

MassHealth

Section 1115 Waiver

Demonstration Year: 20 (7/1/2016 – 6/30/2017)

Quarter 1: July 1st – September 30th, 2016

Introduction

The Commonwealth of Massachusetts' current section 1115 Demonstration agreement (Project Number II-W-00030/I) was approved on October 30, 2014. The new extension period is in effect until June 30, 2019. The goals of the Commonwealth under this demonstration period are:

- Maintain near-universal health care coverage for all citizens of the Commonwealth and reduce barriers to coverage;
- Continue the redirection of spending from uncompensated care to insurance coverage;
- Implement Delivery System reforms that promote care coordination, person-centered care planning, wellness, chronic disease management, successful care transitions, integration of services, and measureable outcome improvements; and
- Advance payment reforms that will give incentives to providers to focus on quality, rather than volume, by introducing and supporting alternative payment structures that create and share savings throughout the system while holding providers accountable for quality care.

In accordance with the Special Terms and Conditions (STCs) of the Demonstration and specifically STC 60, the Massachusetts Executive Office of Health and Human Services (EOHHS) hereby submits its quarterly operational report for Demonstration Year 19 for the quarter ending September 30, 2016.

Enrollment Information

Eligibility Group	Enrollees as of September 30, 2016
<i>MassHealth Demonstration</i>	
Base Families	849,833
Base Disabled	229,913
1902 (r) (2) Children	37,814
1902 (r) (2) Disabled	19,065
Base Childless Adults (19-20)	26,809

Eligibility Group	Enrollees as of September 30, 2016
Base Childless Adults (ABP1)	23,990
Base Childless Adults (CarePlus)	315,552
BCCTP	1,170
CommonHealth	22,065
e - Family Assistance	8,498
e - HIV/FA	649
SBE/IRP	81
Safety Net Care Pool	
Base Fam XXI RO*	
1902 (r) (2) XXI RO*	
CommonHealth XXI*	
Fam Assist XXI*	
Asthma	
Autism	
TANF/EAEDC	66,891
End of the Month Coverage	
<i>Total Demonstration</i>	1,602,330

Delivery System for MassHealth-Administered Demonstration Populations

	SFY2016 Q4	SFY2017 Q1	
MassHealth Enrollment (Members)	Average	Average	Difference
MCO	388,363	393,762	5,398
PCC	875,606	886,305	10,699
FFS / PA	586,199	601,310	15,111
Total	1,850,168	1,881,376	31,208
MBHP (Includes PCC and TPL)	453,137	461,632	8,495
PA Only (included in FFS above)	18,680	20,056	1,376

Enrollment in Premium Assistance and Small Business Employee Premium Assistance

For reporting quarter July 1, 2016- September 30, 2016, MassHealth provided premium assistance to **12,767** health insurance policies (policyholders), resulting in premium assistance to 25,078 MassHealth eligible members and, by extension, providing the means for coverage for approximately 36,139 Massachusetts residents.

The Small Business Premium Assistance Program is still operating however the numbers continue to drop since the last reporting period. **As of September 2016 we have 81 active**

enrollments in the SBEPA program. That is down 9 enrollments from last reporting period (we reported 90 active SBEPA enrollments as of June 2016). The drop in enrollments has been mainly due to either loss of MassHealth eligibility or private insurance, or the member was determined eligible for a richer benefit and has been transferred to a Premium Assistance benefit under another category of aid.

Premium Assistance Program	Policies	Total Covered by Policy	MassHealth Eligible	Non-MassHealth Eligible
<i>Standard and CommonHealth</i>	8,277	23,747	17,061	6,686
<i>Family Assistance</i>	3,944	11,387	7,057	4,330
<i>CarePlus</i>	429	855	823	32
<i>HIV</i>	36	57	56	1
<i>Small Business Employee Premium Assistance (SBEPA)</i>	81	93	81	12
Total	12,767	36,139	25,078	11,061

Outreach/Innovative Activities

Certified Application Counselor Training and Communication

MassHealth continues its extensive training and communication efforts to continually educate and inform the over 1,600 Certified Application Counselors (CACs) across 270 CAC hospitals, community health centers, and community service organizations. Collaboration with the Massachusetts Health Connector on these activities provides timely, uniform knowledge and messaging across all enrollment Assisters (CACs and the Health Connector Navigators, Broker Enrollment Assisters, Independent Enrollment Assisters).

