



# MY 2011 Advanced Notice of Intended Health Plan Payment Amount and Methodology

## PAY FOR PERFORMANCE For California Commercial HMO and POS - Measurement Year 2011 (2012 Payout)

	Aetna	Anthem Blue Cross	Blue Shield of California	Cigna HealthCare of California	Health Net	UnitedHealthcare	Western Health Advantage
<b>Total Budget for IHA P4P Measures</b>	\$2.3 M Subject to budget approval	\$17.6 M \$1.30 PMPM	\$6.5 M	\$2.7 M	\$4 M	\$4.0 M \$0.54 PMPM	\$0.90 PMPM
<b>Amount Payout Expected</b>	All minus P4P surcharge and CQC. Admin expenses incurred for PO-specific data exchange programming will be assessed only to POs not sharing lab data	All minus P4P surcharge	All minus P4P surcharge	All minus P4P surcharge	All minus P4P surcharge and admin expenses	All minus P4P surcharge: \$0.50 PMPM	From previous experience, about 80% is expected to be paid
<b>Maximum Payment Potential</b>	\$1.33 PMPM Est. based on MY 2010	\$2.10 PMPM	\$1.37 PMPM	N/A	N/A	\$0.50 PMPM	\$0.90 PMPM

## INTENDED PAYMENT METHODOLOGY For Measurement Year 2011 (2012 Payout)

	Aetna	Anthem Blue Cross	Blue Shield of California	Cigna HealthCare of California	Health Net	UnitedHealthcare	Western Health Advantage
<b>Eligibility Criteria</b>	<p>Meet IHA ENRSTOV 4.25 PMPY encounter threshold.</p> <p>IHA standard P4P Consent to Disclosure Agreement must be signed.</p> <p>Participate in PAS with sufficient participation to be deemed statistically valid as determined by 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> <p>Full payout for Priority Conditions based on rewards earned subject to POs good faith effort to share all P4P and HEDIS-related lab data electronically.</p>	<p>Meet Anthem minimum established percentile rank threshold.</p>	<p>Meet encounter rate threshold of 2.6 PMPY based on ENRST 1,2,3.</p> <p>Valid contract Jan-Dec 2011.</p>	<p>Meet IHA ENRSTOV 4.25 PMPY encounter threshold to qualify for Priority Conditions measures.</p> <p>Valid contract with Cigna for entire measurement year.</p> <p>Per P4P manual for each measure.</p>	<p>All Encounter Rate tiering for final awards: No payout if below 4.25; 50% payout for 4.25-7.99; 75% payout for 8.0-11.99; 100% payout for 12.00 PMPY or higher. All Encounter Rate can be tracked using the monthly encounter report sent to POs.</p> <p>POs contracted for HMO and POS for full measurement year and at time of award distribution.</p> <p>Signed letter or agreement regarding data sharing (see Data Sharing section).</p>	<p>Meet IHA ENRSTOV 4.25 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 (attainment and improvement) threshold.</p>	<p>Meet IHA ENRSTOV 4.25 PMPY encounter threshold</p>

