

Performance-Based Contracting for Residential Services

ISAC
April 2024



1915(b)(4) Submission and Waiver Amendment Process

On April 20, 2024, the Office of Developmental Programs (ODP) released the following for public comment:

- PBC Implementation Plan
- New 1915(b)(4) Waiver Application for Residential Services
- 1915(c) Waiver Amendments for Community Living and Consolidated Waivers
- Proposed Rates

ODP Performance-Based Contracting: Values Driving Change

Everyday Lives: Values in Action

- Created by individuals with lived experience
- Drives ODP policy
- Provides individuals with opportunities in their communities

Evaluate Future Innovations

- Services and service payments will be based on Everyday Lives principles
- All ODP partners help make decisions

Performance-Based Contracting

- Services are of high quality
- Knowledgeable and capable workforce
- System is strong to meet future needs of all citizens with developmental disabilities

Residential Provider Tiers

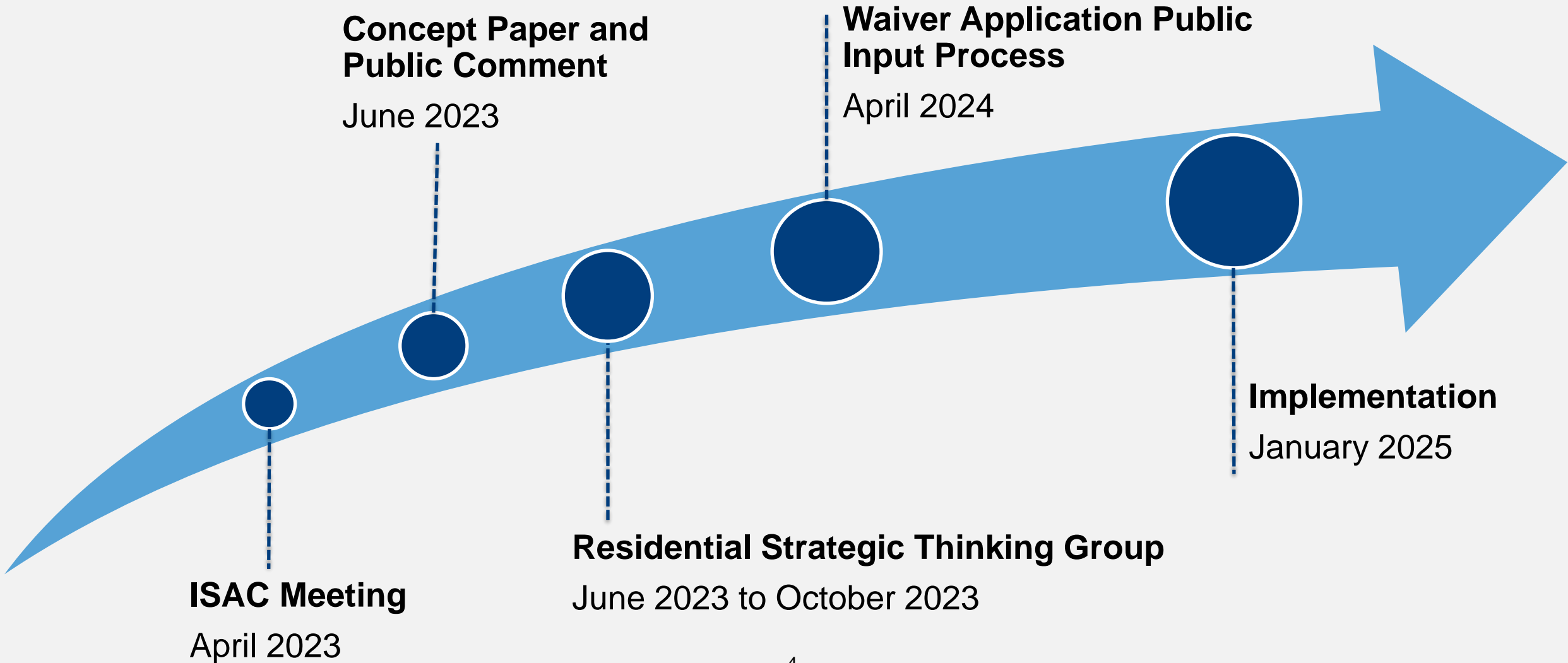
- The new approach will place providers in the following tiers:
- Conditional
 - Primary
 - Select Residential
 - Clinically Enhanced Residential