CAC training and certification starts with successful completion of ten online, comprehensive certification training courses (over 850 pages) to prepare CACs to assist consumers in obtaining

MassHealth/health insurance per ACA regulations, covering all aspects of MassHealth, subsidized and unsubsidized health coverage, as well as instruction on utilizing the paper and online applications in the most effective and efficient way. Learning for CACs continues throughout the year in the form of Assister emails, conference calls, webinars, meetings, and other outreach activities.

Frequent email communications are distributed to all enrollment Assistors on a wide variety of MassHealth eligibility and related topics, as well as refreshers, in order to help Assistors assist MassHealth applicants/members/consumers effectively. Thorough communications and trainings are provided for all application changes and Health Insurance Exchange (HIX) system releases. Regular one-hour conference call trainings are also provided for the Assistors, providing a more in-depth explanation and include detailed question and answer sessions with subject matter experts. Certain trainings are considered mandatory and CACs are required to complete the training within a specific time period in order to maintain CAC certification. Mandatory events cover key topics such as policy or process updates, certification course updates, and open enrollment activities.

July 1, 2016 – September 30, 2016

CAC outreach and educational activities this quarter were focused on ensuring our 1,600+ CACs continued to be well informed about ongoing activities across both MassHealth and the Health Connector. This was accomplished through over 19 emails, 5 all-Assister conference calls, and 4 in-person educational Massachusetts Health Care Training Forum sessions across the Commonwealth. These activities covered a range of topics including training and updating Assistors about MassHealth application annual renewals in the online system, important changes to Health Safety Net (HSN) policies and how they impact current and new members, the new, optional Temporary HSN through a Presumptive Determination application process, and continued improvements to the online system at MAhealthconnector.org.

Intensive communications and training efforts were conducted throughout August to ensure all CACs and Health Connector Navigators were fully knowledgeable about several important updates. This included changes to MassHealth Managed Care Organization plan selection and enrollment process (including a new, fixed enrollment requirement), updates to the Health Connector and Mixed Households Redeterminations and Renewals process, and renewals for households with the Health Safety Net (HSN) who need to reapply for coverage in the online system. A combination of mandatory training requirements, follow-up email communications, and supporting conference calls were held to support the various changes. Four enrollment events were conducted across the Commonwealth to support the HSN renewals.

The CAC Training and Communications team collaborated with advocates, hospitals and health centers, the Health Connector, and MassHealth Operations and customer service to develop and present an August conference call refresher on Immigration. The content, now also part of

the CAC certification training, provides additional guidance and scenario based examples for when CACs are helping applicants or members complete applications and renewals.

Assister-specific email updates and conference calls also provided CACs with important details around key updates to the online system, the Health Connector's Seal of Approval process and finding local tax filing assistance outside of tax season, and other MassHealth and Health Connector changes and improvements that support Assisters as they help consumers access and retain their health insurance coverage.

A significant amount of time this quarter was dedicated by the team to the design, planning, and preparations for a key new tool for CACs and Navigators—the Assister Portal. The Assister Portal is an online tool that will let Massachusetts CACs and Navigators access the online application (HIX) with their own login to help Individuals apply online for health coverage while they are assisting them. Once logged in, CACs and Navigators will be able to use the Assister Portal to help Individuals submit new applications, report changes, enroll in Health Connector plans, and more easily respond to renewals and notices (such as Requests for Information). Other features will be available to help them manage Individuals they work with when using the Assister Portal. More details will be provided in the next quarterly update around the preparations, training, communications, and phased rollout to the Assisters.

Member Education

The MassHealth Member Education representative continues to provide educational presentations, outreach, and training to community advocate agencies, medical providers, internal and external state agency staff, program members, and any other interested parties per request.

In addition, the MassHealth Member Education representative attends scheduled meetings, collaborations, forums, and round tables to provide updated MassHealth program information, and to solicit Member Education presentations.

The Member Education representative also plays an integral role on the Massachusetts Health Care Training Forum (MTF) “Convener” team. Members meet monthly to determine the MTF meeting format, agenda, and material presentation content. Member Education regularly presents MassHealth program information quarterly at each of the 4 regional MTF meetings.

During this quarter The Member Education Representative presented an Immigration Refresher to over 100 enrollment assisters in August. This refresher was a result of many months of planning and collaborating with the Health Connector, Advocate agencies, and the Massachusetts League of Community Health Centers. The refresher was very well received by enrollment assisters. It provided enrollment assisters with tips and tools needed for successful application completion.

