Accountability & Innovation in MMC Package

Discussion Items	**Straw Proposal #7**: Shared Savings for Medi-Cal managed care plans	**Straw Proposal #3**: P4P for Medi-Cal Providers	**Straw Proposal #5**: Shared Savings for Medi-Cal Providers
Summary of Work Group Feedback	NEW PROPOSAL	Opinions varied on standardization vs. flexibility and no real consensus emerged. Snapshot of feedback below. ▪ DHCS should tell MMC plans the goals they want to focus on and allow plans the flexibility to tailor approach based on local needs; lack of standardization is not a problem ▪ Current system lacks the ability to compare provider performance statewide – statewide metrics would accomplish this goal ▪ Plans pick P4P measures based on what they are being held accountable for, such as auto-assignment or HEDIS. Opportunity for statewide metrics and plan delivery tailored to local needs ▪ Overarching caution: plans are not starting at the same place and some plans may be at a disadvantage.	▪ The funding issue is a problem. Medi-Cal is the lowest payer and this proposal assumes there is a lot of savings to be shared. There would need to be new money. ▪ Medi-Cal has a very different population and set of providers; better suited for the commercial sector ▪ Contracting with hospitals is different in Medi-Cal compared to the commercial space where hospitals are willing to lower revenue for more volume; the same is not true in Medi-Cal ▪ The focus is on cost rather than quality
Proposed Quality/Resource Use/Total Cost of Care Measurement Principles	▪ Align core measure set with DHCS External Accountability (EAS) Set ▪ Expand measurement on resource use and total cost of care ▪ Consider standardizing patient experience measurement ▪ Address social determinants of health ▪ Develop regional HEDIS benchmarks in Medi-Cal	▪ Align core measure set with Straw Proposal 7 measure set (DHCS →Plan incentives to flow down to the Plan → Provider level) ▪ Each measure included in core measure set would include specifications and benchmarks based on existing data ▪ Develop a menu of additional measures for plans interested in supplementing the core measure set at the local level ▪ Opportunity for core measure set that is consistent across payers (Commercial, Medicare, Covered California)	▪ Align core measure set with DHCS requirements of the plans ▪ Requires further development of TCC and resource use measures
Discussion Questions	▪ From a health plan perspective, what are the key strengths and concerns regarding this approach? Would it work better for some plans than others? ▪ What are the tradeoffs among basing the shared savings on total cost of care vs. resource use? ▪ What investments would DHCS and the MMC plans need to make to support this direction? ▪ Does the new rate setting strategy provide enough incentive for plans? ▪ How feasible is it to develop TCC and risk-adjusted resource use measures?	▪ Should standardization be restricted to a core measure set, or apply to incentive design as well? ▪ Will a core measure set with a menu of additional measures provide sufficient flexibility to plans with diverse patient and provider populations? ▪ Would a smaller subset of measures from the DCHS EAS make implementation more focused and actionable? What measures should be included? ▪ What key factors need to be resolved related to incentive design? ▪ What tools or resources would plans need to support implementation and maintenance? ▪ How would DCHS monitor programs?	▪ From a provider prospective, what are the key strengths and concerns regarding this approach? Would it work better for some providers than others? ▪ Are Medi-Cal providers caring for a sufficient number of patients to ensure that shared savings approaches are workable/actuarially sound?