Performance-Based Contracting

Supports Coordination Services Manual

Office of Developmental Programs
Pennsylvania Department of Human Services

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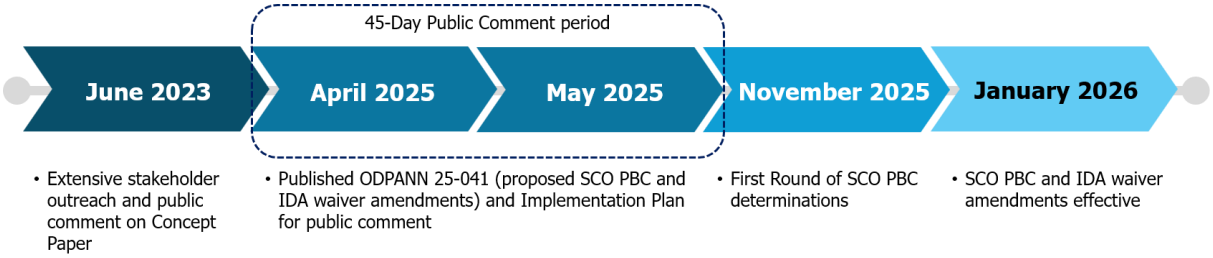
Contents

Background

In 2023, the Commonwealth of Pennsylvania's Department of Human Services (Department), Office of Developmental Programs (ODP) engaged in systems change to improve the quality and sustainability of services. Figure 1 depicts a historical timeline of performance-based contracting milestones. ODP sought broad stakeholder input on the approach to systems change with extensive stakeholder outreach and a public comment period on a **Concept Paper in June 2023**. ODP then published the proposed **ODPANN 25-041 Open for Public Comment: Proposed Supports Coordination Performance-Based Contracting and IDA Waiver Amendments** and **Implementation Plan** for a 45-day public comment period April 19, 2025 to May 26, 2025. Significant revisions and clarifications were made to policy and procedure as a result of the 45-day public comment period.

Figure 1



ODP uses a statewide 1915(b)(4) Selective Contracting waiver for residential services, including Residential Habilitation, Supported Living, and Life Sharing, which are currently offered in the Consolidated and Community Living 1915(c) Waiver programs. This change in residential services was implemented in January 2025. Additionally, ODP began using a 1915(b)(4) Selective Contracting waiver for supports coordination in the Medicaid State Plan, Consolidated, Person/Family Directed Support, and Community Living Waivers in January 2026. The program is referred to as **performance-based contracting, or PBC**.

The Centers for Medicare and Medicaid Services (CMS) describe the 1915(b)(4) waiver as follows: "Section 1915(b) of the Social Security Act gives the Secretary of Health and Human Services the discretion to waive a broad range of requirements included in Section 1902 of the

Act as may be necessary to enable a State to implement alternative delivery mechanisms for its Medicaid program." "Subsection (b)(4) permits a State to restrict the provider from whom Medicaid beneficiaries receive services as long as such restrictions do not substantially impair access to services of adequate quality where medically necessary. This statutory authority (as well as implementing regulations at 42 CFR §431.55) can be used in both fee-for-service as well as managed care arrangements."[1]

ODP's decision to implement performance-based contracting was based on the values set forth in the **Everyday Lives document**, as well as ODP's goals around service sustainability, quality improvement, improving clinical capacity to serve individuals with complex needs, embedding LifeCourse principles throughout practice, and implementing strategies that support workforce stability and growth are all key drivers of this initiative. Through performance-based contracting, organizations are held to quality and care coordination standards that are in addition to the requirements for organizations outlined in a typical 1915(c) waiver. Performance-based contracting requires continuous quality improvement of services for individuals. While performance-based contracting is used for both residential services and supports coordination services, this manual is specific to supports coordination services.

Key Drivers for PBC

- Everyday Lives values
- Service Sustainability
- Quality Improvement
- Clinical Capacity
- Workforce Stability & Growth

Continuous Quality Improvement

Continuous quality improvement supports both individual and systems outcomes. Figure 2 depicts how supports coordination performance standards are connected to focus areas: sustainability, workforce, responsiveness, and clinical capacity. Continuous quality improvement requires tracking, understanding, and using data to identify and act on quality improvement opportunities, as well as to measure progress on quality improvement projects. ODP anticipates adjusting standards in the future as the process of tracking and using the quality improvement data matures.

[1] Preprint Overhaul Instructions – Outline (medicaid.gov)

Performance standards have been selected specifically to address the areas identified in Figure 2.

Figure 2

Figure 2. Person-centered practices anchor four interconnected domains: **Sustainability:** continuity of services and employment; **Workforce:** stability, reformed payment and billing, specialized training, and technology; **Clinical Capacity:** clinical knowledge, trauma-informed practices, crisis intervention training, and wellness; and **Responsiveness:** access to services, family engagement, and satisfaction. The overlapping design emphasizes that these priorities are mutually reinforcing rather than standalone.

