



Performance Incentive Awards Program Fact Sheet

The Virginia Department of Medical Assistance Services (DMAS) has developed a pay for performance program that will assess MCO performance on measures that DMAS has determined to be instrumental in the goals and objectives of managed care quality improvement for Virginia. There will be six measures used in this program, three HEDIS measures and three administrative measures. The maximum number of points that an MCO can score for any of the six measures is three. The measures will be weighted and are as follows:

Three administrative measures:

- Assessments of foster care population
- MCO claims processing
- Monthly reporting timeliness and accuracy

Three HEDIS (Health Effectiveness Data Information Set) measures:

- Percent of 2-year olds who are fully immunized (Combo 3)
- Percent of members with a diagnosis of hypertension whose blood pressure is controlled
- Percent of pregnant members who received timely prenatal care

The PIA is designed as a “zero sum” approach where the total MCOs’ awards are equal to the total MCOs’ penalties. The end result is a gain or a loss or no change for each payer (MCO) and no gain or loss for the purchaser (DMAS). The maximum amount at risk for each MCO is 0.15% of the total annual MCO capitation amount (i.e., per member per month (PMPM) capitation rate times the total annual member months), and the maximum award is 0.15% of the total annual MCO capitation amount. The amount of loss or gain for each MCO is contingent upon two factors: 1) MCO performance on each of the six quality measures, and 2) the total capitation paid to each MCO for the fiscal year.

PIA Scoring

Measure	Validation Method	Benchmark	Max score for each measure	Weight
Administrative Measures				
Foster Care Assessments	VA EQRO	DMAS Standards	3	0.12
MCO Claims Processing	VA EQRO	Federal Regulations and DMAS Standards	3	0.12
Monthly Reporting Timeliness/Accuracy	DMAS	DMAS Standards	3	0.10
HEDIS Measures				
Childhood Immunizations – Percent of 2 Year Olds Fully Immunized (Combo 3)	NCQA requirements	National Medicaid Quality Compass HMO percentiles	3	0.22
Blood Pressure Control	NCQA requirements	National Medicaid Quality Compass HMO percentiles	3	0.22
Timely Prenatal Care	NCQA requirements	National Medicaid Quality Compass HMO percentiles	3	0.22
Total			18	1.0

PIA Schedule for Pilot Year, Years 1 and 2

PIA Milestones	Pilot Year	First Live Year	2nd Live Year
HEDIS measurement year	CY 2014	CY 2015	CY 2016
HEDIS scores published	Oct. 2015	Oct. 2016	Oct. 2017
Administrative measures' performance year	FY 2015 = 7/1/14 - 6/30/15	FY 2016 = 7/1/15 - 6/30/16	FY 2017 = 7/1/16 - 6/30/17
Administrative measures scores finalized (includes validation by the EQRO)	Dec. 2015	Dec. 2016	Dec. 2017
Contract Year	FY2015	FY2016	FY2017
Capitation Payments at Risk (0.15%)	None	FY2016	FY2017
Report to MCOs to include scores and quality award/penalty*	Dec-2015 (hypothetical cost allocation)	Dec-16	Dec-17
Award of Quality Incentives/Penalties	None	Dec-16	Dec-17
Publication of consumer decision support tool. Includes PIA HEDIS measures and all other HEDIS measures reported to DMAS by the MCOs	May-16	May-17	May-18

Contact Information

For details about this program, visit the website at: http://www.dmas.virginia.gov/Content_pgs/mc-home.aspx
or contact the Department of Medical Assistance Services at PIA@dmas.virginia.gov