



maryland
health services
cost review commission

The Episode Quality Improvement Program

Value-Based Medicare Incentive Payment Opportunity for Maryland Physicians

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Introductions

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The Episode Quality Improvement Program – EQIP

- EQIP is a **voluntary program** that will provide **incentive payments to physicians** who **improve the quality of care and reduce the cost of care** that they provide to Maryland Medicare patients
- EQIP tests an approach that **ties healthcare payments to the quality and cost** of services provided under a clinical ‘episode’ for a set period. This includes relevant set of services delivered to a related to a medical condition, procedure or health care event during a defined time period.
- EQIP will utilize the **Prometheus Episode Grouping** to define a clinical ‘episode’.

Benefits for Maryland Providers

Provider ownership of performance.

- *Policy tailored to independent and employed provider practice*

Upside-only risk with dissavings accountability.

- *EQIP will provide a lumpsum bonus to normal Medicare Payment*

Alignment with CareFirst's episode program.

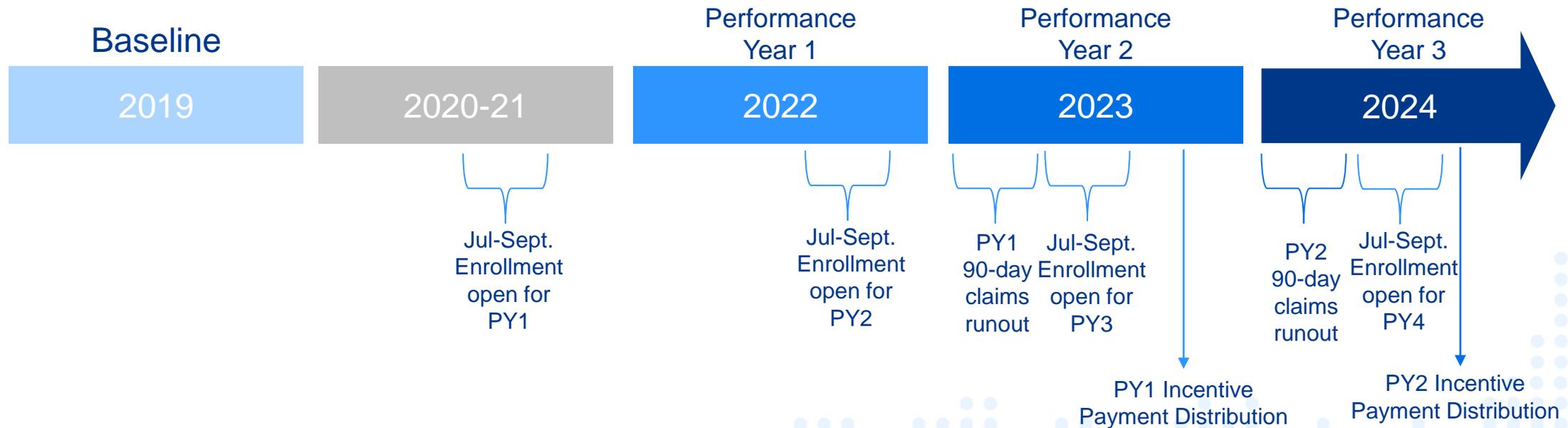
- *Methodology can apply to both Medicare and Commercially insured patients*

AAPM/value-based payment participation opportunities for MD providers.

- *MIPS reporting exemption, Bonus from Medicare payment*

Participation Timeline

- EQIP will have an annual opportunity to enroll in EQIP. The enrollment period will open **July through September** of each year prior to the performance year.
- The policy may be updated, and participation opportunities increased year to year through HSCRC's stakeholder engagement process



HSCRC Episodes for PY3

Allergy

Allergic Rhinitis/Chronic Sinusitis, Asthma

Cardiology

Pacemaker / Defibrillator, Acute Myocardial Infarction, CABG &/or Valve Procedures, Coronary Angioplasty

Dermatology

Cellulitis, Decubitus Ulcer, Dermatitis

Gastroenterology

Colonoscopy, Colorectal Resection, Gall Bladder Surgery, Upper GI Endoscopy

Ophthalmology

Cataract Surgery, Glaucoma

Pulmonary/Critical Care

Acute CHF / Pulmonary Edema, Chronic Obstructive Pulmonary Disease, Deep Vein Thrombosis / Pulmonary Embolism, Pneumonia, Sepsis