Residential Provider Standards

- The tiers are based on standards that measure how providers:
- Hire, train, and keep their workforce
 - Use technology to support safety and independence
 - Promote independence, competitive employment, and community integration
 - Support people with complex needs
 - Use data to improve quality of services



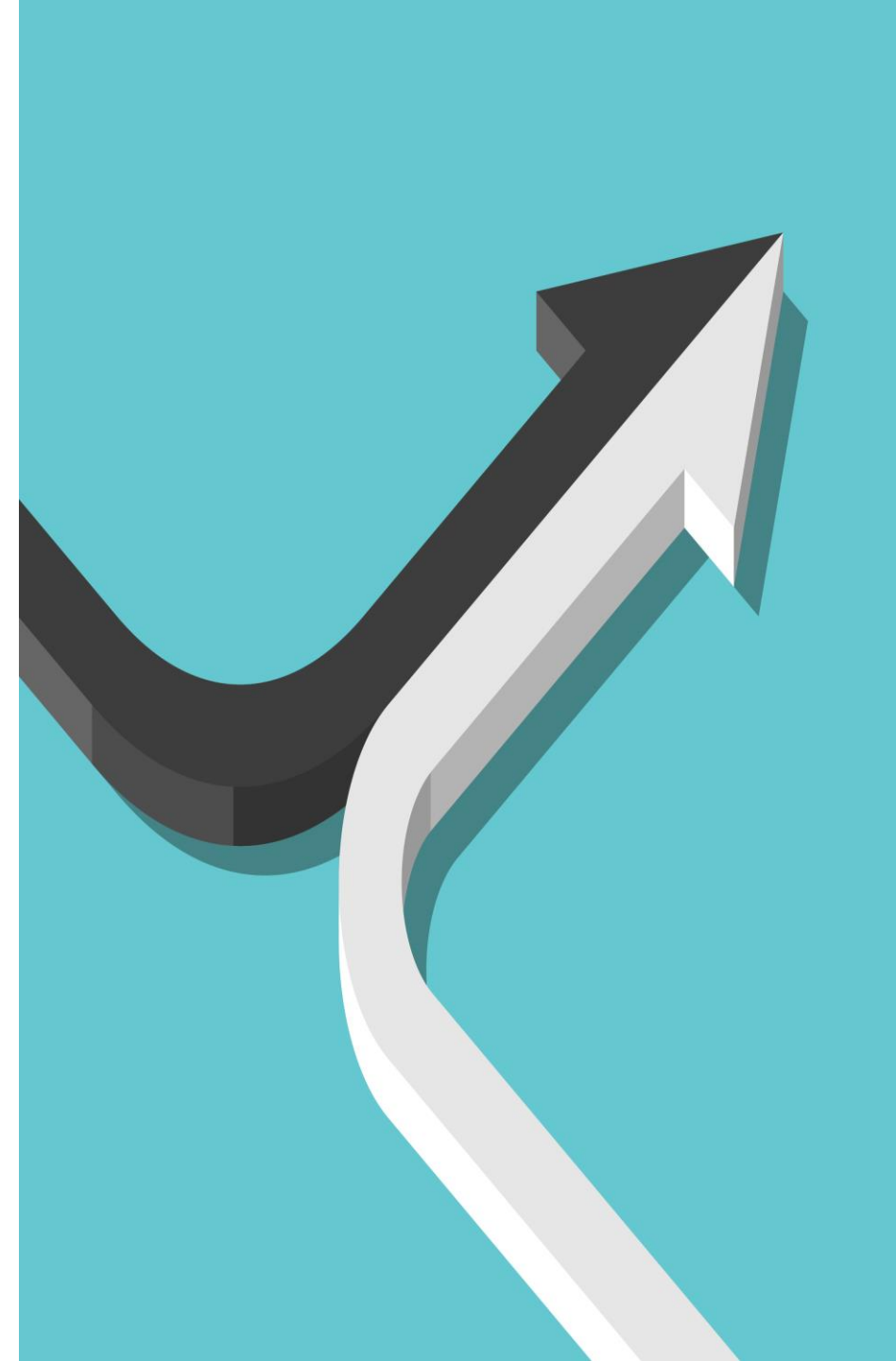
Stakeholder Engagement



OUTCOMES

Shifting focus in home and community-based services systems

- Federal Access Rule: CMS HCBS Quality Measure Set
- PA ODP: Performance Based Contracting



Identify Performance Areas

Individual Outcomes

Systems Outcomes



Collect, Analyze and Use Data

Establish Measures

Data Informs Policy & Practice



Develop Common Understanding of Performance Standards

Provider Level Data

Population & Systems Level Data



Establish Benchmarks and Performance Targets



Evaluate and Adjust Performance Targets (CQI)

Residential Provider Journey to Performance-Based Contracting

1

Existing enrolled provider submits a new Residential Provider Agreement

2

ODP reviews the supporting documentation and assigns tier

Tier		Payment		
		FFS	Enhanced FFS	P4P
Select Residential	Meets the same Performance Measures as Primary AND additional measures in areas such as Continuum of Services, Workforce, and Quality		☑	☑
Clinically Enhanced Residential	Meets the same Performance Measures as Primary AND enhanced measures in areas such as Supporting Individuals with Complex Needs (Dual/Medical), Workforce, and Risk Management		☑	☑
Primary	Meets Performance Measures in 16 areas such as Quality, Workforce, Supporting Individuals with Complex Needs, and Risk Management	☑		☑
Conditional	Actively working on improvements through an ODP approved corrective action plan to meet Performance Measures in 16 areas such as Quality, Workforce, Supporting Individuals with Complex Needs, and Risk Management	☑		



