, use the CAP template located here: https://medicaid.ms.gov/value-based-incentives/* | |

# Performance Measurement Tab

Performance Measurement tab now outlines calculations for all cycles.
Additional definitions have been added for clarity.

**Cycle 3: Performance Incentives - Year 4**

We utilize the **CAP Threshold** and **A/E Ratio Improvement** to determine the potential amount of eligible MHAP funds.

| A/E Ratio | | | | POA Reporting - Informational Purposes Only | | Possible QIPP PPC Eligible Funds | |
|---|---|---|---|---|---|---|---|
| Using your most recent quarter's A/E ratio, this calculation reflects the share of MHAP QIPP PPC eligible payments your hospital has secured. | | | | POA Reporting is for informational purposes only and is not used to calculate possible eligible MHAP funds this cycle. | | This is calculated by adding the CAP Threshold (B22) and the A/E Ratio Improvement (E22) amounts together. | |
| **Section 1: CAP Threshold Calculation:** | | **Section 2: A/E Ratio Improvement Calculation:** | | **POA Reporting:** | | **Section 3: Possible QIPP PPC Eligible Funds:** | |
| Current quarter PPC Performance A/E ratio: | 0.951 | *Note: Goal is at least 2%* | | Current Quarter POA Score | 2 | | |
| Statewide target: | 1.000 | CAP Incentive Assessment SFY25 Q1: | 0.997 | Statewide Target: | 0 | Possible QIPP PPC Eligible Funds | **POSSIBLE QIPP PPC Eligible Funds** |
| Hospital specific performance target, cycle three | N/A | Percent improvement in PPC A/E ratio: | 4.62% | CAP required: | No | **(B22 + E22)** | |
| **% of QIPP PPC funds eligible** | **100%** | **A/E Ratio Performance Measurement Impact** | **Full Funds** | **POA Performance Measurement Impact** | | | **100.0%** |

*Note: Cycle 3 performance adjustments will be assessed based on the report distributed in January 2027.*

**Cycle 4: Corrective Action Plan - Year 3**

We utilize the **CAP Threshold** and **A/E Ratio Improvement** to determine the potential amount of eligible MHAP funds.

| A/E Ratio | | | | POA Reporting - Informational Purposes Only | |
|---|---|---|---|---|---|
| **Calculation for the A/E Ratio Improvement metrics.** This shows you the improvement of the current quarter A/E Ratio compared to the A/E Ratio in Q1 of CAP determination. | | | | POA Reporting is for informational purposes only and is not used to calculate possible eligible MHAP funds this cycle. | |
| **Section 1: CAP Threshold Calculation:** | | **Section 2: A/E Ratio Improvement Calculation:** | | **POA Reporting:** | |
| Current quarter PPC Performance A/E ratio: | 0.968 | *Note: Goal is at least 2%* | | Current Quarter POA Score | 1 |
| Statewide target: | 1.000 | CAP Incentive Assessment SFY26 Q1: | 1.003 | Statewide Target: | 0 |
| Hospital specific performance target, cycle four | 1.000 | Percent improvement in PPC A/E ratio: | 3.50% | CAP required: | No |
| **% of QIPP PPC funds eligible** | **100%** | **A/E Ratio Performance Measurement Impact** | **Full Funds** | **POA Performance Measurement Impact** | |

*Note: Cycle 4 performance adjustments will be assessed based on the report distributed in January 2028. This is for informational purposes only.*

**Cycle 5: Corrective Action Plan - Year 2**

# POA Score

Starting with Cycle 6: POA Performance Incentives may impact up to 10% of your hospital's QIPP PPC eligible payments. For this metric, the state uses Solventum's national benchmarks to set the threshold percentage for Pass or Fail. In the table below, a detailed description is provided for each POA Test.

| | Included for Informational Purposes Only | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Performance Measurement** | **Cycle 3 - V40** | | **Cycle 4 - V41** | | **Cycle 5 - V42** | | **Cycle 6 - V43** | |
| TOTAL POA SCORE | Fail | | Pass | | Pass | | Pass | |
| TOTAL POA POINTS | 2 | | 1 | | 0 | | 1 | |
| **Description of POA Test** | **Points** | **Percent** | **Points** | **Percent** | **Points** | **Percent** | **Points** | **Percent** |
| PERCENT NOT POA FOR LIKELY PRE-EXISTING SECONDARY DIAGNOSIS | 0 | 3% | 0 | 3% | 0 | 3% | 1 | 6% |
| This metric identifies hospitals with a high non-POA rate for likely pre-existing conditions, as identified by a list of ICD-10 diagnosis codes associated with pre-existing conditions published by Solventum. Hypertension, obesity and diabetes mellitus are just a few examples of pre-existing conditions. Since these diagnoses are likely pre-existing, they should be reported as POA=Y. This metric identifies those hospitals that have higher than expected rates of POA=N for these diagnoses.<br>2 Points: Percent Not POA on pre-existing diagnosis list ≥ 7.5%<br>1 Point: 5% ≤ Percent Not POA on pre-existing diagnosis list < 7.5% | | | | | | | | |
| PERCENT OF SECONDARY DIAGNOSIS LISTED AS UNCERTAIN POA | 0 | 3% | 1 | 8% | 0 | 3% | 0 | 3% |
| This metric identifies hospitals with a high rate of uncertain POA indicators. An uncertain POA indicator is a POA entry of "U", "W", blank or another invalid POA value for diagnoses that are not on the POA-exempt list published by CMS.<br>2 Points: Percent of secondary diagnosis with uncertain POA indicator ≥ 10%<br>1 Point: 5% ≤ Percent of secondary diagnosis with uncertain POA indicator < 10% | | | | | | | | |
| HIGH PERCENT POA FOR SECONDARY DIAGNOSIS | 2 | 97% | 0 | 90% | 0 | 90% | 0 | 90% |
| This metric identifies hospitals with a higher than expected POA rate for diagnoses that do not represent pre-existing conditions and are not considered exempt from POA indicators by CMS. High rates on this metric indicate the hospital is identifying an unusually high number of secondary diagnoses as POA.<br>2 Points: % POA ≥ 96%<br>1 Point: 93% ≤ % POA < 96% | | | | | | | | |

# Hospital Summary

View entire cycle so you know where you are at.
Shows dates of data used for each quarterly report

This color-coded legend helps you quickly see if you are making the % improvement goals.