Orthopedics

Accidental Falls, Hip Replacement & Hip Revision, Hip/Pelvic Fracture, Knee Arthroscopy, Knee Replacement & Knee Revision, Low Back Pain, Lumbar Laminectomy, Lumbar Spine Fusion, Musculoskeletal Disorders, Osteoarthritis, Shoulder Replacement,

Urology

Catheter Associated UTIs, Prostatectomy, Transurethral Resection Prostate, UTI

Emergency Department

Abdominal Pain & Gastrointestinal Symptoms, Asthma/COPD, Atrial Fibrillation, Chest Pain, Deep Vein Thrombosis, Dehydration & Electrolyte Derangements, Diverticulitis, Fever, Fatigue or Weakness, Hyperglycemia, Nephrolithiasis, Pneumonia, Shortness of Breath, Skin & Soft Tissue Infection, Syncope, Urinary Tract Infection

Full Episode Playbook can be found [here](#)

EQIP Roles – Definitions and Responsibilities



“CRP Entity” (UMMC)

- Signs a **Care Partner Arrangement** with all Care Partners
- **Pays incentive payments** or savings to EQIP entities



“EQIP Entity”

- Consists of an **individual Care Partner** or **multiple Care Partners**
- **Performance evaluation** occurs at the EQIP entity level
- Receives **Incentive Payments**



“Care Partner” (a specialty provider)

- **Triggers episodes** and **performs EQIP care interventions**
- Signs a **Care Partner Arrangement** with the CRP Entity
- Receives normal fee-schedule payments from Medicare and a **potential “Incentive Payment” with the EQIP Entity**
- Eligible to achieve **Quality Payment Program Status** and bonuses



HSCRC and CRISP

- Will calculate episodes, monitor performance and **determine Incentive Payments**
- Maintains reporting and monitoring requirements per the Participation Agreement and to **support CRP Entity**
- Will facilitate **EQIP Entity and Care Partner Enrollment, Reporting and Learning Systems**

Administrative Proxies (*)

EQIP Entities can delegate management of their program administration. This contractual arrangement, if any, will be determined between Administrative Proxy and Participant outside of Care Partner Arrangements.

EQIP's CRP Entity is The University of Maryland Medical Center

- The State has partnered with UMMC to enable EQIP as an Advanced Alternative Payment Model with CMS
- Any qualifying provider in Maryland will be allowed to participate in EQIP, regardless of previous contracting, relationship and/or privileges at UMMC
- UMMC's main roles will be:
 1. Signing an individual Care Partner Arrangement with each participating Care Partner in the EQIP Entity, and,
 2. Printing checks for earned Incentive Payments to the EQIP Entity.
- The HSCRC and CRISP will facilitate interactions between UMMC and Care Partners/EQIP Entities
 - Policy decisions and operations support will remain transparent and set at the State level
 - Any changes to the policy will be made at the CRP Committee and EQIP stakeholder level

CRP Entity Operations

- The CRP Entity will receive a list of:
 - Care Partners contacts who have been submitted for CMS vetting, used to generate Care Partner Arrangements
 - EQIP Entities who elect participation in EQIP for PY1 and their Payment Remission Recipient, used to generate Care Partner Arrangements and,
 - A final Incentive Payment list for EQIP Entity Payment
 - The CRP Entity will not have:
 - Protected Health Information
 - Access to EQIP Entity or Care Partner performance analytics
- All program data, inquiries and policy procedure will be managed by the State (HSCRC and CRISP), including CRP Entity operations.

Participation Requirements



Qualify as a Care Partner with CMS

- Must be licensed and enrolled in the **Medicare** Provider Enrollment, Chain, and Ownership System (**PECOS**)
- Must use **CEHRT and CRISP**, Maryland's health information exchange



Enroll in EQIP

- Establish **EQIP Entity** with **multiple Care Partners**
- **Select Episodes and Interventions** and agree to quality metrics*
- **Each Care Partner Signs a Care Partner Arrangement**
- Determine **Payment Remission Recipient***



Meet Episode Thresholds

- Provide care in **Maryland**
- For a **single episode, threshold = 11** episodes in the baseline
- Across **all episodes of participation, threshold = 50** episodes in the baseline

