MEDICAID PAY-FOR-PERFORMANCE SURVEY

The Kuhmerker Consulting Group, LLC, on behalf of IPRO, a not-for-profit organization committed to improving health care quality, is conducting a project on pay-for-performance programs. The purpose of this project is to provide an up-to-date understanding of the activities state Medicaid programs are undertaking in the pay-for-performance arena.

There are two parts to the study: 1) this survey; and, 2) a follow-up telephone interview which will go into the subject in greater depth. During this phase of the project, and also during the subsequent follow-up interview, please feel free to forward any written information concerning your pay-for-performance program(s) to me, via e-mail, fax or regular mail (see below).

A report based on this project will be provided to you as soon as it is available.

When you have completed this survey, please send it via e-mail (preferably), fax or regular mail to:

Kathryn Kuhmerker
The Kuhmerker Consulting Group, LLC
2452 Hilltop Road
Niskayuna, NY 12309
518-372-9051 (phone/fax)
kuhmerker@nycap.rr.com

Instructions:

1. Navigating the Survey Document
   You may move around the form by using the tab key or by moving the cursor.
2. Answering Questions
   Fill in fields by typing in your answers. The text will scroll if your answers are longer than the space allowed. For check boxes, position your cursor over the box you choose and left-click your mouse. Click again to remove the "x."
3. Saving the Survey Document
   You can save the form in MS Word by clicking File, Save As, (document name), Save. If you do not complete the survey in one session, you can open the document and continue.
4. Returning the Survey Document
   Save the document (see #3 above). Preferably, e-mail the saved document. If you fax or use regular mail, please hand-enter or type any information that is not visible in the printed field area.

Date: _____ State: _____

Name: _____ Title: _____

Phone #: _____ Fax #: _____ E-mail: _____

Section I: State Organizational Questions

1. What is the name of the agency or department in which your state's single State agency for Medicaid resides? _____

2. For what general type of activities is this agency or department responsible?

- ☐ Social services agency
- ☐ Health agency
- ☐ "Super" health and human services agency
- ☐ Aging agency
- ☐ Financing agency
- ☐ Separate Medicaid agency
- ☐ Other (please specify)

3. What is the name of the part of this agency or department that has primary responsibility for your state's Medicaid program?

4. Is the responsibility for the general Medicaid program and the Medicaid managed care program all under the direct management of the Medicaid Director?

- ☐ Yes *(You have completed Section I. Please skip to Section II.)*
- ☐ No
- ☐ State does not have a Medicaid managed care program *(You have completed Section I. Please skip to Section II.)*

5. If you answered "No" to question #4, where is responsibility for the Medicaid managed care program located?

- ☐ Another part of the same agency or department
- ☐ The state's insurance department
- ☐ Another separate agency (please specify)

Section II: General Information on Pay-for-Performance Programs

To ensure a common understanding of Pay-for-Performance (P4P), we will use the following definition for this survey:

> Pay-for-performance is the "use of payment methods and other incentives to encourage quality improvement and patient-focused high value care." *(Centers for Medicare and Medicaid Services [CMS], State Medicaid Director letter #06-003, dated April 6, 2006)*
>
> "Quality" is often discussed in relationship to the use of evidence-based medicine or practices, which should lead to positive outcomes. Incentives and disincentives, such as changes in reimbursement levels, can have a direct linkage to quality improvement and patient-focused high value care. CMS also notes, in its SMD letter, that both financial and non-financial incentives can be used in pay-for-performance strategies.

6. The following question offers a number of possible characteristics of P4P programs. Please review these characteristics from the following perspective: How important do you think each is to the operation of a good program?

   A ten-point scale is provided, in which "10" represents "most important" and "1" represents "least important." Use a "0" for characteristics that are damaging to P4P programs. (Please choose only one answer on the 10-point scale. You may, however, choose an answer on both the 10-point scale and in the "damaging" column, if appropriate.)