- Note Q3 is orange

**CAP Implementation A/E Ratio Improvement Legend:**

| | |
|---|---|
| | < .5% Improvement |
| | >=0.5% and < 1.0% Improvement |
| | >=1.0% and < 1.5% Improvement |
| | >=1.5% and < 2.0% Improvement |
| | >= 2.0% improvement or under 1.02 Threshold |

**Cycle 3: V.40 of the PPC algorithm**

**Providers who are required to submit a Corrective Action Plan (CAP) must do so no later than September 1, 2024.**

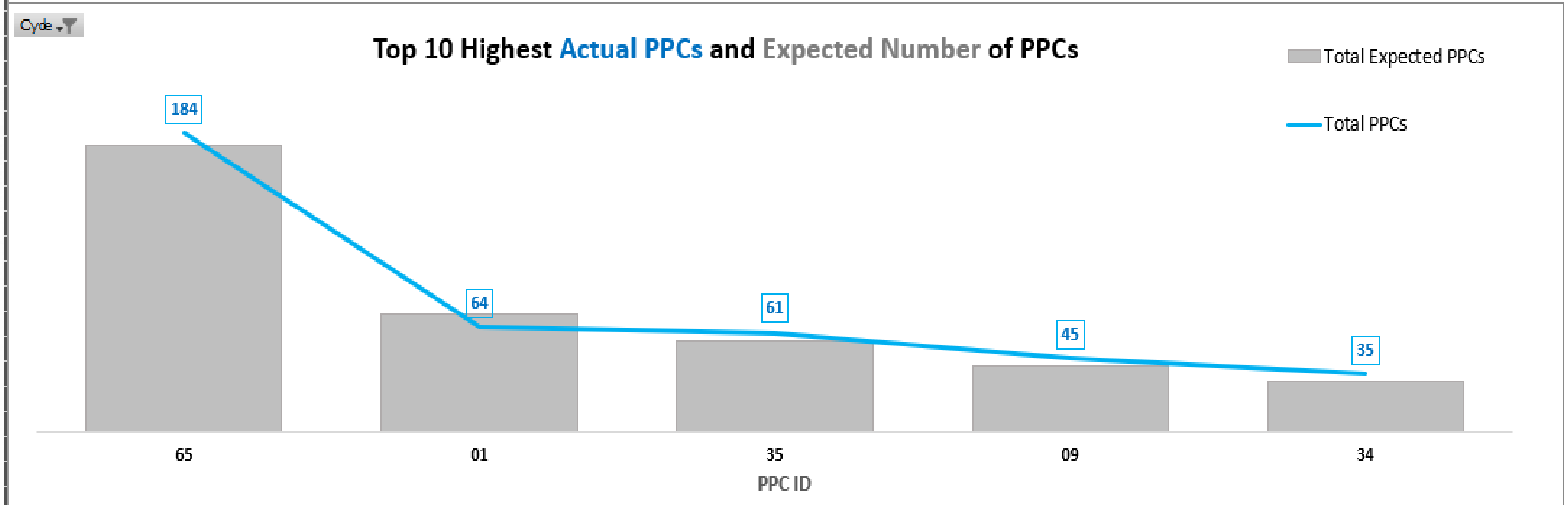
| | Performance Incentives (Year 4) | | | | Correct Action Plan (Year 3) | | | | Correct Action Plan (Year 2) | | | | Baseline Reporting (Year 1) | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **State Fiscal Year** | SFY27 | | | | SFY26 | | | | SFY25 | | | | SFY24 | | | |
| **PPC Cycle 3 Report Quarters** | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| **Hospital Performance (rolling two year analysis period):** | 10/1/2024-9/30/2026 | 7/1/2024 - 6/30/2026 | 4/1/2024 - 3/31/2026 | 1/1/2024 - 12/31/2025 | 10/1/2023-9/30/2025 | 7/1/2023 - 6/30/2025 | 4/1/2023 - 3/31/2025 | 1/1/2023 - 12/31/2024 | 10/1/2022 - 9/30/2024 | 7/1/2022 - 6/30/2024 | 4/1/2022-3/31/2024 | 1/1/2022-12/31/2023 | 10/1/2021-9/30/2023 | 7/1/2021-6/30/2023 | 4/1/2021-3/31/2023 | 1/1/2021-12/31/2022 |
| A/E Ratio | | | | | | | | | | | | | | | | |
| Number of total inpatient admissions, including global exclusions[1]: | | | | 10,372 | 11,220 | 11,103 | 11,993 | 10,428 | 10,356 | 11,228 | 11,614 | 10,887 | 11,530 | 11,226 | 11,205 | 10,474 |
| Number of potentially preventable complications (PPCs)[2]: | | | | 232 | 270 | 203 | 290 | 372 | 341 | 234 | 289 | 323 | 335 | 296 | 215 | 378 |
| Actual PPC weight[3]: | | | | 267.13 | 300.00 | 305.00 | 309.74 | 301.00 | 299.00 | 294.00 | 300.00 | 304.00 | 241.53 | 270.89 | 301.92 | 266.02 |
| Expected PPC weight[3]: | | | | 281.00 | 305.00 | 315.00 | 301.00 | 300.00 | 301.00 | 295.00 | 306.00 | 305.00 | 274.00 | 287.00 | 323.00 | 295.00 |
| **Cost-Weighted Actual-to-Expected Ratio[4]:** | | | | **0.951** | **0.984** | **0.968** | **1.029** | **1.003** | **0.993** | **0.997** | **0.980** | **0.997** | **0.881** | **0.944** | **0.935** | **0.902** |
| Statewide threshold for cost-weighted actual-to-expected Ratio: | | | | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| **POA Total Score - Included for Informational Purposes Only** | | | | | | | | | | | | | | | | |
| POA Points | | | | 2 | 0 | 2 | 1 | 1 | 0 | 1 | 2 | 1 | 2 | 0 | 0 | 2 |

# Charts have been added to List tabs to aid in review.

- PPC List

**PPC-Specific Performance - Managed Care Data Only**

The Top 10 APR-DRG by PPC Count highlights the APR-DRGs with the highest number of assigned PPCs. This allows providers to quickly identify the DRGs experiencing the most complications. Utilize the Total PPCs by APR-DRG to drill down into the PPCs that are being included in the reported number for each APR-DRG. This information can assist healthcare providers in identifying areas for improvement.