Sustainability

In the Summer of 2025, over 11,000 individuals were on a waiting list for ODP Home and Community-Based Services (HCBS), and there was a Supports Coordinator vacancy rate of 14.1%Direct Support Professional vacancy rate of 18.2%. ODP's service delivery model must continue to evolve to meet the needs of individuals served by ODP in more cost-effective ways that also reduce the burden on traditional staffing models while providing greater opportunities

for inclusion for individuals receiving services. Focusing on the following areas will promote better sustainability of the system.

- **Continuum of Services:** Ensuring individuals have options to be supported in non-residential services, Life Sharing and Supported Living is essential. These models of service are less restrictive, less costly, and receive greater satisfaction ratings from individuals and families, and generally require less traditional staffing than Residential Habilitation in a licensed community home. SCs are a key factor in ensuring individuals and families have the information and opportunity to pursue these alternative residential options.
- **Employment:** Competitive integrated employment is a centerpiece of adulthood and must be available for every interested individual. The benefits of employment for individuals with disabilities are significant and are the same as for individuals without disabilities. Employment contributes to confidence, meaningful community engagement, and higher income. It also may support cost-savings in the system.

Workforce

Addressing workforce issues requires a multifold approach.

- **Stability:** By tracking and sharing data on SC vacancy and turnover rates, SCOs and ODP can use data to identify more effective strategies for staff retention.
- **Reformed Payment and Billing:** Shifting payment methodology to a monthly payment will reduce the administrative burden of billing and completing documentation in 15-minute units. SCs can focus on developing individualized, person-centered plans, prioritizing individual outcomes, and ensuring responsiveness to needs. SCOs will demonstrate meeting individual and systems outcomes as an ongoing requirement to maintain a contract with the Department. This requirement will align payment with outcomes. Further, the transition to performance-based contracting allows greater flexibility in *how* SCOs are responsive to individuals and families. Associate SCs may be staffed to conduct some activities that were previously restricted to SCs to perform.

Flexibility as to *how* supports coordination services are delivered by SCOs will increase over time.

- **Credentialing:** Supports Coordination requires the application of person-centered planning methods. This includes the use of Charting the LifeCourse tools and understanding the needs of people, many of whom present with complex needs and have multi-system involvement, across the lifespan. Credentialing in key areas like complex medical conditions, dual diagnosis, and Charting the LifeCourse will better equip SCs to meet job challenges and potentially improve retention.
- **Technology:** For every individual, Individual Support Plan (ISP) teams should explore whether there are technology solutions that support better health, safety, and greater independence. These conversations should be happening actively, without direct prompting from the individual or their family to make sure teams are aware of the options available.

Clinical Capacity

The acuity of support needs of individuals who receive HCBS from ODP has been increasing over time and is expected to continue to increase.

- **Clinical Knowledge**: SCOs should have knowledgeable staff to enable quality supports coordination delivery for all individuals across the lifespan with autism, dual diagnoses, complex medical conditions, and forensic involvement. Additionally, SCOs should develop and maintain relationships with community partners to improve clinical outcomes.
- **Trauma-informed practices and Crisis Intervention Training:** To improve supports and services to meet individual needs and minimize the use of restrictive procedures, SCOs should have organizational approaches to and comprehensive staff training on evidence-based, trauma-informed care and crisis response. Incorporating trauma-informed practices into the workplace is beneficial to individuals, families, and SCs.
- **Wellness:** SCs play a critical role in encouraging individuals to seek preventative care. Individuals with intellectual disabilities and autism experience significant health

disparities and it is critical that teams support activities aimed at wellness and addressing any barriers to accessing health care.

Responsiveness

SCOs should maintain sufficient capacity to serve individuals, initiate services in a timely manner, and engage families to improve individual outcomes.

- **Access to Services**: Changes to the referral and discharge process and policy improve access to supports coordination services that can effectively meet the needs of individuals. Changes include referring individuals to providers that can meet their needs, tracking and using data regarding referrals and discharges, and establishing timeframes for service delivery.
- **Family Engagement:** Most individuals have family involved throughout their lives. Respecting and supporting familial relationships is essential to maintaining a responsive and quality service delivery system.
- **Satisfaction:** SCs are the critical link for individuals and families to resources and services they need because SCs provide access to providers and the administrative entity, which approves and authorizes services in individual plans. Maintaining and documenting timely and accurate information, developing and revising the individual plan, and conducting follow-up monitoring are essential SC roles in this process. Satisfaction surveys will provide valuable information to ODP and SCOs about SCO engagement and responsiveness.

