



TRANSPARENCY REPORT - 2009 HEALTH PLAN PAYOUTS

PAY FOR PERFORMANCE For California Commercial HMO and POS For 2008 Measurement Year (2009 payout)

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Total payment for IHA measures for commercial HMO and POS	\$2.2 M \$0.51 PMPM avg	\$25.5 M \$1.64 PMPM avg	\$12.5 M \$0.98 PMPM avg	\$2.70 M \$0.87 PMPM avg	\$3.5 M \$0.25 PMPM avg	\$4.88 M \$0.51 PMPM avg	\$0.42 M \$0.57 PMPM avg
Total payment for non-IHA performance measures for commercial HMO and POS	\$5.2 M \$1.19 PMPM avg See Other Performance Measures section	\$34.8 M \$2.89 PMPM avg See Other Performance Measures section	\$17 M \$1.33 PMPM avg See Other Performance Measures section	\$0.34 M* \$0.15 PMPM avg *Change in methodology -- See Other Performance Measures section	\$24.1 M \$1.75 PMPM avg See Other Performance Measures section	\$10.58 M \$1.12 PMPM avg See Other Performance Measures section	\$0.06 M \$0.08 PMPM avg See Other Performance Measures section
Total performance payments for commercial HMO and POS	\$7.4 M total for all measures \$1.70 PMPM avg Annual payout	\$60.3 M total for all measures \$4.53 PMPM avg Annual payout	\$29.5 M total for all measures \$2.27 PMPM avg Annual payout	\$3.04 M total for all measures \$1.02 PMPM avg Annual payout	\$27.6 M total for all measures \$2.00 PMPM avg Annual payout	\$15.46 M total for all measures \$1.63 PMPM avg Annual payout	\$0.48 M total for all measures \$0.65 PMPM avg Annual payout
Payments for IHA measures as percent of total	30%	42%	42%	89%	13%	32%	87%

PAYMENT METHODOLOGY
For California Commercial HMO and POS
For 2008 Measurement Year (2009 payout)

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Criteria for physician group to be eligible for incentive payment	<p>Meet IHA 3.75 PMPY encounter threshold</p> <p>Participate in PAS with sufficient participation to be deemed statistically valid as determined by the NCQA</p> <p>Signed delegation agreements</p> <p>Active risk contract for some portion of measurement year and at time of payout</p> <p>Be in full compliance with Aetna contract</p>	Signed contract; all criteria clearly outlined in the contract	<p>Encounter threshold of 2.7 E&M visits PMPY, excluding E&M visits with an acute inpatient facility place of service</p> <p>Valid contract in measurement year and at time of payout</p>	<p>Meet IHA 3.75 PMPY encounter threshold to qualify for clinical measures</p> <p>Participate in PAS</p> <p>Valid contract with CIGNA for entire measurement year and at time of payout</p> <p>Per P4P manual for each measure</p>	<p>Open to all physician groups in HMO and POS network</p> <p>Valid contract in measurement year and at time of payout</p> <p>E&M threshold of 3.0 for full payout; no payout if <2.7</p> <p>Encounter Submission Rate Multiplier: 50% for 2.70-2.84 PMPY E&M encounters; 75% for 2.85-2.99 PMPY; 100% for 3.0 PMPY or higher</p>	<p>Meet IHA 3.75 PMPY encounter threshold</p> <p>Minimum commercial membership of 1,000 in the month prior to the payout date</p> <p>Signed QIP participation contract the year prior to the payout date</p> <p>Meet the performance threshold</p>	Meet IHA 3.75 PMPY encounter threshold
Used absolute threshold for determining payment	No	No	No	No	No	No	No

PAYMENT METHODOLOGY (CONTINUED)