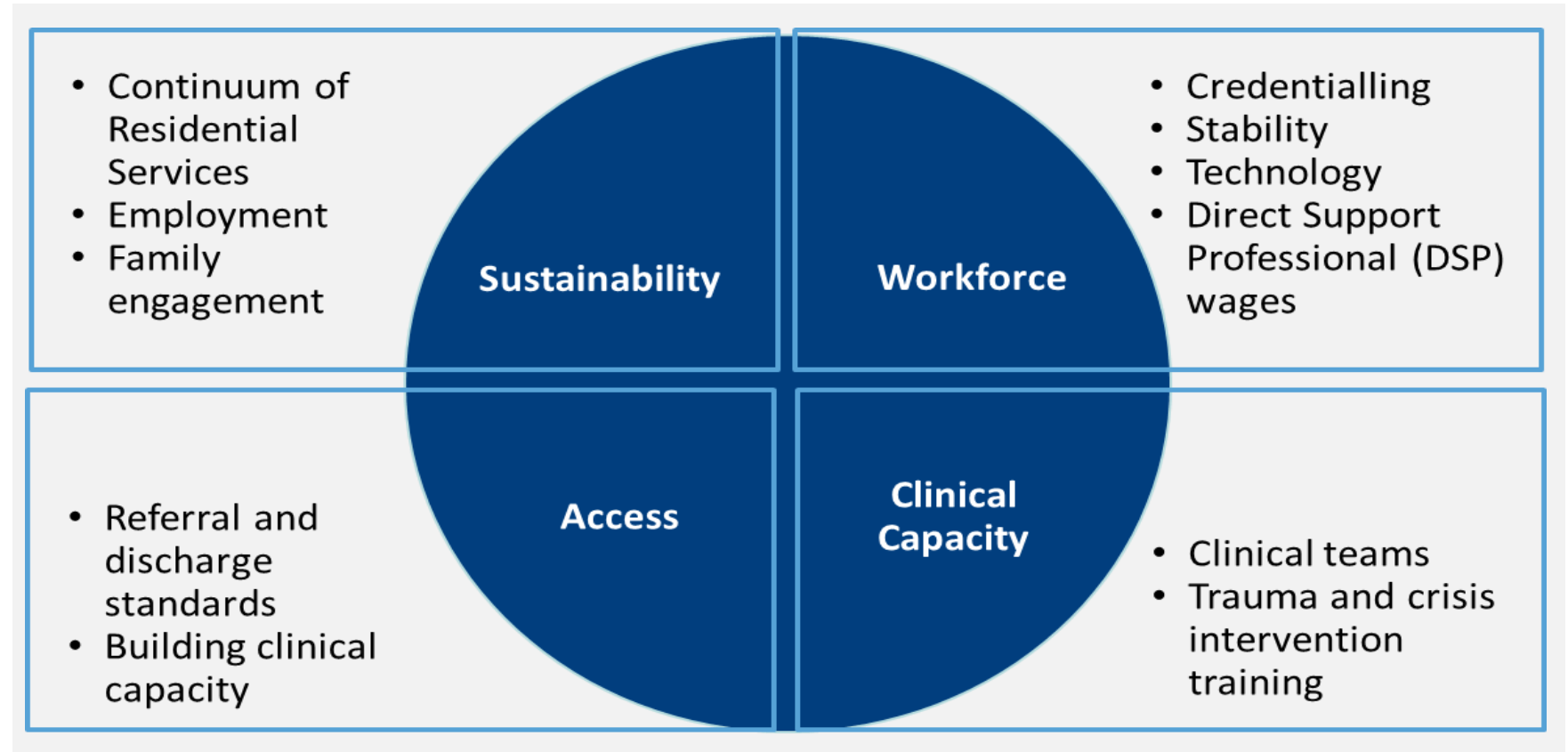
Pay-for-Performance (P4P)

- ODP is currently developing opportunities for P4P.
- P4P incentives are additional milestone payments providers can earn when they meet certain benchmarks on the new performance standard metrics.
- Providers in the Primary, Select and Clinically Enhanced tiers will be eligible to receive incentives through P4P for achieving established benchmarks. Some P4P will only be available to Primary tier providers.



Performance Standard Areas

- Performance standards for residential providers align with ODP's goals for sustainability, access, workforce, and clinical capacity.



- Each of these performance standard areas include metrics by which providers will be measured.

PBC Residential Measure Features

- Performance targets for established policy
 - Incident management and health risk screen fidelity
 - QM Plan
 - Competitive Integrated Employment
- Performance targets to build capacity and CQI framework
 - Credentialing
 - New training requirements
 - Outcomes
- Measures work in concert with each other
 - Competitive Integrated Employment & increase use of lifesharing and supported living will be in both residential and supports coordination
 - Clinically enhanced standards, value based payment & referral standards
 - Balance health and safety and integration

