

Performance-Based Contracting for Residential Services

April 2024



Overview

- Performance-Based Contracting (PBC) 1915(b)(4) application, 1915(c) amendments and Implementation Plan
- Non-Performance-Based Contracting Waiver Amendment Content
- Public Comment

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

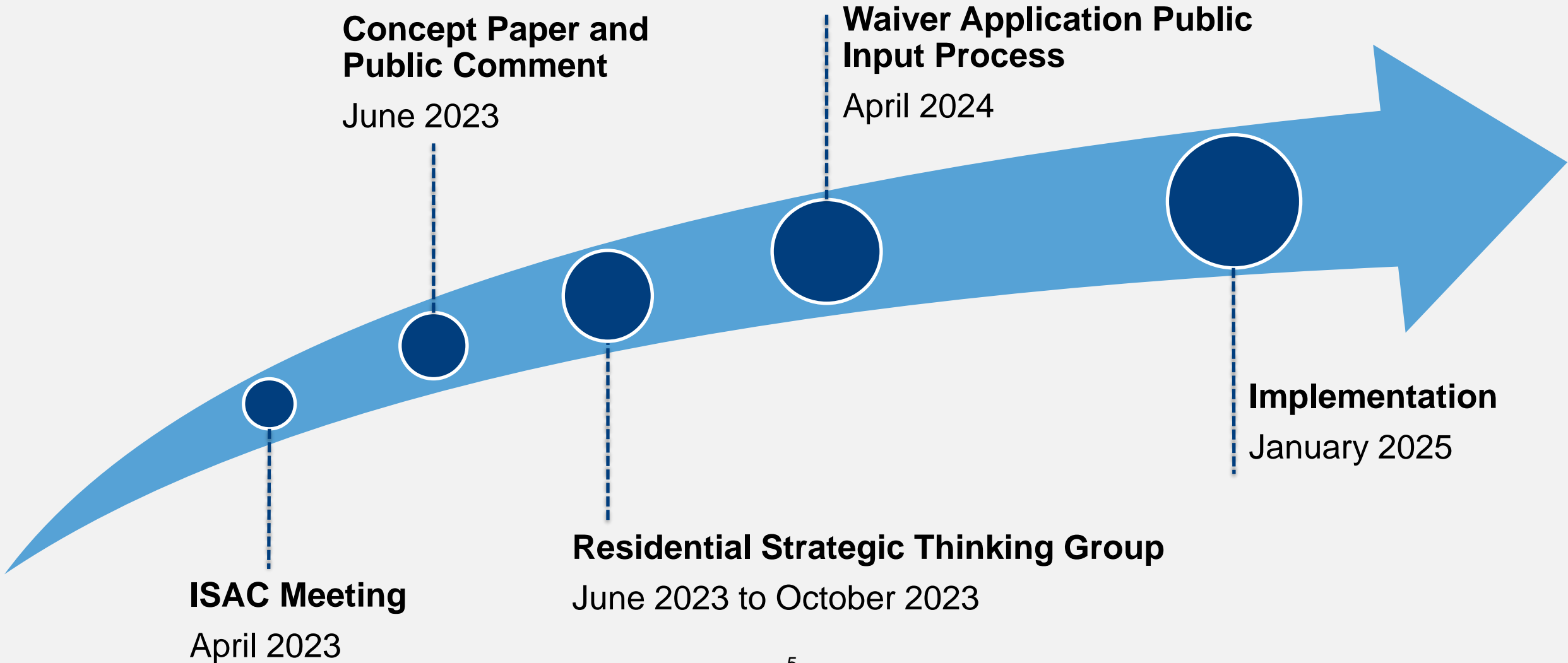


On April 20, 2024, the Office of Developmental Programs (ODP) released the following for public comment:

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

Stakeholder Engagement

Stakeholder Engagement



Stakeholder Feedback Process



Performance Based Contacting: Improving *Quality* and Leading with *Values*

What problems are we trying to solve?



