

# Commonwealth of Virginia Department of Medical Assistance Services

## SFY 2023 Performance Withhold Program Methodology





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### Project Overview

The Virginia Department of Medical Assistance Services (DMAS) contracted with Health Services Advisory Group, Inc. (HSAG), as their External Quality Review Organization (EQRO), to establish, implement, and maintain a scoring mechanism for the managed care Performance Withhold Program (PWP), also referred to as the “quality withhold.” For the state fiscal year (SFY) 2023 PWP, managed care organizations’ (MCOs’) performance is evaluated on seven National Committee for Quality Assurance (NCQA) Healthcare Effectiveness Data and Information Set (HEDIS®) measures (14 measure indicators),<sup>1</sup> one Agency for Healthcare Research and Quality (AHRQ) Pediatric Quality Indicator (PDI) measure (one measure indicator), and two Centers for Medicare and Medicaid Services (CMS) Core Set of Adult Health Care Quality Measures for Medicaid (Adult Core Set) measures (two measure indicators). The EQRO is responsible for collecting MCOs’ audited HEDIS measure rates, the AHRQ PDI measure rates, and CMS Adult Core Set measure rates from DMAS. The EQRO will derive PWP scores for each measure and calculate the portion of the 1 percent quality withhold earned back for each MCO.

The following sections provide the PWP calculation methodology for the SFY 2023. MCOs will be eligible to earn back all, or a portion of, their 1 percent quality withhold based on the scoring methods and quality withhold funds model described in this document

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<sup>1</sup> HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA).

## Performance Measures

DMAS selected the following seven HEDIS measures (14 measure indicators), one AHRQ PDI measure (one measure indicator), and two CMS Adult Core Set measures (two measure indicators) for the PWP indicated in Table 1.

**Table 1—PWP Measures**

Indicator	Measure Specification	Required Reporting Method
<i>Asthma Admission Rate (per 100,000 Member Months [MM])*</i>	AHRQ PDI	Administrative
<i>Child and Adolescent Well-Care Visits—Total</i>	HEDIS	Administrative
<i>Childhood Immunization Status—Combination 3</i>	HEDIS	Hybrid
<i>Chronic Obstructive Pulmonary Disease (COPD) or Asthma in Older Adults Admission Rate (per 100,000 MM)—Total*</i>	CMS Adult Core Set	Administrative
<i>Comprehensive Diabetes Care Composite— Blood Pressure Control for Patients With Diabetes—Total, Eye Exam for Patients With Diabetes—Total, HbA1c Control (&lt;8.0%)—Total and HbA1c Poor Control (&gt;9.0%)—Total<sup>2</sup></i>	HEDIS	Hybrid
<i>Follow-Up After Emergency Department (ED) Visit for Alcohol and Other Drug (AOD) Abuse or Dependence—7-Day Follow-Up—Total and 30-Day Follow-Up—Total</i>	HEDIS	Administrative
<i>Follow-Up After ED Visit for Mental Illness—7-Day Follow-Up—Total and 30-Day Follow-Up—Total</i>	HEDIS	Administrative
<i>Heart Failure Admission Rate (per 100,000 MM)—Total*</i>	CMS Adult Core Set	Administrative
<i>Initiation and Engagement of Substance Use Disorder (SUD) Treatment—Initiation of SUD Treatment and Engagement of SUD Treatment</i>	HEDIS	Administrative
<i>Prenatal and Postpartum Care—Timeliness of Prenatal Care and Postpartum Care</i>	HEDIS	Hybrid

\*For this measure indicator, a lower rate indicates better performance.

<sup>2</sup> Starting with HEDIS MY 2022, the Comprehensive Diabetes Care measure has been removed and three new measures have been established. For the purposes of the PWP, the measures will be combined as a composite measure and weighted similar to the other measures.