**All Care Partners in an EQIP Entity will share the same episodes, quality metrics and payment recipient.*

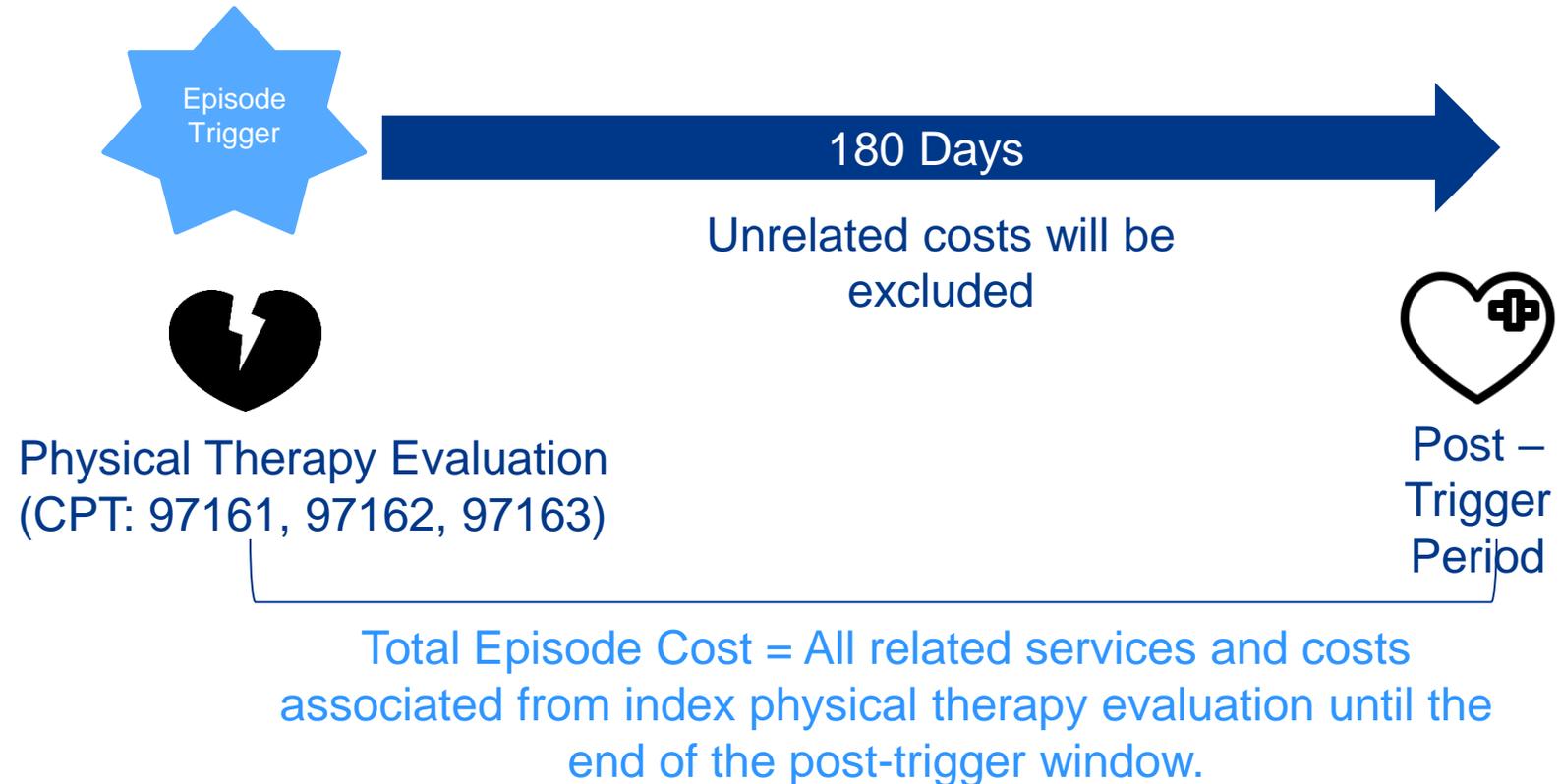
Episode of Care Overview

- Value-based mode designed to engage specialists
- Full spectrum of services related to and delivered for a specific medical condition, illness, procedure or health care event during a defined time period
- Coordination, communication, collaboration across the continuum of care



Musculoskeletal (MSK) – Non-Prometheus Episode

Musculoskeletal (MSK) – Non-Prometheus Episode



Note: Beneficiaries with a MSK surgery within prior 6 months of trigger are excluded from episode

* Episodes may have minor changes and final specs will be published prior to the Enrollment period

Episode Specifications

Inclusion Criteria

Musculoskeletal ICD-10 Codes

M13	M51.1 - M51.9	M65.2 - M65.9	S53	S93
M15-M19	M54	M70--M71	S56	S96
M20-M25	M62.0-M62.1	M75-M79	S63	
M40-M43	M62.81	M80 - M81	S66	
M47	M62.83	M94	S73	
M48.0-M48.1	M62.89	S33	S76	
M49	M62.9	S43	S83	
M50.1 - M50.9	M63	S46	S86	

