



maryland
health services
cost review commission

EQIP Subgroup

September Meeting

9/20/2024

Agenda

- Performance Year 2
 - Results and Next Steps
 - Incentive Payment Timeline
- Performance Year 4
 - Enrollment Updates
 - Contracting and Next Steps
 - Practice Transformation Grant
- Performance Year 5
 - Episode Development
- Upcoming Dates/Meetings

Performance Year 2 – Results

PY2 Enrollment Summary

EQIP entities enrolled:	64
Total Care Partners:	2,787
Specialties represented:	43
Participation in all 45 available EQIP Episodes	
Smallest Entity:	1 CP
Largest Entity:	994 CPs
Entities participating in more than 2 episodes:	36

Clinical Episode Categories	Number of EQIP Entities	Number of Care Partners
Allergy*	14	1461
Cardiology	24	1570
Dermatology*	5	1201
Emergency Care*	11	1703
Gastroenterology	21	1545
Ophthalmology*	7	1171
Orthopedics	33	2097
Urology*	6	238

* New in PY2

PY1 vs PY2 Participation

- 25 New Episodes and five new specialties were added in PY2.
- Of the 64 entities participating in PY2, 18 (28%) were participating for the first time.
- 46 of the 50 entities that participated in PY1 continued to participate in PY2.
- Episode volume grew 108% from PY1.
 - In PY2 there were ~79k episodes, more than doubling volume in 2022.
 - 46k of total episodes are from entities participating in PY1, 27% higher than their combined volume during PY1.
 - 32k of episode volume growth is from new entities.

EQIP Year 2 Results

- EQIP saved ~\$38 million in total cost of care in PY2, 2023. Overall, EQIP episodes accounted for ~\$500 million in costs so the savings rate was approximately 7%.
 - Savings were only counted if the entity exceeded a 3% minimum savings rate, which was created to ensure that savings and payouts from EQIP would be statistically significant.
- 31 EQIP entities earned savings out of a total of 64. However, most of the smallest 25% of practices by volume saw no savings.
- Based on the savings, we expect to pay out \$19 million in incentive payments to physicians (i.e., 50% of the total earned savings).
 - A lower shared savings percentage was a result of PY1 dissavings offset

**Numbers are considered preliminary*

Analysis by Episode Type

Clinical Category	% Baseline Spend	% Savings
Allergic Rhinitis/Chronic Sinusitis	0.03%	-7.30%
Asthma	0.08%	-15.37%
Allergy Total	0.11%	-13.07%
Acute Myocardial Infarction	2.83%	-0.90%
CABG &/or Valve Procedures	6.26%	-2.29%
Coronary Angioplasty	6.24%	0.72%
Pacemaker / Defibrillator	7.34%	10.65%
Cardiology Total	22.67%	2.90%
Cellulitis Skin Infection (SRF)	0.31%	-12.06%
Dermatology Total	0.31%	-12.06%
ED - Abdominal Pain & Gastrointestinal Symptoms	1.95%	-3.92%
ED - Asthma/COPD	1.79%	-25.26%
ED - Atrial Fibrillation	3.06%	-2.64%
ED - Chest Pain	1.97%	0.34%
ED - Deep Vein Thrombosis	0.32%	-12.24%
ED - Dehydration & Electrolyte Derangements	1.52%	-5.57%
ED - Diverticulitis	0.45%	1.05%
ED - Fever, Fatigue or Weakness	0.11%	-21.04%
ED - Hypertension	0.07%	-38.70%
ED - Nephrolithiasis	0.20%	-6.93%
ED - Pneumonia	1.09%	-12.70%
ED - Shortness of Breath	0.68%	-1.94%
ED - Skin & Soft Tissue Infection	0.67%	-23.03%
ED - Syncope	0.87%	-5.15%
ED - Urinary Tract Infection	2.41%	-8.78%
Emergency Care Total	17.15%	-7.86%