## Performance Period

The SFY 2023 PWP assesses calendar year (CY) 2022 performance measure data (i.e., the performance measures will be calculated following HEDIS Measurement Year [MY] 2022, AHRQ's PDI Technical Specifications [July 2021], and CMS federal fiscal year [FFY] 2023 Adult Core Set Specifications that use a CY 2022 measurement period) to determine what portion, if any, the MCOs will earn back from the funds withheld in SFY 2023 (i.e., the 1 percent of capitation payments withheld from July 1, 2022, through June 30, 2023).<sup>3</sup>

## Data Collection

The HEDIS Interactive Data Submission System (IDSS) files for the PWP calculation will be audited as required by NCQA. The auditor-locked IDSS files containing the HEDIS measure rates will be provided to the EQRO by the MCOs. DMAS will contract with their EQRO to validate the AHRQ PDI measure and the two CMS Adult Core Set measures in accordance with *CMS External Quality Review (EQR) Protocols: Protocol 2. Validation of Performance Measures*, October 2019.<sup>4</sup> Following the performance measure validation, the EQRO will provide the true, audited rates for the AHRQ PDI and CMS Adult Core Set measures to DMAS.

Only measure rates with a “*Reportable (R)*” (HEDIS and non-HEDIS rates) audit result (i.e., the plan produced a reportable rate for the measure in alignment with the technical specifications) will be included in the PWP calculation. Measure rates with a “*Small Denominator (NA)*” (HEDIS rates only) audit result (i.e., the plan followed the specifications, but the denominator was too small to report a valid rate) will be excluded from the PWP calculation. Measure rates with any audit result other than “*Reportable (R)*” or “*Small Denominator (NA)*” will receive a score of zero (i.e., the MCO will not be eligible to earn a portion of the quality withhold back for that measure).

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<sup>3</sup> Per the technical measure specifications, the Asthma Admission Rate is reported per 100,000 population. However, this measure should be reported per 100,000 member months (MM) instead. This slight deviation is in alignment with the approach for reporting AHRQ's Prevention Quality Indicator (PQI) measures in the Centers for Medicare & Medicaid Services' (CMS') Core Set of Adult Health Care Quality Measures for Medicaid (Adult Core Set).

<sup>4</sup> Department of Health and Human Services, Centers for Medicare and Medicaid Services. CMS External Quality Review (EQR) Protocols. 2019:57-114. Available at: <https://www.medicare.gov/medicaid/quality-of-care/downloads/2019-eqr-protocols.pdf>. Accessed on: Feb 22, 2022.

## SFY 2023 PWP

SFY 2023 PWP will use the MCOs’ audited HEDIS MY 2022 and validated CY 2022 AHRQ PDI and CMS FFY 2023 CMS Adult Core Set performance measure data. Table 2 shows the percentage of withhold associated with each performance measure indicator.

**Table 2—SFY 2023 PWP Measure Weights**

Indicator	Measure Weight
<i>Asthma Admission Rate (per 100,000 MM)*</i>	10%
<i>Child and Adolescent Well-Care Visits—Total</i>	10%
<i>Childhood Immunization Status—Combination 3</i>	10%
<i>COPD or Asthma in Older Adults Admission Rate (per 100,000 MM)—Total*</i>	10%
<i>Comprehensive Diabetes Care Composite— Blood Pressure Control for Patients With Diabetes—Total, Eye Exam for Patients With Diabetes—Total, HbA1c Control (&lt;8.0%)—Total and HbA1c Poor Control (&gt;9.0%)—Total*</i>	10%
<i>Follow-Up After ED Visit for AOD Abuse or Dependence—7-Day Follow-Up—Total and 30-Day Follow-Up—Total</i>	10%
<i>Follow-Up After ED Visit for Mental Illness—7-Day Follow-Up—Total and 30-Day Follow-Up—Total</i>	10%
<i>Heart Failure Admission Rate (per 100,000 MM)—Total*</i>	10%
<i>Initiation and Engagement of SUD Treatment—Initiation of SUD Treatment and Engagement of SUD Treatment</i>	10%
<i>Prenatal and Postpartum Care—Timeliness of Prenatal Care and Postpartum Care</i>	10%

*\*For this measure indicator, a lower rate indicates better performance.*

## Scoring Methods

The next several sections describe the PWP calculation method for the SFY 2023 PWP.

