



Update

June 2012

No. 2012-20

Affected Programs: BadgerCare Plus, Medicaid

To: Hospital Providers, HMOs and Other Managed Care Programs

Additional Hospital Pay for Performance Program Information

As described in the April 2012 *ForwardHealth Update* (2012-15), titled "Hospital Pay for Performance Changes," there are two components to the hospital pay for performance (P4P) initiative for state fiscal year 2013 (July 1, 2012, to June 30, 2013): the Assessment P4P program and the Withhold P4P program. This *Update* provides additional information for both the Assessment P4P and Withhold P4P programs, including financial details, performance targets, and a timeline of important dates (available in Attachment 1).

Hospital Assessment Pay for Performance Program Overview

In state fiscal year (SFY) 2013, the Department of Health Services (DHS) will reserve \$5 million for Wisconsin acute care, children's, and rehabilitation hospitals that meet certain performance targets. Refer to Attachment 1 of this *ForwardHealth Update* for a timeline of important dates for the hospital pay for performance (P4P) program.

Checkpoint Reporting Requirements

In order to qualify for the Assessment P4P program, eligible hospitals are required to report the following measures to CheckPoint:

- Perinatal measures:
 - ✓ Pre-birth steroids.
 - ✓ Forceps delivery.
 - ✓ Vacuum delivery.
 - ✓ C-section with labor.
 - ✓ C-section without labor.

- ✓ Breastfeeding.
- ✓ Infant composite.
- Discharge instructions for heart failure: Hospitals are required to report the percent of heart failure patients discharged to home with written instructions to the patient or caregiver that address all of the following:
 - ✓ Activity level.
 - ✓ Diet.
 - ✓ Discharge medications.
 - ✓ Follow-up appointment.
 - ✓ Weight monitoring.
 - ✓ What to do if symptoms worsen.
- Patient experience of care: Hospitals are required to report 10 measures based on patient completion of the Hospital Consumer Assessment of HealthCare Providers and Systems Questionnaire (HCAHPS Survey).

Funding Distribution by Measure

The \$5 million allocated by the DHS for the Assessment P4P program will be distributed as follows:

- \$2 million will be evenly distributed to hospitals for scoring at or above the state average on the pre-birth steroids, breastfeeding, and infant composite measures.
- \$1.5 million is available for scoring at or above the statewide average on the discharge instructions for heart failure measure.
- \$1.5 million is available for scoring at or above the statewide average on the patient experience of care measure.

Data Source for Setting Baselines

The baselines for these three sets of measures will be based on the latest 12-month data available on CheckPoint as of June 30, 2012.

Hospital Withhold Pay for Performance Program Overview

Beginning July 1, 2012 (SFY 2013), fee-for-service inpatient hospital claims with dates of discharge during measurement year (MY) 2013 (July 1, 2012, through June 30, 2013) and fee-for-service outpatient hospital claims with dates of service during MY 2013 will be subject to a 1.5 percent withholding on each payable inpatient and outpatient hospital claim amount. The 1.5 percent of the payable amount will be withheld after member cost sharing is deducted and before access payments are applied.

The withheld amount will be redistributed at a later date to acute care, children's, critical access, and psychiatric hospitals that meet performance-based targets for the following six measures, as applicable:

- Thirty-day hospital readmission.
- Mental health follow-up visit within 30 days of discharge for mental health inpatient care.
- Asthma care for children.
- Surgical infection prevention index.
- Initial antibiotic for community-acquired pneumonia.
- Health care personnel influenza vaccination.

Targets for Withhold Pay for Performance Measures

For the thirty-day hospital readmission and mental health follow-up visit measures, hospitals will be evaluated on their level of improvement from their baselines. The DHS calculated the preliminary baselines using calendar year 2010 data and shared them with hospitals in April 2012. Based on hospital feedback on the preliminary baselines, the DHS is reviewing the baseline data and will share revised individual baselines and seek a second round of feedback from the hospitals via the secure Provider area of the ForwardHealth Portal in June 2012. The DHS plans to provide final

baselines to individual hospitals via the Portal in August 2012.

Note: Although the targets for these two measures will be finalized in August 2012, the Withhold P4P program's MY 2013 will begin on July 1, 2012.

The target for the asthma care for children measure will be set at the national average as calculated by the Joint Commission. The targets for the surgical infection prevention index and initial antibiotic for community-acquired pneumonia will be set at the statewide average. The statewide average will be based on the latest 12-month data available on CheckPoint as of June 30, 2012.