**PPCs Included in the PPC Performance Metric:**

| PPC | Description | Group | Cycle 3 MS Medicaid PPC Weight | At-Risk Stays | Number of PPCs | PPC Rat | Expected Number of PPCs | Excess Numbe PPCs |
|---|---|---|---|---|---|---|---|---|
| 01 | Stroke & Intracranial Hemorrhage | Cardiovascular-Respiratory Complications | 0.851208864 | 6,500 | 16 | 0.0024615 | 18 | - |
| 02 | Extreme CNS Complications | Extreme Complications | 0.362459975 | 5,410 | 0 | 0 | 0.028 | - |
| 03 | Acute Pulmonary Edema and Respiratory Failure without Ventilation | Cardiovascular-Respiratory Complications | 0.369799844 | 4,568 | 0 | 0 | 0.863 | - |
| [redacted] | | | | | | | | |
| 61 | Other Complications of Obstetrical Surgical & Perineal Wounds | Obstetrical Complications | 0.153345683 | 1,853 | 0 | 0 | 1.487 | - |
| 63 | Post-Procedural Respiratory Failure with Tracheostomy | Extreme Complications | 6.324951756 | 5,648 | 0 | 0 | 0 | |
| 64 | Other In-Hospital Adverse Events | Other Medical and Surgical Complications | 0 | 5,481 | 0 | 0 | 0.498 | - |
| 65 | Urinary Tract Infection | Infectious Complications | 0.634394906 | 9,604 | 45 | 0.0047897 | 44 | |
| 66 | Catheter-Related Urinary Tract Infection | Infectious Complications | 0.697791221 | 4,210 | 0 | 0 | 0 | |
| Total | | | NA | NA | 232 | | 245 | -1 |
| **Monitor PPCs[2] (Not Included in PPC Performance Metric)** | | | | | | | | |
| 21 | Clostridium Difficile Colitis | Infectious Complications | 1.175386388 | 10 | 0 | 0 | 12.549 | - |
| 24 | Renal Failure without Dialysis | Other Medical and Surgical Complications | 0.373038021 | 800 | 300 | 0.375 | 242.177 | 5 |

Notes:

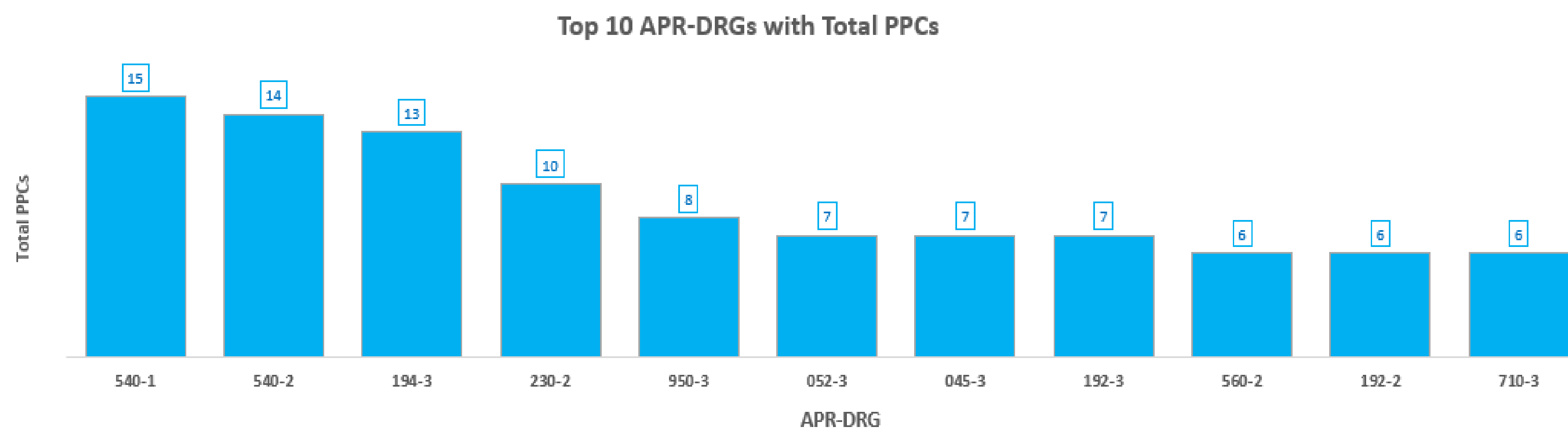
Charts have been added to Detail tabs to aid in review.

- PPC Details

**Potentially Preventable Complications Detail Information:**

**PPCs Identified Using V.40 of the Solventum PPC Algorithm. Discharges from 1/1/2024-12/31/2025**

The Top 10 APR-DRG by PPC Count highlights the APR-DRGs with the highest number of assigned PPCs. This allows providers to quickly identify the DRGs experiencing the most complications. Utilize the Total PPCs by APR-DRG to drill down into the PPCs that are being included in the reported number for each APR-DRG. This information can assist healthcare providers in identifying areas for improvement.




Note: FFS stays for reference purposes only. Any missing POA flags indicate that the POA flag was blank for that diagnosis