### Indicator Partial Score

For SFY 2023, the AHRQ PDI and CMS Adult Core Set measure scoring will be based on whether the MCO reported valid HEDIS MY 2022 (i.e., CY 2022) measure rates to NCQA in the required reporting method as indicated in Table 3. Due to the planned transition to Cardinal Care, beginning with the SFY 2024 PWP and forwards, DMAS will attempt to set benchmarks for determining the Cardinal Care MCO performance scores for the AHRQ PDI and CMS Adult Core Set measures, based on available data from SFY 2023.

**Table 3—Audit Designations (AHRQ PDI and CMS Adult Core Set)**

Audit Designation	
Eligible for Points	Ineligible for Points
<i>Reportable (R)</i>	<i>Do Not Report (DNR)</i>
	<i>Not Applicable (NA)</i>
	<i>No Benefit (NR)</i>

As indicated in Table 3, only measures with a “*Reportable (R)*” audit result (i.e., the plan produced a reportable rate for the measure in alignment with the technical specifications) will be included in the PWP calculation for the AHRQ PDI and CMS Adult Core Set measures. Measure rates with the following audit results will receive a score of zero (i.e., the MCO will not be eligible to earn a portion of the quality withhold back for that measure):

- “*Do Not Report (DNR)*” audit result (i.e., the calculated rate was materially biased)
- “*Not Applicable (NA)*” audit result (i.e., the plan was not required to report the measure)
- “*No Benefit (NR)*” audit result (i.e., the measure was not reported because the plan did not offer the required benefit)

The performance scores for the HEDIS measures will be determined by comparing each rate to NCQA’s Quality Compass<sup>®5</sup> national Medicaid health maintenance organization (HMO) percentiles (referred to in this document as percentiles). Table 4 presents the possible scores for each HEDIS indicator based on the MCO performance for the current year. Rates will be rounded to two decimals prior to comparing to the percentiles and determining the measure score, and no scores will be dropped.

**Table 4—PWP HEDIS Indicator Scoring**

Criteria for Each Indicator	Score
MCO’s rate is below the 25th percentile	0.00
MCO’s rate is at or above the 25th percentile but below the 50th percentile	Between 0.00 and 1.00
MCO’s rate is at or above the 50th percentile	1.00

<sup>5</sup> Quality Compass<sup>®</sup> is a registered trademark of NCQA.

HEDIS indicator rates that are below the 25th percentile will receive a score of zero (i.e., no portion of the quality withhold will be earned for this indicator). Indicator rates that are at or above the 50th percentile will receive the maximum score for that indicator (i.e., 1 point). If an indicator rate is at or above the 25th percentile but below the 50th percentile, the MCO will be eligible to receive a partial score (i.e., a partial point value that falls between 0 and 1). To calculate the partial points at the indicator level, each MCO’s rate will be compared to the percentiles to determine how close the MCO’s rate is to the 50th percentile. In future iterations of the PWP, the minimum performance level (i.e., 25th percentile) may increase to encourage continued positive performance and quality improvement. The partial score for each measure will be derived using the following formula:

$$Partial\ Point\ Value = \left[ \frac{(MCO\ Rate - 25th\ Percentile)}{(50th\ Percentile - 25th\ Percentile)} \right]$$

For example, if the 25th percentile is 40 percent and the 50th percentile is 60 percent, and an MCO has a rate of 55 percent for an indicator, then the partial point value is calculated as follows:

$$Partial\ Point\ Value = \left[ \frac{(55 - 40)}{(60 - 40)} \right] = 0.75$$

### Improvement Bonus

For the AHRQ PDI and CMS Adult Core Set measure indicators, DMAS will determine an appropriate method of assigning improvement bonus points for future iterations of the PWP, if applicable.

For the SFY 2023 PWP, MCOs that failed to meet the 50th percentile in CY 2021 (i.e., HEDIS MY 2021 data) for a HEDIS indicator may be eligible to earn an improvement bonus if an indicator rate demonstrates substantial improvement from CY 2021.<sup>6</sup> Substantial improvement will be defined as 20 percent of the difference between the 25th and 50th percentile. An improvement bonus of 0.25 points will be awarded for each indicator, if the MCO was below the 50th percentile in CY 2021 and the following is true:

$$|MCO\ Current\ Rate - MCO\ CY\ 2021\ Rate| \geq \left[ \left| \frac{(50th\ Percentile - 25th\ Percentile)}{5} \right| \right]$$