July 1, 2016 – September 30, 2016

The Member Education Representative presented at 4 Massachusetts Health Care Training Forums and attended 16 community meetings providing program information and updates to participants, attended 2 health fairs, and presented 9 tailored Power Point presentations to a numerous variety of stakeholders across the Commonwealth, for a total of 31 educational events.

Safety Net Care Pool

MassHealth continued to work on a number of Safety Net Care Pool Initiatives. In particular, MassHealth made a payment of \$89,608,450 to Cambridge Health Alliance for their Public Hospital Transformation and Incentive Initiative (PHTII) program for FY16. Additional detail is outlined below.

Payment Reform Initiatives Related to Safety Net Care Pool, including DSTI, ICB grants and Payment Reform Efforts

DSTI

STC 50(d) of the Demonstration authorizes the Commonwealth to extend the Delivery System Transformation Initiatives (DSTI) funded through the Safety Net Care Pool (SNCP). These initiatives are designed to provide incentive payments to support investments in eligible safety net health care delivery systems for projects that will advance the triple aims of improving the quality of care, improving the health of populations and enhancing access to health care, and reducing the per-capita costs of health care. In addition, DSTI payments will support initiatives that promote payment reform and the movement away from fee-for-service payments toward alternative payment arrangements that reward high-quality, efficient, and integrated systems of care.

During this quarter, DSTI hospitals submitted their final reports for SFY16, which were due on July 31, 2016. Commonwealth Medicine reviewed the reports and found that the hospitals completed 100% of the metrics reported. The hospitals requested payments as follows:

DSTI Hospital	Payment Requested
Boston Medical Center	\$82,566,524.45
Cambridge Health Alliance	\$36,195,250
Holyoke Medical Center	\$5,346,045.37
Lawrence General Hospital	\$7,124,110.06
Mercy Medical Center	\$10,549,070.23
Signature Healthcare Brockton	\$10,988,141.21
Steward Carney Hospital	\$4,289,807.40

Payments were made on September 30, 2016 in these amounts to all hospitals. Payments requested in the previous quarter were also made to all of the hospitals on August 12, 2016.

Infrastructure and Capacity Building Grants (ICB)

Pursuant to the MassHealth 1115 Demonstration 11-W-00030/1, the Commonwealth distributed \$20,000,000 in Infrastructure and Capacity Building (ICB) grants for Fiscal Year (FY) 2015 in accordance with Special Term and Condition (STC) 49(d), STC 50(b), Charts A and B of Attachment E, and Expenditure Authority Section IV.d.¹

The purpose of this program is to help providers establish integrated delivery systems that provide more effective and cost-efficient care to patients in need. Through these projects, EOHHS continues the development and implementation of best practices, cost containment and quality improvement initiatives. The grants also encourage and support Mass HIway participation and health exchange information.

Seventy-eight ICB projects began in December 2015. Throughout Q2 and Q3 SFY 2016, grantees sought to accomplish their goals with a projected end date of June 30, 2016. EOHHS allows ICB grantees to extend their projects if necessary. Forty-five extensions were granted. As of September 30, 2016, MassHealth had received a total of 62 final reports. Ten of those reports required further clarification and EOHHS is currently working with those grantees to gather such information (e.g., final data calculations and budget reports). Sixteen reports remain outstanding. EOHHS has been in contact these remaining awardees to ensure the projects are on track and reports will be finalized no later than December 30th. EOHHS will begin reviewing final reports in Q2 SFY 2017.

¹ Note the ultimate distribution was \$19,274,288 as two awardees could not move forward given the State's revised budget requests.

The grantees' progress reports and updated budgets illustrate the success of the projects thus far. For instance, one grantee, whose primary population speaks Spanish, hired bilingual nurses, navigators, and a social worker with experience in behavioral health to provide culturally and linguistically appropriate care. Another grantee is working to adopt an analytics server that will integrate with existing databases and provide a platform that makes it easier to maintain/distribute reports and provide interactive features to medical care teams. Providers will soon have access to dashboards supported by real-time data to assist with care management. A grantee also utilized different educational tools to teach staff how to better care for patients with diabetes.