| Managed Care Claim Numb | Medical Record Number | Medicaid Provider ID | Payer | Date of Service Fro | Date of Service To | Admission APR-DRG | APR-DRG Description |
|---|---|---|---|---|---|---|---|
| A1 | | 831455291 | Payor 1 | 3/25/2024 | 4/3/2024 | 171-3 | PERMANENT CARDIAC PACEMAKER IMPLANT WITHOUT AMI, HEART FAILURE OR SHOCK |
| A2 | | 641422726 | Payor 2 | 9/13/2024 | 9/19/2024 | 241-3 | PEPTIC ULCER AND GASTRITIS |
| A3 | | 598673796 | Payor 1 | 6/6/2025 | 6/12/2025 | 130-3 | RESPIRATORY SYSTEM DIAGNOSIS WITH VENTILATOR SUPPORT > 96 HOURS |
| A4 | | 632995237 | Payor 3 | 6/7/2025 | 6/11/2025 | 194-3 | HEART FAILURE |
| A5 | | 301194865 | Payor 1 | 5/4/2025 | 5/18/2025 | 860-1 | REHABILITATION |
| A6 | | 714039743 | Payor 3 | 4/30/2025 | 5/18/2025 | 045-3 | CVA AND PRECEREBRAL OCCLUSION WITH INFARCTION |
| A7 | | 793652578 | Payor 2 | 5/10/2025 | 5/18/2025 | 751-1 | MAJOR DEPRESSIVE DISORDERS AND OTHER OR UNSPECIFIED PSYCHOSES |
| A8 | | 891986848 | Payor 4 | 5/2/2025 | 5/10/2025 | 750-1 | SCHIZOPHRENIA |
| A10 | | 783026351 | | 6/7/2025 | 6/11/2025 | 468-2 | OTHER KIDNEY AND URINARY TRACT DIAGNOSES, SIGNS AND SYMPTOMS |
| A11 | | 877178167 | | 5/4/2025 | 5/18/2025 | 194-3 | HEART FAILURE |
| A12 | | 762080888 | | 4/30/2025 | 5/18/2025 | 247-1 | INTESTINAL OBSTRUCTION |
| A13 | | 879561082 | | 5/10/2025 | 5/18/2025 | 349-3 | MALFUNCTION, REACTION, COMPLICATION OF ORTHOPEDIC DEVICE OR PROCEDURE |
| A14 | | 813467231 | | 5/2/2025 | 5/10/2025 | 021-3 | OPEN CRANIOTOMY EXCEPT TRAUMA |
| A15 | | 696190235 | | 6/7/2025 | 6/11/2025 | 050-2 | NON-BACTERIAL INFECTIONS OF NERVOUS SYSTEM EXCEPT VIRAL MENINGITIS |
| A16 | | 696603023 | | 5/4/2025 | 5/18/2025 | 192-3 | CARDIAC CATHETERIZATION FOR OTHER NON-CORONARY CONDITIONS |
| A17 | | 695240321 | | 4/30/2025 | 5/18/2025 | 045-3 | CVA AND PRECEREBRAL OCCLUSION WITH INFARCTION |
| A18 | | 769992005 | | 5/10/2025 | 5/18/2025 | 052-3 | ALTERATION IN CONSCIOUSNESS |
| A19 | | 905971390 | | 5/2/2025 | 5/10/2025 | 470-3 | CHRONIC KIDNEY DISEASE |
| A20 | | 778080221 | | 6/7/2025 | 6/11/2025 | 750-2 | SCHIZOPHRENIA |
| A21 | | 804466769 | | 5/4/2025 | 5/18/2025 | 346-3 | CONNECTIVE TISSUE DISORDERS |

MISSISSIPPI DIVISION OF MEDICAID

# Appendix B – PPHR Templates

- All fake data in templates

# Cover Tab

The possible eligible MHAP funds percentage.

| | |
|---|---|
| **Changes for this report:** | Beginning in SFY27, Cycle 8 has started and will utilize V43 of Solventum's grouper. Cycle 5 utilizing V40 of Solventum's grouper has been phased out. Cycle 8 has a new statewide threshold of 1.000.<br><br>This updated report features refreshed formatting to improve transparency and usability, designed to provide key insights at a glance. This report features enhanced visual cues, streamlined navigation, and a clearer indication of your current position within the reporting cycle. Please refer to the MS Medicaid website for additional information. |
| **Cycle 6: Performance Incentives - Year 3** | |
| We utilize the calculation of the CAP Threshold and A/E Ratio Improvement to determine the potential amount of eligible MHAP funds. This section will show as "POSSIBLE" during Q1 and Q2. It will show as "FINAL" during Q3 of the SFY, and "FINAL Q3" during Q4. Please see the Performance Measurement tab for the full calculation. | |
| **FINAL MHAP Funds calculation for Cycle 6 will be calculated in the January 2027 report for SFY27 Q3.** | |
| **Possible MHAP Eligible Funds Calculation:** | |
| | **POSSIBLE ELIGIBLE FUNDS** |
| | **80.0%** |
| *Date that provider performance incentives will be assessed:* ***1/11/2027*** *.* | |
| **Cycle 7: Corrective Action Plan - Year 2** | |
| **Corrective Action Plan Required:** | **Yes** |
| *Providers that are required to submit a CAP, use the CAP template located here: https://medicaid.ms.gov/value-based-incentives/* | |

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# Performance Measurement Tab

Performance Measurement tab now outlines calculations for all cycles. Additional definitions have been added for clarity.

**Cycle 6: Performance Incentives - Year 3**

We utilize the **CAP Threshold** and **A/E Ratio Improvement** to determine the potential amount of eligible MHAP funds.

**A/E Ratio**

Using your most recent quarter's A/E ratio, this calculation reflects the share of MHAP QIPP PPHR eligible payments your hospital has secured.

**Possible QIPP PPHR Eligible Funds**

This is calculated by adding the CAP Threshold (B24) and A/E Ratio Improvement (E24) amounts together.

| **Section 1: CAP Threshold Calculation:** | |
|---|---|
| Current quarter PPHR Performance A/E ratio: | 1.247 |
| Statewide target: | 1.02 |
| Hospital specific performance target: | 1.217 |
| % of QIPP PPHR funds eligible | **80%** |

| **Section 2: A/E Ratio Improvement Calculation:** | |
|---|---|
| *Note: Goal is at least 2%* | |
| Percent improvement in PPHR A/E ratio: | -0.36% |
| A/E Ratio Performance Measurement Impact | **0.00%** |

| **Section 3: Possible QIPP PPHR Eligible Funds:** | |
|---|---|
| **Possible QIPP PPHR Eligible Funds (B24 + E24)** | **POSSIBLE QIPP PPHR Eligible Funds** |
| | **80.0%** |

*Note: Cycle 6 performance adjustments will be assessed based on the report distributed in January 2027.*

**Cycle 7: Corrective Action Plan - Year 2**

We utilize the **CAP Threshold** and **A/E Ratio Improvement** to determine the potential amount of eligible MHAP funds.

**A/E Ratio**

**Calculation for the A/E Ratio Improvement metrics.** This shows you the improvement of the current quarter A/E Ratio compared to the A/E Ratio in Q1 of CAP determination.

| **Section 1: CAP Threshold Calculation:** | |
|---|---|
| Current quarter PPHR Performance A/E ratio: | 1.260 |
| Statewide target: | 1.02 |
| **Corrective Action Plan Required:** | **Yes** |
| Hospital specific performance target: | 1.235 |
| % of QIPP PPHR funds eligible | **80%** |

| **Section 2: A/E Ratio Improvement Calculation:** | |
|---|---|
| *Note: Goal is at least 2%* | |
| Percent improvement in PPHR A/E ratio: | 0.00% |
| A/E Ratio Performance Measurement Impact | **0.00%** |

Providers that are required to submit a CAP (B33), use the CAP template located here: **https://medicaid.ms.gov/value-based-incentives/**

*Note: Cycle 7 performance adjustments will be assessed based on the report distributed in January 2028. This is for informational purposes only.*

# Hospital Summary

View entire cycle so you know where you are at.
Shows dates of data used for each quarterly report

This color-coded legend helps you quickly see if you are making the % improvement goals.