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Used relative percentile ranking for determining payment	<p>Clinical, Patient Experience, Coordinated Diabetes Care and Systemness: For each weighted measure, only groups performing in top IHA quartile were eligible for payment. The total budgeted amount was divided among the measures based on Aetna weightings. For each measure, the full allocation was paid out to groups in the top quartile.</p> <p>Payment calculated proportional to membership.</p>	<p>Clinical, Patient Experience, Coordinated Diabetes Care and Systemness: Scores for each measure were added together. The total points were then used to rank groups on a percentile table, and payments were made based on this. Groups in the 20th to 100th percentiles received payment based on a sliding scale.</p>	<p>Clinical and Patient Experience: 80% is allocated for attainment; 20% is allocated for improvement. Groups in the 30th to 100th percentiles received an attainment payment based on a sliding scale. Groups that achieved a positive improvement received an improvement payment, based on their performance quintile. 20% awarded for the bottom quintile; 40% awarded for the 4th quintile; 60% awarded for the 3rd quintile; 80% awarded for the 2nd quintile; full credit for improvement for the top quintile.</p> <p>Coordinated Diabetes Care: Points allocated based on achievement of 90th, 75th, and 50th percentile.</p> <p>Systemness: paid 100% of max if received 20 pts; 75% of payout if received 15 pts; 50% of payout if received 10 pts; 25% of payout if received 5 pts.</p>	<p>Clinical and Patient Experience: The total budgeted amount was divided among the measures based on the domain weighting. For each measure, the full allocation was paid out to groups in the top 50th percentile. The PMPM amount increased for each higher ranking group.</p> <p>Coordinated Diabetes Care: The total budgeted amount was divided among the measures based on the domain weighting. For each measure, the full allocation was paid out to groups in the top 50th percentile. The PMPM amount increased for each higher ranking group. The registry was a score not a percentage so higher score received more of the budgeted amount.</p> <p>Systemness: paid 15% of max if received 15 pts; 10% if received 10 - 14 pts; 5% if received 5-9 pts; 0% if received less than 4 pts.</p> <p>Payment calculated proportionally by membership.</p>	<p>Clinical and Patient Experience: Achievement of a specific percentile rank (from 50-100%) will yield a scaled point value. Groups demonstrating Relative Improvement earned points based on their quartile placement for each eligible measure 25% of the points for the bottom quartile; 50% of the points for the 2nd quartile; 75% of the points for the 3rd quartile; 100% of the points for the top quartile.</p> <p>Coordinated Diabetes Care: POs must report on all six measures and be in the top percentile for this group of measures in total to receive an award. The remaining measures in this category will be awarded based on whether they received credit.</p> <p>Systemness: Paid on a sliding scale based on the 15 pt maximum awarded by IHA. Starting with 7% for 1 pt, 33% for 5 pts, 67% for 10 pts and 100% for 15 pts.</p>	<p>Clinical, Patient Experience and Coordinated Diabetes Care: For each measure, 100% awarded for 85th percentile or higher; 50% awarded for 75th to 84th percentile.</p> <p>Systemness: 100% awarded if group scores 15 pts; otherwise 0% awarded.</p>	<p>Clinical: For each measure, 100% awarded for 75th percentile or higher; 50% awarded for 50th to 74th percentile; 25% awarded if below 50th percentile AND achieved Relative Improvement of 15% or more.</p> <p>Patient Experience: For each measure, 100% awarded for 75th percentile or higher; 50% awarded for 50th to 74th percentile. No bonus for below 50th percentile.</p> <p>Systemness: paid 100% of max if received 15 pts; 75% of payout if received 12-14.9 pts; 50% of payout if received 9-11.9 pts</p> <p>Coordinated Diabetes Care: 16.5 - 20 pts = 100% payout 13 - 16 pts = 75% payout 10.5 - 12.5 pts = 50% payout <10.5 pts = no payout</p>

PAYMENT METHODOLOGY (CONTINUED)