For each MCO, HSAG will assess which indicator rates are eligible for an improvement determination. HSAG will only determine improvement bonus eligibility if an indicator meets the following criteria:

- The MCO current year rate demonstrated an improvement from the CY 2021 rate;
- The MCO reported the indicator rate in both the current year and CY 2021;
- The MCO’s reported indicator rate was below the 50th percentile in CY 2021;
- The MCO reported the indicator rate using the same reporting methodology in both years (e.g., the reporting methodology did not change from administrative in CY 2021 to hybrid in the current year); and

<sup>6</sup> HSAG will use the HEDIS MY 2021 Combined Aggregate files (i.e., the MCO’s standard NCQA HEDIS submission) as a comparison to the HEDIS MY 2022 data submissions.

- NCQA did not recommend a break in trending for the indicator due to a change in the technical specifications for the Medicaid product line.

If an MCO demonstrates substantial improvement for an indicator rate and meets all of the criteria for improvement bonus determinations, then the MCO will receive an improvement bonus for that indicator.

### **High Performance Bonus**

For the AHRQ PDI and CMS Adult Core Set measure indicators, DMAS will determine an appropriate method of assigning high performance bonus points for future iterations of the PWP, if applicable.

For the SFY 2023 PWP, if an MCO demonstrates a strong performance trend over time for a HEDIS indicator, the MCO will be eligible for a high performance bonus. The high performance bonus will be awarded for indicator rates that exceed the 66.67th percentile for both the current year and CY 2021. Each indicator rate that ranks above the 66.67th percentile for the current year and CY 2021 will be eligible for a maximum high performance bonus of 0.25 points that will be added to the indicator partial score described above (i.e., 1 point).

### **Scoring Model Example**

Table 5 and Table 6, on the two next pages, provide examples of how indicator partial scores will be determined, by MCO. All data presented in the tables below (both measure rates and percentile values) are mock data and do not represent actual data or results.



**Table 5—Indicator Partial Score Calculations—HEDIS Measures  
(Example Using Mock Data)**

Indicator	Current Year Rate	25th Percentile	50th Percentile	Indicator Partial Score
<b>Child and Adolescent Well-Care Visits</b>				
Total	55.55%	44.28%	54.26%	1.00
<b>Childhood Immunization Status</b>				
Combination 3	73.82%	65.45%	70.68%	1.00
<b>Comprehensive Diabetes Care Composite</b>				
Blood Pressure Control for Patients With Diabetes—Total	53.00%	50.23%	54.55%	0.64
Eye Exam for Patients With Diabetes—Total	42.68%	41.77%	52.00%	0.09
HbA1c Control (<8.0%)—Total	54.74%	44.11%	51.22%	1.00
HbA1c Poor Control (<9.0%)—Total*	50.70%	45.55%	38.66%	0.00
<b>Follow-Up After ED Visit for AOD Abuse or Dependence</b>				
7-Day Follow-Up—Total	6.94%	6.25%	9.73%	0.20
30-Day Follow-Up—Total	11.04%	9.89%	15.25%	0.21
<b>Follow-Up After ED Visit for Mental Illness</b>				
7-Day Follow-Up—Total	46.22%	29.21%	35.49%	1.00
30-Day Follow-Up—Total	58.92%	43.17%	51.45%	1.00
<b>Initiation and Engagement of SUD Treatment</b>				
Initiation of SUD Treatment	42.26%	39.25%	41.99%	1.00
Engagement of SUD Treatment	11.16%	9.53%	11.01%	1.00
<b>Prenatal and Postpartum Care</b>				
Timeliness of Prenatal Care—Total	78.01%	78.10%	83.76%	0.00
Postpartum Care—Total	64.70%	59.38%	65.69%	0.84

\*For this measure indicator, a lower rate indicates better performance.

Please note that the numbers in the table have been rounded for display purposes. Calculations will be based off unrounded data.