A final grantee has been working to provide safe care transitions for vulnerable patient populations and to avoid unnecessary readmissions. The grantee developed a multi-stakeholder Cross Continuum Transition Team and focused on targeted interventions such as medication reconciliation and outreach, post-acute care navigation services, and discharge education. The grantee has taken an innovative, multi-disciplinary approach to care transitions, enlisting resources in nutrition, medicine, financial coordination, occupational therapy, social services, mental health, and churches to support discharged patients in the community. As a result, the provider has developed realistic and achievable plans for meeting the needs of patients at high-risk for readmission.

From July 1, 2016 through September 30, 2016, MassHealth also began working on its procurement for the next round of ICB grants. There will be a total of three potential ICB projects in this round:

- Project A: Support for Pilot ACOs' Implementation of their Total Cost of Care and Quality Management Model
- Project B: Support for Primary Care Payment Reform (PCPR) Providers' Continued Integration of Care
- Project C: Support for Advancing Accountable, Integrated Care for Acute Care Hospitals

Payment Reform Activities

During this quarter, MassHealth drafted and posted a Request for Responses (RFR) for the Accountable Care Organization (ACO) Initiative (DOCUMENT #: 17EHSMHACOINITIATIVE), along with supporting materials such as model contracts and related appendices. The RFR identifies three models pursuant to which EOHHS seeks to enter into contract with Accountable Care Organizations:

- **Accountable Care Partnership Plan** – An Accountable Care Partnership Plan is either (1) an MCO with a separate, designated ACO Partner (2) a single integrated entity. Each Accountable Care Partnership Plan has an exclusive group of primary care providers (PCPs), and all members enrolled in an Accountable Care Partnership Plan receive

primary care from these PCPs. Like a MassHealth MCO, the Accountable Care Partnership Plan is paid a capitated rate for Members, and is at risk for losses and savings beyond the capitation rate. The Accountable Care Partnership Plan must meet requirements currently associated with MCOs, including capital reserves and other financial considerations. Accountable Care Partnership Plans must also meet the requirements for ACOs, including provider-led governance and Commonwealth of Massachusetts Health Policy Commission (HPC) certification. Because the Accountable Care Partnership Plan is an MCO, it will perform many of the administrative functions that MassHealth MCOs perform (e.g., paying claims, maintaining the provider network, prior authorization, etc.). The Accountable Care Partnership Plan will communicate directly with Members what it offers and how to access services. Accountable Care Partnership Plans do not have to cover an entire specified geographic region. Accountable Care Partnership Plans will define their service areas, with MassHealth approval, and will need to have network adequacy in those service areas.

- **Primary Care ACO**— A Primary Care ACO is an ACO that has an exclusive group of participating Primary Care Clinicians (PCCs), and all Members enrolled in a Primary Care ACO receive primary care from these PCCs. Unlike Accountable Care Partnership Plans, Primary Care ACOs are not paid a capitation to provide services. Instead, their Members receive non-behavioral health care from MassHealth’s fee-for-service network, which is paid for directly through the MassHealth claims system. Members enrolled in Primary Care ACOs are also automatically enrolled in MassHealth’s behavioral health carve-out vendor. The Primary Care ACO is accountable through shared savings and losses payments based on Total Cost of Care (TCOC) and quality performance for the Primary Care ACO’s population of Enrollees.
- **MCO-Administered ACO** – An MCO-Administered ACO is an ACO that is part of the PCP network(s) for one or more MassHealth-contracted MCO(s). An MCO-Administered ACO may contract with multiple MCOs; an MCO may also contract with multiple MCO-Administered ACOs as part of its network. Each MCO-Administered ACO has an exclusive group of participating PCPs. Members who enroll in an MCO may be attributed to an MCO-Administered ACO. MCO-Administered ACOs are accountable to their MCOs through shared savings and losses payments. MassHealth must approve these financial arrangements and the associated requirements in the contracts between an MCO-Administered ACO and its MCOs.

In order to answer questions from prospective bidders and to continue to engage with stakeholders, MassHealth prepared for the first Bidders’ Conference (held in October, 2016)

In addition, MassHealth focused on identifying and developing requirements for the information technology systems needed to support its payment reform initiatives, including a Data Mart to provide business intelligence reporting to internal and external audiences and a Clinical Data Repository to collect, store, and analyze clinical quality data from ACOs.

MassHealth drafted an RFR for Infrastructure and Capacity Building (ICB) grants for hospitals.

Finally, MassHealth began preparing for the launch of the ACO Pilot, finalizing policy details, negotiating contracts, and working with the selected vendors in this collaborative initiative.