- Note Q3 is orange

**CAP Implementation A/E Ratio Improvement Legend:**

| Color | Meaning |
|---|---|
| Dark orange | < .5% Improvement |
| Orange | >=0.5% and < 1.0% Improvement |
| Light orange | >=1.0% and < 1.5% Improvement |
| Pale orange | >=1.5% and < 2.0% Improvement |
| White | >= 2.0% improvement or under 1.02 Threshold |

| Cycle 6: V41 of the PPHR Algorithm | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Providers who were required to submit a CAP on September 2, 2025. | | | | | | | | | | | | |
| | Performance Incentives (Year 3) | | | | Correct Action Plan (Year 2) | | | | Baseline Reporting (Year 1) | | | |
| State Fiscal Year | SFY27 | | | | SFY26 | | | | SFY25 | | | |
| Cycle 6 Report Quarters | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Hospital Performance (rolling year) | 10/1/2024-9/30/2026 | 7/1/2024-6/30/2026 | 4/1/2024-3/31/2026 | 1/1/2024-12/31/2025 | 10/1/2023-9/30/2025 | 7/1/2023-6/30/2025 | 4/1/2023-3/31/2025 | 1/1/2023-12/31/2024 | 10/1/2022-9/30/2024 | 7/1/2022-6/30/2024 | 4/1/2022-3/31/2024 | 1/1/2022-12/31/2023 |
| Potentially preventable hospital return (PPHR) rate[1]: | | | | 35.29% | 34.78% | 34.92% | 35.61% | 35.08% | 35.84% | 34.78% | 35.40% | 35.22% |
| Casemix-adjusted statewide PPHR rate (based on calendar year 2022-2023 baseline with updated casemix)[2]: | | | | 13.67% | 13.48% | 13.42% | 13.81% | 13.55% | 13.90% | 13.48% | 13.73% | 13.62% |
| **PPHR Actual-to-expected ratio[3]:** | | | | **1.247** | **1.238** | **1.231** | **1.260** | **1.242** | **1.255** | **1.238** | **1.251** | **1.245** |
| **Additional Performance Metrics** | | | | | | | | | | | | |
| Potentially Preventable Inpatient Readmission (PPR) rate: | | | | 9.80% | 9.88% | 9.95% | 9.68% | 10.05% | 9.72% | 9.88% | 9.61% | 9.99% |
| Casemix-adjusted statewide PPR rate: | | | | 7.89% | 7.81% | 8.02% | 7.76% | 7.95% | 8.10% | 7.81% | 8.05% | 7.85% |
| PPR Actual-to-expected ratio: | | | | 0.980 | 0.976 | 0.971 | 0.989 | 0.965 | 0.984 | 0.976 | 0.992 | 0.969 |
| Potentially Preventable Return Emergency Department Visit (PPED) rate: | | | | 14.71% | 14.50% | 14.55% | 14.88% | 14.62% | 14.79% | 14.50% | 14.95% | 14.68% |
| Casemix-adjusted statewide PPED rate: | | | | 12.26% | 12.45% | 12.40% | 12.11% | 12.33% | 12.18% | 12.45% | 12.29% | 12.37% |
| PPED Actual-to-expected ratio: | | | | 1.120 | 1.112 | 1.108 | 1.133 | 1.115 | 1.127 | 1.112 | 1.130 | 1.119 |

| Cycle 6: Hospital Return Details with Discharges from 1/1/2024-12/31/2025 with readmissions until 1/15/2026 | |
|---|---|
| **Potentially Preventable Hospital Returns** | |
| Number of at-risk admissions: | 51 |
| Number of at-risk admissions followed by potentially preventable hospital returns including both inpatient readmission and preventable emergency department readmissions: | 18 |
| Total number of potentially preventable hospital returns for your hospital[4]: | 22 |
| **Potentially Preventable Inpatient Readmissions** | |
| Number of at-risk admissions: | 51 |
| Number of at-risk admissions followed by potentially preventable inpatient readmission: | 5 |
| Total number of potentially preventable readmissions for your hospital[4]: | 8 |
| **Potentially Preventable Return Emergency Department (ED) Visits** | |
| Number of at-risk admissions: | 68 |
| Number of at-risk admissions followed by potentially preventable return ED visits: | 10 |
| Total number of potentially preventable return ED visits for your hospital[4]: | 14 |

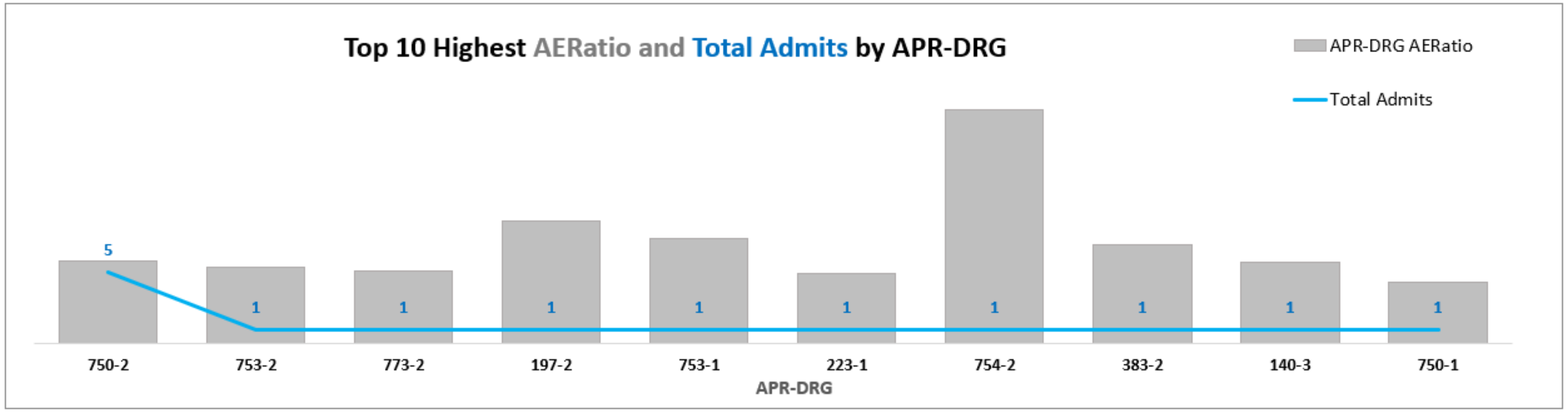
Charts have been added to Expected Rates tabs to aid in review.