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

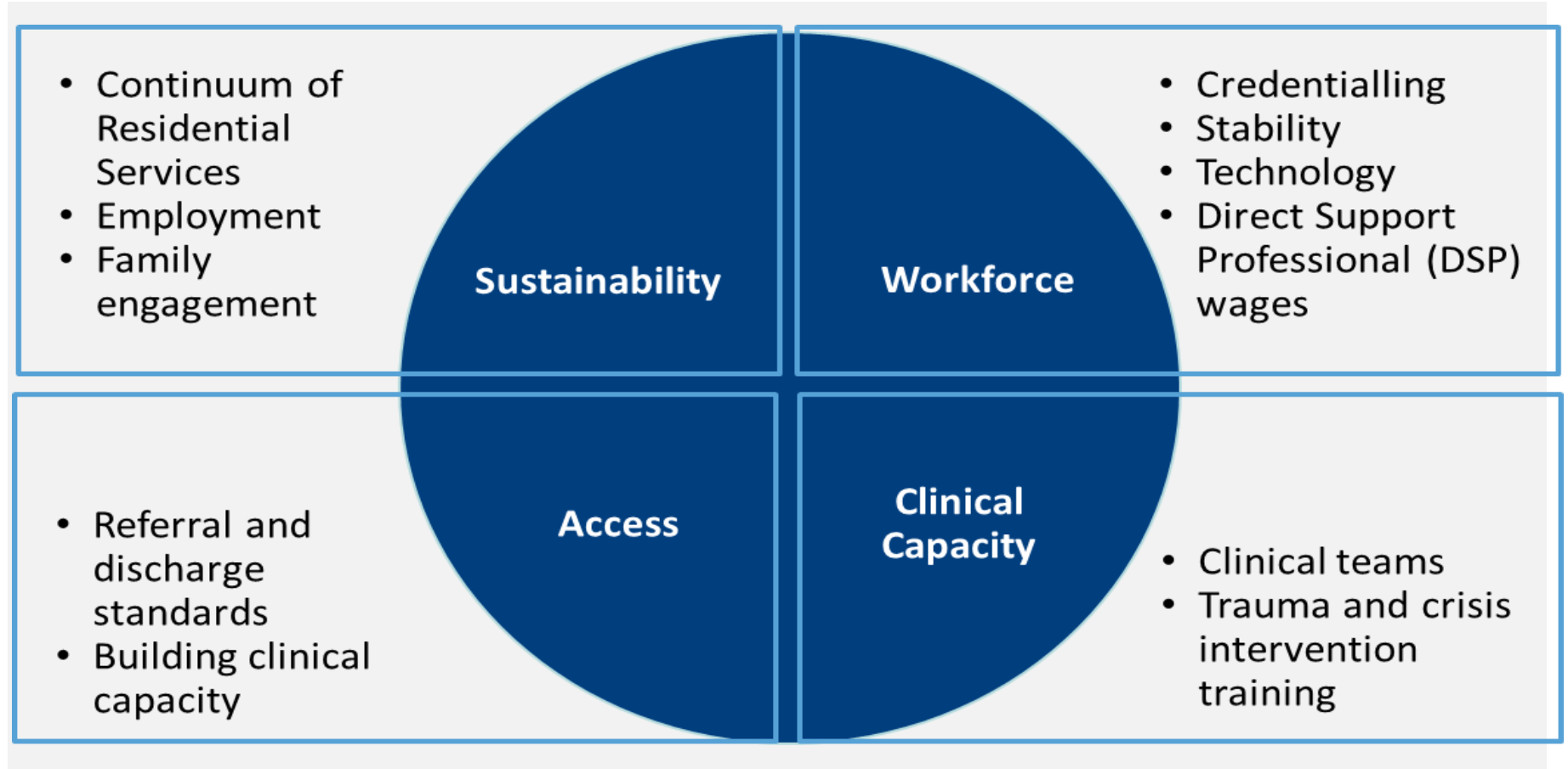
The tiers are based on standards that measure how providers:

- 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



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.

