ND Medicaid PPS Value-Based Purchasing (VBP) Annual Report

July 2023 – December 2024

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CONSULTANTS | ACTUARIES | ECONOMISTS

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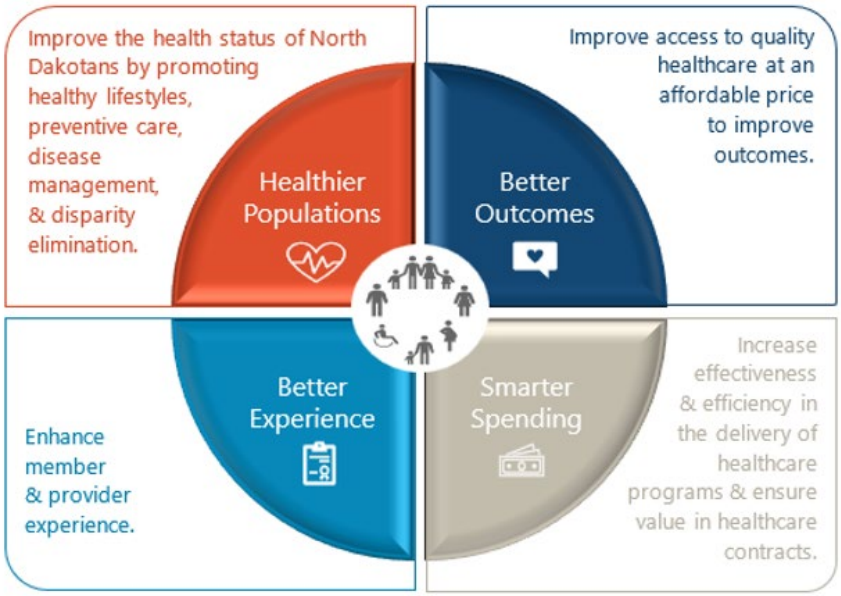
Health & Human Services

Since late 2021, legislation directed North Dakota Department of Health and Human Services (Department) to establish a Prospective Payment System (PPS) hospital system Value-Based Purchasing Program to improve the quality of care, improve health outcomes to fee-for-service Medicaid Members while slowing the cost growth.

Program Strategy

Our program strategy consists of four components:

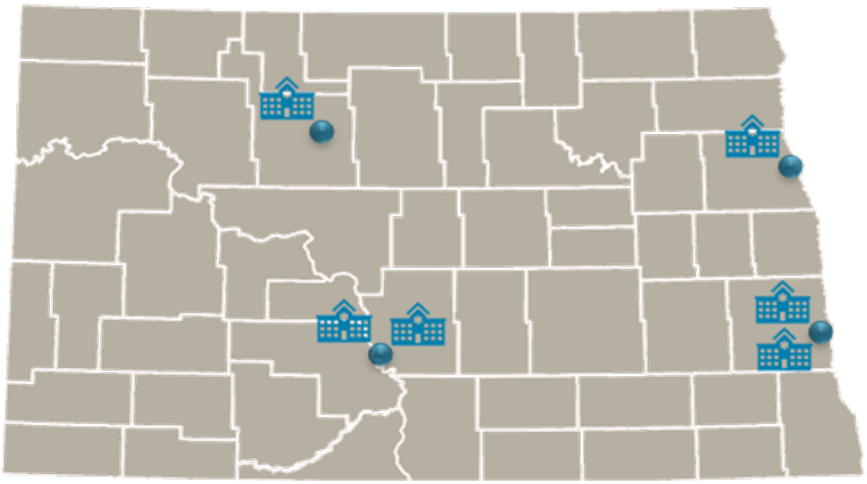


ELIGIBLE HEALTH SYSTEMS

Health systems with PPS hospitals in North Dakota are mandatory participants in the model.

