



MY 2009 Advanced Notice of Health Plan P4P Payment Methodology

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Total Budget for IHA P4P Measures	\$2.2 M	\$15 M	\$15 M	\$2.7 M	\$4.0 M	\$5.4 M	\$.74 M
Amount Payout Expected	All minus admin surcharge and admin expenses incurred for PO-specific data exchange programming assessed only to groups not sharing data	All	All minus admin surcharge	All minus admin surcharge	All minus admin surcharge and admin expenses	All minus admin surcharge	\$.60 M
Maximum payment potential	\$1.60 (based on MY 07 actual)	\$2.50 PMPM	N/A	N/A	N/A	N/A	\$1.00 PMPM
Eligibility Criteria	<p>Signed delegation agreements</p> <p>Risk contract in effect for some portion of 2009 and at time of payout in 2010</p> <p>Contractually in full compliance</p> <p>Must participate in PAS (except for pediatric groups) and have statistically valid</p>	Contracted Provider Organization – all requirements included in contract	<p>Encounter rate threshold of 2.6 PMPY – based on ENRST 1,2,3</p> <p>Valid contract Jan-Dec 2009</p>	Per P4P manual for each measure	<p>E&M threshold of 3.0</p> <p>All Encounter Rate tiering for final awards: 50% payout for 4.00-5.49 PMPY; 75% payout for 5.50-5.74 PMPY; 100% payout for 5.75 PMPY or higher</p> <p>PO must send a letter to their primary lab vendor(s) requesting the vendor to give</p>	<p>Signed QIP participation contract prior to payout</p> <p>≥ 1000 commercial members in the month prior to payout</p> <p>Encounter rate threshold of 4.0 PMPY</p> <p>Meet the performance (attainment and</p>	<p>Contracted Medical Group</p> <p>Encounter rate threshold of 4.0</p>

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
	<p>results</p> <p>Encounter rate threshold of 4.0 PMPY</p>				<p>Health Net access to the data. It is required that Health Net be copied on the letter and <u>receive</u> a copy of the letter. This process must occur in order for the PO to be eligible for an award.</p> <p>POs contracted for HMO and POS for full MY and at time of award distribution</p>	<p>improvement) threshold</p>	
Domain Weighting	<p><u>Clinical</u> 40%</p> <p><u>Patient Experience</u> 30%</p> <p><u>IT-Enabled Systemness</u> 10%</p> <p><u>Coordinated Diabetes Care</u> 20%</p> <p><u>Appropriate Resource Use</u> N/A</p>	<p><u>Clinical</u> 40%</p> <p><u>Patient Experience</u> 20%</p> <p><u>IT-Enabled Systemness</u> 20%</p> <p><u>Coordinated Diabetes Care</u> 20%</p> <p><u>Appropriate Resource Use</u> See ARU section</p>	<p><u>Clinical</u> 40%</p> <p><u>Patient Experience</u> 20%</p> <p><u>IT-Enabled Systemness</u> 20%</p> <p><u>Coordinated Diabetes Care</u> 20%</p> <p><u>Appropriate Resource Use</u> See ARU section</p>	<p><u>Clinical</u> 40%</p> <p><u>Patient Experience</u> 20%</p> <p><u>IT-Enabled Systemness</u> 20%</p> <p><u>Coordinated Diabetes Care</u> 20%</p> <p><u>Appropriate Resource Use</u> Under consideration</p>	<p><u>Clinical</u> 40%</p> <p><u>Patient Experience</u> 20%</p> <p><u>IT-Enabled Systemness</u> 20%</p> <p><u>Coordinated Diabetes Care</u> 20%</p> <p><u>Appropriate Resource Use</u> See ARU section</p>	<p><u>Clinical</u> 25%</p> <p><u>Patient Experience</u> 30%</p> <p><u>IT-Enabled Systemness</u> 5%</p> <p><u>Coordinated Diabetes Care</u> 15%</p> <p><u>Appropriate Resource Use</u> 25%</p>	<p><u>Clinical</u> 38%</p> <p><u>Patient Experience</u> 22%</p> <p><u>IT-Enabled Systemness</u> 22%</p> <p><u>Coordinated Diabetes Care</u> 16%</p> <p><u>Appropriate Resource Use</u> 3%</p>