**Table 6—Indicator Partial Score Calculations—AHRQ PDI and CMS Adult Core Set Measures  
(Example Using Mock Data)**

Indicator	Audit Designation*	Met Reporting Requirements	Indicator Partial Score
<b>Asthma Admission Rate (per 100,000 MM)</b>			
Total	R	Yes	1.00
<b>COPD or Asthma in Older Adults Admission Rate (per 100,000 MM)</b>			
Total	R	Yes	1.00
<b>Heart Failure Admission Rate (per 100,000 MM)</b>			
Total	NA	No	0.00

\*Audit designations include: Reportable (R); Do Not Report (DNR); Not Applicable (NA); No Benefit (NR).

The indicator partial scores for the HEDIS measures are calculated by first determining the applicable percentile level for the indicator rate. For example, the *Follow-Up After ED Visit for Mental Illness—7-Day Follow-Up—Total* indicator received an indicator partial score of one point because the rate (46.22 percent) is above the 50th percentile (35.49 percent). For the AHRQ PDI and CMS Adult Core Set measures, the *Asthma Admission Rate—Total* indicator receives an indicator partial score of 1.00 because the audit designation was “Reportable (R).”

Table 7, on the next page, provides an example of how the improvement bonus scores will be determined by MCO based on performance for the current year and CY 2021 for the HEDIS measures. Improvement bonus determinations for the AHRQ PDI and CMS Adult Core Set measures will be evaluated for future iterations of the PWP.

**Table 7—Indicator Improvement Bonus Score Calculations—HEDIS Measures  
(Example Using Mock Data)**

Indicator	CY 2021 Rate	Current Year Rate	Rate Difference	Substantial Improvement Value	Below 50th Percentile in Prior Year	Met Substantial Improvement	Improvement Bonus†
<b>Child and Adolescent Well-Care Visits</b>							
Total	50.85%	55.55%	4.70%	2.00%	Y	Y	0.25
<b>Childhood Immunization Status</b>							
Combination 3	71.29%	73.82%	2.53%	1.05%	N	Y	0.00
<b>Comprehensive Diabetes Care Composite</b>							
Blood Pressure Control for Patients With Diabetes—Total	53.25%	53.00%	-0.25%	0.86%	Y	N	0.00
Eye Exam for Patients With Diabetes—Total	44.27%	42.68%	-1.59%	2.05%	Y	N	0.00
HbA1c Control (<8.0%)—Total	57.41%	54.74%	-2.67%	1.42%	N	N	0.00
HbA1c Poor Control (>9.0%)—Total*	52.26%	50.70%	-1.56%	-1.38%	Y	Y	0.25
<b>Follow-Up After ED Visit for AOD Abuse or Dependence</b>							
7-Day Follow-Up—Total	5.66%	6.94%	1.28%	0.70%	Y	Y	0.25
30-Day Follow-Up—Total	11.42%	11.04%	-0.38%	1.07%	Y	N	0.00
<b>Follow-Up After ED Visit for Mental Illness</b>							
7-Day Follow-Up—Total	45.12%	46.22%	1.10%	1.26%	N	N	0.00
30-Day Follow-Up—Total	59.67%	58.92%	-0.75%	1.66%	N	N	0.00
<b>Initiation and Engagement of SUD Treatment</b>							
Initiation of SUD Treatment	41.68%	42.26%	0.58%	0.55%	N	Y	0.00
Engagement of SUD Treatment	11.11%	11.16%	0.05%	0.30%	Y	N	0.00
<b>Prenatal and Postpartum Care</b>							
Timeliness of Prenatal Care—Total	77.62%	78.01%	0.39%	1.13%	Y	N	0.00
Postpartum Care—Total	60.58%	64.70%	4.12%	1.26%	Y	Y	0.25

†A measure indicator is eligible for an improvement bonus if the indicator rate was below the 50th percentile in CY 2021 and the indicator rate demonstrated substantial improvement from CY 2021.

\*For this indicator, a lower rate indicates better performance.

Table 8 provides an example of how the high performance bonus scores will be determined, by MCO, based on performance for the current year and CY 2021 for the HEDIS measures. Once the high performance bonus scores are determined, the indicator partial score, the improvement bonus score, and high performance bonus score (i.e., 0.00 or 0.25) will be summed to obtain the final indicator score. High performance bonus determinations for the AHRQ PDI and CMS Adult Core Set measures will be evaluated for future iterations of the PWP.