Exclusion Criteria

- Prior musculoskeletal surgery within 6 months
- Diagnoses associated with the following:
 - Active and Malignant Cancer, ESRD, Blood Clotting Disorders, Transplants, HIV,, Trauma, Multiple Sclerosis, High Cost Specialty Drugs

Episode Trigger

Code	Description
97161	Physical therapy evaluation: low complexity, requiring these components: A history with no personal factors and/or comorbidities that impact the plan of care;
97162	Physical therapy evaluation: moderate complexity, requiring these components: A history of present problem with 1-2 personal factors and/or comorbidities that impact the plan of care
97163	Physical therapy evaluation: high complexity, requiring these components: A history of present problem with 3 or more personal factors and/or comorbidities that impact the plan of care

Financial Modeling

- Baseline established using calendar year 2019
- Episode Trigger + 6 months including all member claims

Opportunity

TOTAL MEDICARE EXPENDITURES PER MONTH AFTER EARLIEST MUSCULOSKELETAL (MSK) DIAGNOSIS IN MARYLAND FISCAL YEAR (FY) 2018

Description	Month of Earliest Dx*	1 Month after DX	2nd Month after DX	3rd Month after DX	4th Month after DX	5th Month after DX	6th Month after DX
Number of Beneficiaries with MSK diagnosis and no related surgery in previous 6 months (Denominator)**	58,301	58,301	58,301	58,301	58,301	58,301	58,301
Average Cost By Month, All benes	\$ 2,470.20	\$ 1,158.46	\$ 1,169.44	\$ 1,054.31	\$ 1,048.66	\$ 1,055.14	\$ 1,007.82

MSK Service Impact Opportunities

Imaging Surgery + Inpatient Admission

Injections Opioids

Physician Utilization Antidepressants

PT Utilization Anticonvulsants

ED Utilization Muscle Relaxers

Example Episode Benchmark
\$8,964.03

EQIP Policy and Methodology

Target Price Methodology

- 2019 will serve as a **Baseline** for the first three performance years for EQIP Entities
 - Each EQIP Entity will have their own **unique Target Price** per episode
 - The baseline will be trended forward in order to compare to current performance costs
 - Target Prices are not final until the end of the Performance Year as final inflation will need to be applied
 - The baseline for entities that join in subsequent performance years will be the year prior to them joining
- Each episode will have a **singular Target Price**, regardless of the setting of care (Hospital, Outpatient Facility, ASC)
 - The price gap between ASC and Hospital is significantly larger under the Medicare fee schedule than under commercial, particularly in Maryland where hospital rates are regulated.
 - This will **create incentive to shift lower acuity procedures** to lower cost settings, aligning with GBR incentives.

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 providers 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 months after the end of the performance year
- In addition to incentive payments, if QPP thresholds are met, Medicare will pay a bonus to providers and increase rate updates in future years.

4. Incentive Payment Cap

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

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

** In Year 1 the Target Price will be used to determine the tercile, in subsequent years, prior year performance will be used.

Dissavings Accountability

- Direct collection of downside risk is not possible without the ability to directly adjust provider FFS payments.
- However, it is important to ensure the program drives meaningful improvements in cost efficiency and quality.
- EQIP's **Dissavings Policy** will help to ensure outcomes in lieu of downside risk:
 1. Participants who create dissavings in a performance year will be required to offset those dissavings in the following performance year, prior to earning a reward.
 2. An EQIP Entity will be removed from EQIP if its Target Price is in the lower two terciles of the Tiered Shared Savings Rate (0-66th percentile) and there have been two consecutive years of dissavings.
 - HSCRC staff will monitor the effects of this policy to ensure there are no unintended consequences

EQIP Quality Measure Selection for PY1-3

Measure Characteristics

- Measures within the PY2021 MIPS Set
- Applicable at provider-level
- Part B claims measurable