Clinical Category	% Baseline Spend	% Savings
Colonoscopy	3.72%	5.29%
Colorectal Resection	1.96%	-2.95%
Gall Bladder Surgery	1.43%	5.48%
Upper GI Endoscopy	2.71%	9.15%
Gastroenterology Total	9.82%	4.73%
Cataract Surgery	1.36%	20.21%
Glaucoma	0.06%	11.54%
Ophthalmology Total	1.42%	19.86%
Hip Replacement & Hip Revision	9.50%	11.14%
Hip/Pelvic Fracture	5.66%	-5.27%
Knee Arthroscopy	0.50%	8.11%
Knee Replacement & Knee Revision	17.68%	10.26%
Low Back Pain	0.33%	-2.76%
Lumbar Laminectomy	1.39%	0.55%
Lumbar Spine Fusion	8.19%	6.80%
Osteoarthritis	1.14%	43.40%
Shoulder Replacement	3.28%	-1.23%
Orthopaedics Total	47.68%	7.60%
Prostatectomy	0.54%	-20.25%
Transurethral resection prostate	0.29%	20.09%
Urology Total	0.83%	-6.24%

*Numbers are considered preliminary

Analysis by Episode Type

- Savings do not reflect exclusion of episodes below MSR, as that is applied at an entity level, so % savings is lower.
- Orthopedics and Cardiology episodes represent the largest share by baseline spend, and both had positive savings
- Most specialties included both high performing and low performing episodes.
- Only one of the new specialties, Ophthalmology, showed a positive % saving. Allergy, Dermatology, Emergency Care and Urology had negative savings across all entities.

Overall Assessment & Next Steps

- HSCRC will complete additional analysis and present at November subgroup meeting
- Finalization of Payment amount:
 - Reconciliation numbers in EEP are preliminary
 - HSCRC is conducting a post-episode monitoring analysis
 - CMS to verify incentive payment cap
- CRISP/MedChi to host two learning collaboratives:
 - EQIP FAQ Sessions: 10/25 (invite to go out following this meeting)
 - Please submit all questions to equip@crisphealth.org by 10/4
 - EQIP Entity Portal (EEP) – Report Review: date TBD

Performance Year 2 – Incentive Payment Timeline

Incentive Payment Methodology

Incentive Payments will be direct checks made from the CRP Entity to the EQIP Entity for aggregate positive performance after a minimum savings threshold, shared savings split, and quality adjustment are applied.

1. Performance Period Results

- The Performance Period Episode costs are less than the Target Price in the aggregate across all episodes in which the EQIP Entity participates.
- At least three percent of savings are achieved (stat. significant)
- Dissavings from prior year (if any) are offset

2. Shared Savings

- Each Care Partner's Target Price** will be compared to the statewide experience and annually ranked based on relative efficiency. Lower cost practitioners will be in a higher tier and vice versa.
- The Shared Savings split with Medicare will be based on the Care Partner's Target Price rank

Target Price Rank	% of Savings to due EQIP Entity
Up to 33 rd percentile	50 percent
34 th – 66 th percentile	65 percent
66 th + percentile	80 percent

3. Clinical Quality Score

- 5% of the incentive payment achieved will be withheld for quality assessment
- The EQIP Entity's quality performance will indicate the portion of this withholding that is 'earned back'

5. Final Incentive Payment

- Paid directly to the payment remission source indicated by the EQIP Entity*
- Paid in full, nine-twelve months after the end of the performance year
- In addition to incentive payments, if QPP thresholds are met, Medicare will pay a bonus to practitioners and increase rate updates in future years.

4. Incentive Payment Cap

- The result is no more than 25 percent of the EQIP Participant's Part B payments

*The EQIP entity can direct the payment remission source to distribute payments to individual Care Partners however it desires.