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Domain Weighting	<u>Clinical Domain:</u> 40% <u>Performance:</u> 75% <u>Improvement:</u> 25%	<u>Clinical Domain:</u> 37% <u>Performance:</u> 100% <u>Improvement:</u> 0%	<u>Clinical Domain:</u> 40% <u>Performance:</u> 80% <u>Improvement:</u> 20%	<u>Clinical Domain:</u> 40% <u>Performance:</u> 80% <u>Improvement:</u> 20%	<u>Clinical Domain:</u> 40% <u>Performance:</u> 69% <u>Improvement:</u> 31%	<u>Clinical Domain:</u> 49% <u>Performance:</u> 100% <u>Improvement:</u> 0%	<u>Clinical Domain:</u> 39% <u>Performance:</u> 95% <u>Improvement:</u> 5%
	<u>Patient Experience Domain:</u> 40% <u>Performance:</u> 75% <u>Improvement:</u> 25%	<u>Patient Experience Domain:</u> 34% <u>Performance:</u> 100% <u>Improvement:</u> 0%	<u>Patient Experience Domain:</u> 25% <u>Performance:</u> 80% <u>Improvement:</u> 20%	<u>Patient Experience Domain:</u> 25% <u>Performance:</u> 80% <u>Improvement:</u> 20%	<u>Patient Experience Domain:</u> 25% <u>Performance:</u> 70% <u>Improvement:</u> 30%	<u>Patient Experience Domain:</u> 22% <u>Performance:</u> 100% <u>Improvement:</u> 0%	<u>Patient Experience Domain:</u> 28% <u>Performance:</u> 100% <u>Improvement:</u> 0%
	<u>IT-Enabled Systemness Domain:</u> 10%	<u>IT-Enabled Systemness Domain:</u> 11%	<u>IT-Enabled Systemness Domain:</u> 15%	<u>IT-Enabled Systemness Domain:</u> 15%	<u>IT-Enabled Systemness Domain:</u> 15%	<u>IT-Enabled Systemness Domain:</u> 6%	<u>IT-Enabled Systemness Domain:</u> 16.5%
	<u>Coordinated Diabetes Care Domain:</u> 10%	<u>Coordinated Diabetes Care Domain:</u> 18%	<u>Coordinated Diabetes Care Domain:</u> 20%	<u>Coordinated Diabetes Care Domain:</u> 20% <u>Performance:</u> 80% <u>Improvement:</u> 20%	<u>Coordinated Diabetes Care Domain:</u> 20% <u>Performance:</u> 81% <u>Improvement:</u> 19%	<u>Coordinated Diabetes Care Domain:</u> 23%	<u>Coordinated Diabetes Care Domain:</u> 16.5%
	Percentage of total payout for improvement: 20%	Percentage of total payout for improvement: 0%	Percentage of total payout for improvement: 13%	Percentage of total payout for improvement: 17%	Percentage of total payout for improvement: 23.7%	Percentage of total payout for improvement: 0%	Percentage of total payout for improvement: 2%

ADOPTION OF UNIFORM INTEGRATED HEALTHCARE ASSOCIATION (IHA) MEASUREMENT SET
For California Commercial HMO and POS
For 2008 Measurement Year (2009 payout)

Clinical Measures

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Adult Bronchitis	5%	2.8%	3.3%	3.1%	3.1%	3.8%	3%
Asthma Mgmt	0	2.8%	3.3%	3.1%	3.1%	3.8%	3%
Breast Cancer Screening	5% + 3% for Relative Improvement	2.8%	3.3%	3.1%	3.1%	3.8%	3%
Cervical Cancer Screening	5% + 3% for Relative Improvement	2.8%	3.3%	3.1%	3.1%	3.8%	3%
Child Pharyngitis	5%	2.8%	3.3%	3.1%	3.1%	3.8%	3%
Childhood Immunizations (VZV and MMR)	0	2.8%	3.3%	3.1%	3.1%	3.8%	3%
Chlamydia Screening	5% + 4% for Relative Improvement	2.8%	3.3%	3.1%	3.1%	3.8%	3%
Colorectal Cancer Screening	5%	2.8%	3.3%	3.1%	3.1%	3.8%	3%
LDL <100	0	2.8%	3.3% together	3.1%	3.1%	3.8%	3%
LDL Screening	0	2.8%		3.1%	3.1%	3.8%	3%
Low Back Pain	0	2.8%	3.3%	3.1%	3.1%	3.8%	3%
Medication Monitoring	0	2.8%	3.3%	3.1%	3.1%	3.8%	3%
Upper Respiratory Infection	0	2.8%	3.3%	3.1%	3.1%	3.8%	3%
Other clinical measures	0	0	0	0	0	Yes, see Other Performance Measures section	0
Total # Clinical Measures	6	13	13	13	13	15	13