**Table 8—High Performance Bonus Score Calculations—HEDIS Measures  
(Example Using Mock Data)**

Indicator	CY 2021 Rate	CY 2021 66.67th Percentile	Current Year Rate	Current Year 66.67th Percentile	High Performance Bonus		
					Prior Year	Current Year	Points Earned
<b>Child and Adolescent Well-Care Visits</b>							
Total	50.85%	59.49%	55.55%	60.34%	N	N	0.00
<b>Childhood Immunization Status</b>							
Combination 3	71.29%	73.72%	73.82%	72.75%	N	Y	0.00
<b>Comprehensive Diabetes Care Composite</b>							
Blood Pressure Control for Patients With Diabetes—Total	53.25%	56.12%	53.00%	57.89%	N	N	0.00
Eye Exam for Patients With Diabetes—Total	44.27%	57.16%	42.68%	58.02%	N	N	0.00
HbA1c Control (<8.%)—Total	57.41%	53.48%	54.74%	54.51%	Y	Y	0.25
HbA1c Poor Control (>9.0%)—Total*	52.26%	33.23%	50.70%	34.15%	N	N	0.00
<b>Follow-Up After ED Visit for AOD Abuse or Dependence</b>							
7-Day Follow-Up—Total	5.66%	10.85%	6.94%	11.01%	N	N	0.00
30-Day Follow-Up—Total	11.42%	15.30%	11.04%	15.75%	N	N	0.00
<b>Follow-Up After ED Visit for Mental Illness</b>							
7-Day Follow-Up—Total	45.12%	44.56%	46.22%	45.77%	Y	Y	0.25
30-Day Follow-Up—Total	59.67%	54.66%	58.92%	55.79%	Y	Y	0.25
<b>Initiation and Engagement of SUD Treatment</b>							
Initiation of SUD Treatment	41.68%	47.00%	42.26%	48.04%	N	N	0.00
Engagement of SUD Treatment	11.11%	12.16%	11.16%	12.13%	N	N	0.00
<b>Prenatal and Postpartum Care</b>							
Timeliness of Prenatal Care—Total	77.62%	85.59%	78.01%	86.37%	N	N	0.00
Postpartum Care—Total	60.58%	67.82%	64.70%	68.36%	N	N	0.00

\*For this indicator, a lower rate indicates better performance.

Table 9, on the next page, shows the measure level score calculations for each MCO by determining the average of the indicator level scores for each measure.

**Table 9—Measure Level Score Calculations  
(Example Using Mock Data)**

Indicator	Indicator Level Score	Improvement Bonus	High Performance Bonus	Final Indicator Score	Measure Level Score
<b>Asthma Admission Rate (Per 100,000 MM)*</b>					
Total	1.00	NE	NE	1.00	<b>1.00</b>
<b>Child and Adolescent Well-Care Visits</b>					
Total	1.00	0.25	0.00	1.25	<b>1.25</b>
<b>Childhood Immunization Status</b>					
Combination 3	1.00	0.00	0.00	1.00	<b>1.00</b>
<b>COPD or Asthma in Older Adults Admission Rate (per 100,000 MM)*</b>					
Total	1.00	NE	NE	1.00	<b>1.00</b>
<b>Comprehensive Diabetes Care Composite</b>					
Blood Pressure Control for Patients with Diabetes—Total	0.64	0.00	0.00	0.64	<b>0.56</b>
Eye Exam for Patients with Diabetes—Total	0.09	0.00	0.00	0.09	
HbA1c Control (<8.0 Percent)—Total	1.00	0.00	0.25	1.25	
HbA1c Poor Control (>9.0 Percent)—Total*	0.00	0.25	0.00	0.25	
<b>Follow-Up After ED Visit for AOD Abuse or Dependence</b>					
7-Day Follow-Up—Total	0.20	0.25	0.00	0.45	<b>0.33</b>
30-Day Follow-Up—Total	0.21	0.00	0.00	0.21	
<b>Follow-Up After ED Visit for Mental Illness</b>					
7-Day Follow-Up—Total	1.00	0.00	0.25	1.25	<b>1.25</b>
30-Day Follow-Up—Total	1.00	0.00	0.25	1.25	
<b>Heart Failure Admission Rate (per 100,000 MM)*</b>					
Total	0.00	NE	NE	0.00	<b>0.00</b>
<b>Initiation and Engagement of SUD Treatment</b>					
Initiation of SUD Treatment	1.00	0.00	0.00	1.00	<b>1.00</b>
Engagement of SUD Treatment	1.00	0.00	0.00	1.00	
<b>Prenatal and Postpartum Care</b>					
Timeliness of Prenatal Care—Total	0.00	0.00	0.00	0.00	<b>0.55</b>
Postpartum Care—Total	0.84	0.25	0.00	1.09	