Care Partner Arrangements (CPA) Permits Payments to Entities

- As per the State and UMMC's Agreement with CMS, Incentive Payments may not be distributed to an “individual or entity other than a Care Partner with whom the Hospital has a fully executed written Care Partner Arrangement.”
- For EQIP, the HSCRC has written a standardized Care Partner Arrangement **required for all Care Partners intending to participate in an EQIP Entity.**

Care Partner Arrangement & Payment Remission Recipient

Payment Remission Recipient

Please indicate where your EQIP Entity will receive incentive payments.

- This information will be used to generate a Care Partner Arrangement for each NPI, or Care Partner, including the Payment Remission Recipient for an EQIP Entity can be an individual care partner, a group or one of its members, or a Convener.
- The Payment Remission Recipient has no formal relationship with the HSCRC and EQIP policy. Care Partners must have a relationship in their Care Partner Arrangement.
- The Payment Remission Recipient for an EQIP Entity can be an individual care partner, a designated proxy, or one of the EQIP Entity's administrative proxies.
- Only one Payment Remission Recipient is allowed per EQIP Entity.

EQIP Incentive Payments

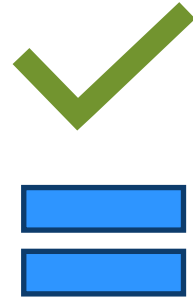
The EQIP Entity is eligible to earn a reconciliation payment based on the cost of all Medicare FFS expenditures for the clinical episodes for which the EQIP Entity elects to participate in. The HSCRC will compare the Medicare FFS expenditures to a target price, based on the episodes created from relevant costs as determined by the Prometheus Episode Grouping.

If, 1) the aggregate total Medicare FFS expenditures across all clinical episodes in the performance year is less than the aggregate target prices for those episodes from the baseline at the performance year volume, and 2) this amount is greater than three percent of the baseline aggregate, the EQIP Entity will receive a positive reconciliation amount.

The EQIP Entity will be eligible for a share of their savings, or positive reconciliation amount based on their statewide ranking of episode costs. The final Incentive Payment will be the positive reconciliation amount, adjusted for the EQIP Entity's quality performance, as calculated and reported by the HSCRC. Technical documentation for this process is available at the HSCRC Website.¹

The EQIP Entity is responsible for distributing the Incentive Payments to individual Care Partners. This agreement will not oversee or dictate Incentive Payment distribution amongst multiple Care Partners who participate in the EQIP Entity. Incentive payments will be paid to the EQIP Entity 18-24 months after the start of the first Performance Year via check or direct money transfer. This Care Partner acknowledges the EQIP Entity has elected the following Payment Remission Recipient for their Incentive Payment distribution:

[Payment Recipient Organization Name]
 [Payment Recipient Address Line 1]
 [Payment Recipient Address Line 2]



Form **W-9**
 (Rev. October 2018)
 Department of the Treasury
 Internal Revenue Service

Request for Taxpayer Identification Number and Certification

Go to www.irs.gov/FormW9 for instructions and the latest information.

Give Form to the requester. Do not send to the IRS.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check **only one** of the following seven boxes.

Individual/sole proprietor or single-member LLC

C Corporation

S Corporation

Partnership

Trust/estate

Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ▶ _____

Other (see instructions) ▶ _____

Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is **not** disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3):

Exempt payee code (if any) _____

Exemption from FATCA reporting code (if any) _____

(Applies to accounts maintained outside the U.S.)

5 Address (number, street, and apt. or suite no.) See instructions. Requester's name and address (optional)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Payment Remission Recipient entered during enrollment is used to generate Care Partner Arrangements

In Preparation for 2024 Payments, UMMC collected W9s and entered all Entities into their internal system.

Submitted W9s must match the executed Care Partner Arrangements.

CPA and W-9 Mismatch

EQIP Incentive Payments

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1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.

2 Business name/disregarded entity name, if different from above

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes:
 Individual/sole proprietor or single-member LLC
 C Corporation
 S Corporation
 Partnership
 Trust/Vestee
 Limited liability company. Enter the tax classification (C-C corporation, S-S corporation, P-Partnership) in the space below the box.
Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner.