Coordinated Diabetes Care Measures

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
HbA1c Screening	1%	2.5%	2%	2%	2%	3.7%	1.7%
HbA1c Poor Control (>9)	0%	2.9%	3%	3%	3%	3.7%	2.5%
HbA1c Good Control (<8)	4%	2.9%	3%	3%	3%	3.7%	2.5%
LDL Screening	0%	2.5%	2%	2%	2%	3.7%	1.7%
LDL Control <100	4%	2.9%	3%	3%	3%	3.7%	2.5%
Nephropathy Monitoring	1%	2.5%	2%	2%	2%	3.7%	1.7%
Diabetes Registry	0%	2%	1%	5%	5%	0.6%	.8%
Blood Pressure in registry	0%		2%		0%	0%	1.7%
Actionable reports to Physicians	0%		1%		0%	0%	.8%
Individual Physician measurement	0%		1%		0%	0%	.8%

Patient Experience Measures

Appointment w/Specialist	5%+ 2% for Relative Improvement	3%	3.1%	3.6%	1.8%	1.6%	2%
Rating of Specialist	3% and 1% for Relative Improvement	3%			1.8%	1.6%	2%
Timely access to care	5% and 2% for Relative Improvement	5.9%	3.1%	3.6%	3.6%	3.2%	4%
Doctor - patient communication	5% and 2% for Relative Improvement	5.9%	3.1%	3.6%	3.6%	3.2%	2%
Rating of PCP	3% and 1% for Relative Improvement	3%	3.1%	3.6%	1.8%	1.6%	2%
Office Staff	0%	2.1%	3.1%	3.6%	3.6%	3.2%	4%
Health Promo	0%	2.1%	3.1%	3.6%	3.6%	3.2%	4%
All Health Care Rating	5% and 2% for Relative Improvement	3%	3.1%	Combined with rating of PCP	1.8%	1.6%	4%
Care Coordination	4%	5.9%	3.1%		3.6%	3.2%	4%
Other patient experience measures	None	None	None	None	None	Yes, see Other Performance Measures section	None
Total # of patient experience measures	7 measures based on 38 PAS questions	9 measures based on 38 PAS questions	9 measures based on 38 PAS questions	9 measures based on 38 PAS questions	9 measures based on 38 PAS questions	10 measures, 9 based on PAS questions	9 measures based on 38 PAS questions

ADOPTION OF UNIFORM IHA MEASUREMENT SET (CONTINUED)

IT-Enabled Systemness Measures

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Data Integration for Population Management	No	Yes - 0.8%	Yes	Yes	Yes	Yes	Yes
Electronic Clinical Decision Support at the Point of Care	Yes - 2.0%	Yes – 1.3%	Yes	Yes	Yes	Yes	Yes
Care Management	Yes - 4.0%	Yes – 1.7%	Yes	Yes	Yes	Yes	Yes
Access and Communication	Yes - 4.0%	Yes – 0.5%	Yes	Yes	Yes	Yes	Yes
Physician Measurement and Reporting	No	Yes – 7%	Yes	Yes	Yes	Yes	Yes
Other IT measures	None	None	None	None	None	None	None
Total # IT-Enabled Systemness Measures	3	5	5	5	5	5	5

ADOPTION OF UNIFORM IHA MEASUREMENT SET (CONTINUED)