- Expected Rates Cycle 6-8

**Potentially Preventable Hospital Expected Rates by DRG:**

**Actual and Expected PPHRs by DRG, Cycle 6 - Managed Care Data Only**

The Top APR-DRG chart below highlights the combinations with the highest A/E ratio. Note that each entry is not an APR-DRG admit total, but a unique combination of APR-DRG, age category, and MHSA flag with more than 10 admissions. This allows providers to quickly identify the groupings having the greatest impact on their A/E ratio. Utilize the table below the chart to filter and see how specific combinations are performing in your hospital and how they compare to the statewide norms. Note: if a DRG has a high A/E ratio, that means the number of expected visits is most likely low, causing a high A/E ratio even if your admission count for that DRG is low. For example, APR-DRG 385-2 for the adult age category has a number of expected PPHR chains of 0.05. If you have only 1 PPHR chain, the A/E ratio for that DRG is going to be 20.



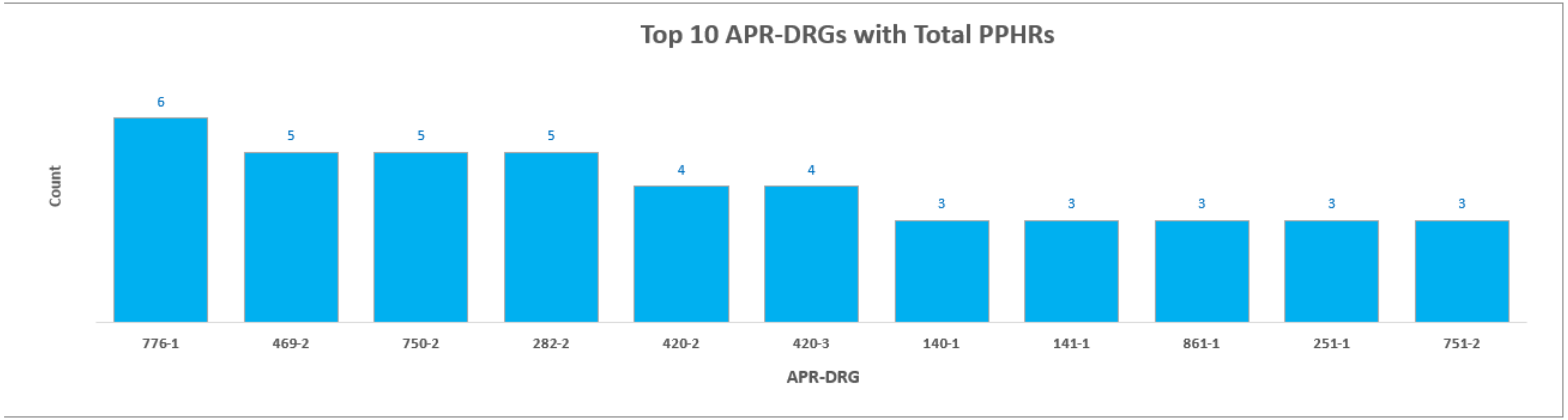

| APR-DRG | DRG Description | Age Category | MHSA flag | Statewide Norm | MHSA Adjustor | Admits | Number of Actual PPHR Chains | Number of Expected PPHR Chains |
|---|---|---|---|---|---|---|---|---|
| 053-2 | SEIZURE | Adult | MHSA | 0.13 | 1.05 | 1 | 0 | 0.05 |
| 130-3 | RESPIRATORY SYSTEM DIAGNOSIS W VENTILATOR SUPPORT 96+ HOURS | Adult | MHSA | 0.22 | 1.05 | 1 | 0 | 0.14 |
| 137-3 | MAJOR RESPIRATORY INFECTIONS & INFLAMMATIONS | Adult | No MHSA | 0.25 | 0.98 | 1 | 0 | 0.22 |
| 139-3 | OTHER PNEUMONIA | Ped | No MHSA | 0.13 | 0.98 | 1 | 0 | 0.09 |
| 140-3 | CHRONIC OBSTRUCTIVE PULMONARY DISEASE | Ped | No MHSA | 0.17 | 0.98 | 1 | 1 | 0.03 |

# Charts have been added to Detail tabs to aid in review.

**Potentially Preventable Hospital Return Claim Information:**

**Readmissions Identified Using V.41 of the Solventum PPR/ED Algorithm with Discharges from 1/1/2024-12/31/2025 with readmissions until 1/15/2026**

The Top APR-DRG charts highlight the APR-DRGs with the highest At-Risk visits that resulted in Potentially Preventable Hospital Readmissions (PPHR), including inpatient readmissions and emergency department visits. These charts enable providers to quickly identify the DRGs contributing most to readmissions and ED visits. Interactive filters are available to explore the data further. Use the Payer filter to view Fee-for-Service (FFS) counts (provided for informational purposes only). The Type of Claim filter helps pinpoint APR-DRGs included in two key metrics: At-Risk Visits and At-Risk Visits followed by PPHRs. To identify DRGs driving At-Risk Visits, select the "Initial Admission" option under the Type of Claim filter. Compare specific APR-DRGs by using the APR-DRG filter and searching for DRGs of interest. These enhancements provide a clear and efficient way to analyze the data and gain actionable insights within your hospital system.