As of July 1, 2023, the six PPS Hospital Systems are:

- Altru Health System
- CHI St. Alexius
- Essentia
- Sanford Bismarck
- Sanford Fargo
- Trinity Health



Stakeholder Engagement

HHS partnered with Optumas to convene a wide range of PPS stakeholders to consult on and assist with the development, design, and implementation of the ND PPS VBP model. This group consists of PPS leadership and executives, ND Hospital association representatives, HHS Medical Services leadership and executives, and Medicaid quality teams. In addition, HHS identified participants for a quality workgroup specifically devoted to performance measurement expertise to be consulted once a month during the design phase. Stakeholder engagement began in summer 2021 with meetings held one-to-two times per month, in addition to periodic one on one meetings as needed for select topics. HHS and Optumas also held office hours sessions to solicit feedback from PPS quality staff, care coordinators, data analytics teams, and others. HHS solicited stakeholder feedback on key aspects of the model such as, but not limited to, measure selection, attribution, performance targets, benchmarks, timing and methods of payment, dashboard developments, and data exchange. HHS and Optumas will continue working with stakeholders as part of implementation and feedback efforts to review progress and discuss any necessary updates or modifications related to the PPS VBP program.

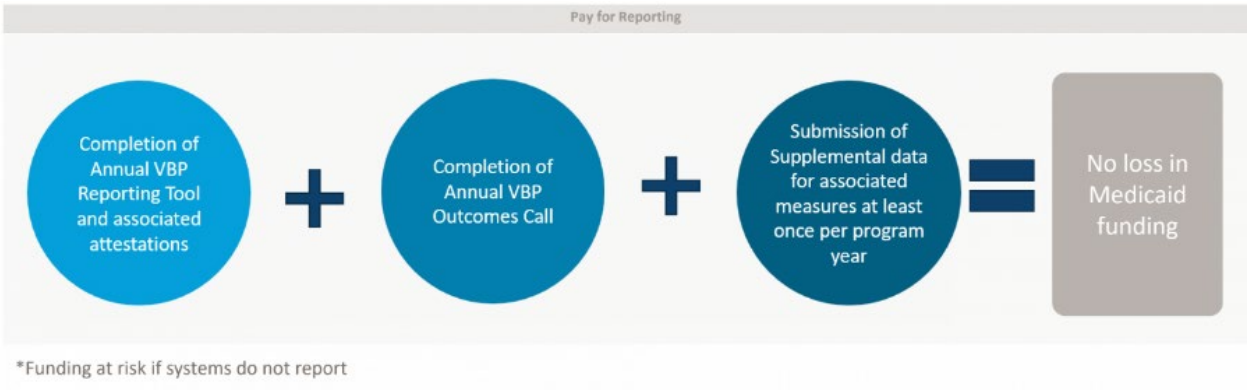
Ongoing Collaboration

Quality Measurement

The VBP Program is rolling out in stages, expanding and building greater accountability over time. The PPS Hospital System puts a portion of hospital payments at-risk for performance on a suite of quality measures. PPS hospital systems will see no loss of funding if they meet specific success criteria in the Pay for Reporting and Pay for Performance measure periods. If PPS hospital systems fail to hit the targets, they will be required to return up to 4% of select Medicaid revenue to the State. PPS hospital systems are given an opportunity to earn additional funds within a Redistribution Pool based on their performance on quality measures during the Pay for Performance measurement periods.

The ND VBP Program began with Pay for Reporting in July 2023 through December 2024.

If a participant satisfied the pay-for-reporting requirements: submission of the required VBP Reporting Tool, participation in the VBP Outcomes Meeting, and submission of supplemental data at least once in the program year, the provider retained 100% of the at-risk funding for that measure.



If a participant did not satisfy one or more of the reporting requirements, the provider must pay the state 100% of the at-risk funds. Funds collected from pay-for-reporting measures will not be used to support the Redistribution Pool.

