

Overview of BCBSM

PERFORMANCE REWARDS



- CQI Funding
 - Participation Payment
 - Coordinating Center Funding
 - Rewarding Improvement
 - Pay for Performance
 - Value Based Reimbursement



What Does BCBSM Funding Cover?

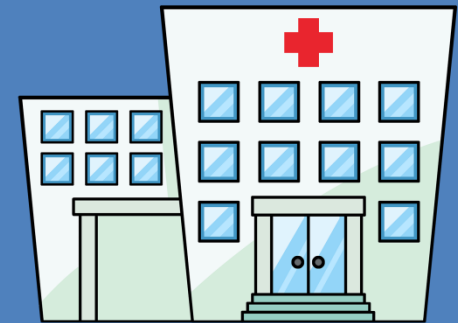
Coordinating Center

- Physician leadership
- Quality improvement expertise
- Quarterly conference meetings
- Technical infrastructure
- Analytical tools
- Statistical expertise
- Software development



Participating Entities

- Technical infrastructure
- Data abstraction
- Pay-for-performance opportunities, including Value Based Reimbursement



Annual Hospital CQI Funding

Participation Payment



Data Abstraction

BCBSM/BCN Funds 80% of these costs, hospital participants are responsible for the other 20%

\$33 Million in 2015

Coordinating Center Funding



Quality Initiative Leadership



Quality Initiative Infrastructure to advance the QI agenda with participants

\$20.7 Million in 2015

Pay for Performance Incentives



Rewarding hospital contributions to CQI related quality improvement efforts

\$63.3 Million in 2015



Funding Support for Hospitals Participating in CQIs

Note: Funding support is defined by each individual hospital's participation agreement with BCBSM and may vary from what is shown below.

Participation Payment

(also known as Full-Time Equivalent (FTE) payment)

- Annual payment to support data abstraction efforts
 - Intended to cover a portion of costs for BCBSM, BCN, government, and uninsured cases (projected to be approximately 80% of case total)
 - Based on a fully loaded RN salary of \$96,070
- Payment is based on volume and determined by each individual CQI's reimbursement model (e.g. one FTE per XXX number of cases)
 - First year's payment is based on the volume supplied by the hospital on the application for participation and made in the first quarter
 - Subsequent year's payments are based on the actual volume as supplied to BCBSM by the CQI coordinating center and made in June

Pay-for-Performance Incentive

(also known as P4P)

- Each CQI coordinating center develops a performance index and scores each hospital participant
- Payment is made in July and tied to the score received based on the previous year's performance (e.g. 2017 P4P reimbursement will be dispersed in July 2018)
- A hospital can earn up to 40% of their P4P payment as a result of their participation depending on how many CQIs they participate in



CQI Participant Incentives

Hospital (P4P)

- Component of the BCBSM Pay-for-Performance Program
- Incentives based on participation and performance in quality and outcome measures
- Measures collaborative-wide or hospital level performance

Physician (VBR)

- Component of BCBSM Specialist Value-Based Reimbursement Program
- Incentive based on participation and performance in quality and outcomes measures
- Measures collaborative wide or physician practice level performance



Hospital Pay for Performance Incentives:

Overview

- Hospitals are eligible to earn up to 40% of the P4P program incentive by participating in up to ten CQIs (BCBSM and MHA Keystone)
- Each CQI Coordinating Centers establishes Performance Index Scorecard
 - Measured on both participation and performance
 - Newer CQIs have more participation measures, but the scorecards transition to greater weight on performance as the CQI becomes more established
 - BCBSM receives overall CQI score from coordinating center (no site specific details)
- Hospitals participating in more than ten CQIs will be scored on ten best individual CQI index scores, with preference given to BCBSM-sponsored CQIs
- Those hospitals not eligible for ten CQIs will have remaining incentive distributed equally to other program measures



Hospital Pay for Performance Incentives:

