

Olympic Community of Health

SBAR 2020 Pay for Performance (P4P)

Presented to Funds Flow Committee June 7, 2022

Updated and presented to the Board of Directors on June 13, 2022

Situation

OCH has received the official results from the contracted Independent Assessor for 2020 Pay for Performance (P4P), Value-Based Payment (VBP) P4P, and earnings from the 2020 High-Performance Pool (HPP). Those letters are included in the packet. The Funds Flow Workgroup has recommendations for Board review and approval.

Background

In addition to Pay for Reporting (P4R) dollars, under Medicaid Transformation, the ACH regions have opportunities to earn dollars based on performance:

- P4P: incentive dollars based on the region's performance toward a lengthy list of metrics, mostly based on claims data. Dollars are earned about 2 years after the performance year.
- VBP P4P: incentive dollars based on the region's progress toward value-based arrangements under contract with Managed Care.
- HPP: all unearned dollars for all 9 regions for the above bullets are put into this pool and awarded based on performance and number of Medicaid beneficiaries in the region.

In the Board-approved Funds Flow model for OCH, the Olympic region has budgeted for 25% of the available P4P dollars, 100% of available VBP PRP dollars, and 0% of HPP funds. The budgeted percentages are already built into the 2022 budget and are included in partner payment estimates. Hospitals do not earn these funds; their incentives are fixed at up to \$100k per year through 2022.

2020 Summary:

Incentive Pool	Total Available	Total in Budget	Actual Earned
P4P	\$2,671,039*	\$486,357	\$2,285,711
VBP P4P	\$450,000	\$450,000	\$22,500
HPP	Just over \$23 million for all 9 regions	\$0	\$1,010,627
Total <u>earned</u> for 2020 performance:			\$3,318,838
Total <u>budgeted</u> for 2020 performance:			\$936,357
Other from original funds flow planned to go to partners in 2022 (not associated with year 6)			\$682,537
Total available for allocation:			\$4,001,375
Original budget for allocation:			\$1,618,920
Need decision on how to allocate:			\$2,382,455

* Note that under the original funds flow model, OCH was eligible to earn up to \$1,945,428 for 2020 P4P. The pot changed to \$2,671,039. Staff have asked HCA for an explanation of why the pot increased.

Reminder about decisions made for 2019. When 2019 performance incentives were announced in 2021, the Board allocated extra P4P dollars to PH, BH, and CBOSS partners in alignment with original funds flow model. HPP dollars were set aside for the OCH future state, with decision making on how to specifically allocate to come later.

Action

The Funds Flow Workgroup recommends the following to the Board of Directors:

- Divide \$1,371,828 among PH, BH, and CBOSS partners who were under contract in 2020 in alignment with the [2022 not year 6 payment model](#) and original funds flow allocation.
- Set aside the HPP dollars, \$1,010,627 to the OCH future state with specific board decisions to come at a later time.

See the attached spreadsheet for updated payment information based on these recommended actions.

Implementation partners can expect payment at the beginning of August.

Recommendation

The Board of Directors approves the actions for allocating the 2020 performance dollars.



5/18/2022

Dear Ms. Schoenthaler,

Under the Medicaid Transformation Project (MTP) Accountable Communities of Health (ACHs) are accountable for demonstrating improvement toward and attainment of transformation targets, including performance across quality and health outcome metrics. ACHs can earn pay-for-performance (P4P) incentives for project-specific metrics. Results are converted to achievement values (AVs) that determine incentive award.

ACHs may also earn high-performance pool (HPP) funds that incentivize meaningful improvement across a set of core health outcome metrics. All metrics, weighted equally, are used to generate a composite quality improvement score (QIS). Incentives are distributed according to the ACH's relative QIS and adjusted for regional population size. Your ACH performance was calculated following the [MTP Measurement Guide](#) and should be referred to for detailed calculation methodologies. Your 2020 P4P and HPP performance results were shared with you in November 2021.

As the Independent Assessor acting on behalf of the Washington State Health Care Authority (HCA), Myers and Stauffer received performance results from HCA and calculated the associated incentive awards. We are pleased to notify you of the funding amounts indicated in this approval letter for **Olympic Community of Health**.

Performance Results – Project-specific Metrics

These are the performance results on project-specific metrics for Demonstration Year 4 (January 1–December 31, 2020) of the MTP. The table below shows the Project P4P achievement values (AVs) that were earned based on the state's calculated P4P measure results. Payment of these incentives is planned for June 2022.