VBP Reporting Tool

For the ND VBP program, each PPS Hospital system developed interventions focused on quality improvement. All selected measures were process measures used to address care gaps on various levels of the health care delivery process. These included updates and improvements to EMR systems, increased education initiatives given to providers along with updates to standard work and restructuring of leadership and communication dissemination on multiple levels within an organization. Interventions for systems focused on the following VBP measures:

- Well-Child Visits First 30 Months of Life
- Child & Adolescent Well-Care Visits
- Topical Fluoride for Children
- Screening for Depression and Follow up Plan
- Breast Cancer Screening
- Colorectal Cancer Screening

VBP Outcomes Meeting

Recurring Themes

- ✓ Addressing Care Gaps
- ✓ EMR System Updates and Improvements
- ✓ Provider Education Initiatives
- ✓ Updates to Standard Work
- ✓ Restructuring of Leadership
- ✓ Enhanced Communication

Common Challenges & Barriers

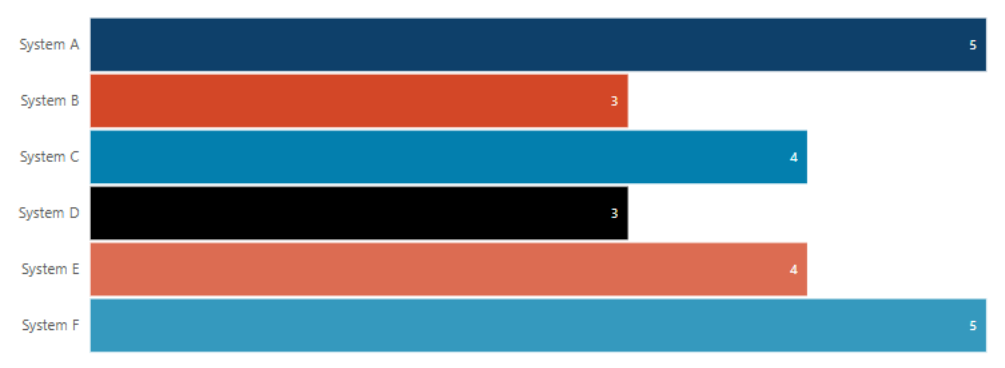
- ✓ Software Updates and Improvements
- ✓ Lack of Standardization across practices and clinics including software available and varying clinical practices
- ✓ Patient Engagement

Lessons Learned

- ✓ Empowering Expertise
- ✓ Adapt and leverage the EMR system to streamline processes and support quality care
- ✓ Encourage autonomy where possible to allow teams to adapt and innovate.
- ✓ Take advantage where you can and be proactive in each patient interaction to close care gaps.
- ✓ Significant practice variation exists across locations; standardized practices help bridge gaps and are crucial to driving consistent quality improvements.
- ✓ Emphasize the "why" behind efforts and repeat it frequently to keep everyone aligned.

Supplemental Data

Supplemental data can be submitted by the PPS Hospital Systems to identify claims and utilization within the systems' EHRs that are not included in the Medicaid Management Information System (MMIS). This allows for claims such as good will or zero cost share to Medicaid that is not available in the MMIS. At least one submission of supplemental data is required to meet Pay for Reporting quality performance.



Program Year 1 Summary

All PPS Hospital Systems met all Pay for Reporting requirements in this performance year, retaining $3.06 million in at-risk funding.

The table below outlines the first performance to payment settlement dates.

Performance Period and Payment Settlement Dates

Program Period/ At-Risk Dollars	Payment Model	Baseline Period	Relevant Performance Data Periods	Payment Settlement Date
7/1/2023-12/31/2024	Pay-for-Reporting	N/A	CY 2023 CY 2024	7/1/2025

Future Outlook

On January 1st, 2025 the initial Pay for Performance period will begin for the initial performance measures as shown in the table below.

This snapshot compares systems' calendar year 2024 performance with Statewide Targets and analyzes changes from 2023.