Characteristics of a P4P Program	Rating (place an "x" in the box that best represents your perspective)										
a. Developed in collaboration with providers and purchasers	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
b. Publicly discussed so that it can be understood by providers, consumers, and purchasers	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
c. Requires cost-savings	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
d. Designed to improve care, but without a requirement for cost savings	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
e. Results reported on publicly	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
f. Incorporates scientifically sound measures	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
g. Uses measures that are regularly reviewed and updated	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
h. Uses measures that are feasible to collect	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
i. Promotes continuous quality improvement, not just attainment of a target level plateau	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
j. Uses nationally-recognized measures	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐
k. Uses measures other than administrative or claims-based measures (for example, a program that uses processes such as medical records reviews)	Most Important									Least Important	Damaging
	10	9	8	7	6	5	4	3	2	1	0
	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐

7. P4P programs were originally developed in the private sector, based on the concept that quality health care has a positive financial impact on businesses. Better health care is expected to reduce the direct cost of health care (premiums, for example) as well as reduce the cost of employing a workforce (for example, healthier employees will take off less time).

   In the context of a state and its Medicaid program, the following is a list of statements about Medicaid pay-for-performance. For each statement, please indicate whether you agree or disagree. Use a 10-point scale, in which "10" indicates "absolutely agree" and "1" indicates "absolutely disagree."

Results of a P4P Program	Rating (place an "x" in the box that best represents your agreement/disagreement
a. Healthier enrollees will be able to get better jobs and therefore no longer need to be in the Medicaid program or receive other state assistance.	Absolutely Agree 10 ☐ 9 ☐ 8 ☐ 7 ☐ 6 ☐ 5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐ Absolutely Disagree
b. The cost of care will decrease because of reductions in unnecessary or inappropriate care.	Absolutely Agree 10 ☐ 9 ☐ 8 ☐ 7 ☐ 6 ☐ 5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐ Absolutely Disagree
c. The State will be a more informed and effective purchaser of health care.	Absolutely Agree 10 ☐ 9 ☐ 8 ☐ 7 ☐ 6 ☐ 5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐ Absolutely Disagree
d. Costs will increase because enrollees will get more medical care than they did before the program was implemented.	Absolutely Agree 10 ☐ 9 ☐ 8 ☐ 7 ☐ 6 ☐ 5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐ Absolutely Disagree
e. The cost of care will increase because the incentives will cost us more, while our existing health care costs will not decrease.	Absolutely Agree 10 ☐ 9 ☐ 8 ☐ 7 ☐ 6 ☐ 5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐ Absolutely Disagree
f. Promoting quality will reduce the number of providers in the program, which could reduce access to care.	Absolutely Agree 10 ☐ 9 ☐ 8 ☐ 7 ☐ 6 ☐ 5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐ Absolutely Disagree
g. Such a program will divert our attention from other activities which we must do (for example, replace our MMIS system; meet federal eligibility processing timeframes).	Absolutely Agree 10 ☐ 9 ☐ 8 ☐ 7 ☐ 6 ☐ 5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐ Absolutely Disagree
h. Establishing a P4P program would not address our highest spending areas, such as chronic and long term care and behavioral health.	Absolutely Agree 10 ☐ 9 ☐ 8 ☐ 7 ☐ 6 ☐ 5 ☐ 4 ☐ 3 ☐ 2 ☐ 1 ☐ Absolutely Disagree

8. Which of the following elements of a P4P program would not work in your state? *(Check all that apply)*

   ☐ It won't work in my state if it doesn't guarantee immediate savings
   ☐ It won't work in my state if it could result in greater spending. For example, if the expected outcomes were not realized, the program would cost additional money
   ☐ It won't work in my state if the program penalizes providers
   ☐ It won't work in my state if the program applies only to certain providers and not others
   ☐ It won't work in my state if … (please specify other elements)

   a. Is your response time-sensitive? For example, in better fiscal times, could you implement a plan which is less likely to guarantee immediate savings but which would offer other benefits?