Supports Coordination Service Performance Standards

Performance-based contracting includes quality measures and a payment structure that supports the sustainability and long-term vision for the supports coordination system. SCOs are evaluated in the following performance areas shown in Figure 3 below:

Figure 3

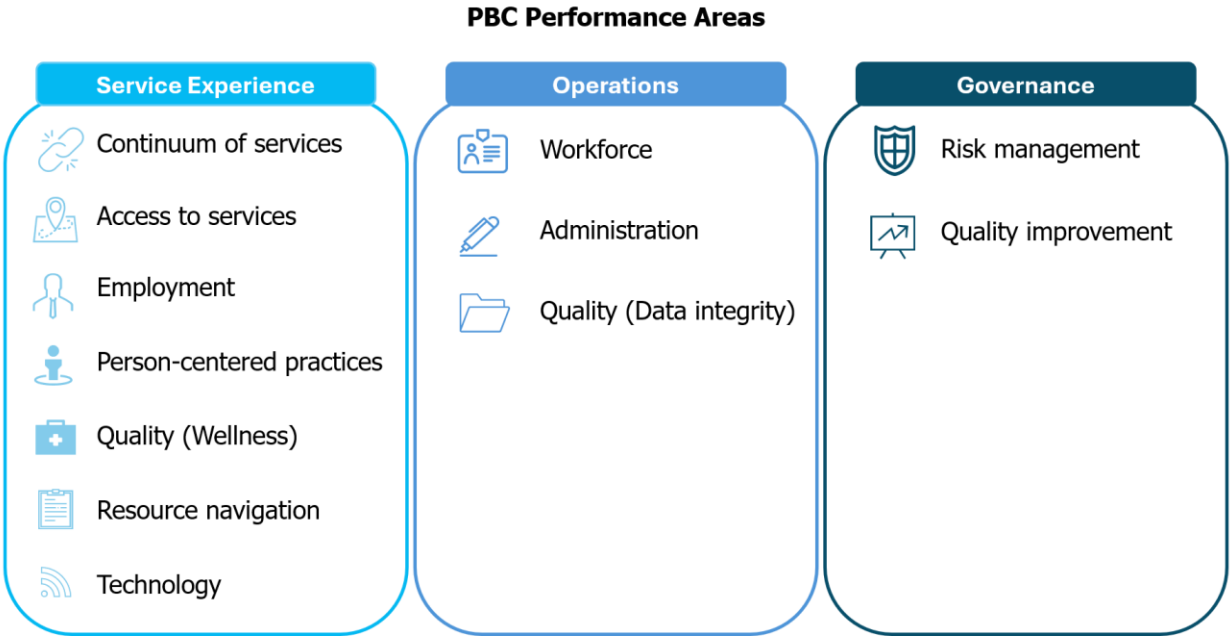


Figure 3. The PBC Performance Areas include three complementary domains. **Service Experience** addresses how individuals access and experience services across the service continuum, including employment, person-centered practices, wellness, resource navigation, and technology. **Operations** covers the workforce, administration, and quality capabilities including data integrity needed for consistent delivery. **Governance** provides oversight through risk management and quality improvement. Together, the domains show how coordinated operations and governance enable person-centered service delivery.

Performance measures are published annually in ***ODP Bulletin 00-25-03***.

ODP monitors, supports, and evaluates SCOs' progress toward meeting these standards each year. Over time, this allows ODP to streamline the performance standards with other processes such as QA&I and provider qualifications. ODP annually evaluates each SCO based on their performance. Additionally, ODP will use data from a variety of sources including but not limited to:

- Participants' Experience surveys
- Claims
- Incident Management
- Health Risk Screening
- Administrative Entities

- MyPBC Portal

ODP monitors individual and aggregate SCO performance to determine if organizations meet the identified measures within each performance standard. ODP continues to refine measures and targets as more data is obtained and aggregate performance improves. Measures are reviewed and adjusted on an annual basis, not more frequently.

The **Supports coordination service measures and process details** are updated and published on an annual basis in advance of the PBC submission window.

The Information Sharing and Advisory Committee (ISAC) continues to evaluate the elements of performance-based contracting using the principles outlined in Everyday Lives Recommendation 13 (evaluate future innovations based on everyday lives principles) as a guide.

All SCOs continue to receive monthly payments in accordance with the published fee schedule. In addition, SCOs are eligible to receive incentive payments through Pay-for-Performance (P4P) initiatives for achieving established performance outcomes.

Contracting and Payment

Supports Coordination Organization Agreement

To render supports coordination services, SCOs must sign an *Agreement for Supports Coordination Organizations*. The *Agreement for Supports Coordination Organizations* outlines the additional requirements for participation as an enrolled SCO of ODP supports coordination services, including performance standards and corresponding data submission requirements as described in this document and the amendments to the Medicaid State Plan, 1915(b)(4) waiver and 1915(c) waivers.

Supports Coordination Organizations without a signed *Agreement for Supports Coordination Organizations* are not qualified to provide supports coordination services funded through the waivers or Medicaid State Plan and will be subject to enforcement actions.