ND Medicaid PPS Value Based Purchasing (VBP) Program

Quality Measure Overview

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January 2024 - December 2024

Quality Measure (Higher is Better)	Statewide Target	Combined PPS	System A	System B	System C	System D	System E	System F
Breast Cancer Screening (BCS-AD)	52.20%	37.56%	31.16%	48.03%	38.75%	36.84%	51.26%	32.31%
Child & Adolescent Well-Care Visits (WCV-CH)	48.07%	50.66%	51.34%	51.20%	42.69%	38.17%	58.04%	53.45%
Postpartum Care: Prenatal and Postpartum Care (PPC)	78.10%	69.11%	73.37%	59.40%	71.37%	58.04%	63.14%	78.96%
Screening for Depression & Documented Follow-up Plan (CDF)	72.60%	36.21%	47.61%	1.25%	10.55%	4.04%	72.50%	41.08%
Topical Fluoride for Children (TFL-CH)	19.30%	17.87%	18.26%	22.05%	12.81%	11.88%	19.29%	19.05%
Well-Child Visit 15-30 Months of Life (W30-CH)	66.76%	58.38%	55.94%	66.12%	60.94%	41.03%	64.95%	55.51%
Well-Child Visit First 15 Months of Life (W30-CH)	58.38%	49.28%	42.62%	55.19%	51.59%	47.37%	60.93%	44.92%

Quality Measure (Lower is Better)	Statewide Target	Combined PPS	System A	System B	System C	System D	System E	System F
Ambulatory Care: Emergency Department Utilization (AMB-CH)	31.90	33.34	29.55	28.45	39.16	41.20	35.92	32.57
Plan All-Cause Readmission (PCR-AD)	0.99	1.00	0.86	1.49	1.04	1.40	1.09	0.90

Color Key: Measurement decreased from Calendar Year 2023 | Measurement improved from Calendar Year 2023 | Meeting the Statewide Target, Measurement decreased from Calendar Year 2023 | Meeting the Statewide Target, Measurement improved from Calendar Year 2023

*For year over year performance, please see the Quality Measure Tabs.

DATA COLLECTION & DASHBOARDS

To support providers in their program success and to improve patient care, HHS has provided access to several different types of analytics and attribution data, including the following:

- *Quality performance and gaps in care analysis* – providers can access online dashboards that show their own historical performance, a comparison against peers, and gaps in care for the various quality measures. This dashboard is updated quarterly.
- *Care Improvement Opportunity Tool (CIOT) analysis* – providers can also access episodes of care- based analysis that provides insights on clinically relevant groupings of services related to specific patient conditions. The analysis is intended to highlight potentially avoidable utilization that could be eliminated through improved upstream care. This dashboard is updated twice annually.
- *Attribution data* – providers receive detailed attribution data on attributed patients through the quality performance dashboard. Attribution data is updated monthly.
- *Supplemental data* – providers have the option to submit supplemental data for performance measurement up to monthly. Data is incorporated into the quality performance dashboard quarterly. Providers must attest that they have submitted all data they intend to submit once annually.
- *SharePoint*- providers have access to a document library and program resources.

Examples of tools provided to each system to help drive proactive care management and support are shown below.