The health care personnel influenza vaccination measure will be a Pay for Reporting measure in MY 2013 (July 1, 2012, to June 30, 2013). Therefore, any hospital that submits the Healthcare Personnel Influenza Vaccination Survey and has submitted a signed data release consent form will be deemed to have met the target for this measure.

Reporting Deadlines and Payment Distribution

During each quarter of the MY, the DHS will distribute two reports to individual hospitals via the hospital's secure Provider page of the Portal. The reports will include cumulative information from the beginning of the MY on the following:

- The numerator, denominator, and member-level details for the thirty-day hospital readmissions measure.
- The numerator, denominator, and member-level details for the mental health follow-up visit measure.

Providers will receive a secure Provider Portal message when new reports are available for review.

Due to time lag associated with hospital claim submissions, these reports will not have up-to-date information, are for informational purposes only, and the DHS will not review any potential data discrepancies between hospital data and

the data contained in these reports until the conclusion of MY 2013.

In the fourth quarter of calendar year 2013, the DHS will post preliminary MY 2013 results for the thirty-day hospital readmissions and mental health follow-up visit measures to the secure Provider page of the Portal. If a hospital believes there is a discrepancy between its data and its preliminary MY 2013 results, the hospital should notify the DHS via the secure Provider area of the Portal.

Note: The DHS will provide an annual report for the individual hospital performance and the total money withheld only after the completion of MY 2013 and after any applicable adjustments have been made. Hospitals will have the ability to determine the withheld amount during the MY by reviewing the Remittance Advice for each claim. In addition, claims where the P4P withhold has been applied will have the Explanation of Benefits code 9008 (Pricing Adjustment — Payment amount decreased based on Pay for Performance policy).

Assessment Pay for Performance Program Reporting Deadlines

Performance on Assessment P4P program measures will be based on the latest 12-month data available on CheckPoint as of November 30, 2013.

Withhold Pay for Performance Program Reporting Deadlines

The deadline for claims to be included in the Withhold P4P program performance evaluation is October 31, 2013. For payment purposes, hospitals have 365 days past the date of service to submit claims.

Note: Claims for services rendered during MY 2013 submitted after the October 31, 2013, deadline will still be subject to the 1.5 percent withhold.

Data Analysis and Payment Distribution

The reconciliation of financial and performance measurement data will occur on an annual basis. Beginning

in the fourth quarter of calendar year 2013, the DHS will conduct internal analysis and, if necessary, will work with individual hospitals to reconcile any data discrepancies. The DHS intends to complete analysis for the Assessment P4P program by December 31, 2013, and for the Withhold P4P program in the first quarter of calendar year 2014.

Assessment P4P program payments will be made prior to December 31, 2013. Withhold P4P program payments will be made some time in the first quarter of 2014. Refer to Attachment 2 for Assessment P4P program funding distribution information and to Attachment 3 for Withhold P4P program bonus methodology information.

Questions Regarding the Pay for Performance Initiative

Hospital providers may submit questions regarding the Assessment P4P program or the Withhold P4P program to dhs hospitalp4p@wisconsin.gov. All communication involving sensitive data, including individually identifiable health information (known as protected health information [PHI]), must be submitted via the secure area of the Portal.

For additional information regarding the Assessment P4P program or the Withhold P4P program, including measure specifications, program/bonus methodology, and a frequently-asked-questions section, refer to the Hospital P4P Guide on the hospital Provider-specific Resources page of the Portal at www.forwardhealth.wi.gov/WIPortal/content/Provider/Medicaid/hospital/resources_01.htm.spage.

Information Regarding Managed Care Organizations

This *Update* contains fee-for-service policy and applies to services members receive on a fee-for-service basis only. For managed care policy, contact the appropriate managed care organization. Managed care organizations are required to provide at least the same benefits as those provided under fee-for-service arrangements.

The *ForwardHealth Update* is the first source of program policy and billing information for providers.

Wisconsin Medicaid, BadgerCare Plus, SeniorCare, and Wisconsin Chronic Disease Program are administered by the Division of Health Care Access and Accountability, Wisconsin Department of Health Services (DHS). The Wisconsin Well Woman Program is administered by the Division of Public Health, Wisconsin DHS.

For questions, call Provider Services at (800) 947-9627 or visit our Web site at www.forwardhealth.wi.gov/.

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ATTACHMENT 1

Hospital Pay for Performance Program Timeline

The following table outlines important activities and dates for both the Assessment pay for performance (P4P) program and the Withhold P4P program.