Example of Performance Standard and Measures

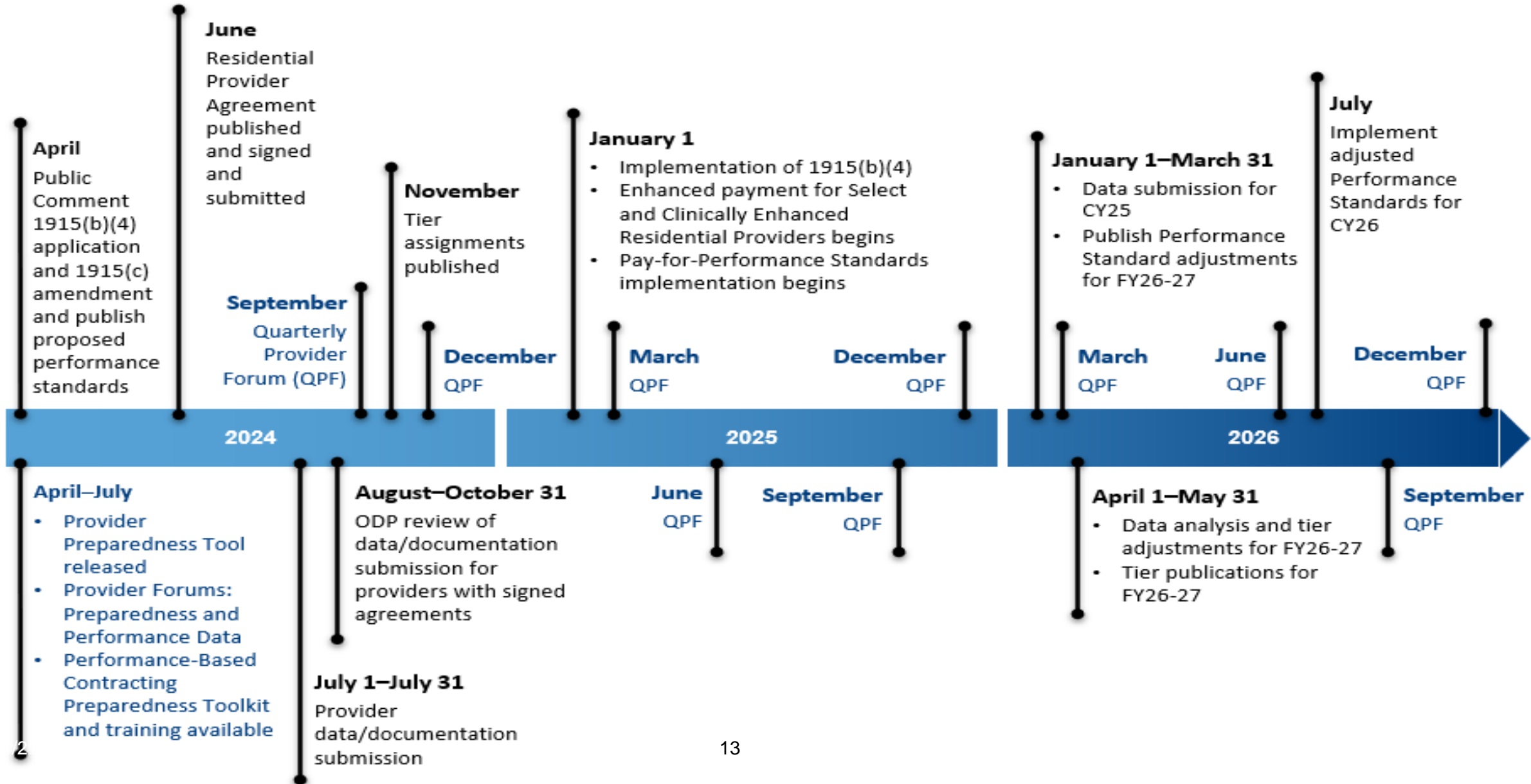
- The full list of performance standards and the associated metrics is published as an Appendix to the Implementation Plan.
- An example of a performance standard and the associated metrics:

Performance Area	Definition of Standard	Measures for <u>Primary Providers</u>	Measures for <u>Select Residential Providers</u>	Measures for <u>Clinically Enhanced Residential Providers</u> (Clinically Enhanced for Medical and/or Behavioral Support)
Quality	Demonstrated commitment to wellness of individuals through targeted activities	(QI.01.1) General attestation and a description of how the provider coordinates wellness activities and including use of HRS data for residential program <u>participants</u>	(QI.01.2) Provider is utilizing the individuals' collective HRST data to create and conduct wellness programs/activities AND (QI.01.3) Implementing directed wellness programs for nutrition, hypertension, mental health, diabetes, and/or heart disease, etc. as indicated by HRS data AND (QI.01.4) Provider is monitoring progress on wellness related QM initiatives to demonstrate improvement over time (e.g., A1C, medication reduction) OR demonstrated uptake/engagement in provider wellness programs	
	Demonstrated commitment to continuous quality improvement and demonstrated embracing of building a culture of quality (continuous learning and best use of data to assess progress toward QMP goals and action plan target objectives)	(QI.02.1) Report number of staff that have ODP QM certification/number of <u>leadership</u> (QI.02.2) Description of how data is utilized to monitor progress towards QM plan goals. (QI.02.3) Description of how person-centered performance data is utilized to develop the QM Plan and its action plan?	Same as All Providers AND (QI.02.4) QM certification requirement of at least one member of executive leadership team who has the authority to adopt recommendations and direct QM activities	
	Demonstrated engagement of and support to families* which includes providing adequate and appropriate communication options and maintaining/building <u>relationships</u> *Families defined within 6100 regulatory guidance	(QI.03.1) Reporting on policies, procedures, and activities supporting family <u>engagement</u> (QI.03.2) Beginning January 1, 2025, ODP collected data on family satisfaction with provider <u>engagement</u>	Same as All Providers	

Example of Performance Standard and Measures

Performance Area	Definition of Standard	Measures for <u>Primary Providers</u>	Measures for <u>Select Residential Providers</u>	Measures for <u>Clinically Enhanced Residential Providers</u> (Clinically Enhanced for Medical and/or Behavioral Support)
Risk Management — incident reporting fidelity	Demonstrated fidelity to incident management procedures as outlined in ODP policy	No additional standards from current regulation and 1915(c)	Provider demonstrates reporting fidelity: (RM-IM.01.1) Maximum number of critical incidents (potentially indicative of abuse or neglect) not reported may not exceed 1% of overall reported incidents by provider. (RM-IM.01.2) Maximum number of critical incidents (potentially indicative of abuse or neglect) not reported timely may not exceed 10% of overall reported critical incidents by provider.	Timely finalization of incidents is demonstrated by: (RM-IM.01.3) At least 90% of incidents are finalized within 30 days of discovery. (RM-IM.01.4) At least 95% of all incidents must be finalized by the due date, and the due date may only exceed 30 days in no more than 5% of those incidents (due dates may exceed 30 days when the provider has notified the Department in writing that an extension is necessary and the reason for the extension).

PBC Implementation Timeline



Provider Preparedness for PBC

- ODP will publish provider preparedness tools and hold provider forums to support providers as they get ready for PBC implementation.
- Provider preparedness tools include:
 - Residential Provider Performance-Based Contracting Preparedness Assessment

PERFORMANCE AREA: Quality (continued)

Standard: Demonstrated commitment to continuous quality improvement and demonstrated embracing of building a culture of quality (continuous learning and best use of data to assess progress toward QMP goals and action plan target objectives (continued))

	Primary	Select	Clinically Enhanced Select
Measure		QI.02.4 QM certification requirement of at least one member of executive leadership team who has the authority to adopt recommendations and direct QM activities.	QI.02.4 QM certification requirement of at least one member of executive leadership team who has the authority to adopt recommendations and direct QM activities.
Assessment Question		Will your agency be able to demonstrate QM certification for at least one member of the executive leadership team who has the authority to adopt recommendations and direct QM activities?	Will your agency be able to demonstrate QM certification for at least one member of the executive leadership team who has the authority to adopt recommendations and direct QM activities?
Preparedness Level		<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown/Unsure	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Unknown/Unsure

- Assessment includes a template to support providers developing plans to improve performance on the standards ahead of implementation in January 2025
- ODP will also hold provider forums to review performance standards in more detail

Immediate Next Steps

- ODP will complete a 45-day public comment process ahead of submission of waiver documents to Centers for Medicare & Medicaid Services (CMS)
- Once comments are reviewed and analyzed and any revisions made, the waiver application and amendments will be submitted to CMS for review and negotiations
- Implementation target date is January 1, 2025