Pay for Performance in Wisconsin Medicaid

April 29, 2008
Overview

- Introduction
- Medicaid Program
- Conversion to HEDIS
- Pay for Performance in Managed Care
- P4P Incentives
- Medicaid Registry
- Conclusion
Introduction

- Pay for performance (P4P) will help transform Wisconsin’s Medicaid program from a passive payer to an active purchaser of quality health care.
- P4P will be part of Medicaid program design, similar to Medicare
- Evidence-based medicine will guide Medicaid benefit design
- Centers of excellence will provide high quality, cost-effective health care to Medicaid enrollees
Medicaid Program

- Current Medicaid Program
  - Serves 850,000 people
  - Passive payer for services rendered rather than outcomes achieved
  - Has led the nation with innovative new programs like SeniorCare and BadgerCare
  - In transition, moving from fee-for-service to managed care service delivery model
Medicaid Program

What Medicaid Will Become

- Provides access to health care to 98% of Wisconsin residents
- Active purchaser of quality focused on outcomes, similar to a private health plan
- National leader in health care reform
- Cost-effective high quality managed care for efficient service delivery
Conversion to HEDIS

- As part of the P4P initiative, Wisconsin will begin the process of converting our performance measurement system from MEDDIC-MS to HEDIS, the Healthcare Effectiveness Data and Information Set.

- Over 90% of health plans in the United States use HEDIS, according to the National Committee for Quality Assurance (NCQA).
Pay for Performance in Managed Care

- Pay for performance is a multi-year strategy designed to improve the quality of care Wisconsin HMOs provide to Medicaid and BadgerCare Plus members.
- Financial incentives will be offered to the 13 participating HMOs.
- This is a collaborative effort between the 13 HMOs and two DHFS divisions: the Division of Health Care Access and Accountability and the Division of Public Health.
- DHFS is considering a number of financial incentives listed on the following slides.
P4P Incentives

- Asthma Management
  - Track emergency department visits and rates of inpatient visits
- Childhood Obesity
  - Track BMI for children ages 2 to 17
- Diabetes Management
  - Measure HgbA1c and LDL-C
P4P Incentives (cont.)

- HMO Accreditation
  - Add a financial incentive to the existing non-financial incentive (implemented in 2001) to offset costs of accreditation for the 7 HMOs serving Medicaid members that are not already accredited

- HMO Expansion
  - Implemented 2006 to encourage HMO expansion into areas currently served by only 1 HMO or affected by enrollment caps
P4P Incentives (cont.)

- HealthCheck
  - Three components:
    - Ensure that 80% or more of expected HealthCheck screens are occurring
    - Increase blood lead tests
    - Increase the number of fully-immunized 2 year olds
  - Implement in 2008 through an HMO contract amendment
P4P Incentives (cont.)

- **Healthy Birth Outcomes**
  - Design an incentive for improved birth outcomes among Wisconsin’s Medicaid and BadgerCare Plus members

- **SSI Care Management**
  - Improve timeliness and comprehensiveness of health care assessments

- **SSI Enrollment Expansion**
  - Increase enrollment of SSI members

- **Tobacco Cessation**
  - Implemented in 2007—financial incentive for developing a tobacco registry and increasing cessation rates.
Medicaid Registry

- Explore the possibility of creating a universal Medicaid registry to track HMO performance in P4P incentive areas
- Allow P4P workgroups to move forward developing process measures with a separate group working on the registry
Conclusion

- P4P is only one element of Wisconsin Medicaid’s quality improvement strategy and is a work in progress.
- Existing P4P programs in Wisconsin have resulted in improvement across participating plans.
- Expansion of P4P in managed care will help implement BC+ goals and Wisconsin public health priorities.
Questions?

- Contacts:
  - Jason Helgerson, State Medicaid Director, (608) 266-8922
  - Kirstin Nelson, P4P Project Manager, (608) 267-1421