



Supports Coordination Organization Performance-Based Contracting Status Update

July 14, 2025



Agenda

- Summary of themes from public comment
- Major changes proposed to final
 - One tier with phase in measures over time
 - Submission pushed to 10/1/25-11/1/25
 - Payment changing for all SCOs
- Changing mindset
- Next steps



Public Comment PBC Themes

Approximately 140 people and organizations commented:

- General recommendations:
 - Implement one set of standards for all SCOs (no tiers)
 - Require more than 2 SCOs in each county
 - More and clearer engagement and education for individuals and families
 - Develop resources for SCOs to use
- Timeline considerations
- Feedback on the performance measures
- Rates: 15-minute units vs monthly units
 - Concerns about using both
 - Confusion about average hours in the assumptions

Major Changes: Performance Standards



Proposed	Final for CMS Submission	Rationale
Primary and Select Tiers distinct performance measures	Performance measures phased in over time. All SCOs expected to meet same standards. Performance Area Phase-In: capacity building and establish baseline; increase from baseline; meet state benchmarks	All SCOs should offer the same service, with the same quality and outcomes
Tier determination submission period 8/15-9/15/25	Submission for performance evaluation period 10/1-11/1/25	Allows additional time for SCO preparation

Major Changes: Payment



Proposed	Final for CMS Submission	Rationale
Primary tier fee schedule 15 min unit; Select Tiers monthly rates effective 7/1/26	All SCOs will transition to monthly case rates 7/1/26. Payment is based on Program/Enrollment type: • Standard TSM • Intensive TSM and PFDS • Community Living and Consolidated Intensive TSM definition updated: • Intensive TSM is used when an individual not enrolled in an ID/A waiver requires activities detailed in the Billing Requirements for Intensive TSM on a monthly basis for at least 3 of the past 6 months.	Avoid complications of potential SCO movement between billing types/systems; better alignment with performance standards.
	Qualification added for “Associate SC”; billing guidance updated to reflect tasks allowable by Associate	Outcome focused approach. SCO is responsible for individual and systems outcomes. PBC allows additional flexibility for <i>how</i> the work is completed.

Shifting focus in HCBS systems to outcomes

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





Changing Mindset:

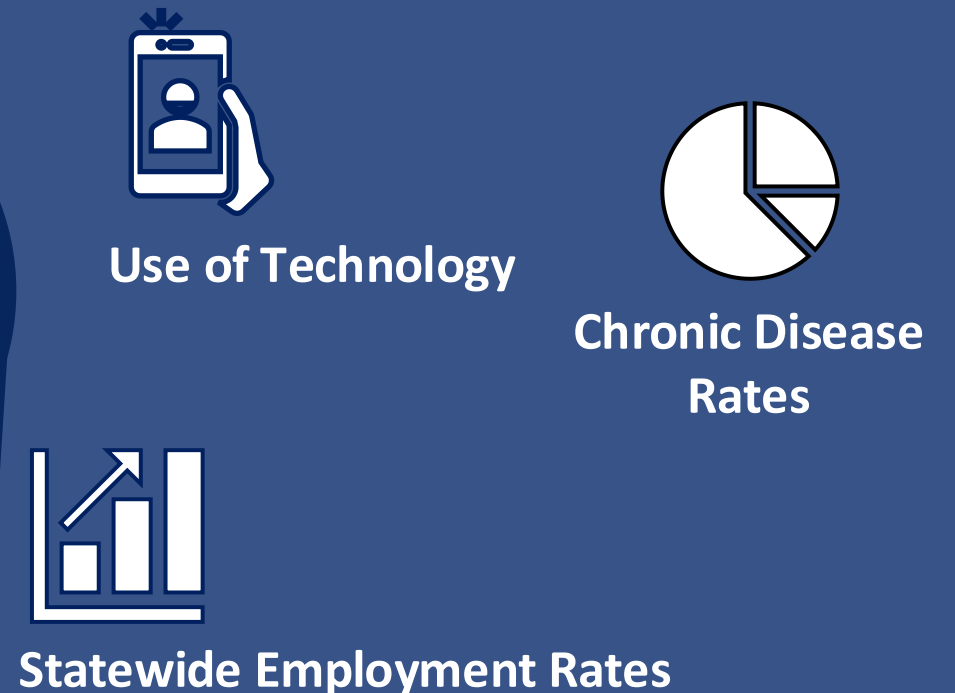
The Relationship Between Person-Centered Planning and Population Health

Person-Centered Planning (Individual Outcomes)