PBC Data Submission & Determination Process

SCOs with a signed *Agreement for Supports Coordination Organizations* will submit data and documentation for determination annually, which occurs between January and July. As part of the determination process, SCOs complete a PBC submission using MyPBC Portal. Additionally, ODP will use SCO data from participant experience surveys, claims, incident management, health risk screening, and data collected by the Administrative Entities, to evaluate each SCO's performance against established standards. ODP evaluates each SCO's PBC submission and reviews the above-mentioned ODP SCO data to make PBC determinations (see Figure 5).

After submissions and SCO data are scored, SCOs will be notified of their determination along with details on performance areas in which the SCO did not meet the standard(s), if applicable. Annually, ODP will publish each SCO's determination on the **SCO Directory** to allow individuals and families to make an informed choice between SCOs. In the event an SCO believes that an error was made in scoring, SCOs may initiate a request for review through the Performance-Based Contracting Resolution Process via MyPBC Portal (see Figure 4 below).

Figure 4

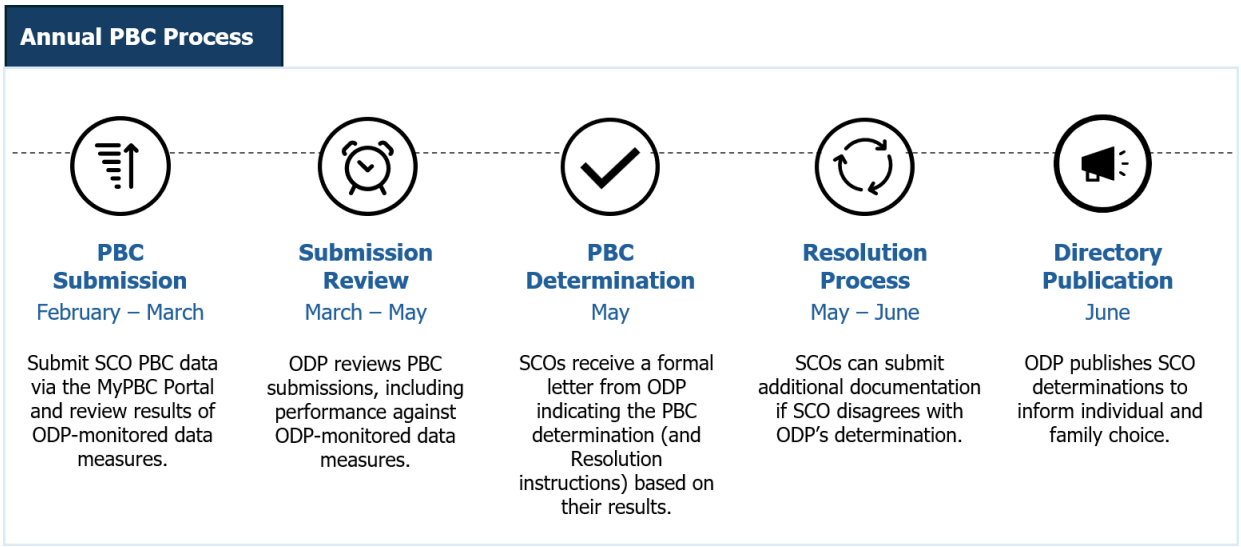


Figure 4. The PBC process includes five stages: ***PBC Submission (February–March):*** *SCOs submit PBC data through the MyPBC Portal, including ODP-monitored data measure results;* ***Submission Review (March–May):*** *ODP reviews submissions and evaluates performance*

against applicable ODP-monitored measures; ***PBC Determination (May):*** *ODP sends SCOs a formal determination letter with resolution instructions;* ***Resolution Process (May–June):*** *SCOs may submit additional documentation if they disagree with the determination; and* ***Directory Publication (June):*** *ODP publishes SCO determinations to inform individual and family choice.*

Note: Per the 1915(b)(4) waiver, only current supports coordination organizations may participate in performance-based contracting. A "current supports coordination organization" is an SCO that is enrolled with ODP to render supports coordination services. Organizations who seek to render a supports coordination services on or after January 1, 2025 will only be enrolled through a competitive Request for Application (RFA) process and the RFA process will only commence when ODP determines that there is a need for new or additional supports coordination organizations.

Contract Period

The annual performance-based contracting timeframe in which SCOs prepare and submit documentation, ODP reviews submissions, and PBC determination occurs, is from January to July.

Though the contract period is for a fiscal year (FY), the performance review period used to assess the SCO's performance will be the prior calendar year (CY). For example, the assessment for the contract for FY27–28 (July 1, 2027 to June 30, 2028) will be assessed using data and documentation from CY26 (January 1, 2026 to December 31, 2026).

Payment Rates

To align payment with outcomes, beginning January 1, 2027, all SCOs will receive a standard case rate for individuals receiving Standard Targeted Supports Management (TSM) and monthly case rates for individuals receiving Intensive TSM or enrolled in an ID/A waiver.