Operational Issues

During this quarter, MassHealth continued to work with the Massachusetts Health Connector and our systems integration vendor to enhance functionality in the HIX system, including enhancements to logic for Address Standardization to confirm attested address by matching with USPS, functionality to generate large-print, Braille or Spanish notices, and application reactivation logic to allow only one provisional period every twelve months. In addition, MassHealth implemented logic in the HIX system to conduct annual renewals for MassHealth members who are in a household with other household members who are receiving benefits through the Health Connector, to allow a coordinated renewal process with both agencies.

Also during the quarter, MassHealth continued to finalize requirements for the Asset Verification System to conduct checks of financial institutions for members subject to an asset test for eligibility and plan for implementation in December 2016. Otherwise, MassHealth operations for the Traditional Medicaid population (Aged, Blind, Disabled) continued as normal during this quarter.

Policy Development/Issues

During this quarter, considerable policy development efforts took place. Most importantly, Massachusetts posted our proposed 1115 Waiver Extension Request for public comment. After the posting of the Waiver, we held two public listening sessions in for stakeholders and the public. Based on this feedback, MassHealth submitted its final 1115 Waiver Extension Request to CMS on July 22, 2016.

Financial/Budget Neutrality Development/Issues

The attached budget neutrality (BN) statement includes actual expenditures and member months through state fiscal year (SFY) 2016 as reported through the quarter ending June 30, 2016 (QE 06/30/16). SFY 2017 expenditures and member months are projected by annualizing actual data from quarters 1-4, as reported through the quarter ending June 30, 2016 (QE 06/30/16). These data are combined with the MassHealth budget forecast as of June 30, 2016

for SFY 2016-2017 and Commonwealth Care and Health Safety Net (HSN) information provided by the state agencies that manage those programs.

This BN demonstration includes actual expenditure figures, updated according to the most recent complete data available for SFY 2014, SFY 2015, and SFY 2016. The enrollment data for the years SFY 2010 through SFY 2016 were updated based on actual enrollment through mid-August 2016.

Safety Net Care Pool (SNCP)

The three-year SNCP target is based on projected expenditures for SFY 2016-2019. The changes for SFY 2016 will continue to be updated as the fiscal year progresses.

Budget neutrality - summary

In sum, the total projected budget neutrality cushion is \$36.1 billion for the period SFY 2015 through SFY 2019 and \$48.0 billion for the period SFY 2009 through SFY 2019. We will continue to update CMS through quarterly reports as updated information is available.

Consumer Issues

MassHealth In-Person Enrollment Events

MassHealth began holding their own enrollment events in March and April, 2015, mainly for the purpose of continuing to help those in “Temporary” MassHealth coverage through the renewal/reapplication process. Members were assisted through the enrollment process from beginning to end, and provided the same services that MassHealth Enrollment Centers would provide, including assistance with applications for those age 65 and over.

In June 2015, MassHealth, working with each of the four MassHealth Enrollment Centers (MECs), as well as MassHealth’s Central Processing Unit (CPU), began to coordinate and hold renewal/enrollment events with community partners throughout the Commonwealth.

July – September 2016

During August, 2016, MassHealth partnered with various community health centers (CHCs) throughout the Commonwealth to help celebrate National Health Center Week (<http://www.healthcenterweek.org/>), a celebration held every August, during the week of August 7th through the 13th, celebrating both CHC staff and their members. All four MECs and CPU participated and our presence was greatly appreciated by both CHC staff and their members.

In September, 2016, MassHealth held a special series of four enrollment events to aid MassHealth members in navigating the new Health Safety Net (HSN) policy changes that went into effect. Along with these renewals, MassHealth assisted those receiving the usual annual

2016 MassHealth renewal notices submit their renewals, and those who wished to apply for health coverage.

Each of these MassHealth events are located throughout the Commonwealth, with each MEC/CPU leading an event with assistance from Community Health Centers, enrollment Assistors, Navigators and others. MassHealth staff provides identity proofing support, account lookups/unlocks, and generally offers the same services that a member could find at a MassHealth Enrollment center, (including assistance with coverage for those ages 65 and over) as well as assisting them through the online application process.