Other Performance Measures

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
	<p>Shared risk – Engaged physician groups in managing hospital care and outpatient facilities to further mutual aim of affordable, accessible health care. Physician groups shared in benefits and savings produced</p> <p>\$5.2 M paid in 2009</p>	<p>Blue Cross’ Quality/ Best Practices Score-card includes IHA and non-IHA measures. For MY 2008, the non-IHA performance incentive measures accounted for 70 of 190 pts, and were as follows:</p> <p>1) Medical Group Site Visit Audit – 10 points 2) Corrected Administrative Appeals per 1000 Member Months – 40 points 3) Encounter data – 20 points</p> <p>Other incentive programs include: 1) Generic Prescribing Incentive Program 2) Shared Savings Program based on: - medical surgical bed days - outpatient surgeries - ER</p> <p>Support for participation in CQC.</p> <p>\$34.8 M paid in 2009 on the above measures</p>	<p>All physician groups participated in the IHA Pay for Performance Program. In addition, some groups participated in programs for managing hospital and out-of-network care:</p> <p>1) Shared Savings Program 2) Performance Improvement Rewards Program, which measures: - Emergency Department Utilization - Outpatient Utilization at Ambulatory Surgery Centers - Inpatient Bed Days Utilization, and - Generic Drug Prescribing</p> <p>Participating in CCHRI and CQC Efficiency & LA/OC improving clinical care collaboratives</p> <p>\$17.0 M paid in 2009</p>	<p>Shared Risk – Engaged physician groups in managing hospital care, outpatient facilities, injectables, other medical services, etc. to further mutual aim of affordable, accessible health care</p> <p>\$342,000 paid in 2009 – Residual funds from shared savings</p> <p>Note that prior to 2009, the total available payout pool was reported</p>	<p>Engaged physician groups in managing shared risk services to further mutual aim of affordable, accessible health care. Physician groups shared in benefits and savings produced. Programs include:</p> <p>1) Shared Risk Program – for all shared risk groups</p> <p>2) Specific Action Program for some physician groups which include the following measures: - Inpatient Acute Days - Hospital Readmission Rate - Ambulatory Service Center Utilization - ER Utilization</p> <p>\$24.1 M paid for 2009</p> <p>Participating in CCHRI CQC Efficiency Collaborative</p>	<p>PacifiCare’s QIP payout includes IHA and non-IHA measures. The non-IHA QIP measures include:</p> <p>1) Anti-depressant Medication Mgmt (3.3%) 2) Persistent Beta Blocker Usage after Heart Attack (3.3%) 3) Overturned Appeals (0.7%) 4) Potentially Avoidable Hospitalizations (0.8%) 5) Inpatient Readmission (0.8%) 6) Use of Preferred Antibiotics (0.8%) 7) Risk-adjusted inpatient bed days (0.8%) 8) Risk-adjusted outpatient surgeries (0.8%) 9) Risk-adjusted ER visits (0.8%) 10) Risk-adjusted lab tests (0.8%) 11) Risk-adjusted x-ray (0.8%)</p> <p>\$0.41 M paid for non-IHA QIP measures Non-QIP Incentive prgms: 1) Hospital – \$2.28 M 2) Pharmacy – \$0.17M 3) Cap Guarantee – \$.01M 4) Generic Pharmacy – \$7.72 M</p> <p>\$10.58 M total paid in 2009 for non-QIP incentive prgms</p>	<p>Four “administrative quality data” metrics, equally weighted</p> <p>1) % of PCP practices open to new WHA members</p> <p>2) Encounter data submission timeliness and completeness</p> <p>3) Participation in a county immunization registry</p> <p>4) % of prescriptions that are Generic</p> <p>\$57,194 paid in 2009</p>

USE OF AGGREGATED DATA SET
For California Commercial HMO and POS
For 2008 Measurement Year (2009 payout)

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Used aggregated dataset exclusively for IHA measures	Yes, for IHA measures	Yes, for IHA measures	Yes, for IHA measures	Yes, for IHA measures	Yes, for IHA measures	Yes, for IHA measures	Yes, for IHA measures
Used aggregated dataset and own plan data							
Did not use aggregated dataset; only used own plan data	Yes, for other measures	Yes, for other measures	Yes, for other measures	Yes, for other measures	Yes, for other measures	Yes, for other measures	Yes, for other measures

Glossary

Absolute threshold – A certain score that a physician group must meet or exceed to be eligible for incentive payment.

Aggregated dataset – The dataset created by combining the scores from each plan or self-reporting group for each measure into a single score for each physician group for that measure.

IHA measures – The measures included in the uniform measurement set.

Non-IHA performance measures – All contractually arranged incentive programs - other than IHA's P4P measure set and payments - that involve potential payment to contracted physician groups for commercial HMO/POS members for a particular calendar year. This could include payments based on utilization measures and administrative servicing measures, as well as clinical quality and patient satisfaction measures that are different than the IHA measure set. Some examples include shared risk; generic substitution; grievances and appeals; voluntary member transfers for quality issues; encounter submission; open panel; compliance with NCQA and state law utilization standards; patient safety; Individual physician quality incentive program (for MY2004 or earlier only); care management

Own plan data – Data outside of the P4P aggregated dataset that the plan has access to, including encounters, claims, survey responses, administrative databases, etc.

Pay for Performance – The practice of paying a physician or physician group based on their performance on an agreed upon set of standard measures.

Relative percentile ranking – The performance of all physician groups is ranked, with only the top certain percent being eligible for incentive payment.

Uniform measurement set – The set of clinical, patient experience and IT measures that are agreed upon by the Technical and Steering Committees and released to the stakeholders as the official measurements to be used for P4P for a specified year.