Figure 5

Supports Coordination Payment Structure
Effective January 1, 2027

Supports Coordination Level	Per Individual Rate
Standard Targeted Support Management (TSM)	Two outcome payments available annually (completion of ISP, required mid-year monitoring)
Intensive TSM[2] and P/FDS	Monthly payment (must meet minimum standards for activity to bill)
Community Living and Consolidated	Monthly payment (must meet minimum standards for activity to bill)

In addition to the above noted fee schedule rates, SCO's may bill a flat fee service rate for a participant's initial person-centered planning and initial individual support plan development that the SCO completes after accepting the participant for service as part of TSM or waiver Supports Coordination.

The **minimum activities for billing spreadsheet** for Supports Coordination can be found on the MyODP PBC Supports Coordination Services website.

Intensive TSM may be used when an MA eligible individual that is not enrolled in an ID/A waiver requires activities detailed in the Billing Requirements for Intensive TSM Appendix C for 3 months during a 6-month period. Activities that were billed under Standard TSM may not be included in the justification of requiring Intensive TSM.

The SCO should not bill Intensive TSM until 3 months after the last billing date for Standard TSM.

Example:

- Individual is identified as Standard TSM at the beginning of the FY
- SC conducts Individual Monitoring in July, bills 1st Standard TSM payment
- SC conducts Annual ISP meeting in September, bills 2nd Standard TSM payment
- In October, SC takes several phone calls from individual, no payment is made
- In November, SC provides individual with educational resources, no payment is made

[2] **Intensive TSM** is used when an individual that is not enrolled in an ID/A waiver requires activities detailed in the Billing Requirements for Intensive TSM for 3 months during a six-month period.

- In December, SC conducts health and safety check due to individual reporting there is no food in the home, no payment is made.
- In January, SC updates the individual's PUNS status to Emergency, identifies the person as Intensive TSM, 1st month of Intensive TSM payment is made.

To support the change from 15-minute fee schedule rates to monthly case rates and flat fee schedule rates, in fiscal years 2026-2027 through 2028-2029 ODP may make additional stabilization payments to SCOs when the aggregated average revenue per individual served results in a loss of 3% or greater of the prior year's aggregated average revenue per individual. ODP may also adjust payments to an SCO if the aggregated average revenue per individual served is 10% or greater than the prior year's aggregated average revenue per individual. SCOs with an excess increase in revenue may be required to submit cost reports.

Flexibility to Perform Supports Coordination Functions

Performance-based contracting allows greater flexibility in *how* SCOs support individuals and families. SCOs can use Associate SCs to conduct some activities that were previously restricted to SCs to perform. The full list of activities that may be conducted by an Associate is outlined in the **minimum activities for billing spreadsheet**.

Associate SCs are required at a minimum to complete SC Orientation and First Year Training and, if facilitating the use of LifeCourse Tools, have at least one year of personal or professional experience with people with ID/A and have successfully completed a CtLC Learner Pathways (Professional) Practitioner level course. The full list of qualifications can be found in the published waiver applications.

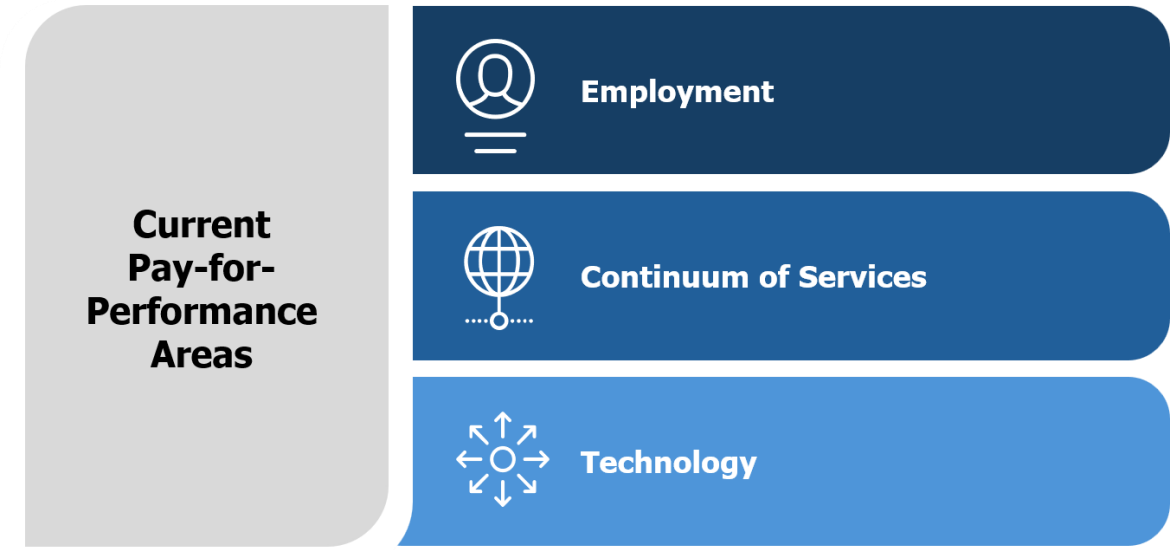
Pay for Performance (P4P)

SCOs can earn additional compensation through an alternative payment model (APM) called pay-for-performance (P4P). P4P initiatives provide added incentive payments to SCOs that deliver high-quality and cost-efficient care. P4P payments are made to eligible SCOs that meet

or exceed performance targets. These payments are in addition to the established fee schedule rates and are made if performance outcomes are achieved. There may be additional funding opportunities for P4P in the future.