SCO

Population Health (Systems Outcomes)





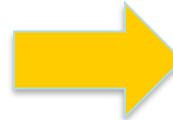
Changing Mindset:

Payment Model Impact on Outcomes

15 Minute Units

SCO reimbursed when SC completes
discrete process-oriented tasks

Quantity focused



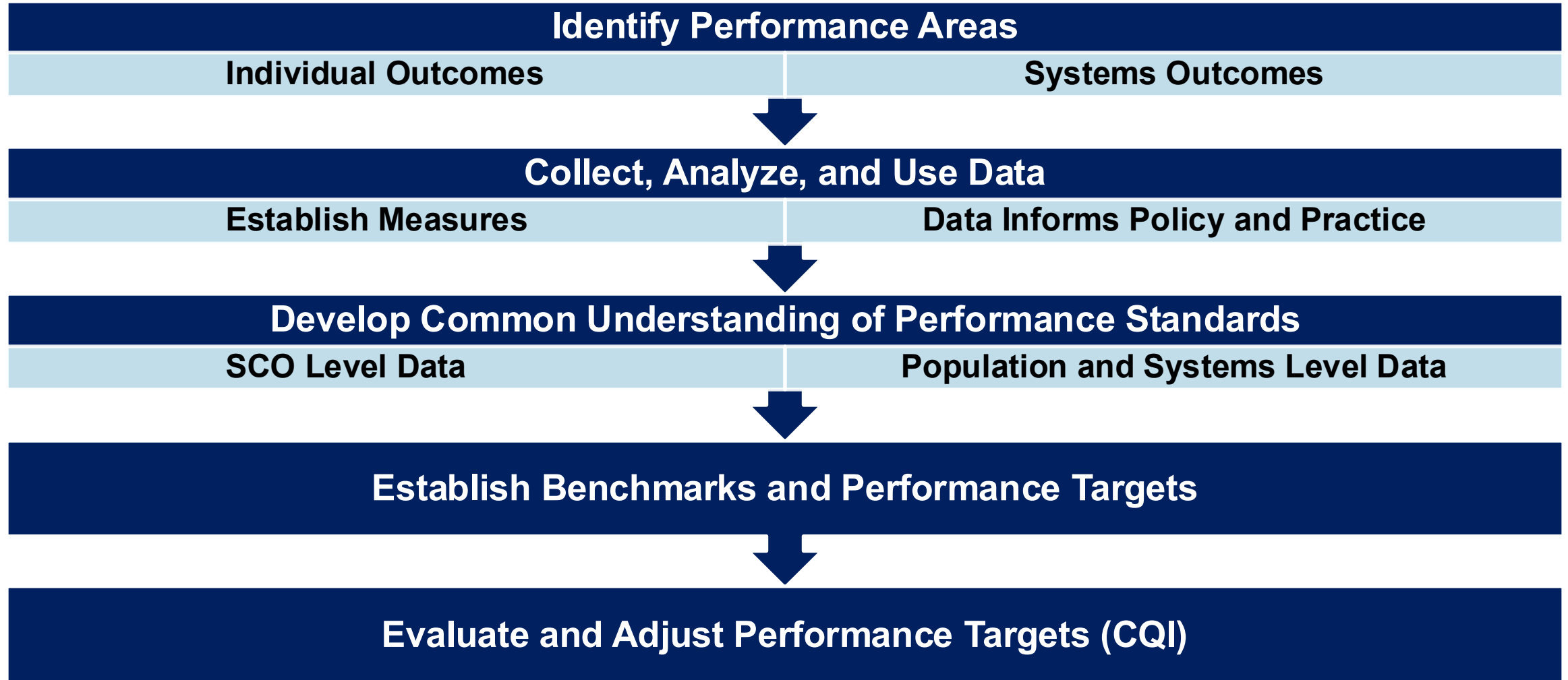
Monthly Payment in PBC

SCOs must meet performance measures

Quality focused



Plan for Achieving Outcomes





Next Steps

- Submission of 1915(b)(4) and (c) amendments to Centers for Medicare and Medicaid Services (CMS) in late July
 - Significant revision: phase-in approach replaces tiers
- Publish finalized documents to include:
 - Implementation guide
 - Complete Preparedness toolkit
 - P4P structure
- SCO Forums begin July 28
- Performance Analysis Services (PAS) vendor building IT system for data collection for SCO use in October
- Subset of strategic thinking group meeting for implementation planning for billing changes which will be effective 7/1/26