**INTENDED PAYMENT METHODOLOGY (Continued)**  
**For Measurement Year 2011 (2012 Payout)**

	<b>Aetna</b>	<b>Anthem Blue Cross</b>	<b>Blue Shield of California</b>	<b>Cigna HealthCare of California</b>	<b>Health Net</b>	<b>UnitedHealthcare</b>	<b>Western Health Advantage</b>
<p><b>Payment Methodology – Quality Measures</b></p> <p><i>Priority Conditions, Meaningful Use of Health IT, and Patient Experience</i></p>	<p>Payout allocated according to P4P Standard Payment Methodology (SPM); 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>Payment calculated proportional to membership.</p>	<p>Sum up all points within the quality scorecard and percentile rank the POs based on total quality scorecard performance. Percentile rank based on Anthem Blue Cross contracted POs.</p> <p>90% of payout based on attainment and 10% based on improvement.</p>	<p><u>Priority Conditions and Patient Experience:</u> Adhering to IHA methodology, Blue Shield will not pay on first-year measures.</p> <p>Payout allocated according to P4P Standard Payment Methodology (SPM); 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>For attainment, payment will be continuous from the 100<sup>th</sup> to the 75<sup>th</sup> percentile based on 95% benchmark of the prior year score.</p> <p>For relative improvement (for POs below the 75<sup>th</sup> percentile), payment will be based on any positive improvement. Payment for improvement will be scaled continuously from the highest to the lowest.</p> <p><u>Meaningful Use of Health IT:</u> The total budgeted amount is divided among the measures based on score/points.</p>	<p>Payout allocated according to P4P Standard Payment Methodology (SPM); 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>Payment calculated proportional to membership.</p>	<p><u>Priority Conditions and Patient Experience:</u> Continuous from 100<sup>th</sup> to 50<sup>th</sup> percentile – 50% attainment and 50% improvement.</p> <p><u>Meaningful Use of Health IT:</u> Calculated based on Achievement only. Points allocated to each measure.</p>	<p><u>Priority Conditions and Patient Experience:</u> Payout allocated according to P4P Standard Payment Methodology (SPM); 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>Meaningful Use of Health IT:</u> If PO scores full 30 points, the PO gets 100% payment; otherwise, 0% of payment</p>	<p><u>Priority Conditions and Patient Experience:</u> For each measure, 100% awarded for 75<sup>th</sup> percentile or higher; 50% awarded for 50<sup>th</sup> to 74<sup>th</sup> percentile; 25% awarded if below 50<sup>th</sup> percentile AND achieved Relative Improvement of 15% or more.</p> <p><u>Meaningful Use of Health IT:</u> 25-30 points 100%; 20-24 points 75%; 15-19 points 50%.</p>

**INTENDED PAYMENT METHODOLOGY (Continued)**  
**For Measurement Year 2011 (2012 Payout)**

	<b>Aetna</b>	<b>Anthem Blue Cross</b>	<b>Blue Shield of California</b>	<b>Cigna HealthCare of California</b>	<b>Health Net</b>	<b>UnitedHealthcare</b>	<b>Western Health Advantage</b>
<b>Payment Methodology – Efficiency Measures</b>  <i>Appropriate Resource Use</i>	Use own shared savings methodology.	Use own shared savings methodology.	Shared savings realized through efficiency improvements. Any cost savings realized will be shared with the PO following the gain sharing approach outlined by IHA.  Any cost savings realized will be shared with the PO as follows: <ul style="list-style-type: none"> <li>• 50% portion of savings if top quartile statewide</li> <li>• 40% portion of savings if 50<sup>th</sup> to 74<sup>th</sup> percentile statewide</li> <li>• 30% portion of savings if 25<sup>th</sup> to 49<sup>th</sup> percentile statewide</li> </ul> 20% portion of savings if bottom quartile statewide.	Use own shared savings methodology.	Use own shared savings methodology.	If PO is ranked between 75 <sup>th</sup> and 84 <sup>th</sup> percentile, the PO gets 50% of the allocated payment amount for that measure. If PO is ranked 85 <sup>th</sup> or higher, the PO gets 100% of the allocated payment amount for that measure.	N/A. (Generic Prescribing will be a WHA measure under Administrative Quality)

**INTENDED PAYMENT METHODOLOGY (Continued)**  
**For Measurement Year 2011 (2012 Payout)**

**DOMAIN WEIGHTINGS**

Domain	Aetna	Anthem Blue Cross	Blue Shield of California	Cigna HealthCare of California	Health Net	UnitedHealthcare	Western Health Advantage
Priority Conditions	50%	50%	50%	50%	50%	15%	51%
Meaningful Use of Health IT (MUHIT)	30%	30%	30%	30%	30%	5%	27%
Patient Experience	20%	20%	20%	20%	20%	30%	22%
Appropriate Resource Use (ARU)	N/A	N/A	Shared Savings	N/A	N/A	50%	3%

**DATA SHARING**

	Aetna	Anthem Blue Cross	Blue Shield of California	Cigna HealthCare of California	Health Net	UnitedHealthcare	Western Health Advantage
<b>Implementing IHA Data Sharing Recommendation</b>	Yes – Full payout based on rewards earned subject to PO's good faith effort to share all P4P and HEDIS-related lab data electronically.	No.	Yes – to receive full payout the PO must have a signed lab data sharing agreement and ensure that their contracted lab(s) are working towards submitting data in standard format; LOINC codes at minimum, CALINX preferred.	No.	Yes – POs must have sent Health Net a signed copy of a letter or agreement which requires that their contracted lab(s) work towards submitting data in an agreed upon format to Health Net.	Yes – to qualify for 100% payout PO 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. 20% penalty will be applied if POs fail to meet the lab results data sharing requirements. 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.