      ☐ Yes
      ☐ No

Section III: Pay-for-Performance Programs in Your State

9. Are you currently operating one or more P4P programs?

☐ Yes
☐ No *(skip to question #11)*

10. If "yes" to question #9, please list the name of your program(s) (if applicable):

i. Program # 1 _____
ii. Program # 2 _____
iii. Program # 3 _____

a. Place an "X" in the appropriate "Program" column to indicate the provider or providers participating in your program(s):

Provider Types Included	Program #1	Program #2	Program #3
Primary care providers	☐	☐	☐
Specialist #1 _____	☐	☐	☐
Specialist #2 _____	☐	☐	☐
Specialist #3 _____	☐	☐	☐
Managed care plans	☐	☐	☐
Hospitals	☐	☐	☐
Nursing homes	☐	☐	☐
Clinics	☐	☐	☐
Home health agencies	☐	☐	☐
Behavioral health programs	☐	☐	☐
Other fee-for-service programs or providers - #1 _____	☐	☐	☐
Other fee-for-service programs or providers - #2 _____	☐	☐	☐
Other fee-for-service programs or providers - #3 _____	☐	☐	☐
How long has the program been in operation *(in number of months)*?			

11. When are you most likely to start a new or additional P4P program?

- ☐ In the next 12 months *(Continue to #12)*
- ☐ In 1 – 2 years *(Continue to #12)*
- ☐ In 3 - 5 years *(Thank you. You have completed this questionnaire.)*
- ☐ No plans right now *(Thank you. You have completed this questionnaire.)*

12. If likely to start a new or additional P4P program, what do you anticipate its name will be?

Name of new or additional program (if known):

13. Please complete the following table concerning your new or additional program:

Provider Types Included	Projected Implementation Date (mm/dd/yy)
Primary care providers	
Specialist #1 Specialist #2 Specialist #3	
Managed care plans	
Hospitals	
Nursing homes	
Clinics	
Home health agencies	
Behavioral health programs	
Other fee-for-service programs or providers - #1 Other fee-for-service programs or providers - #2 Other fee-for-service programs or providers - #3	

****

This completes the first phase of the Pay-for-Performance project. When you have completed this survey, please send it via e-mail (preferably), fax or regular mail to:

Kathryn Kuhmerker
The Kuhmerker Consulting Group, LLC
2452 Hilltop Road
Niskayuna, NY 12309
518-372-9051 (phone/fax)
kuhmerker@nycap.rr.com

If you have any questions, please feel free to contact Kathryn Kuhmerker via telephone at 518-372-9051 or via e-mail at kuhmerker@nycap.rr.com.

Thank you very much for your time and assistance.

State: _____ Date: _____
Individual(s) interviewed_____
Contact Information:_____

IPRO PAY-FOR-PERFORMANCE
IN-DEPTH INTERVIEWER'S GUIDE

Introduction:

Hello. My name is Kathy Kuhmerker from the Kuhmerker Consulting Group. I am calling you today for our scheduled discussion about pay-for-performance and what the (name of state) Medicaid program is doing, has done, or is considering doing in this area.

As I mentioned in my introductory letter, I own a private consulting firm which is teaming with IPRO, a not-for-profit organization committed to improving health care quality, to learn more about P4P.

I. General Understanding of and Opinions re: Pay-for-Performance:

1. Because pay-for-performance is a term that may mean different things to different people, I'd like to spend some time making sure that we have a common understanding of what P4P is.

   - The Centers for Medicare and Medicaid Services, CMS, in its recent State Medicaid Director letter (April 6, 2006; # 06-003), defined pay-for-performance as the "use of payment methods and other incentives to encourage quality improvement and patient-focused high value care."
   - "Quality" is often discussed in relationship to the use of evidence-based medicine or practices, which should lead to positive outcomes. Incentives and disincentives, such as changes in reimbursement levels, can have a direct linkage to quality improvement and patient-focused high value care.
   - CMS also notes, in its SMD letter, that both financial and non-financial incentives can be used in pay-for-performance strategies.

   a. Do you think that the CMS definition, along with the additional aspects I have just discussed, is a good, general description of what P4P is? (If no) What don't you like about the definition or what do you think has been incorrectly included or omitted?