4 Exemptions (codes apply only to certain entities; not individuals; see instructions on page 3):
Exempt payee code (if any)
Exemption from FATCA reporting code (if any)

5 Address (number, street, and apt. or suite no.) See instructions. (Reports to accounts mentioned outside the U.S.)

6 City, state, and ZIP code

7 List account number(s) here (optional)

Requester's name and address (optional)

- If the Organization Name or Address on the CPA and W-9 do not match exactly, payment cannot be distributed
- Resolutions:
 - 1) Entities can re-submit a W-9 that matches CPA. Note, utilizing the 'business as' line on the W-9 may assist with matching Organization Name OR
 - 2) If the submitted W-9 should replace the Payment Remission Information, we will require all Care Partners to sign an amendment

Incentive Payment Timeline

- EQIP Entities who earned incentive payments and have a CPA/ W-9 mismatch will be contacted by CRISP within the next week
 - Amendments will be due in early October
- Payments will be sent via FedEx in CY2024 Q4
 - Entities with P.O. Boxes will be sent via paper check
 - CRISP will notify Entities when checks are mailed

PY 4: Administrative and Enrollment Updates

Enrollment Update for Performance Year Four

Enrollment as of September 1st:

- 4,942 Care Partners submitted for CMS vetting*
- Representation from 41 specialties
- 152 EQIP Entities
- *Final participation will not be determined until 1/1/25

Through the end of 2024, the HSCRC and CRISP will work with participants to:

- Finalize CMS vetting status and eligibility
- Adjust Care Partner list as determined by eligibility audit
- Complete contracting and payment operations with UMMC

September - October 2024 Enrollment Activities

- **De-duplication of Care Partners across EQIP Entities**
 - Care Partners may only be in one EQIP Entity
 - HSCRC/CRISP will contact Lead Care Partner & Admin Proxys of duplicated Care Partners
 - If a Care Partner does not attest to a preference for one Entity and neither Entity claimed the Care Partner, the Care Partner will be assigned to the smallest volume Entity
- **Results from PECOS audit from CMS will be posted in EEP (Late October)**
 - Care Partners who did not pass PECOS screening are not permitted to participate in PY4
 - Program Integrity and Law Enforcement CMS vetting results will be returned late 2024, impact should be smaller

September - October 2024 Enrollment Activities

- EQIP Entities will be audited to ensure at least 75% of Care Partners had at least one claim connected to a baseline episode
 - EQIP Entities who do not reach this threshold will be asked to edit their Care Partner lists.
 - If your Entity is not contacted, the threshold will be met
- Upon edits to the Care Partner list, Volume Threshold will be verified to determine continued eligibility
 - Due to the composite of final Care Partner lists, some entities will fall below threshold for certain episodes. Participation in those episodes will be terminated, other episodes participation will continue.

Care Partner Arrangement – PY4 Requirement

- All Care Partners will be required to sign a Care Partner Arrangement
 - CPAs will be updated to include language regarding grouper change
- CRISP to confirm payment remission addresses entered during enrollment Care Partner Arrangements will be sent out to EQIP Entity Lead Care Partners and Administrative Proxies
 - Contracts will be pre-filled and standardized across the state, no changes will be allowed
 - Email will come from the CRP Entity, University of Maryland Medical EQIP@umm.edu
 - LCP and APs will be responsible for disseminating information to individual Care Partners

