28. Integrated Care Models (Primary Care Case Management)

A. Overview

Under the Accountable Community (AC) program, an AC “Lead Entity” MaineCare provider contracts with the Department to share in a percentage of savings or losses for an assigned member population, commensurate with performance on specified quality metrics. The Department does not contract with the individual providers that make up the Lead Entity. The contract with the State to participate in this initiative ends three years following the implementation date of the contract. The Lead Entity may distribute payment to or share responsibility for losses with any of its other AC providers.

As a condition of continuance beyond 2018, Maine will evaluate the program to demonstrate improvement against past performance and the performance of comparable states (to the extent available) using cost and quality data to determine whether the payment methodology has achieved or needs revisions to achieve the goals of improving health, increasing quality and lowering the growth of health care costs.

Maine will:

- Provide CMS, at least annually, with data and reports supporting achievements in the goals of improving health, increasing quality and lowering the growth of health care costs.
- Provide CMS with updates, as conducted, to the state’s metrics.
- Review and renew the payment methodology as part of the evaluation.
- Make all necessary modifications to the methodology, including those determined based on the evaluation and program success, through State Plan Amendment submissions.

Shared savings payments will be made under the statutory authority of 1905(a)(25) and 1905(t)(1) of the Social Security Act, which includes location, coordination and monitoring of health care services. Fee-for-service payments will continue to be made to any qualified Medicaid provider – including AC providers – that provides any Medicaid service to a member who has been attributed to a Lead Entity.

B. Payment Methodology

“Performance year” is the first twelve-month period of participation in the Accountable Community program by the AC Lead Entity, and each twelve-month period thereafter.
“Base Year” is a twelve-month period preceding Performance Year 1, on which analysis is based to establish the per member per month total cost of care (TCOC) benchmark. The performance years at implementation are as follows: Performance Year 1 is 2014 to 2015, Performance Year 2 is 2015-2016, and Performance Year 3 is 2016 to 2017.

1. **Total Cost of Care Calculation for Base Year and Performance Years**
   The per member per month TCOC for the base year and for Performance Years 1, 2 and 3 will be calculated by the Department retrospectively, using fee-for-service claims data. The cost in the Base and Performance Years will include the Core Service Costs and any Optional Service Costs selected by the Lead Entity, for the population assigned to the AC. All of the assigned members’ Core Service Costs and Optional Service Costs elected by the AC will be calculated as part of the Benchmark TCOC amounts for the AC, regardless of whether the AC delivered the services associated with those costs. The total cost of care will not include a member’s total annual claims costs in excess of 50,000 for ACs with 1,000-1,999 attributed members; $150,000 for ACs with 2,000-4,999 attributed members; or $200,000 for ACs with 5,000 attributed members or greater.

   The Benchmark TCOC amount for each Performance Year will be developed using the base year TCOC adjusted for policy changes through the end of the Performance Year, changes in the aggregate risk of the attributed population from the base year to the Performance Year, completion factor adjustments to account for claims incurred but not paid, the claims cap adjustments referenced above, and trend calculated from the Performance Year based on sub population trends within a non AC comparison group.

   The non AC comparison group consists of members who would meet the criteria to be attributed to an AC except that the providers through which they would be otherwise be attributed are not participating in the initiative.

2. **Calculation of Savings or Losses**
   The shared savings payment or loss recoupment for each Performance Year is based on the difference between the Benchmark TCOC and the actual, realized TCOC for each Performance Year, for specified services provided to the population assigned to the AC.
by any qualified Medicaid providers, regardless of whether the providers are part of the
AC. Savings must meet or exceed 2.5% for ACs with 1,000 to 4,999 attributed members
or 2.0% for ACs with greater than 5,000 attributed members in order to allow payment,
Payment is adjusted based on the AC’s performance on defined quality benchmarks for
the performance year. AC Lead Entities may share savings or losses with its AC
Providers.

The Department will determine shared savings or losses by comparing:

a) Benchmark Total Cost of Care: The total baseline per member per month cost of
care for Core Service Costs and any Optional Service Costs elected by the AC for the
assigned population, adjusted for trend, policy changes, and risk (described below); and

b) Actual Performance Year Total Cost of Care: The total actual per member per
month expenditures on Core Service Costs and any Optional Service Costs elected by
the AC for the assigned population during the Performance Year.