Responsibility for publicizing events is split between MassHealth and the partnering Community Health Center. MassHealth develops individual event fliers and posters (in Spanish, English and other additional languages) containing all pertinent information for each event, as well as the logo of the partnering facility, and distributes them to the MEC/CPU offices. From there, they are distributed throughout as much of the event area as possible, including posting at the MEC/CPU offices. These documents are posted on the MassHealth website, as well as included as an informational flyer (in Spanish and English), listing all event dates and locations, with the MassHealth renewal mailing packets that are mailed to members.

A link to our website is included in the Health Connector and University of Massachusetts Medical School websites, with UMass publicizing the events at the quarterly MassHealth Training Forums, held throughout the Commonwealth.

The social media communications plan, mentioned in the last quarterly report, drew a very good increase of tweeting activity statewide in response to these events, up 40+% since its inauguration. This included pre-event tweets, reminder tweets and tweet blogs during event series interims, as well live tweeting during the events. Though not yet implemented, it is still planned to prepare event press releases for distribution to local community newspapers, to be distributed in both hardcopy and digital media.

The community partner publicizes the events as well, mentioning the events to their walk-ins/patients, and through e-mails, local television and radio, as well as distributing flyers to homeless shelters, hospitals and any other applicable facility.

MassHealth enrollment events will continue through calendar years 2016/17 and beyond, roughly every quarter, in conjunction with the mailing of renewal notices, and as the need arises outside the quarterly series. In addition, we are also participating in various interim event activities throughout the state, in partnership with regional community health centers.

Quality Assurance/Monitoring Activity

Quality activities for the quarter ending September 30, 2016 cover the following topics:

- Managed care quality monitoring activities
 - One Care Program quality monitoring activities
 - Managed Care Program quality monitoring activities
 - Senior Care Options (SCO) Program quality monitoring activities
 - External Quality Review Organization (EQRO) Activities
- Payment Reform Quality Activities
 - Primary Care Payment Reform quality monitoring activities
 - MassHealth Quality Committee
 - **MassHealth ACO Quality Strategy Workgroup and Sub-Groups**
 - External Accountable Care Organization (ACO) Quality Workgroup
- CMS Quality Grant activities
 - CMS Adult Medicaid Quality grant
 - Contraceptive Use grant

Managed Care Quality Activities

Managed Care Program (under 65, non-disabled)

In June 2016, The MCO plans provided copies of the HEDIS IDSS submissions to the MassHealth Quality office (MQO). The MQO reviews, analyzes, and trends the HEDIS data to help inform MassHealth policy and quality improvement decisions.

In September 2016, the MCO plans submitted information about their continued/new quality improvement and measurement activities required under the QI goal section of their current contract. The MCO submissions present information about work that was conducted in calendar year 2015 and are currently being evaluated by MassHealth quality staff. It is expected that feedback will be provided back to each individual MCO in early 2017.

Plans submitted the requested data and wrapped up the onsite/telephonic review process for the 2016 External Quality Review (EQR). Preliminary scores for the performance improvement project and performance measure validation were calculated and plans were asked to submit more information when necessary. The EQR vendor will spend the latter part of 2016 drafting the technical reports with the goal of having them finalized by January 2017.

One Care Program (under 65, disabled)

On an ongoing basis, quality and other performance measures continue to be addressed with plans on the bi-weekly contract management check-in calls. These phone calls allow MassHealth and CMS contract managers to touch frequently on quality related questions, and provide targeted guidance to the individual plan. Ongoing activities often discussed on the bi-

weekly contract management phone calls include HEDIS submissions, CAHPS surveys, state specific measures, CORE measures, appeals, and grievance activities.

During this quarter, the One Care plans began the process of gathering data for the 2016 EQR cycle and received a request for information in June 2016. Data was submitted to the EQR vendor in September 2016, with site visits and telephone calls scheduled to discuss performance measure validation and performance improvement project validation respectively. The site visits and phone call will be occurring in October 2016.

SCO Program (65 and over)

Plans submitted the requested data and wrapped up the onsite/telephonic review process the 2016 External Quality Review (EQR). Preliminary scores for the performance improvement project and performance measure validation were calculated and plans were asked to submit more information when necessary. The EQR vendor will spend the latter part of 2016 drafting the technical reports with the goal of having them finalized by January 2017.

External Quality

Review Activities

During this quarter, the EQR review activities were well underway for the MCO and SCO programs, with the process just initiating for the One Care programs. The EQR held the initial kick off meeting and sent of the request for information for the One Care plans. Information was submitted for all plans with site visits and telephone calls occurring for all MCO and SCO plans; visits and calls with the One Care plans will be conducted in October 2017. The EQR anticipates having finalized technical reports by January 2017.