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Methodology	<p><u>Clinical, Patient Experience, Systemness and Coordinated Diabetes Care</u> Payout pool allocated to measures as specified below and paid on in accordance with new P4P attainment and improvement payment model</p> <p><u>Appropriate Resource Use</u> N/A</p>	<p><u>Clinical</u> Sum up all points within the quality scorecard and percentile rank the POs based on total quality scorecard performance – 90% of points will be based on quality and 10% will be based on improvement</p> <p><u>Patient Experience, Systemness, and Coordinated Diabetes Care</u> Sum up all points within the quality scorecard and percentile rank the POs based on total quality scorecard performance</p> <p><u>Appropriate Resource Use</u> N/A</p>	<p><u>Clinical, Patient Experience, and Coordinated Diabetes Care</u> Greater of attainment or absolute improvement. For attainment, payment will be continuous from the 100th to the 50th percentile; for absolute improvement, payment will be based on any positive improvement. Payment for improvement will be scaled continuously from the highest to the lowest.</p> <p><u>Systemness</u> 16 - 20 pts = 100% payout 11- 15 pts = 75% payout 6-10 pts = 50% payout 1-5 pts = 25% payout</p> <p><u>Appropriate Resource Use</u> N/A</p>	<p><u>Clinical</u> All POs rank ordered for each measure and POs in top half get payout which increases incrementally for each higher performing PO</p> <p><u>Patient Experience</u> All POs rank ordered for each measure and POs in top half get payout which increases incrementally for each higher performing PO</p> <p><u>Systemness</u> ≥ 20 pts = 100% payout 15-19 pts = 75% payout 10-14 points = 50% payout <10 points = no payout</p> <p><u>Coordinated Diabetes Care</u> Pay based on rankings and recommendations from IHA</p> <p><u>Appropriate Resource Use</u> Under consideration</p>	<p><u>Clinical and Patient Experience</u> Continuous from 100th to 50th percentile - 50% attainment and 50% improvement</p> <p><u>Systemness</u> 20 pts = 100% payout 15-19 pts = 75% payout 10-14 points = 50% payout 5-9 points = 25% payout</p> <p><u>Coordinated Diabetes Care</u> In consideration - POs must have a valid score for all six measures in aggregate (A-F) and be in the top 50th percentile for this group of measures in total to receive an award – all or nothing concept. The remaining measures (G-J) in this category will be awarded based on whether they received credit – pass/fail concept. a) HbA1c Screening</p>	<p><u>Clinical, Patient Experience, and Coordinated Diabetes Care</u> PO scored on both attainment and improvement for each measure – higher of two for each measure summed for domain total – domain total used to determine payment</p> <p><u>Systemness</u> 100% payout for full points, otherwise 0% payout</p> <p><u>Appropriate Resource Use</u> If PO is ranked between 75th and 84th percentile, the PO gets 50% of the allocated payment amount for that measure. If a PO is ranked 85th or higher, the PO gets 100% of the allocated payment amount for that measure</p>	<p><u>Clinical and Patient Experience</u> For each measure, ≥ 75th percentile = 100% of payout; 50th to 74th percentile = 50% of payout; <50th percentile but ≥ 15% relative improvement = 25% of payout</p> <p><u>Systemness</u> 20 pts = 100% payout 15–19 pts = 75% payout 10-14 pts = 50% payout <10 pts = no payout</p> <p><u>Coordinated Diabetes Care</u> 16.5-20 pts = 100% payout; 13-16 pts = 75% payout; 10.5-12.5 pts = 50% payout; <10.5 pts = no payout</p> <p><u>Appropriate Resource Use</u> For the generic prescribing measure, for each therapeutic area: ≥ 75th = 100% bonus; 50th to 74th percentile = 50% of bonus; <50th</p>

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
					b) HbA1c Poor CT c) HbA1c Control d) LDL Screening e) LDL CT (<100) f) Nephropathy g) Diabetes Registry h) Blood Pressure i) Actionable reports to physicians j) Individual physician measurement <u>Appropriate Resource Use</u> N/A		percentile = no bonus Total \$.025 PMPM available
Implementing IHA data sharing recommendation	Yes - Full payout based on rewards earned is available only to groups sharing all P4P and HEDIS-related lab data electronically	No	Yes	No	Yes - PO must send a letter to their primary lab vendor(s) requesting the vendor to give Health Net access to the data. It is required that Health Net be copied on the letter and <u>receive</u> a copy of the letter. This process must occur in order for the PO to be eligible for an award.	Yes – to qualify for 100% payout POs must share all P4P and HEDIS-related labs results data electronically available, in the agreed upon standard format, for all members and all lab providers. Supplemental clinical data including child immunization registry needs to be shared in the standard format specified in the data sharing tool kit released by CCHRI in January 2008.	No

CLINICAL DOMAIN

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Childhood Immunizations (VZV and MMR)	6.67% - ped only Equally weighted across 6 measures	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
Upper Respiratory Infection	6.67% - ped only Equally weighted across 6 measures	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
Breast Cancer Screening	6.67% - non ped Equally weighted across 6 measures	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
Chlamydia Screening	6.67% - all Equally weighted across 6 measures	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
Asthma Management	6.67% - ped only Equally weighted across 6 measures	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
LDL Screening	0%	3.08%	3.33% combined	3.33% combined	3.33% combined	1.92%	2.92%
LDL <100	0%	3.08%				1.92%	2.92%
Colorectal Cancer Screening	6.67% - non ped Equally weighted across 6 measures	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
Child Pharyngitis	6.67% - all Equally weighted across 6 measures	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
Adult Bronchitis	6.67% - non ped Equally weighted across 6 measures	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
Low Back Pain	0%	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
Medication Monitoring	0%	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
Evidence-Based Cervical Cancer	6.67% - all Equally weighted across 6 measures	3.08%	3.33%	3.33%	3.33%	1.92%	2.92%
Other clinical measures	None	None	None	None	None	None	None