In order to avoid duplication of payment for locating, coordinating and monitoring
services, the Department will subtract from the savings calculation above, for each
Performance Year, any MaineCare per member per month payments that were made to
the AC Lead Entity, or to any of the individual providers who make up the AC Lead
Entity, for Primary Care Case Management (PCCM) and health home services
delivered to assigned members.

Providers may choose one of two payment models. One model includes gain-sharing
only, the other model includes both gain-sharing and loss-sharing after the first year.
Final payments/recoupments will be made no more than 15 months after all necessary
data is received in final form.

3. **Risk Score**

For both the base year and the performance year, the Department will calculate a risk
score utilizing a proprietary scoring system embedded in its MSIS system that is based on
diagnoses, condition interactions, National Drug Codes, age, sex of the population
assigned to the AC. The Benchmark TCOC will be adjusted based on the increase or
decrease in the risk of the assigned populations between the Base Year and Performance
Year.
C. Member Assignment Methodology and Minimum Number of Members Required

(1) The Department will assign members to an AC Lead Entity using the following stepwise process:

   a. Members who have six months of continuous eligibility or nine months of non-continuous eligibility during the most recent 12 months of base data will be eligible for assignment.

   b. Members enrolled in a Health Home practice that is part of or contracted by an AC Lead Entity will be assigned to that AC Lead Entity.

   c. Members not assigned in (b) will be assigned to the AC Lead Entity where they had a plurality of primary care services with a primary care provider. Primary Care Services are defined as Evaluation and Management, preventive, and wellness services identified through procedure codes, as listed in the provider contract, as well as services provided by Federally Qualified Health Centers and Rural Health Centers identified through revenue codes.

   d. Members not assigned under b or c who have had three (3) or more Emergency Department (ED) visits will be assigned to the AC that includes a hospital(s) at which the member has had a plurality of his or her ED visits.

   e. If the member does not meet the above outlined criteria, the member will not be assigned to an AC.

(2) Minimum Assigned Members:

   a. Lead Entities electing to participate under Model I must meet a minimum assigned MaineCare population of 1,000 members.

   b. Lead Entities electing to participate under Model II must meet a minimum assigned MaineCare population of 2,000 members.

(3) Members may not be assigned to more than one AC Lead Entity at any point in time.

(4) The Department will initially assign members to an AC prior to each performance year. The assigned population for each performance year will be re-determined at the
end of the performance year following three months of claims run-out for purposes of accountability under the payment models. The Lead Entity will receive an updated roster of members assigned to the AC at set intervals throughout the performance year.

D. **Quality Measures**

Savings payments will vary proportionately to the AC Lead Entity’s performance on quality measures. There will be a minimum acceptable attainment level for each measure. The measures and minimum attainment level will be posted on http://www.maine.gov/dhhs/oms/vbp/accountable.html and may be updated three months prior to the start of each performance year.

1. The quality measures fall into specified domains. An AC may earn points for meeting the minimum attainment level or better on each measure. If the AC achieves the minimum attainment level on at least one measure in each quality domain that contains multiple measures, the AC will earn points and be eligible to share in a portion of the savings for its assigned population (i.e., a portion of the difference between the benchmark TCOC and actual TOC, subject to the limits described below in the Section D). ACs that fail to achieve the minimum attainment level on at least one measure in each quality domain that contains multiple measures will not be eligible to share savings for its assigned population.

The AC must meet the minimum attainment level on a specified majority percentage of the measures in each domain that contains multiple measures. If the AC fails to achieve the minimum attainment level on the specified majority percentage of the measures in a domain, the Department may give the AC a warning, ask the AC to develop a corrective action plan, or put the AC in a special monitoring plan. Failure to meet the quality standard may result in termination. An AC that has been terminated from the program is disqualified from sharing in savings.

E. **Savings and Loss-Sharing Calculation Methodology**

Providers may choose one of two payment models. Under both models, to qualify for a shared savings payment: (1) the difference between the actual TCOC for the Performance Year and the Benchmark TCOC for the population assigned to the AC must meet or exceed at least 2.5% for ACs with 1,000 to 4,999 attributed members or 2.0% for ACs
with greater than 5,000 attributed members, and (2) the AC Lead Entity must achieve a minimum aggregate quality score.