**INTENDED ADOPTION OF UNIFORM IHA MEASURE SET  
For Measurement Year 2011 (2012 Payout)**

**PRIORITY CONDITIONS**

P4P Measure	Aetna	Anthem Blue Cross	Blue Shield of California	Cigna HealthCare of California	Health Net	UnitedHealthcare	Western Health Advantage
<b>Cardiovascular</b>							
Medication Monitoring		2.17%			2.1%	SPM - 0.67%	2.22%
LDL Screening		2.17%			4.3%	SPM - 0.67%	2.22%
LDL Control <100		2.17%				SPM - 0.67%	2.22%
<b>Diabetes</b>							
HbA1c Screening		2.17%			Combine with 15%	SPM - 1.00%	2.22%
HbA1c Poor Control (>9)		2.17%			0%	SPM - 0%	2.22%
HbA1c Control (<8)		2.17%			15% Incl. HbA1c Screening	SPM - 0%	2.22%
HbA1c Control (<7)		2.17%				SPM - 0%	2.22%
LDL Screening		2.17%				SPM - 1.00%	2.22%
LDL Control <100		2.17%				SPM - 0%	2.22%
Nephropathy Monitoring		2.17%				SPM - 0%	2.22%
Blood Pressure Control		2.17%			2.5%	SPM - 0.67%	2.22%
Optimal Diabetes Care – Combo 1		2.17%			2.5%	SPM - 2.00%	2.22%
<b>Musculoskeletal</b>							
Low Back Pain		2.17%			2.1%	SPM - 0.67%	2.22%
<b>Prevention</b>							
Childhood Immunizations		2.17%			2.1%	SPM - 1.33%	2.22%
Adolescent Immunizations		2.17%			2.1%	SPM - 0.67%	2.22%
Chlamydia Screening		2.17%			2.1%	SPM - 0.33%	2.22%
Evidence-Based Cervical Cancer		2.17%			2.1%	SPM - 0.67%	2.22%
Breast Cancer Screening		2.17%			2.1%	SPM - 0.33%	2.22%
Colorectal Cancer Screening		2.17%			2.1%	SPM - 0.33%	2.22%
<b>Respiratory</b>							
Asthma Medication Ratio		2.17%			2.1%	SPM - 0.67%	2.22%
Child Pharyngitis		2.17%			2.1%	SPM - 1.33%	2.22%
Upper Respiratory Infection		2.17%			2.1%	SPM - 0.67%	2.22%
Adult Bronchitis		2.17%			2.1%	SPM - 1.33%	2.22%

SPM – Each Measure Equally Weighted – Total 50%

SPM – Each Measure Equally Weighted – Total 50%

SPM – Each Measure Equally Weighted – Total 50%

**INTENDED ADOPTION OF UNIFORM IHA MEASURE SET  
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**MEANINGFUL USE OF HEALTH IT**

P4P Measure	Aetna	Anthem Blue Cross	Blue Shield of California	Cigna HealthCare of California	Health Net	UnitedHealthcare	Western Health Advantage
Use of CPOE for medication orders	SPM – Each Measure Equally Weighted – Total 30%	1.5%	SPM – Each Measure Equally Weighted – Total 30%	SPM – Each Measure Equally Weighted – Total 30%	1.5%	SPM – Each Measure Equally Weighted – Total 5%	1.33%
Implement drug-drug and drug-allergy interaction checks		1.5%			1.5%		
Generate and transmit permissible prescriptions electronically (eRx)		1.5%			1.5%		
Record demographics: preferred language, gender, race, ethnicity, date of birth		1.5%			1.5%		
Maintain an up-to date problem list of current and active diagnoses		1.5%			1.5%		
Maintain active medication list		1.5%			1.5%		
Maintain active medication allergy list		1.5%			1.5%		
Record and chart changes in vital signs: Height, Weight, Blood Pressure, BMI		1.5%			1.5%		
Record smoking status for patients 13 years old or older		1.5%			1.5%		
Implement one clinical decision support rule relevant to specialty or high clinical priority, along with the ability to track compliance with that rule		1.5%			1.5%		
Report ambulatory clinical quality measures to CMS or the State		1.5%			1.5%		
Provide patients with an electronic copy of their health information upon request		1.5%			1.5%		
Provide clinical summaries for patients at each office visit		1.5%			1.5%		
Capability to exchange key clinical information among providers of care and patient authorized entities electronically		1.5%			1.5%		
Protect electronic health information created or maintained by the certified EHR technology		1.5%			1.5%		
Generate condition-specific patient lists for QI, reducing disparities, research, outreach		1.5%			1.5%		
Send preventive/follow-up care reminders per patient preference		1.5%			1.5%		
Chronic Care Management: a. Diabetes b. Depression c. Other Condition	1.5% 1.5% 1.5%	1.33% 1.33% 1.33%					