2. Medicaid programs are using a variety of incentive approaches to promote quality. I'm going to generally describe some kinds of incentives that are used and I would like you to tell me whether you think they work. Please tell me whether you think they:

   1) Are very effective in meeting the goals of a P4P program
   2) Are somewhat effective
   3) Have no effect at all
   4) Are somewhat ineffective
   5) Are very ineffective
      and, one more answer,
   6) would be extremely detrimental to the development of this or future P4P programs

a. ___ Auto-assignment of a larger proportion of enrollees to plans or providers
b. ___ Differential reimbursement rates or fees
c. ___ Bonuses to plans or providers
d. ___ Penalties to plans or providers
e. ___ Grants to plans or providers
f. ___ Public recognition of plans or providers

II. Questions for States that are Running or are in the Process of Implementing a P4P program:

Now, I would like to ask you a few general questions about your program:

1. Can you give me a brief explanation of your existing program(s)?

2. Who was involved in your program's development?

3. Is the program modeled after any other program?

4. Are you conducting this program in conjunction with any other payers (such as Medicare, your employee health service, another managed care plan)? (If yes) Do you think that joining forces is helpful or not? Why?

   (If no) What factors might make this something that your state would consider in the future? For example, having greater purchasing power; other payors being able to conduct some analysis that you do not have the expertise to do or the funding to purchase.

5. Is your program time-limited? (If yes) When is it scheduled to end? Is your state considering extending it? (If yes) For how long? Can you do so administratively or do you need legislation or some other kind of authorization?

Now, on to some more specific questions about your program.

6. Are providers required to participate in your P4P program? (If yes) What are providers required to do? What happens if providers do not participate?

   (If no) What is the incentive for providers to participate?

7. What influenced your state to include just the providers you identified in your response to the written questionnaire and not others?

8. What are the incentives or disincentives that are built into your program?

9. Are the incentives or disincentives in your program provided at the organizational level (for example, at a practice level or at a managed care plan level) or at the individual provider level?

10. What influenced your state to pick these incentives or disincentives?

Now let's move on to some questions on measurements.

11. What specific measures do you use? Please explain how you combine or weight these individual measures to come to a final composite score.

12. What influenced your state to include these measures?

13. How long is the time period or interval for the measurements used in your program?

14. How close is receipt of the incentive or disincentive to the measurement period?

15. Does your state independently collect some or all measurement data from your providers? By that I mean, does your state not rely on a national data collection process to collect the information. Also, let me be clear that I am not talking about patient surveys here – there is a separate question on this subject a bit later. Which measures do you independently collect? Who collects the data? Are there penalties if providers do not report or permit data collection? (If yes) What are the penalties?

16. Which of the data are validated? (If yes) Who validates the data? What methods does your state use to validate the data? Who pays for the validation?

17. Are patient satisfaction surveys used as part of the data collection process for some or all of your measurement data? (If yes) What populations are surveyed? (The general patient or enrollee population, the general patient or enrollee population, with the ability to separately identify the Medicaid population, or only the Medicaid population.) Who conducts the surveys that you use? What sample size do you use?

18. Are medical records reviewed as part of the data collection process for some or all of your measures? (If yes) Are medical records reviewed for: (the general patient or enrollee population, the general patient or enrollee population, with the ability to separately identify the Medicaid population , or only the Medicaid population.) For what measure or measures are data being collected? Who conducts the medical records review? Who bears the cost of the medical records review?

19. Who conducts the data analysis of your measures? Why did you choose this approach? How are you thinking about changing your approach, if at all?

20. Who conducts the payment calculations which are based on your measures? Why did you choose this approach? How are you thinking about changing your approach, if at all?

21. If performance reporting (such as preparation of a public report for publishing on the web) is conducted, who does this work? Why did you choose this approach? How are you thinking about changing your approach, if at all?

Now I am going to ask you some questions about any evaluations of the program which you have done or are planning to do.

22. Are you planning to conduct or have you already conducted any evaluations? Have you completed an evaluation of the program? (If yes) When was your evaluation completed? Who conducted the evaluation?

23. Are you planning to conduct another evaluation of the program? (If yes) When are you planning to do so? Are you planning to follow the same evaluation protocols? (If no) What are you planning to change? Who are you planning to have the evaluation done by?

