



# Pay for Performance in Wisconsin Medicaid

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# 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?

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