**Note: FFS Stays For Reference Purposes Only.**

| PPHR Chain Number | Type of Claim | Managed Care Claim Number | FFS Medical Record Number | Medicaid ID | Hospital Name | Date of Service Fro | Date of Service To | APR-DRG | Reason for Hospital Admission or ED Visit |
|---|---|---|---|---|---|---|---|---|---|
| A_1 | Initial Admission | 123031 | | A | Valley View Medical Center | 8/25/2027 | 8/31/2027 | 383-2 | CELLULITIS & OTHER SKIN INFECTIONS |
| A_1 | Clinically related return ED visit | 410235 | | A | Valley View Medical Center | 9/1/2027 | 9/1/2027 | 861-1 | SIGNS, SYMPTOMS & OTHER FACTORS INFLUENCII |
| B_1 | Initial Admission | 143369 | | B | Valley View Medical Center | 8/14/2027 | 8/16/2027 | 140-3 | CHRONIC OBSTRUCTIVE PULMONARY DISEASE |
| B_1 | Clinically related return ED visit | 477464 | | B | Valley View Medical Center | 8/19/2027 | 8/19/2027 | 140-1 | CHRONIC OBSTRUCTIVE PULMONARY DISEASE |
| B_1 | Clinically related return ED visit | 408160 | | B | Valley View Medical Center | 8/27/2027 | 8/29/2027 | 140-2 | CHRONIC OBSTRUCTIVE PULMONARY DISEASE |

# Appendix C – AM-PPC Templates

- All fake data in template

# Cover Tab

The possible eligible MHAP funds percentage.

| | |
|---|---|
| **Changes in this report:** | AM-PPC Cycle 3 utilizing version 1.3 of the AM-PPC Solventum grouper has been added. Starting in V1.3 Mississippi DOM has decided to use Mississippi specific weights for AM-PPC. The at-risk threshold for PSGs to have a weight is 15 at-risk stays.<br><br>This updated report features refreshed formatting to improve transparency and usability, designed to provide key insights at a glance. This report features enhanced visual cues, streamlined navigation, and a clearer indication of our current position within the reporting cycle. Please refer to the MS Medicaid website for additional information. |
| **Cycle 2: Corrective Action Plan - Year 2** | |
| **Corrective Action Plan Required:** | **Yes** |
| *Providers that are required to submit a CAP, use the CAP template located here: https://medicaid.ms.gov/value-based-incentives/* | |

# Performance Measurement Tab

Performance Measurement tab now outlines calculations for all cycles.
Additional definitions have been added for clarity.

**Cycle 1: Corrective Action Plan - Year 3**

We utilize the **CAP Threshold** and **A/E Ratio Improvement** to determine the potential amount of eligible MHAP funds.

**A/E Ratio**

Using your most recent quarter's A/E ratio, this calculation reflects the share of MHAP QIPP AM-PPC eligible payments your hospital has secured.

*Note: No cap required and no MHAP fund calculation for Cycle 1*

**Possible QIPP AM-PPC Eligible Funds**

This is calculated by adding the CAP Threshold (B24) and the A/E Ratio Improvement (E24) amounts together.

*Note: No MHAP calculation for cycle 1*

| **Section 1: CAP Threshold Calculation:** | |
|---|---|
| Current quarter AM-PPC Performance A/E ratio: | 1.161 |
| Statewide target: | 1.00 |
| Hospital specific performance target, cycle one | N/A |
| % of QIPP AM-PPC funds eligible | **0%** |

| **Section 2: A/E Ratio Improvement Calculation:** | |
|---|---|
| *Note: Goal is at least 2%* | |
| Percent improvement in AM-PPC A/E ratio: | -1.9% |
| A/E Ratio Performance Measurement Impact | **No Reduction** |

| **Section 3: Possible QIPP AM-PPC Eligible Funds:** | |
|---|---|
| | **Possible QIPP AM-PPC Eligible Funds** |
| **Possible QIPP AM-PPC Eligible Funds (B24 + E24)** | **No MHAP Calculation Cycle 1** |

**Cycle 2: Corrective Action Plan - Year 2**

We utilize the **CAP Threshold** and **A/E Ratio Improvement** to determine the potential amount of eligible MHAP funds.

*Note: Cycle 2 performance adjustments will be assessed based on the report distributed in January 2029. This is for informational purposes only.*

**A/E Ratio**

**Calculation for the A/E Ratio Improvement metrics.** This shows you the improvement of the current quarter A/E Ratio **compared to the A/E Ratio in Q1 of CAP determination.**

**Possible QIPP AM-PPC Eligible Funds**

This is calculated by adding the CAP Threshold (B35) and the A/E Ratio Improvement (E35) amounts together.

| **Section 1: CAP Threshold Calculation:** | |
|---|---|
| Current quarter AM-PPC Performance A/E ratio: | 1.139 |
| Statewide target: | 1.00 |
| Hospital specific performance target, cycle two | 1.117 |
| % of QIPP AM-PPC funds eligible | **85%** |

| **Section 2: A/E Ratio Improvement Calculation:** | |
|---|---|
| *Note: Goal is at least 2%* | |
| CAP Incentive Assessment SFY27 Q1: | 1.14 |
| CAP required: | **Yes** |
| Percent improvement in AM-PPC A/E ratio: | **0.000** |
| A/E Ratio Performance Measurement Impact | **0.00%** |

| **Section 3: Possible QIPP AM-PPC Eligible Funds:** | |
|---|---|
| | **Possible QIPP AM-PPC Eligible Funds** |
| **Possible QIPP AM-PPC Eligible Funds (B35 + E35)** | **85.0%** |

# Hospital Summary

View entire cycle so you know where you are at.
Shows dates of data used for each quarterly report

This color-coded legend helps you quickly see if you are making the % improvement goals.

- Note Q3 is orange

**CAP Implementation A/E Ratio Improvement Legend:**

| | |
|---|---|
| | < .5% Improvement |
| | >=0.5% and < 1.0% Improvement |
| | >=1.0% and < 1.5% Improvement |
| | >=1.5% and < 2.0% Improvement |
| | >= 2.0% improvement or under 1.02 Threshold |