Table 1 – P4P AV by Project

Project	Total AVs Achieved	Maximum Possible AVs	Percent Achieved
2A: Bi-directional Integration of Physical and Behavioral Health through Care Transformation	10.25	14.00	73%
2D: Diversion Interventions	3.00	3.00	100%
3A: Addressing the Opioid Use Crisis	5.00	5.00	100%
3B: Reproductive and Maternal and Child Health	8.00	9.00	89%
3C: Access to Oral Health	4.00	4.00	100%
3D: Chronic Disease Prevention and Control	7.75	8.00	97%
Total	38.00	43.00	88%

The Total Percent Achieved in Table 1 was provided for informational purposes only. The amount earned is based on the individual project achievement multiplied by the project potential. The project potential is calculated from project weights as described in the funding and mechanics protocol (pgs. 5-8, [Funding and Mechanics Protocol](#)). The amount earned for each project is shown in table 2.

Table 1 – P4P Payment by Project

Project	Potential	Earned	Unearned
2A: Bi-directional Integration of Physical and Behavioral Health through Care Transformation	\$1,314,973	\$962,748	\$352,225
2D: Diversion Interventions	\$534,208	\$534,208	\$0
3A: Addressing the Opioid Use Crisis	\$164,372	\$164,372	\$0
3B: Reproductive and Maternal and Child Health	\$205,464	\$182,635	\$22,829
3C: Access to Oral Health	\$123,279	\$123,279	\$0
3D: Chronic Disease Prevention and Control	\$328,743	\$318,470	\$10,273
Total	\$2,671,039	\$2,285,711	\$385,327

Performance Results – HPP Core Metrics

These are the performance results and calculated QIS for HPP core metrics for Demonstration Year 4 (January 1–December 31, 2020). The total HPP funds available is equal to the unearned P4P funds from all ACHs along with unearned ACH Value Based Payment incentives. The table below shows the HPP funds that were earned based on the state’s calculated measure results. Payment of the HPP is planned for June 2022. The Quality Improvement Score is a composite of measure results as described in Chapter 8 of the measurement guide (pgs. 63-64, [MTP Measurement Guide](#)).

Table 2 – HPP Payment Total

High Performance Pool	Total
Quality Improvement Score (QIS)	0.50
QIS as Percent of Sum	10%
Population	73,719
Population Index	0.40
QIS as Percent of Sum × Population Index	4.22%
Percent of Pool	4.34%
Total HPP Funds Available	\$23,303,221
Total Funds Earned	\$1,010,627

If you have questions related to incentive funding, please submit directly to the Medicaid Transformation inbox (medicaidtransformation@hca.wa.gov).

Thank you,
Myers and Stauffer LC

4/26/2022

Dear Celeste Schoenthaler,

The table below shows the DY4 Value Based Payment (VBP) Pay for Performance (P4P) funds that were earned based on MCO submitted VBP results for Olympic Community of Health. Payment of these incentives is planned by the end of June 2022.

P4P VBP Incentives

Value Base Payment Incentives	Total
Performance Year	CY 2020
Base Earnable Funds	\$600,000
P4P Portion (75%)	\$450,000
P4P Score	5%
P4P Funds Earned	\$22,500
P4P Funds Unearned	\$427,500

P4R VBP Incentives

Value Base Payment Incentives	Total
Performance Year	CY 2020
Base Earnable Funds	\$600,000
P4R Portion (25%)	\$150,000
P4R Score	100%
P4R Funds Earned	\$150,000
P4R Funds Unearned	\$0

Note that the VBP Pay for Reporting (P4R) incentive was previously approved and paid in June 2021. Any unearned funds will be moved to the High Performance Pool (HPP). Calculation and payment of the HPP is planned by the end of June 2022.

The P4P Score is based on meeting a set of targets shown in the table below.

Achievement	P4P Detail	Total
VBP	DY 3 Category 2C – 4B Achievement	82%
	DY 4 Category 2C – 4B Achievement	75%
	DY 4 Target	85%
	VBP Score	0%
Subset	MACRA A-APM Arrangement	Yes
	Subset Score	100%
Improvement	Improvement from DY 3	0%
	Improvement Score	0%
Sub-target	Category 3A – 4B Achievement	61%
	DY 4 Target	30%
	Sub-target Achieved	Yes
	P4P Score (20% VBP + 5% Subset + 75% Improvement)	5%

Note that the improvement score calculation and P4P Score weighting were updated in DY4. Previously, the result was the improvement over baseline (DY4 Result – DY3 Result) / (DY3 Result). The Improvement Score



is now calculated as improvement relative to the target: $(\text{DY4 Result} - \text{DY3 Result}) / (\text{DY4 Target} - \text{DY3 Result})$. The P4P Score weight has been updated from (45% VBP + 5% Subset + 50% Improvement) to (20% VBP + 5% Subset + 75% Improvement).