The Performance Index

- Program measures and corresponding weights tied to each individual CQI are referred to as the hospital's CQI Performance Index scorecard
 - Developed and distributed by the corresponding CQI coordinating center
 - Some measures are related to program participation and engagement, such as meeting attendance and timeliness of the data submission
 - Other measures are performance-based related to quality and clinical process improvement and outcomes, such as reduction morbidity or surgical complications
 - As a CQI matures, the percentage attributed to performance increases and the percentage attributed to participation decreases
 - The measures in each CQI index are subject to change annually
- A hospital's P4P score for each CQI is determined by its performance on specific measures within the CQI Performance Index scorecard
- BCBSM will combine CQI scores for hospitals participating in multiple CQIs into a single, overall score
- Hospitals eligible for, but voluntarily electing not to participate in a "required" CQI, will forfeit the ability to earn 4% of the P4P incentive for that CQI



Hospital Pay for Performance Incentives:

Example of the Performance Index

2016 Michigan Arthroplasty Registry Collaborative Quality Initiative (MARCQI) (Cohort 1 - Year 2012 Start) Collaborative Quality Initiative Performance Index Scorecard			
Measure #	Weight	Measure Description	Points
1	10%	Clinical Champion Attendance at Quarterly Meetings (1/1/16-12/31/16)	
		3 out of 4 meetings attended	10
		2 out of 4 meetings attended	5
		< 2 meetings attended	0
2	10%	CDA Attendance at Quarterly Meeting (1/1/16-12/31/16)	
		4 out of 4 meetings attended	10
		3 out of 4 meetings attended	5
		2 or less meetings attended	0
3	60%	QI Based Performance Based Measure *Refer to Appendix A Supporting Documentation for Point Breakdown	Up to 60 points
		The MARCQI data year is 7/1/15-6/30/16	
4	10%	Timeliness and Completion of Data Submission	
		On time/complete ≥95-100% of the time	10
		On time/complete 80-94% of the time	5
		On time/complete ≤79% of the time	0
5	10%	Accuracy of Data (based on audit)	
		Accuracy ≥95-100%	10
		Accuracy 80-94%	5
		Accuracy ≤79%	0

(Note: CDA is a clinical data abstractor)

Appendix A MARCQI 2016 P4P Supporting Documentation For Performance Index	Cohort 1	Cohort 2	Cohort 3	Cohort 4
1. The transfusion metric will be the transfusion risk percentage for primary THA and TKA reduction in the rate of 'blood transfusion during stay' (post-incision to discharge) at the end of the scoring period.*				
a. Site-specific performance for transfusion risk for TKA (Collaborative mean=3.9% currently)	Cohort 1	Cohort 2	Cohort 3	Cohort 4
The site is awarded points if its risk is in the green or gray on the forest plots of 6/30/16.[1]	10	7.5	5	5
The site is awarded points if its risk is in the orange, but improvement is seen over 2015 rate.	5	5	2.5	2.5
The site is awarded 0 points if its risk is in the orange and no was improvement seen.	0	0	0	0
b. Site-specific performance for transfusion risk for THA (Collaborative mean=8.0% currently)	Cohort 1	Cohort 2	Cohort 3	Cohort 4
The site is awarded points if its risk is in the green or gray on the forest plots of 6/30/16.	10	7.5	5	5
The site is awarded points if its risk is in the orange, but improvement is seen over 2015 rate.	5	5	2.5	2.5
The site is awarded 0 points if its risk is in the orange and no improvement has been seen.	0	0	0	0
2. Participation in collaborative wide site visits and education .	Cohort 1	Cohort 2	Cohort 3	Cohort 4
Points are awarded to 'high outlier' sites (in the orange) if they arrange for a site visit with a green or gray site for any of the 4 quality metrics.	5	5	5	DNA
Points are awarded to 'low outlier' (green) sites who arrange a site visit with an orange or gray site with any of the 4 quality metrics.	5	5	5	DNA
Points are awarded to 'gray sites' (within the collaborative mean) if they arrange for a site visit with a green site or assist an orange site.	5	5	5	DNA
3. Site based Quality Meetings	Cohort 1	Cohort 2	Cohort 3	Cohort 4
The site is awarded points for setting up 4 meetings a year (following the Quarterly MARCQI meetings) to discuss site based and collaborative quality outcomes with all the orthopedic surgeons. The physicians will participate in discussion of the data and plans for quality improvement. The site will provide the agendas and attendance list from the meetings to the Coordinating Center	15	10	7.5	10