Primary Care Payment Reform (PCPR)

Primary Care Payment Reform (PCPR) performance improvement activities for the reporting quarter comprise data aggregation and calculations to determine P4R/Q for YR 2 (2015) of the Program. The YR 2 Quality incentive plan is a combination of P4R (10 clinical measures) and P4Q (two measures). Performance in the 12 measures are calculated for each practice and then combined to determine organizational performance and finally at the risk pool level. Performance at the risk pool levels modifies the amount of incentive payment each organization receives for YR 2. Calculations will be completed by Quarter 4 with results and payment reported to the practices by January 2017.

MassHealth Quality Committee

The MassHealth Quality Committee continues to be on hold from late 2015, to free up staff time to support the Assistant Secretary's work on ACO development. A small subset of the committee continues to meet to ensure that quality related activities are aligned across programs. The MassHealth Quality Committee is slated to reconvene in October 2016, and on an ongoing basis, to support and inform development and alignment of quality goals, strategies and activities across current and new programs.

MassHealth ACO Quality Strategy Workgroup and Sub-Groups

The internal ACO Quality Strategy Workgroup took the recommendations made earlier in 2016 by the ACO Quality Workgroup (described below), to make additions and changes to the ACO quality measure slate. Sub-groups also convened to support these efforts around specific measurement areas and issues (e.g., prevention/wellness and chronic disease, behavioral health, integration, long term services and supports). Activities include developing measure definition and specifications, approaches to benchmarking and payment, and a strategy for member experience surveying.

ACO External Quality Workgroup

The ACO quality workgroup, which consists of 40 external stakeholders met in early 2016, making significant recommendations with regard to the optimal measurement for accountability and payment for ACOs and developed a draft ACO quality measure slate. The workgroup reconvened in late September 2016, and will continue to in a series of meeting through the end of the year. The workgroup will revisit additions and changes to the quality measure slate as a result of the recommendations made earlier in the year, as well as discuss the benchmarking and payment methodology and member experience survey approach.

CMS Grant Activities

CMS Adult Core Quality Grant

All activities related to Aims 1 and 2 were completed in December 2015. Work on Aim 3 continued into this quarter and focused on building capacity and infrastructure at MassHealth to gather and use data.

MassHealth continues to report on the results for the adult and child core measure sets voluntarily. Work on calculating measure results began this quarter and will continue into next quarter.

Contraceptive Use Grant

Input from a set of interviews with Title X family planning sites about their collection and use of data, and input on the contraceptive measure, were analyzed using Atlas ti., a qualitative data analysis software, and were summarized in report delivered to the grant project team in September 2016. Data Use Agreements were executed to support access to data from the regional Title X family planning database. The project plans to explore the possibility of using this data to calculate the contraceptive measure and its associated sub-measures and the comparing those rates to rates calculated using MassHealth claims data, to identify opportunities for improving the measure rate calculation. Additionally data from the Title X data base may be used to inform practice level reports and site quality improvement efforts.

Evaluation Activities and Issues

In state fiscal years 2017 and 2018, MassHealth will contract with ACOs (“Pilot ACOs”) for an ACO Pilot within the PCC Plan. Pilot ACOs will consist of provider-led entities such as health systems or groups of health care providers that contract with MassHealth to provide care coordination and management and to take financial accountability for cost and quality of care for certain attributed PCC Plan members. Members enrolled in the PCC Plan who are assigned to PCCs that participate with Pilot ACOs will be considered attributed to these Pilot ACOs. MassHealth may establish Referral Circles for Pilot ACOs; Referral Circles are groups of providers within MassHealth’s FFS network, for which MassHealth will eliminate the need for otherwise-required primary care referrals for ACO-attributed members, in order to facilitate increased access and coordinated care. MassHealth will hold Pilot ACOs financially accountable for cost and quality of care through shared savings and shared losses (i.e., downside risk), including potentially asymmetric risk (i.e., potential shared savings exceed potential shared losses).

MassHealth will evaluate the success of the Pilot ACO program based on many of the factors included above, including patient attribution, cost and quality of care, shared savings and losses, and the overall success of Referral Circles. MassHealth is currently developing its full evaluation plan for the Pilot ACOs.

State Contact

For any questions or comments regarding this quarterly report, please contact:

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Date Submitted to CMS

12/27/16