Example of Performance Standard

- 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 participants	(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 leadership (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 relationships *Families defined within 6100 regulatory guidance	(QI.03.1) Reporting on policies, procedures, and activities supporting family engagement (QI.03.2) Beginning January 1, 2025, ODP collected data on family satisfaction with provider engagement	Same as All Providers	

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	☑		



Phasing in Performance Standards



- Many performance measures reflect current requirements (incident management, health risk screening, behavioral support, follow-up post hospitalization, employment)
 - No change in many areas for primary providers
 - Some measures include new reporting requirements for primary providers (ex. employment)
 - Select and Clinically Enhanced typically have performance targets they must meet to qualify for that tier
- New performance areas that begin January 1, 2025 rely heavily on attestations, demonstration of data use, and reporting requirements for first contract cycle (January 1, 2025-June 30, 2026)
 - Generally aimed at capacity building and have value-based payment opportunities through pay for performance and enhanced rates to support providers with implementation (ex. credentialing, use of remote technology)
- Reporting requirements in first contract cycle will support development of performance targets for contract cycles beginning in FY26-27 and FY27-28

Residential Provider Agreement

Residential Provider Agreement



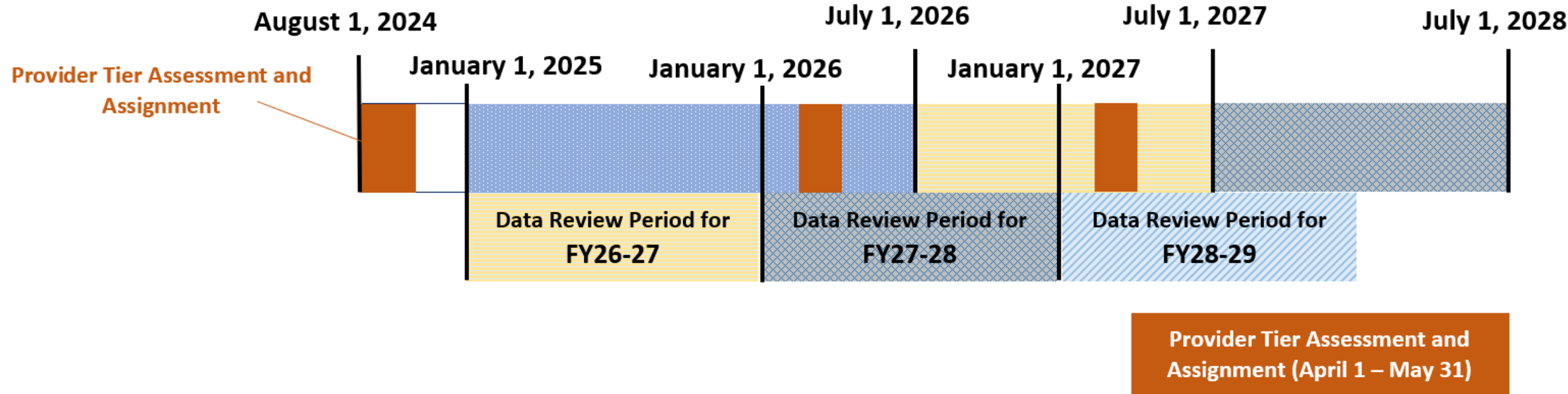
- Available on or before June 1, 2024.
- Must sign and submit no later than June 30, 2024.
- Agreement applies to all residential services (ie. licensed and unlicensed residential habilitation, licensed and unlicensed Life Sharing, Supported Living); will not include specific provider tier assignments.
- Performance standards will be published in a future ODP Bulletin
- Beginning January 1, 2025, a signed Residential Provider Agreement is a waiver requirement outlined in the provider qualifications for all residential services

Tier Assignments

Tier Assignment

- Residential providers with a signed and submitted Residential Provider Agreement may submit data and documentation between July 1 - 31, 2024 to support tier determination
- ODP will be reviewing data and documentation between August 1 through October 31, 2024.
- ODP will notify providers of tier assignments in November 2024.

Tier Assessment and Assignment Timelines



- Initial tier assignment will be assigned for 18 months
- Following tier assignments will be for the full fiscal year
- Provider performance (review period) measured on a calendar year

Pay For Performance

Pay-for-Performance (P4P)

- ODP is currently developing opportunities for P4P.
- P4P incentives are additional 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.