**INTENDED ADOPTION OF UNIFORM IHA MEASURE SET  
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**PATIENT EXPERIENCE**

P4P Measure	Aetna	Anthem Blue Cross	Blue Shield of California	Cigna HealthCare of California	Health Net	UnitedHealthcare	Western Health Advantage
Timely Care and Service for Composite for PCPs	SPM – Each Measure Equally Weighted – Total 20%	2.5%	SPM – Each Measure Equally Weighted – Total 20%	SPM – Each Measure Equally Weighted – Total 20%	2.2%	SPM – Each Measure Equally Weighted – Total 30%	2.47%
Timely Care and Service for Composite for Specialists		2.5%			2.2%		2.47%
Doctor - Patient Interaction Composite for PCPs		2.5%			2.2%		2.47%
Doctor - Patient Interaction Composite for Specialists		2.5%			2.2%		2.47%
Care Coordination Composite		2.5%			2.2%		2.47%
Overall Rating of Care		2.5%			4.4%		4.94%
Office Staff Composite		2.5%			2.2%		2.47%
Health Promotion Composite		2.5%			2.2%		2.47%

**APPROPRIATE RESOURCE USE DOMAIN**

P4P Measure	Aetna	Anthem Blue Cross	Blue Shield of California	Cigna HealthCare of California	Health Net	UnitedHealthcare	Western Health Advantage
Inpatient Utilization –Acute Care Discharges	Using Own Specifications – See Other Measures Section	Using Own Specifications – See Other Measures Section	Yes	Using Own Specifications – See Other Measures Section	Using Own Specifications – See Other Measures Section	0%	N/A
Inpatient Utilization – Bed Days			Yes			8%	N/A
Inpatient Readmissions within 30 Days			Yes			12%	N/A
Outpatient Procedures - % Done in Preferred Facility			Yes			15%	N/A
Emergency Department Visits			Yes			15%	N/A
Generic Prescribing			Yes			N/A	N/A
Total Cost of Care (Baseline)	Yes	Yes	Yes	Yes	Yes	Yes	N/A

**OTHER PERFORMANCE MEASURES**

Aetna	Anthem Blue Cross	Blue Shield of California	Cigna HealthCare of California	Health Net	UnitedHealthcare	Western Health Advantage
Shared risk – Engage POs in managing hospital care and outpatient facilities to further mutual aim of affordable, accessible health care. POs share in benefits and savings produced.	Other incentive programs include:  1) Generic Prescribing Incentive Program 2) Shared Savings Program based on: - medical surgical bed days - outpatient surgeries - ER	All POs participated in the IHA Pay for Performance Program. In addition, some POs participated in programs for managing hospital and out-of-network care in a shared savings program.	Shared Risk – Engage POs in managing hospital care, outpatient facilities, injectables, other medical services, etc. to further mutual aim of affordable, accessible health care.  ER and ASC utilization in development.	Engage POs in managing hospital care and outpatient facilities to further mutual aim of affordable, accessible health care. POs share in benefits and savings produced through a shared risk program which is based upon health plan specifications.	None.	Four “administrative quality data” metrics, equally weighted: 1) % of PCP practices open to new WHA members 2) Encounter data submission timeliness & completeness 3) Formulary compliance 4) Generic Prescribing WHA measure <i>Bonus Measures:</i> 1) Diabetic Retinal Eye Exams 2) Diabetes Medication Management Pharmacist Program 3) Hypertension Control Measures