P4P measures are currently available in the following performance areas (see Figure 6):

Figure 6



The latest information regarding P4P for SCOs can be referenced in the **Supports Coordination Organizations – Pay-for-Performance (P4P) document**.

Supports Coordination Organization Resources

Supports Coordination Services Performance Standards, Measures & Process Details

The Supports Coordination Standards, Measures and Process Details are updated annually prior to the performance-based contracting review period. SCOs are highly encouraged to review and prepare prior to the start of the submission period. More information can be accessed on the **MyODP PBC Supports Coordination Services website**.

> **!** SCOs should prepare for PBC prior to the start of the submission period (February-March) and ensure that **unmet measures** from the prior submission period are now met.

ISAC Provider Performance Review Subcommittee

The ISAC Provider Performance Review Subcommittee was established to provide structured meetings to enable ISAC members to engage in in-depth review, evaluation, and discussion of provider and SCO performance metrics, and provide recommendations to ODP related to performance and quality improvement for providers of services.

The subcommittee provides an opportunity for ISAC members to:

- Review data and evaluate findings on key measures related to provider and SCO performance.
- Recommend strategies for improvement based on analysis of provider and SCO performance data.
- Determine quality improvement priorities related to provider and SCO performance, identify and adopt improvement strategies, and choose performance measures to evaluate whether the lives of individuals have improved as a result of changes that have been implemented.
- Make provider and SCO quality improvement recommendations to the ISAC for adoption into the Everyday Lives strategies.

Data reviewed by the subcommittee will be shared at provider and SCO forums.

An example of data for subcommittee review:

- **Health**
  - Health Risk Screening Fidelity
  - Fatal 5 (Choking, Seizure, Sepsis, Dehydration, Constipation)
  - Chronic disease rates (hypertension, diabetes, obesity)
  - Polypharmacy
  - Inpatient hospitalizations
  - Wellness activities
  - Preventative care visits

- Use of technology to improve health and wellness and create additional opportunities to increase independence
- Repeat hospitalizations within 30 days

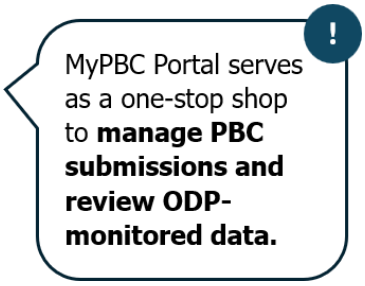
SCO Summits and Forums

Summits and Forums are available to support SCOs' understanding of the PBC process and overall program requirements. Recordings can be accessed on the **MyODP PBC Supports Coordination Services website** (under Resources > Webinar Recordings). Topics include but are not limited to:

- Review of data presented to the ISAC Provider Performance Review Subcommittee
- Discussion of emerging themes or trends with implementation of performance-based contracting
- Live support during Virtual Office Hours including topic-specific technical assistance

MyPBC Portal

MyPBC Portal serves as a one-stop shop for all things related to Performance-Based Contracting. SCOs will use **MyPBC Portal** to manage, review, and submit PBC forms to ODP during the submission window each year. Users will be identified by the SCO's PBC primary contact and granted access to assist with data submission tasks related to PBC. Via the Portal, SCOs can also view their results for ODP-monitored data measures that rely on inputs from other DHS systems and databases.



PBC Primary Contact

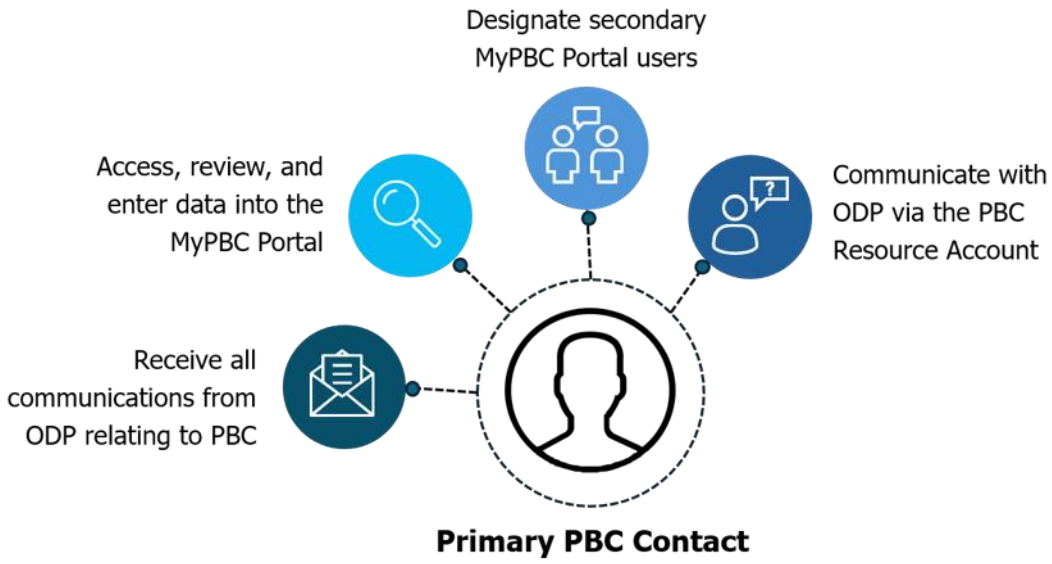
Each SCO must identify a primary contact for PBC (see Figure 7 below). The primary contact receives all PBC-related communications from ODP and is responsible for coordinating the PBC data submission process for their organization.