If you have questions related to incentive funding, please submit directly to the Medicaid Transformation inbox (medicaidtransformation@hca.wa.gov).

Thank you,
Myers and Stauffer LC

Olympic Community of Health - Implementation Partner Payment
2020 Performance + original funds flow for 2022 (not year 6)

Organization	Original estimate	New amount	Difference
Answers Counseling (CBOSS)	\$28,282.92	\$57,062.53	\$28,779.61
Bogachiel and Clallam Bay Primary Care Clinics (PC)	\$21,042.17	\$38,367.66	\$17,325.49
Discovery Behavioral Health (BH)	\$59,456.99	\$108,412.07	\$48,955.08
First Step Family Support Center (CBOSS)	\$19,341.94	\$39,023.56	\$19,681.61
Forks Community Hospital (HOS)	\$0.00	\$0.00	\$0.00
Harrison Health Partners Primary Care Clinics (PC)	\$52,712.56	\$96,114.49	\$43,401.93
Harrison Medical Center (HOS)	\$0.00	\$0.00	\$0.00
Jamestown Family Health Clinic (BH)	\$973.17	\$1,774.45	\$801.28
Jamestown Family Health Clinic (PC)	\$58,173.34	\$106,071.51	\$47,898.17
Jefferson Healthcare (BH)	\$13,271.20	\$24,198.30	\$10,927.10
Jefferson Healthcare (HOS)	\$0.00	\$0.00	\$0.00
Jefferson Healthcare (PC)	\$159,321.82	\$290,502.58	\$131,180.77
Kitsap Children's Clinic (PC)	\$102,723.51	\$187,302.94	\$84,579.43
Kitsap Medical Group (BH)	\$15,529.42	\$28,315.88	\$12,786.46
Kitsap Medical Group (PC)	\$63,668.69	\$116,091.56	\$52,422.87
Kitsap Mental Health Services (BH)	\$76,299.24	\$139,121.72	\$62,822.49
Kitsap Public Health District (CBOSS)	\$29,389.06	\$59,294.24	\$29,905.17
Kitsap Recovery Center (BH)	\$56,823.42	\$103,610.11	\$46,786.69
North Olympic Healthcare Network (BH)	\$20,645.43	\$37,644.26	\$16,998.83
North Olympic Healthcare Network (PC)	\$66,530.31	\$121,309.35	\$54,779.04
Northwest Washington Family Medical Residency (PC)	\$68,918.94	\$125,664.71	\$56,745.77
OlyCAP (CBOSS)	\$32,298.45	\$65,164.09	\$32,865.65
Olympic Area Agency on Aging (CBOSS)	\$33,039.94	\$66,660.11	\$33,620.17
Olympic Medical Center (HOS)	\$0.00	\$0.00	\$0.00
Olympic Medical Center (PC)	\$90,243.50	\$164,547.27	\$74,303.77
Olympic Peninsula Health Communities Coalition (CBOSS)	\$27,080.22	\$54,636.01	\$27,555.79
Olympic Personal Growth (BH)	\$6,134.03	\$11,184.60	\$5,050.57
Peninsula Behavioral Health (BH)	\$49,667.88	\$90,562.92	\$40,895.03
Peninsula Community Health Services (BH)	\$58,050.24	\$105,847.05	\$47,796.81
Peninsula Community Health Services (PC)	\$224,818.40	\$409,927.07	\$185,108.67
Port Gamble S'Klallam Tribe (BH)	\$16,984.15	\$30,968.38	\$13,984.24
Port Gamble S'Klallam Tribe (PC)	\$25,352.74	\$46,227.41	\$20,874.68
Reflections Counseling Services Group (BH)	\$21,917.98	\$39,964.59	\$18,046.61
Sophie Trettevick Indian Health Center (BH)	\$2,105.13	\$3,838.44	\$1,733.30
Sophie Trettevick Indian Health Center (PC)	\$40,619.41	\$74,064.19	\$33,444.79
West End Outreach Services (BH)	\$24,824.38	\$45,264.03	\$20,439.64
West Sound Treatment Center (BH)	\$21,991.95	\$40,099.45	\$18,107.51
YMCA (Pierce & Kitsap Counties) (CBOSS)	\$30,685.79	\$61,910.47	\$31,224.67

Total **\$1,618,918.33** **\$2,990,748.00** **\$1,371,829.67**

Notes:

Includes all implementation partners participating in 2020. Beacon of Hope merged with Discovery Behavioral Healthcare. Hospitals are not included in this payment process.