

# P4P as a Support Tool for Medicaid Disease Management Programs

Jim Hardy

President, Sellers-Feinberg

# Presentation Overview

- General Overview of Medicaid in Pennsylvania
- Overview of Pennsylvania's Enhanced Primary Care Management Program
- Role and Description of P4P
- Early Results
- Lessons Learned
- Relationship to other Medicaid Quality Initiatives

# General Overview of Medicaid in Pennsylvania

- Over 1.9 million Pennsylvanians (14% of the total population) get their health care through Medicaid
  - \$14 billion annual budget
- Pennsylvania operates two programs
  - Mandatory capitated managed care in 25 urban and suburban counties
    - Program 10 years old
  - Enhanced primary care case management (EPCCM) program in remaining 42 counties
    - Started in 2005
    - Competes with voluntary managed care in 26 counties
  - Dual eligibles not enrolled in capitated or EPCCM programs

# Enhanced Primary Case Management Program (Access Plus)

- Pennsylvania implemented Access Plus in March, 2005
  - 290,000 adults and children in 42 counties
  - Children had been in PCCM program
  - Dual eligibles excluded
- Program Description
  - Single vendor
  - Medical home for each consumer
  - Care coordination
  - Transportation coordination
  - Disease management for Asthma, diabetes, CHF, COPD and CAD (32,000 enrolled)
  - Complex case management
  - Vendor at risk for DM performance and quality measures related to medical home

## Challenges for Access Plus Disease Management program

- No DM programs in place prior to Access Plus
- Access to primary care services
  - geography
  - Provider shortages
  - Adults without medical homes
- Social, economic and cultural barriers to consumer self management
- Physician willingness to participate in MA
  - Low payment rates
  - Recent conversion to new MMIS system

# Role of Physician Pay for Performance (P4P)

- Medicaid program wanted to assure that the Access Plus vendor created partnerships with physicians
  - Vendor at risk for key HEDIS measure improvement and guaranteed savings
  - Required vendor to dedicate a portion of PMPM to physician P4P
    - “Use it or lose it” provision
- Wanted P4P that
  - provides encouragement to physicians to play an active role in the disease management program
  - Creates payment streams that generated payments early in the program
  - Is simple for both the physician and the program to oversee

# P4P Program Overview

- Program developed with input from physicians in program area and statewide professional societies
  - Wanted clear early path to additional reimbursement
  - Payments directed to primary care provider
- Three tier program
  - First two tier designed to generate physician payments early in program
  - Second tier focused on patient engagement
  - Third tier based claims review

# Tier One Payments

- Primary Care provider:
  - Reviews the written description of DM program and FAQs
  - Signs a form that gives DM staff permission to use the clinician's name during patient recruitment
  - Completes a brief survey
  - Receiving \$200 payment (equals almost 7 PCP visit payments)



# Tier One Payments

- Patient enrollment support
  - Payment to a participating practitioner for contacting newly eligible high risk patients to encourage them to enroll in the program
  - Contact can occur by mail, phone or in-person
  - Contacts are documented on a patient roster of DM enrollees linked to PCP
  - Payment = \$40 per contact

## Tier One Payments

- Payment to a participating practitioner for locating and furnishing contact information for selected patients, as requested by the ACCESS Plus DM staff
- Payment = \$30 for each patient that the office receives a request for from the Access Plus staff

# Tier One Payments

- Payment for completion of Chronic Care Feedback Form (CCF)
  - Used by Care Coordination Nurses to help them more effectively monitor and coach high risk patients
  - Captures key clinical information that is entered into the ACCESS Plus Database for ongoing trend analysis
    - Medication list
    - Most recent vital signs, lab values, goals
    - Patient Education needs
- CCF completed every six months, payment = \$60

# Tier Two Payments

- Payment for each instance when patient reports taking key medications for the target condition:
  - CHF: Beta Blocker
  - Diabetes: Aspirin
  - Asthma: A “controller” medication (persistent asthma)
  - CAD: Aspirin
- Substitute medications will count in cases of contraindications
- High risk patients only
- Data collected during semi annual telephonic patient assessment by Access Plus DM staff
- Payment = \$17 per patient

# Tier Three Payments

- Payments based on whether claims data demonstrates patient engagement in taking key medications and having necessary lab work:
  - CHF: Beta Blocker
  - *Diabetes: measurement of LDL-C*
  - Asthma: A “controller: medication if patient has persistent asthma
  - *CAD: Statins*
- Substitute medications count in cases of contraindications
- Both *high risk and low risk patients*
- Payment = \$17 per patient annually

# Early Results

- Began program in winter of 2006
- 600 of 2100 PCPs in network have signed up
- 50% of level 2 and level 3 DM patients with enrolled providers
- Data suggests that quality higher for patients with enrolled PCPs
- Overall Access Plus results also promising
  - ER visits down
  - Inpatient admission down

# Lessons Learned

- Payment mechanics did not work smoothly, especially for large health systems
- Paper/fax data transfer cumbersome
- Not enough incentives for pediatric PCPs –although not DM related could have used P4P to help funding issues
- Recruitment efforts could be improved
- Need better mechanism to make sure vendor maximizes impact of P4P payments

## Next Steps

- Pediatric P4P measures being finalized
  - Lead screens
  - Maternal depression screens during well child visits
  - Dental care for pregnant women
  - Obesity counseling referrals
- Other additions planned for adults
- Increase in amount of funds dedicated to P4P
  - Rather put money in P4P rather than across the board increases



# Physician P4P Part of Larger Strategy

- Access Plus vendor incentives/penalties
  - Improvement in key HEDIS measures
  - Guaranteed Savings
- Hospital Quality Program
  - Rewards for lowering re-admission rates
  - Commitment to EMR and improvements in pharmacy error reduction
- MCO quality incentive program
  - Additional payments for HEDIS improvements
- Proposing MCO requirement (and funding for) to develop or expand physician P4P programs
- Looking at consumer incentive pilot

# Conclusion

- P4P was effective in creating additional payment streams to PCPs
- Early data suggests that patients with PCPs in the P4P program did better
- P4P better way to increase provider payments than across the board increases
- Overall results of Access Plus program promising
- Need to create incentives for vendor to maximize use of P4P funding