| Cycle 1: V.1.1 of the AM-PPC algorithm | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| No CAP Required Cycle 1 | | | | | | | | | | | | | | | | |
| | Performance Incentives (Year 4) | | | | Correct Action Plan (Year 3) | | | | Correct Action Plan (Year 2) | | | | Baseline Reporting (Year 1) | | | |
| State Fiscal Year | SFY28 | | | | SFY27 | | | | SFY26 | | | | SFY25 | | | |
| AM-PPC Cycle 1 Report Quarters | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 | Q2 | Q1 |
| Hospital Performance (rolling two year analysis period) | 10/1/2025-9/30/2027 | 7/1/2025 - 6/30/2027 | 4/1/2025 - 3/31/2027 | 1/1/2025 - 12/31/2026 | 10/1/2024-9/30/2026 | 7/1/2024 - 6/30/2026 | 4/1/2024 - 3/31/2026 | 1/1/2024 - 12/31/2025 | 10/1/2023-9/30/2025 | 7/1/2023 - 6/30/2025 | 4/1/2023 - 3/31/2025 | 1/1/2023 - 12/31/2024 | 10/1/2022 - 9/30/2024 | 7/1/2022 - 6/30/2024 | 4/1/2022 - 3/31/2024 | 1/1/2022 - 12/31/2023 |
| Number of elective outpatient ambulatory services[1]: | | | | | | | | 5,959 | 6,475 | 6,508 | 5,672 | 5,833 | 6,548 | 5,801 | 5,965 | 7,378 |
| Number of ambulatory potentially preventable complications (AM-PPCs)[2]: | | | | | | | | 268 | 260 | 292 | 226 | 259 | 253 | 283 | 226 | 268 |
| Actual AM-PPC's[3]: | | | | | | | | 180 | 165 | 198 | 199 | 188 | 183 | 155 | 179 | 166 |
| Expected AM-PPC's[3]: | | | | | | | | 155.00 | 150.00 | 164.00 | 161.00 | 165.00 | 166.00 | 169.00 | 166.00 | 160.00 |
| **Actual-to-Expected Ratio[4]:** | | | | | | | | **1.161** | **1.100** | **1.207** | **1.236** | **1.139** | **1.102** | **0.917** | **1.078** | **1.038** |
| Statewide threshold for actual-to-expected Ratio | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |

# Charts have been added to AM-PPC List tab to aid in review.

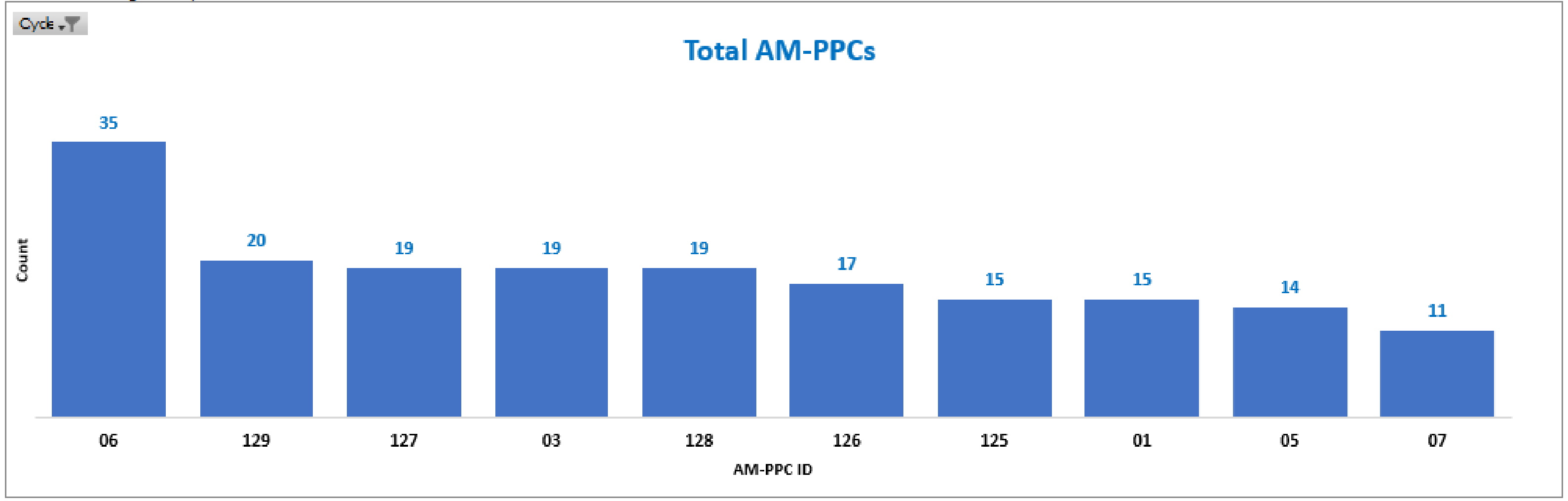
AM-PPC List Specific Performance - Managed Care Data Only

AM-PPCs Included in the AM-PPC Performance Metric

The Count of AM-PPCs are complications that arise within 30 days post elective outpatient ambulatory services. This number may be higher than the Actual AM-PPC's for a hospital due to multiple complications after an elective outpatient surgery occurred. The Total AM-PPCs chart lists the top 10 AM-PPCs, limited to those with counts of 10 or more.

- Cycle 1: AM-PPCs that are grayed out indicate they are newly introduced in Version 1.2 or 1.3, resulting in no available data from Version 1.1.
- Cycle 2: AM-PPCs that are grayed out indicate they have been removed in Version 1.2 and are no longer applicable.
- Cycle 3: AM-PPCs that are grayed out indicate they have been removed in Version 1.3 and are no longer applicable.

A full list of changes are provided in the Notes section in cell A 108.




| Cycle and Version: | | | Cycle 1, V.1.1 | | Cycle 2, V.1.2 | | Cycle 3, V.1.3 | |
|---|---|---|---|---|---|---|---|---|
| AM-PPC ID[1,2] | AM-PPC ID Description[3] | AM-PPC Group | SFY27 Q1 Count AM-PPC | SFY27 Q1 % of Total | SFY27 Q1 Count AM-PPC | SFY27 Q1 % of Total | SFY27 Q1 Count AM-PPC | SFY27 Q1 % of Total |
| 01 | Stroke and Intracranial Hemorrhage | Perioperative Complications | 15 | 5.6% | 15 | 5.8% | 15 | 5.9% |
| 03 | Acute Pulmonary Edema, Respiratory Failure or Distress | Cardiovascular-Respiratory Complications | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |
| 05 | Pneumonia and Other Lung Infections | Cardiovascular-Respiratory Complications | 14 | 5.2% | 14 | 5.4% | 14 | 5.5% |
| 06 | Aspiration Pneumonia | Cardiovascular-Respiratory Complications | 35 | 13.1% | 35 | 13.5% | 35 | 13.8% |
| 07 | Pulmonary Embolism | Cardiovascular-Respiratory Complications | 11 | 4.1% | 11 | 4.2% | 11 | 4.3% |
| 08 | COPD and Asthma Exacerbations | Cardiovascular-Respiratory Complications | 0 | 0.0% | 0 | 0.0% | 0 | 0.0% |