PATIENT EXPERIENCE DOMAIN

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Appointment with Specialist	7.5%	2.85% combined	2.85% combined	2.85% combined	2.85% combined	4.29% combined	3.14% combined
Rating of Specialist	7.5%						
Timely access to care	7.5%	2.85%	2.85%	2.85%	2.85%	4.29%	3.14%
Doctor - patient communication	0%	2.85%	2.85%	2.85%	2.85%	4.29%	3.14%
Care Coordination	0%	2.85%	2.85%	2.85%	2.85%	4.29%	3.14%
Rating of PCP	0%	2.85% combined	2.85% combined	2.85% combined	2.85% combined	4.29% combined	3.14% combined
Rating of all health care	7.5%						
Office Staff composite	0%	2.85%	2.85%	2.85%	2.85%	4.29%	3.14%
Health Promotion composite	0%	2.85%	2.85%	2.85%	2.85%	4.29%	3.14%

IT-ENABLED SYSTEMNESS DOMAIN

	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	2.5%	Will pay based on score from IHA	Will pay based on score from IHA	Will pay based on score from IHA	Will pay based on score from IHA	Will pay based on score from IHA	Will pay based on score from IHA
Electronic Clinical Decision Support at the Point of Care	2.5%						
Care Management	2.5%						
Physician Measurement and Reporting	2.5%						

COORDINATED DIABETES CARE DOMAIN

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
HbA1c Screening	0%	2%	2.85%	0%	17.1% combined	2.31%	1.6%
HbA1c Poor Control (>9)	0%	3%	2.85%	0%		2.31%	2.4%
HbA1c Good Control (<8)	5%	3%	2.85%	4%		2.31%	2.4%
LDL Screening	0%	2%	2.85%	0%		2.31%	1.6%
LDL Control <100	5%	3%	2.85%	4%		2.31%	2.4%
Nephropathy Monitoring	5%	2%	2.85%	4%		2.31%	1.6%
Diabetes Registry	0%	1%	2.85% combined	0%	.71%	1.15% combined	0.8%
Blood Pressure in registry	0%	2%		4%	.71%		1.6%
Actionable reports to Physicians	5%	1%		4%	.71%		0.8%
Individual Physician measurement	0%	1%		0%	.71%		0.8%

APPROPRIATE RESOURCE USE DOMAIN

	Aetna	Anthem Blue Cross	Blue Shield of California	CIGNA HealthCare of California	Health Net	United HealthCare /PacifiCare	Western Health Advantage
Inpatient Utilization –Discharges	N/A	Using Own Specifications – See other measures section	Using Own Specifications – See other measures section	ER and ASC utilization in development	Using Own Specifications – See other measures section	0%	N/A
Inpatient Utilization – Bed Days	N/A					5%	N/A
Outpatient Surgeries - % Done in ASC	N/A					5%	N/A
Emergency Department Visits	N/A					5%	N/A
Inpatient Readmissions within 30 Days	N/A					5%	N/A
Generic Prescribing	N/A				N/A	5%	Yes

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 - Engaging physician groups in managing hospital care and outpatient facilities to further mutual aim of affordable, accessible health care. Physician groups will share in benefits and savings produced.</p>	<p>Shared Savings Program:</p> <ul style="list-style-type: none"> -Inpatient Utilization – Bed Days -Outpatient Surgeries Utilization – Percentage ASC -Emergency Department Visits <p>Payment Methodology: 35-50% savings accrued shared with PO based on percentage below target</p> <p>Other:</p> <ul style="list-style-type: none"> -Generic Prescribing 	<p>Performance Improvement Award Program - Similar to IHA efficiency program</p> <ul style="list-style-type: none"> - ER utilization - outpatient surgery % utilization at ASC's - inpatient bed days utilization - generic prescribing for targeted categories <p>Payment Methodology: 30-70% savings accrued shared with PO based on the POs improvement in each performance metric</p>	<p>Risk sharing on non-capitated services</p>	<p>Using own specifications similar to those proposed by IHA. Program is outside of the current P4P award process.</p> <p>Incentives through various shared risk programs, including a pilot project related to the proposed appropriate resource use measures</p>	<p>Hospital Incentive Program</p> <p>Rx Incentive Program</p>	<p>PO may improve payment by up to 7%, but may not exceed 100% of the total budget of \$1.00 PMPM</p>