

COVID-19 Summary of Proposed Changes for DSRIP DY9

Background

Significant changes in care delivery due to COVID-19 may prevent Delivery System Reform Incentive Payment (DSRIP) Program providers from achieving Category B goals for Medicaid and Low-Income or Uninsured (MLIU) Patient Population by Provider (PPP), improving Category C measures (pay-for-performance measures) of healthcare quality, and earning related incentive payments.

CMS provided guidance to all DSRIP states regarding measurement flexibilities for Calendar Year (CY) 2020 due to COVID-19's impact on providers' ability to achieve goals. CMS's proposal recognizes the disruption of the COVID-19 response on quality measurement and allows for the continuation of rewards for performance. For each achievement milestone, CMS proposed providers use the greater of the provider's CY2019 achievement, the provider's CY2020 achievement, or the average statewide achievement from CY2019 as a stand in for CY2020 achievement. This allowance concedes that, prior to the pandemic, providers were likely working toward improving performance to earn incentive payments for CY2020.

HHSC has developed the following proposals for the Texas DSRIP program based on CMS guidance and stakeholder concerns. Stakeholders may submit feedback to TXHealthcareTransformation@hhsc.state.tx.us by **Friday, June 26, 2020** as HHSC discusses Program Funding and Mechanics Protocol (PFM) changes with CMS.

Category B

HHSC proposes to:

- ***Broaden the definition of an encounter to include patient telephone calls*** (currently only face-to-face or virtual visits are allowed). A telephone call may be counted if it is the equivalent of a service that would be provided within the physical confines of the defined system.
- ***Adjust the Allowable Variation in achievement of MLIU PPP goals to a higher percentage*** for Demonstration Year (DY) 9 and DY 10, depending on the duration of COVID-19. Allowable Variation provides 1-5% difference from the 100% achievement level of the provider's population goal without financial penalty, to account for regular fluctuation in the case mix or population that a provider serves.
 - Partial payment will be tiered in the following manner: 100% valuation for achievement at 100% of goal (with allowable variation) and remaining valuation at quartiles of valuation and achievement based on maximum allowable variation as determined by HHSC. A Performing Provider will not earn any payment for maintaining less than 50% of its MLIU patient population.
 - For example, if allowable variation is 30%, then a provider would earn 100% of valuation for achieving 70% to 100% of the provider's goal or 50% of valuation for achieving 50% to 69% of the goal.

Providers may continue to submit DY9-10 MLIU PPP modifications as allowed under PFM paragraph 14.b.

HHSC proposes adjusting Allowable Variation by the same amount for all providers to ensure providers equally benefit regardless of size, MLIU PPP goal, or ability to request modifications to MLIU PPP goals. The adjustment will factor in the duration of the State of Texas' Disaster Declaration for COVID-19 during DY9 (and possibly DY10), as well as data on COVID-19's impact on outpatient encounters. HHSC hopes to provide the updated allowable variations to DSRIP providers by August 2020.

The proposal allows for a larger cushion for full achievement of the provider's Category B metric to help account for the impact of the COVID-19 pandemic on the provider's patient encounter volume without having to make adjustments to MLIU PPP goals. HHSC expects that most providers will be able to fully achieve the Category B metric based on DY7-8 reporting data and revised allowable variation. In DY7, 84% of participating DSRIP providers reported 100% achievement of their Category B metric, and 81% in DY8. Providers that previously fell within the 90% and 75% payment tiers will most likely see full achievement with these proposed changes.

Category C

HHSC proposes to:

- Allow providers to earn payment for PY3 (CY2020) for ***DY9 achievement milestones (AM-9.x) and DY8 carryforward achievement milestones (AM-8.x) for measures selected for DY7-10*** based on the higher of:
 - Provider's approved DY8 achievement value (CY2019) for the measure,
 - Average approved DY8 achievement value per measure class based on all measures reported within a measure class (rounded down to the quartile), or
 - Provider's DY9 achievement value for PY3 for the measure based on current goals stated in the PFM.
- Allow providers to earn payment for PY3 (CY2020) ***DY9 achievement milestones (AM-9.x) for measures newly selected for DY9-10*** based on the higher of:
 - Average approved DY8 achievement value per measure class based on all measures reported within measure class (rounded down to the quartile), or
 - Provider's DY9 achievement value for PY3 (CY2020) for the measure based on current goals stated in the PFM.

Providers may also continue to carryforward AM-9.x milestones for achievement in PY4 (CY2021) with reporting occurring in DY11 Round 1 (April 2022).

Each measure in the Measure Specifications is in a defined measure class or type, such as process measures, clinical measures, cancer screening measures, immunization measures.

HHSC is providing the estimated average achievement values per measure class based on reporting of PY2 during DY9 Round 1 (April 2020). The actual average achievement value for an

AM-9 milestone will be determined by all PY2 reporting as of the October DY9 Needs More Information (NMI) reporting period (February 2021).

Additional Requirements for DY9 AM-9 Milestones:

In order to be eligible for payment for a measure's DY9 goal achievement milestone, the Performing Provider must report the measure's PY3 performance, PY2 performance for measures selected in DY7-8, and ongoing continuous quality improvement activities in the Core Activities reporting for DY9-10.

Example of DY9 Achievement Value Calculations:

Example Provider	Measure	Measure Class	Measure Class Average Reported AM-8 Achievement <i>(determined by CY2019 data)</i>	Provider Reported AM-8 Achievement <i>(determined by CY2019 data)</i>	Provider Reported AM-9 Achievement <i>(determined by CY2020 data)</i>	DY9 Achievement Value Used for Achievement Milestone Payment
A	Childhood Immunization status	Immunization	75%	100%	50%	100%
B	Childhood Immunization status	Immunization	75%	50%	25%	75%
C	Diabetes A1C Poor Control 9%	Clinical	50%	0%	0%	50%
D	Diabetes A1C Poor Control 9%	Clinical	50%	75%	50%	75%
E	Diabetes A1C Poor Control 9%	Clinical	50%	50%	75%	75%

- Provider A reported 100% achievement of the AM-8 goal in CY2019, so the AM-9 achievement milestone will be approved at 100% of its assigned value.
- Provider B reported 50% achievement of the AM-8 goal in CY2019, which is lower than the average reported AM-8 achievement for all immunization measures, so AM-9 will be approved at 75%.
- Provider C reported 0% achievement of the AM-8 goal in in CY2019, which is lower than the average reported AM-8 achievement for all clinical measures, so AM-9 will be approved at 50%.
- Provider D reported 75% achievement of the AM-8 goal in CY2019, which is higher than the average reported AM-8 achievement for all clinical measures, so AM-9 will be approved at 75%.
- Provider E reported 50% of achievement of the AM-8 goal in CY2019, which is equal to the average reported AM-8 achievement for all clinical measures. However, Provider E

also reported 75% achievement of the AM-9 goal in CY2020 so AM-9 will be approved at 75%.