Please note that the numbers in the table have been rounded for display purposes. Calculations will be based off unrounded data. NE indicates the measure is not eligible for an Improvement Bonus or High Performance Bonus. \*For this measure indicator, a lower rate indicates better performance.

As shown above, the *Follow-Up After ED Visit for AOD Abuse or Dependence* measure level score (0.33) was obtained by averaging the indicator level scores for *7-Day Follow-Up—Total* and *30-Day Follow-Up—Total* (0.45 and 0.21 respectively).

Table 10 provides an example of how the percentage of the quality withhold is derived (i.e., overall withhold earned) based on the ten measure level scores calculated above. The percentage of the quality withhold that the MCO is eligible to earn back is calculated by multiplying the measure level score with the applicable measure weight and then summing the measure withhold earned values together. An MCO is not able to earn back more than 100 percent of its total withhold amount. If an overall withhold amount is greater than 100 percent (due to bonus points), the overall withhold earned will be reduced to 100 percent.

**Table 10—Percentage Withhold Earned  
(Example Using Mock Data)**

Indicator	Measure Level Score	Weight	Measure Withhold Earned	Overall Withhold Earned
<i>Asthma Admission Rate (per 100,000 MM)</i>	1.00	10.00%	10.00%	<b>79.33%</b>
<i>Child and Adolescent Well-Care Visits</i>	1.25	10.00%	12.50%	
<i>Childhood Immunization Status</i>	1.00	10.00%	10.00%	
<i>COPD or Asthma in Older Adults Admission Rate (per 100,000 MM)</i>	1.00	10.00%	10.00%	
<i>Comprehensive Diabetes Care Composite</i>	0.56	10.00%	5.58%	
<i>Follow-Up After ED Visit for AOD Abuse or Dependence</i>	0.33	10.00%	3.30%	
<i>Follow-Up After ED Visit for Mental Illness</i>	1.25	10.00%	12.50%	
<i>Heart Failure Admission Rate (per 100,000 MM)</i>	0.00	10.00%	0.00%	
<i>Initiation and Engagement of SUD</i>	1.00	10.00%	10.00%	
<i>Prenatal and Postpartum Care</i>	0.55	10.00%	5.45%	

Please note that the numbers in the table have been rounded for display purposes. Calculations will be based off unrounded data.

### Quality Withhold Funds Model

The quality withhold percentage is 1 percent of the total MCO capitation payments for the year. An MCO is eligible to earn the entire quality withhold by having 100 percent for the overall withhold as shown (i.e., the MCO would not lose any quality withhold funds).

**Table 11—PWP Funds Allocation  
(Example Using Mock Data)**

MCO Name	Total Capitation Payment	Maximum At-Risk Amount (1% Withhold)	Percentage Withhold Earned	Final Withhold Earned Back Amount
<b>MCO</b>	\$735,790,000.00	\$7,357,900.00	79.33%	\$5,836,654.18

Please note that the numbers in the table have been rounded for display purposes. Calculations will be based off unrounded data.

As shown in Table 11, the one percent at risk amount for the example MCO is \$7,357,900.00. The MCO earned 79.33 percent of the quality withhold through the review of the HEDIS, AHRQ PDI, and CMS Adult Core Set measure indicator rates, thus the MCO is eligible to receive \$5,836,654.18 of the quality withhold according to the following equation:

$$\text{Final Withhold Earned Back Amount} = (\text{Maximum At Risk Amount} \times \text{Percentage Withhold Earned})$$