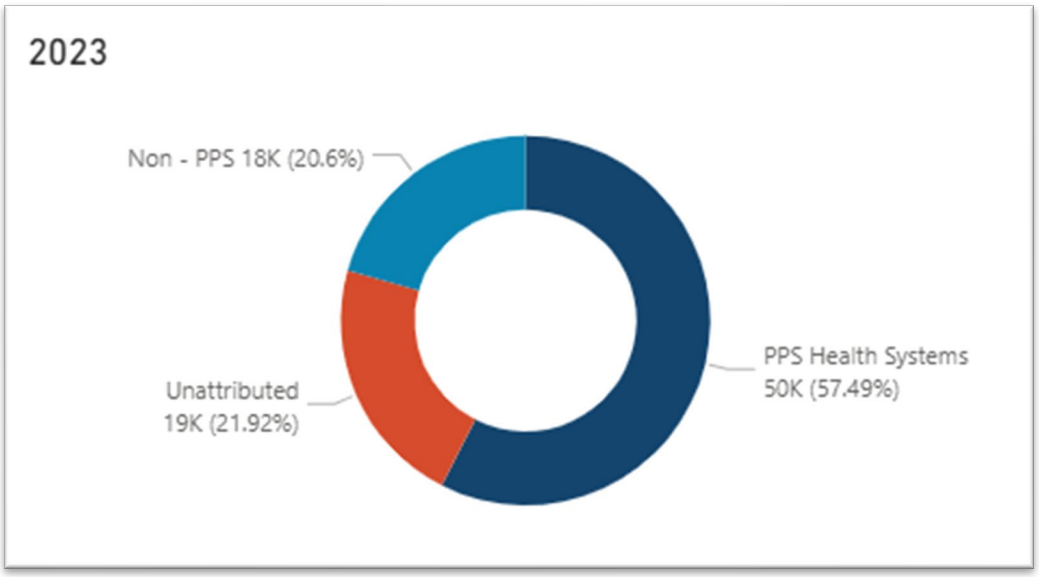
Dashboard Access

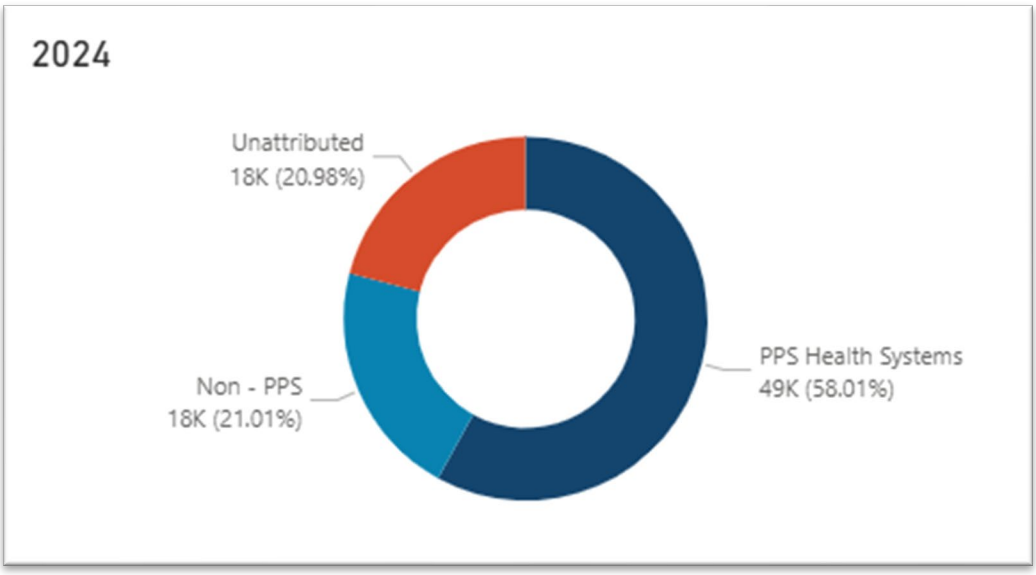
Attribution Overview

Attribution is a method of identifying a patient-provider relationship. The attribution methodology serves the following purposes for the quality incentive program:

- Accountability at point of care: attribution builds accountability for current patient-provider connections to emphasize preventive care and chronic care management.
- Performance measurement: when measuring a hospital system's performance on quality measures, analysis is limited to members attributed to the health system.
- Financing at-risk: the attribution methodology identifies the subset of the population whose utilization contributes to calculation of funds at-risk for each hospital system.

From 2023 to 2024 there was an increase in attribution to PPS Health Systems and a decrease in the unattributed population which shows that members are getting connected to a provider and care.





Below is the 2024 breakdown by Age and Gender for the PPS Health Systems. This data is available for the Statewide, Non-PPS, and Unattributed populations on the PPS VBP Dashboard located at https://www.hhs.nd.gov/healthcare/medicaid/provider/vbp.