Bringing it Together

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

PBC Residential Measure Features

Measures designed to work together

Clinical Capacity

- New standards related provider clinical capacity
- Data use to impact individual outcomes (example: Restraint, Inpatient care)



Access

- Community integration
- Competitive Integrated Employment
- Referral/discharge standards



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

Stakeholder Impact

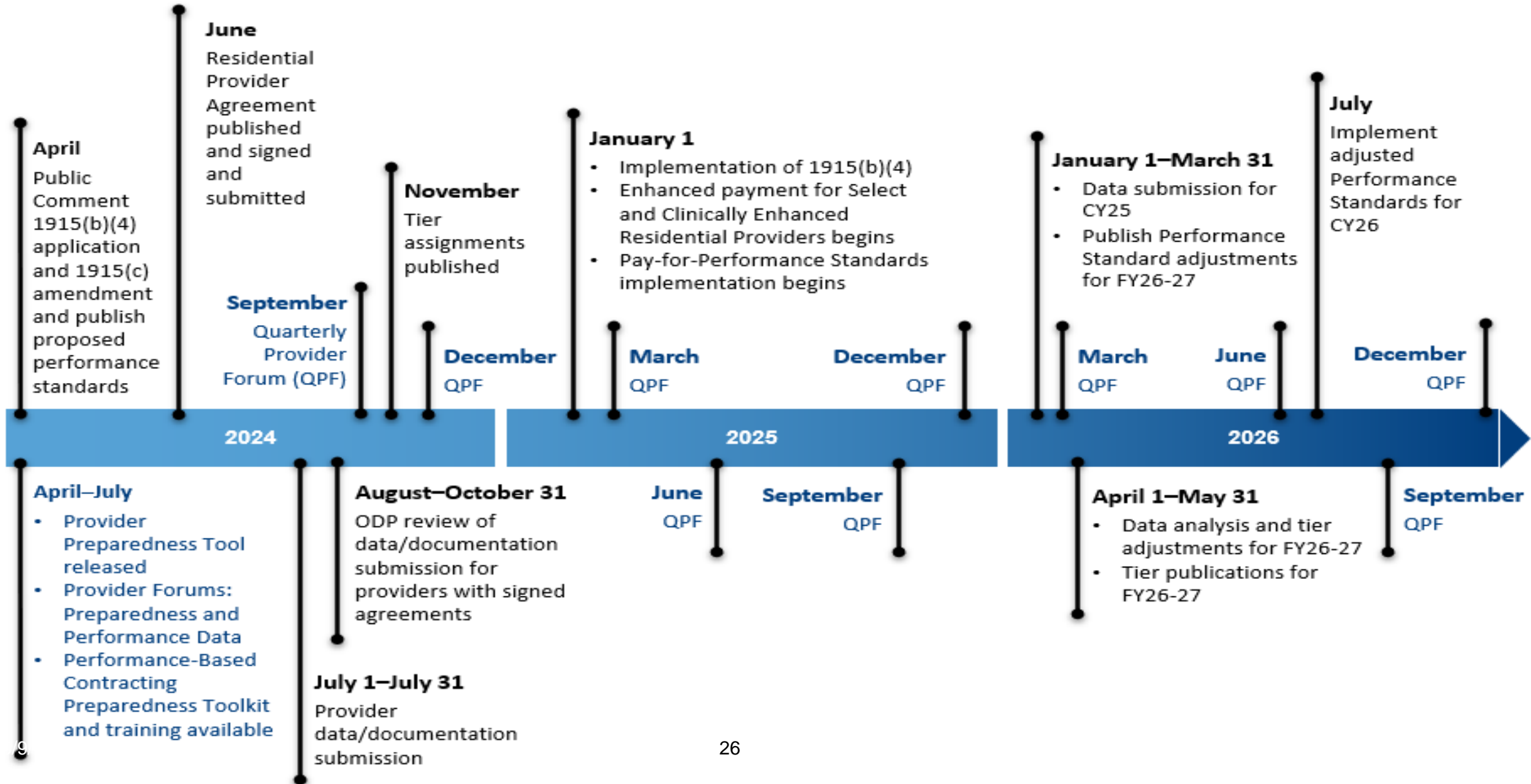
What will stay the same?