Activity	Due Date
Preliminary baseline data for measurement year (MY) 2013 (Withhold P4P program) was shared by Department of Health Services (DHS) with hospitals	4/9/2012
Signed health care personnel vaccination data release form due from hospitals to DHS	6/29/12
DHS will share final baseline targets for MY 2013 (Assessment P4P program) with hospitals	6/29/12
Begin state fiscal year (SFY) 2013 (same as MY 2013) for both Assessment P4P program and Withhold P4P program	7/1/12
DHS will share final baseline targets for MY 2013 (Withhold P4P program) with hospitals	Mid-August 2012
End SFY 2013 (same as MY 2013) for both Assessment P4P program and Withhold P4P program	6/30/13
Hospital fee-for-service claim submission deadline for inclusion in Withhold P4P program	10/31/13
DHS will share final results for MY 2013 (Assessment P4P program) with hospitals	12/31/13
DHS will pay out Assessment P4P program dollars based on MY 2013 performance	12/31/13
DHS will share preliminary results for MY 2013 (Withhold P4P program) with hospitals	Late December 2013
DHS will share final results for MY 2013 (Withhold P4P program) with hospitals	First quarter 2014
DHS will pay out Withhold P4P program dollars based on MY 2013 performance	First quarter 2014

ATTACHMENT 2

Assessment Pay for Performance Program Funding Distribution

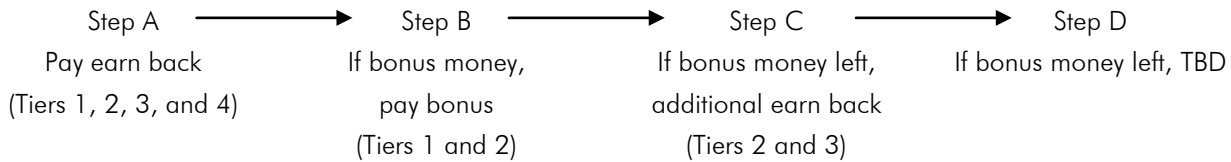
For measurement year/state fiscal year 2013 (July 1, 2012, to June 30, 2013), the Department of Health Services will continue to reserve \$5 million for Wisconsin acute care, children's, and rehabilitation hospitals that meet certain performance targets. In order to qualify for the money allocated for each measure of the Assessment pay for performance (P4P) program, eligible hospitals must meet or exceed the statewide average as published on CheckPoint.

Measure	Measurement Year 2013
Pre-birth steroids Forceps delivery Vacuum delivery C-section with labor C-section without labor Breastfeeding Infant composite	No money associated with reporting on these measures. To be eligible for the perinatal P4P money (see below), hospitals must report on all of these measures.
Perinatal measures	\$2.0 million Pre-birth steroids - \$0.667 million Breastfeeding - \$0.667 million Infant composite - \$0.667 million
Discharge instructions for heart-related care	\$1.5 million
Patient experience of care	\$1.5 million

ATTACHMENT 3

Withhold Pay for Performance Program Bonus Methodology

The table below outlines the four-tier bonus system developed by the Department of Health Services (DHS) for the Withhold pay for performance (P4P) program. The DHS does not aim to achieve any savings through forfeiture; if any forfeited money remains at the end of the measurement year after applying the bonus methodology below, the DHS will develop ways to distribute the remaining funds.



	Eligibility	Earn back	Bonus
Tier 1	-100 percent earn back for all applicable measures -Meet all Pay for Reporting requirements	-Full earn back, no forfeiture (Step A)	-Must have at least one applicable P4P measure -Up to 1.5 percent of fee-for-service payments proportional to withhold amount in Tier 1 (Step B) -TBD (Step D)
Tier 2	-Not in Tier 1 -At least 75 percent earn back for all measures <i>and</i> 100 percent earn back for at least one of the applicable P4P measures -Meet all Pay for Reporting requirements	-Earn back based on applicable percent achieved on each measure (Step A), limited forfeiture possible -Eligible for additional earn back (up to withhold amount), proportional to withhold amount in Tier 2 (Step C)	-Must have at least one applicable P4P measure -Up to 0.75 percent of fee-for-service payments per measure, only for measures where 100 percent earn back achieved, proportional to withhold amount in Tier 2 (Step B)
Tier 3	-Not in Tiers 1 or 2 -At least 75 percent earn back for all measures -Meet all Pay for Reporting requirements	-Earn back based on applicable percent achieved on each measure (Step A), some forfeiture possible -Eligible for additional earn back (up to withhold amount), proportional to withhold amount in Tier 3 (Step C)	None

	Eligibility	Earn back	Bonus
Tier 4	-Not in Tiers 1, 2, or 3	-Earn back based on applicable percent achieved (Step A)	None