

# **ODM Methods for the Retrospective Adjustment of Quality and P4P Measure Standards**

**Provider Agreement Effective July 1, 2013 through June 30, 2014**

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**Issued: September 2013**

## **Introduction**

Effective SFY 2013 (report period CY 2012), ODM implemented the use of a uniform methodology, as needed, for the retrospective adjustment of any Minimum Performance Standard, except for the CAHPS measure standards, and any P4P Performance Bonus Payment Standard listed in Appendix M or Appendix O of the ODM Managed Care Plan Provider Agreement. This methodology will be implemented at ODM's sole discretion as established in Appendix M and Appendix O of the provider agreement. If ODM determines that a retrospective adjustment to a quality or P4P performance measure standard is appropriate, ODM will apply the following methodology to adjust the standard.

## **Adjustment Methodology**

ODM will calculate the statewide average result using administrative encounter data and any other data sources required for the calculation of the performance measure (e.g., vital statistics data) using two sets of methodologies to calculate statewide average results for the year on which the original performance standards were developed (e.g., for the SFY 2013 provider agreement, performance standards for HEDIS measures were based on HEDIS 2011 [CY 2010] results). The *Standard Setting Year's Statewide Average Result* will be calculated using the methodology of the standard setting year (e.g., for the SFY 2013 provider agreement, HEDIS results referenced when setting performance standards were calculated per *HEDIS 2011 Volume 2: Technical Specifications for Health Plans*). The *Current Measurement Year's Statewide Average Result* will be calculated using the methodology of the current measurement year (e.g., for the SFY 2013 provider agreement, HEDIS measurement results used for performance evaluation will be calculated per *HEDIS 2012 Volume 2: Technical Specifications for Health Plans*). ODM will derive an adjustment factor (ratio): *Current Measurement Year's Statewide Average Result / Standard Setting Year's Statewide Average Result*. For performance standards in Appendix M, the Minimum Performance Standard will be adjusted by multiplying the original Minimum Performance Standard by the adjustment factor. For performance standards in Appendix O, the NCQA HEDIS Medicaid benchmarks (e.g., 25<sup>th</sup> percentile, 90<sup>th</sup> percentile) originally used for setting the P4P Performance Bonus Payment Standards will be multiplied by the adjustment factor. The P4P Performance Bonus Standards (i.e., standards set for levels one through ten) will be recalculated based on these adjusted benchmarks. Please note that adjustments for performance standards may be for either HEDIS or non-HEDIS performance measures. The only exception to this methodology applies to measures for which the retrospective adjustment is made due to an increase in results and the adjusted NCQA Medicaid HEDIS benchmark is greater than 100%. In this case, the maximum P4P Bonus Standard will be 100%.

Example 1 illustrates an adjustment for a Minimum Performance Standard for a HEDIS performance measure in Appendix M. Please note that this example does not pertain to a real HEDIS measure.

**Example 1: Quality Performance Measure A**

Statewide Average Result: CY 2010 Rate Using HEDIS 2013 Methods	Statewide Average Result: CY 2010 Rate Using HEDIS 2011 Methods	Adjustment Factor: CY 2010 Overall Statewide Average Result Using HEDIS 2013 Methodology/CY 2010 Overall Statewide Average Result Using HEDIS 2011 Methodology
90.0%	<b>80.0%</b>	<b>112.5%</b>

SFY 2013 Minimum Performance Standard	Adjustment Factor	Adjusted SFY 2013 Minimum Performance Standard
85%	112.5%	95.6

Example 2 illustrates an adjustment for the P4P Performance Bonus Payment Standard for a HEDIS performance measure in Appendix O. Please note that this example does not pertain to a real HEDIS measure.

**Example 2: Clinical Performance Measure B**

		<b>Adjustment Factor: CY 2010 Statewide Average Result Using HEDIS 2013 Methodology/CY 2010 Statewide Average Result Using HEDIS 2011 Methodology</b>
<b>Statewide Average Result: CY 2010 Rate Using HEDIS 2013 Methods</b>	<b>Statewide Average Result: CY 2010 Rate Using HEDIS 2011 Methods</b>	
70.0%	<b>80.0%</b>	<b>87.5%</b>

<i>NCQA's Audit, Means, and Percentiles HEDIS 2010 Medicaid Benchmarks</i>				
P10	P25	P50	P75	P90
82.3%	84.5%	86.4%	90.2%	92.1%
<i>ODM' Adjusted NCQA's Audit, Means, and Percentiles HEDIS 2010 Medicaid Benchmarks</i>				
P10	P25	P50	P75	P90
NA	73.9%	NA	NA	80.6%

<b>P4P Performance Level</b>	<b>Percent Bonus Awarded</b>	<b>Adjusted P4P Performance Standard</b>
10 (90th %ile adjusted)	100%	80.6%
9	90%	79.9%
8	80%	79.3%
7	70%	78.6%
6	60%	77.9%
5	50%	77.3%
4	40%	76.6%
3	30%	75.9%
2	20%	75.3%
1	10%	74.6%
<b>MPS (25th %ile adjusted)</b>	0%	73.9%

Example 3 illustrates an adjustment for the P4P Performance Bonus Payment Standard for a HEDIS performance measure in Appendix O for which the adjusted NCQA Medicaid HEDIS

benchmark is greater than 100%. Please note that this example does not pertain to a real HEDIS measure.

**Example 3: Clinical Performance Measure C**

		<b>Adjustment Factor: CY 2010 Statewide Average Result Using HEDIS 2013 Methodology/CY 2010 Statewide Average Result Using HEDIS 2011 Methodology</b>
<b>Statewide Average Result: CY 2010 Rate Using HEDIS 2013 Methods</b>	<b>Statewide Average Result: CY 2010 Rate Using HEDIS 2011 Methods</b>	
90.0%	<b>80.0%</b>	<b>112.5%</b>

<i>NCQA's Audit, Means, and Percentiles HEDIS 2010 Medicaid Benchmarks</i>				
P10	P25	P50	P75	P90
82.3%	84.5%	86.4%	90.2%	92.1%
<i>ODM' Adjusted NCQA's Audit, Means, and Percentiles HEDIS 2010 Medicaid Benchmarks</i>				
P10	P25	P50	P75	P90
NA	95.1%	NA	NA	100%

<b>P4P Performance Level</b>	<b>Percent Bonus Awarded</b>	<b>Adjusted P4P Performance Standard</b>
10 (adjusted)	100%	100.0%
9	90%	99.5%
8	80%	99.0%
7	70%	98.5%
6	60%	98.0%
5	50%	97.5%
4	40%	97.0%
3	30%	96.5%
2	20%	96.1%
1	10%	95.6%
<b>MPS (25th %ile adjusted)</b>	0%	95.1%