- ODP will continue to operate its existing 1915(c) waivers (Consolidated, Community Living, P/FDS, AAW)
- ODP will continue to administer the waiver programs.
- Existing AEs will continue all current delegated waiver functions
- All current residential providers will have the opportunity to continue providing residential services.
- Individuals will continue to receive Residential Services by providers of their choosing.

What is changing?

- When ODP needs additional residential providers, ODP will issue a request for applications.
- ODP will contract with a back-office Performance Analysis Services who will assist in data collection, analysis, and reporting for administration of the PBC program.
- Individuals and families will have access to information on provider performance to assist them with provider selection.
- Payment will be tied more to quality and outcomes.
- Future state, opportunities for streamlined oversight for residential providers meeting high quality standards.

PBC Implementation Timeline



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)
- Comments will be **reviewed, analyzed and revisions** made
- Waiver application **submitted** to CMS
- **Implementation** target date remains January 1, 2025

Waiver Changes Not Related to Performance-Based Contracting



American Sign Language – English Interpreter

NEW SERVICE IN CONSOLIDATED, COMMUNITY LIVING, AND P/FDS WAIVERS

The American Sign Language (ASL) - English Interpreter Service is for participants who utilize ASL.

Participants utilizing this service must have an implementation plan and a plan to fade out the use of an interpreter to promote direct communication.

Can be provided in private homes, via teleservices, and for limited activities in residential homes.

Interpreter services are limited to an average of 8 hours per day.



ASL: English Interpreter Providers and Rates



1. ASSURE EFFECTIVE COMMUNICATION

The ASL – English Interpreter service can be rendered:

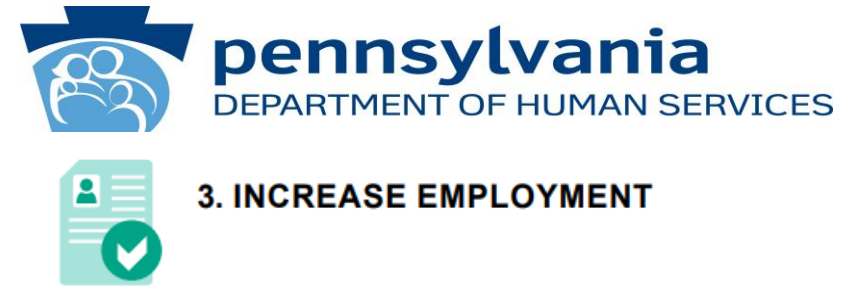
- By traditional providers that enroll directly with ODP
- Through an Organized Health Care Delivery System
- Through a Participant-Directed Services Model

The waivers will pay what the provider charges to the general public (vendor payment).

The costs for this service will not count toward the annual P/FDS or Community Living Waiver caps.

Addition of ASL service to the waivers is dependent upon the funds appropriated by the General Assembly for the forthcoming year.

Benefits Counseling



The following indirect activities (activities not completed with the individual present) can be billed as part of the Benefits Counseling service:

- Writing a Benefits Summary and Analysis
- Reaching out to employers to obtain work incentive information and paystub information
- Connecting with the Social Security Administration to complete work review

Individuals who are not eligible for Work Incentives Planning and Assistance (WIPA) programs can receive Benefits Counseling without being referred to a WIPA program

Clarifications and Corrections



All other proposed changes contain clarifications and corrections which include:

- Individuals who receive waiver services in an acute care hospital will not be disenrolled from a waiver and will not need to have waiver capacity reserved.
- Independent evaluations for Assistive Technology needs can be completed for devices costing less than \$750 if the ISP team believes it will be beneficial.
- Community Participation Support providers must complete a comprehensive analysis of each individual's interests, skills, strengths, preferences, etc. at least annually.

Questions and Answers