The primary contact also manages MyPBC Portal user access and may designate up to four secondary users to access MyPBC Portal in order to assist with the PBC submission. Multiple users from an SCO can contribute to a PBC submission but must designate the assigned sections of the submission internally. MyPBC Portal users should be current staff involved in the PBC submission process, with a need to access the submission form. In the event of staff turnover, the primary contact should reach out to the PBC RA inbox (**RA-PWODPPBC@pa.gov**) to add or remove users. All users must have a Commonwealth business partner account associated with their organization to be granted access.

> ! The Primary PBC Contact **manages MyPBC Portal user access and serves as the agency's primary liaison with ODP**.

Users with MyPBC Portal access will receive a confirmation email upon successful completion of a PBC submission. ODP will review the data submitted to make a PBC determination, which can also be viewed in MyPBC Portal. After review, SCOs will receive letters with ODP's determination and guidance on unmet measures to inform future actions.

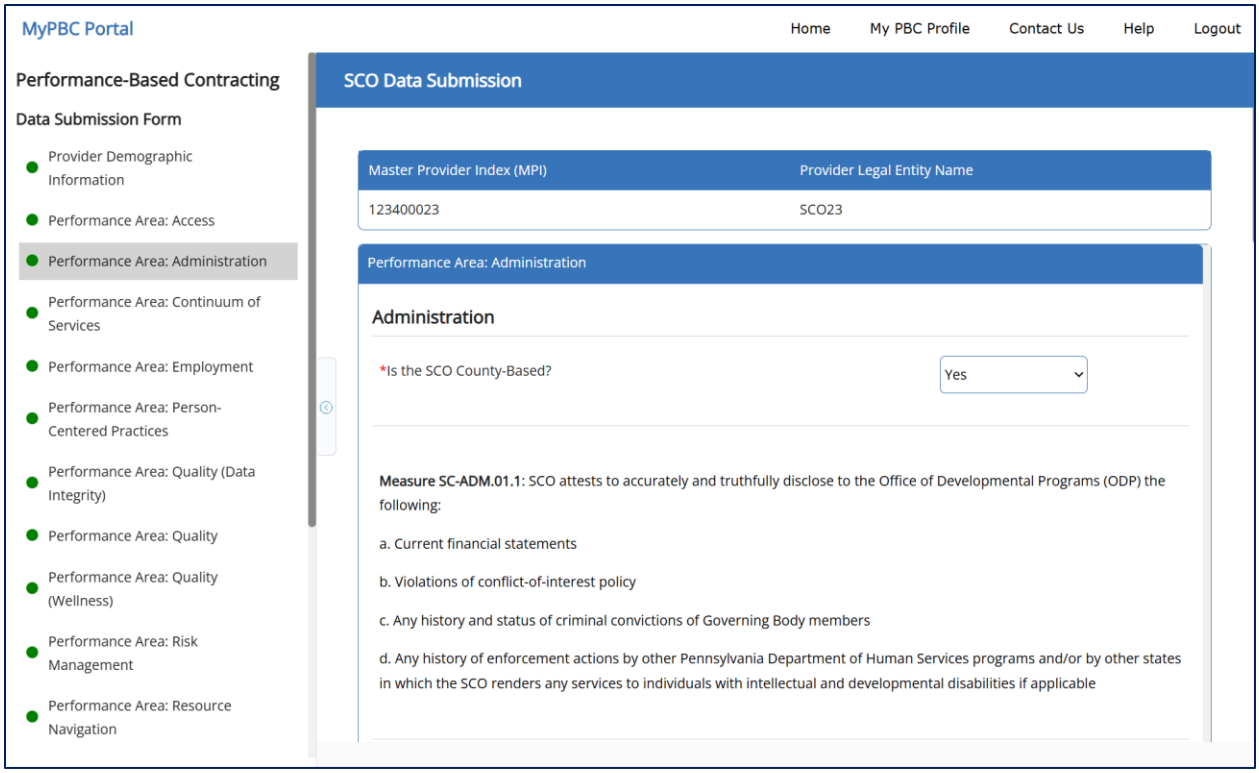
Figure 7



Data Submission

Users designated by the PBC primary contact can edit, view, and submit PBC forms on behalf of their agency. The Portal accepts data in various formats, including multiple choice questions, open response fields, and file uploads, based on the requirements of the associated PBC measure (see Figure 8 below). Users can save their PBC form progress and return to MyPBC Portal at any time during the PBC submission window. If needed, SCOs can also use the Portal to initiate the Resolution Process and submit a Resolution Process form to ODP.