Care Partner Arrangements must be signed and returned to participate in the EQIP

EQIP – Practice Transformation Grant

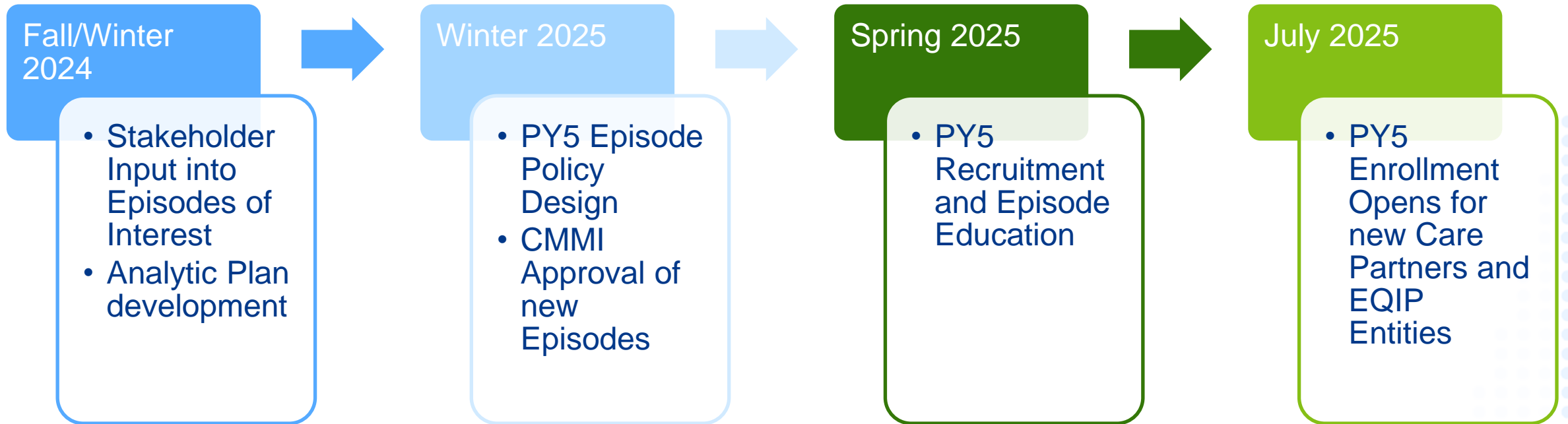
- Program Eligibility
 - EQIP Entities committed to the PY4/CY2025 performance year
 - PY1-3 Entities that did not have realized savings
 - PY1 or PY2 with at least 1 year of dissavings
 - New PY3 Practices
- Application Evaluation Process
 - Application Evaluation
 - Application will be reviewed during the initial evaluation
 - Practice Assessment
 - Review process of practice, workflows and specific needs
- PTG Timeline
 - Jul – Aug 2024 application period for EQIP Entities
 - Sep – Oct 2024 practice assessment to be completed
 - Nov 2024 grant selection communicated

PY6 (CY2027) Eligibility

- Entities with dissavings in PY3 & PY4 may be exempt from Dissavings Policy for PY6 (CY2027)
- First year of dissavings occurs under Prometheus and second year under PACES, the grouper change could cause disruptions.
- After review, entities will be notified if eligible for PY6 (CY2027)

PY5 Episode Development

Performance Year Five (CY2026) Episode Development Process



Additional Episode Development

- We plan to leverage the extensive PACES catalogue to continue to add episodes for future performance years
 - A list of PACES episodes will be distributed
 - Please contact equip@crisphealth.org to express interest
- The HSCRC is committed to working with all interested stakeholders and will communicate guidelines around new episode requests and timelines for future performance periods.

Upcoming Dates and Meetings

- PY3 Data Release
 - 9/27 – PY3 Q1 Release
 - 12/6 – PY3 Q2 Release
- EQIP FAQ: 10/25, questions due 10/4
- EQIP Entity Portal (EEP) Webinar: date TBD
- November Subgroup: 11/15
- Resources:
 - CRISP EQIP Learning System: <https://www.crisphealth.org/learning-system/eqip/>
 - Prior Meetings: <https://www.crisphealth.org/learning-system/eqip/mtgs/>
 - Practice Transformation Grant: <https://crisphealth.org/learning-system/eqip/ptg>
 - PACES: <https://www.crisphealth.org/learning-system/eqip/paces/>
 - Contact: equip@crisphealth.org

Thank you!