24. What did the evaluation find? Is there any finding that you thought was particularly interesting? How did your findings match with any hypotheses you may have had about the program?

25. Are you comfortable with the reliability of the evaluation? (If no) What aspect of the evaluation makes you uncomfortable with its reliability?

26. Are your other stakeholders comfortable? (If no) What aspect of the evaluation do you believe makes your stakeholders uncomfortable?

(The following questions are for programs which have an evaluation component but which have <u>not started or not yet completed</u> an evaluation.)

27. Are you in the process of conducting an evaluation? (If yes) Who is conducting the evaluation? When will your evaluation be completed? Do you have any hypotheses about what your evaluation will show?

(The following questions are for states which have an evaluation component but which have <u>not yet started</u> an evaluation.)

28. Have you begun planning for your evaluation? (If yes) Do you know whether the evaluation will be conducted by internal or external staff? (If yes) Who will conduct the evaluation? What is your estimated completion date? Do you have any hypotheses about what your evaluation will show? Do you know what the evaluation protocol will be?

(The following questions are for states which have an evaluation component but which have <u>not yet started planning</u> for the evaluation.)

29. Although you have not started planning your evaluation, do you have an estimated completion date? Do you have any hypotheses about what your evaluation will show?

(Interviews for all respondents begin again at question # 30.)

30. Based on your experience to date, how might you consider changing your program?

31. Is there something I should have asked you about your experience with P4P programs that I didn't ask?

III. Questions for States that are not currently Operating or Implementing a P4P Program or are Starting an Additional Program:

1. I'm going to read a list of factors that may influence your state's plans concerning starting a new or additional P4P program. For each, please tell me whether you think the factor is:
   1) very important,
   2) somewhat important,
   3) somewhat unimportant, or
   4) not important at all … in your state's plans.

   a. ___ Factor A -- Want to be in step with what other states are doing
   b. ___ Factor B -- P4P has the potential to improve the quality of care provided in the Medicaid program
   c. ___ Factor C -- P4P will save money
   d. ___ Factor D -- P4P will, at least in the short run, cost money
   e. ___ Factor E -- Do not have the funding to support an incentive program
   f. ___ Factor F – The need to respond to external pressures (such as the Legislature, Governor's Office, contractors, or advocacy groups) to do more in this area
   g. ___ Factor G -- Have limited staff to develop and implement a program
   h. ___ Factor H -- Do not have time to develop an RFP to hire a contractor to implement and/or run a program
   i. ___ Factor I -- Other program activities are a higher priority
   j. ___ Factor J – It doesn't work
   k. ___ Factor K -- Need to wait for more information on program outcomes before more effort is expended in this area
   l. ___ Factor L -- Do not have the data with which to structure an effective program

2. Can you briefly describe your planned new program(s)?

3. Is your state thinking about modeling your program after an existing program? (If yes) Which one(s)? Why has your state picked this/those program(s)? (If no) What are the reasons that you decided to develop your own program?

4. What have you done so far to plan or implement your P4P program?

5. What providers do you expect will be included in your state's program?

6. What kinds of measures is your state planning to include in your program?

7. What kinds of incentives or disincentives do you expect your state will use?

8. Is your state using, or thinking of using, any outside assistance to help you structure the program? What are the factors which influenced, or are influencing, the decision? On what kind of activities is your state considering using outside assistance?

9. Is your state considering conducting this program in conjunction with any other payers (such as Medicare, your employee health service, another managed care plan)? (If yes) What would make such a collaboration helpful or not helpful? (If no) What factors might make this something that your state would consider in the future?

10. Is there something I should have asked you about your plans for P4P programs that I didn't ask?

That ends my questions for today. Once again, I want to thank you for your time and your willingness to share your information and perspectives. Please feel free to call or email me if you have any questions or think of something that you would like me to know.

Finally, as I mentioned earlier, the results of this analysis will be published in a report. I expect that this report will be completed in late summer or early fall. I will make sure that you get a copy of it when it is released.

One last time, thank you so much for your time. I have enjoyed talking with you.