Figure 8



ODP-Monitored Data Measures

Additionally, MyPBC Portal offers users a snapshot of data specific to their organization for measures that ODP monitors throughout the year. This data is available on the MyPBC Profile screen within the Portal. SCOs can review this data prior to submitting for PBC in order to understand requirements for measures (see Figure 9 below). SCOs can also utilize this page to review the results of PBC measure evaluations following the scoring period to decide whether to submit for Resolution.

Figure 9

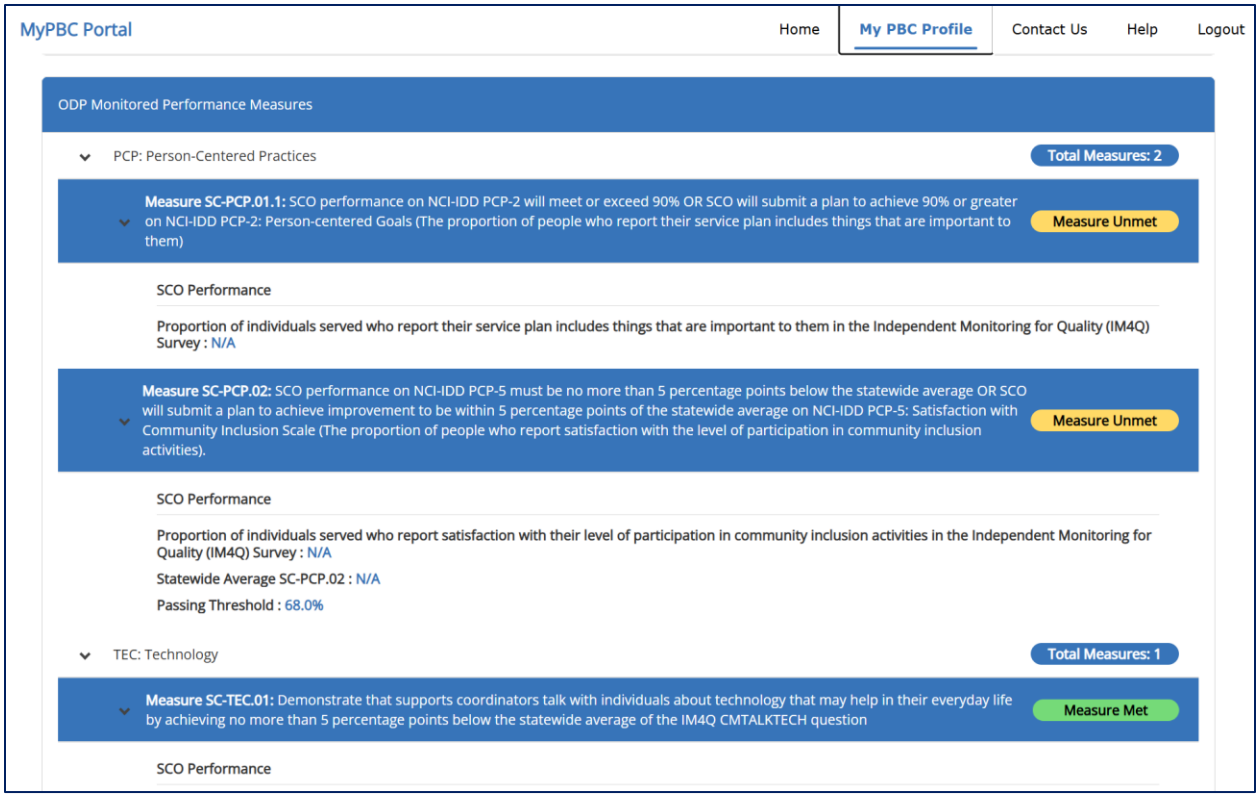


Figure 5 The Person-Centered Practices section includes two measures SC-PCP.01.1 and SC-PCP.02 both marked "Measure Unmet," with reported performance shown as not available; SC-PCP.02 also lists a 68.0% passing threshold. The Technology section includes measure SC-TEC.01, which is marked "Measure Met."

SCO FAQs

To assist organizations with the PBC submission process, a list of **SCO frequently asked questions** (FAQs) is available on the MyODP PBC website. SCOs can find answers to questions related to the PBC process and are encouraged to review these FAQs prior to the PBC data submission window each year.

PBC Resource Account

Please use the **RA-PWODPPBC@pa.gov** resource account to contact ODP with all PBC and P4P related questions.