1. **Model I: Shared Savings Payment Methodology.** The Model I Shared Savings Payment will be calculated as follows:

   a. **Shared Savings Rate.** Lead Entities under Model I may share in a maximum of 50 percent of savings, based on quality performance.

   b. **Quality Measure Adjusted Rate.** The AC’s Lead Entity’s aggregate percentage score on the quality measures multiplied by the Shared Savings Rate.

   c. **Shared Savings Payment Limit.** The amount of the shared savings payment an eligible Lead Entity receives under Model I may not exceed 10 percent of the Benchmark TCOC for each Performance Year.

   d. **Shared Loss.** Lead Entities participating under Model I are not accountable for any losses in any of the three performance years.

   e. **Shared Savings Payment Calculation.** Take the calculated per member per month savings amount, multiply that number by the Quality Measure Adjusted rate. The resulting per member per month savings amount is subject to the 10 percent Payment Limit above, once payments to the AC for PCCM and health homes have been subtracted. This amount is then multiplied times the total number of member months for the year to equal the total annual Shared Savings Payment.

2. **Model II: Shared Savings & Shared Losses Payment methodology.** The Model II Shared Savings or Shared Loss Payments are calculated as follows:

   a. **Shared Savings Rate.** Lead Entities participating under Model II share in a maximum of 60 percent of savings, based on quality measure performance.

   b. **Quality Measure Adjusted Rate.** The AC Lead Entity’s aggregate percentage score on the quality measures multiplied by the Shared Savings Rate.

   c. **Shared Savings Payment Limit.** The per member per month amount of shared savings an eligible Lead Entity receives under Model II may not exceed 15 percent of the Benchmark TCOC for that Performance Year.
d. **Shared Savings Payment Calculation.** Take the calculated per member per month savings amount, multiply that number by the Quality Measure Adjusted rate. The resulting per member per month savings amount is subject to the 15% Payment Limit above, once payments to the AC for PCCM and health homes have been subtracted. This amount is then multiplied times the total number of member months for the year to equal the total annual Shared Savings Payment.

e. **Shared Loss Rate.** In Performance Years 2 and 3, the percentage of shared loss subject to recoupment is determined based on the inverse of the AC’s Quality Measure Adjusted Rate, and may not exceed 60 percent.

f. **Shared Loss Payment Limit.** Lead Entities under Model II are not accountable for any downside risk in the first performance year. The amount of shared losses for which an eligible Lead Entity is liable in the second and third performance years may not exceed the following percentages of the benchmark monthly TCOC:

- 5 percent in Performance Year 2
- 10 percent in Performance Year 3

g. **Shared Loss Payment Calculation.** Take the calculated per member per month loss amount, multiply that number by the Shared Loss Rate. The resulting per member per month loss amount is subject to the Shared Loss Payment Limits above. This amount is then multiplied times the total number of member months for the year to equal the total annual Shared Loss Payment.

F. **Ensuring Continued Provision of Medically Necessary Care**

The AC program’s use of quality measures – including multiple measures that are specific to appropriate use of care – in determining the shared savings and loss payments ensures that the AC Lead Entity has an incentive to promote the use of appropriate care.

G. **Core Service Costs**

Costs for the following MaineCare services are included in the TCOC calculations: Physician Services; Nurse Midwife Services; Federally Qualified Health Centers; Rural Health Clinic; Indian Health Centers; Targeted Case Management Services (excluding services provided by Department employees); Mental Health Services; Substance Abuse Treatment Services; Rehabilitative and Community Support Services; Home Health Services; Pharmacy Services; Hospice Care Services; Other Laboratory and X-ray Services; Ambulance Services; Medical Supplies Equipment, and Appliances(DME); Family Planning Services; Occupational Therapy Services; Physical Therapy Services; Speech Therapy Services; Chiropractic Services; Optometrist’s Services; Hearing Aids;
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Audiology Services; Podiatrist’s Services; Clinic Services; Early and Periodic Screening, Diagnostic and Treatment Services; Inpatient Hospital Services; Outpatient Hospital Services; and Inpatient Psychiatric Facilities Services.

H. Optional Service Costs
The AC may also elect to include costs for the following MaineCare services in its TCOC calculations: Children’s residential Private Non-Medical Institution (PNMI) services; HCBS waiver services (excluding the Other Related Conditions waiver); Nursing Facility Services; Intermediate Care Facilities for Individuals with Intellectual Disability (ICF-IID); Private Duty Nursing and Personal Care Services; and Dental Services.

I. Excluded Service Costs
The following service costs are excluded from the TCOC calculation: PNMI, except for the children’s residential PNMI services listed under “Optional Service Costs” (above); Non-Emergency Transportation; TCM provided by Department employees; and Other Related Conditions HCBS Waiver.