Applicable CMS Quality Payment Program (QPP) Standards

- High Priority or Outcomes Measure
- 3-6 measures available

HSCRC Priorities

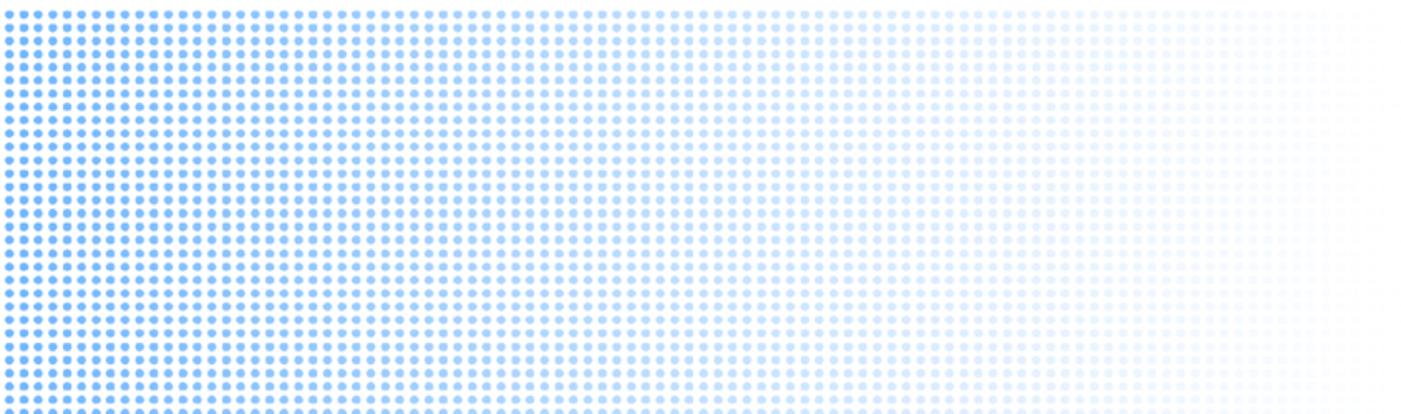
- Alignment with CareFirst
- Agnostic to episode-type, to avoid low cell size variability
- Alignment with Maryland's Statewide Integrated Health Improvement Strategy

Measure Name	Orthopedics	Gastroenterology	Cardiology
Advance Care Plan (NQF #326)	✓	✓	✓
Documentation of Current Medications in the Medical Record (NQF #419)	✓	✓	✓
Preventive Care and Screening: Body Mass Index (BMI) Screening and Follow-Up Plan (MIPS #128)	✓	✓	✓

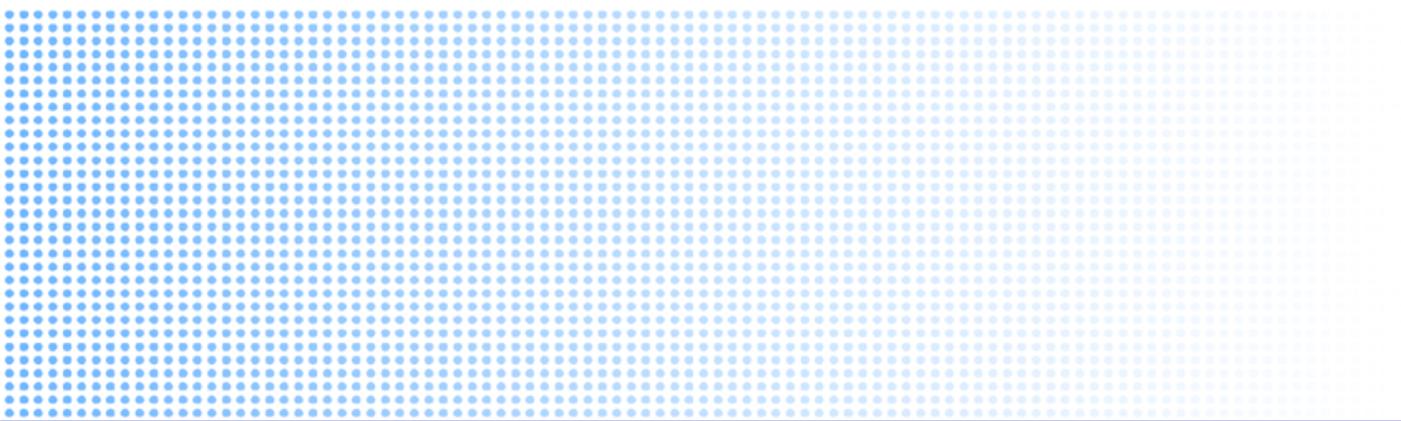
EQIP PY3 Timeline

Jul. 7 th 2023	<ul style="list-style-type: none">• EEP opened for PY3 enrollment
Sep. 1 st 2023	<ul style="list-style-type: none">• EEP closes for PY3 enrollment
Sep-Dec 2023	<ul style="list-style-type: none">• CMS Vetting & Contracting
Dec. 31 st , 2023	<ul style="list-style-type: none">• Care Partner Arrangement Contracting Deadline
<u>Calendar Year 2024</u>	
Jan 1, 2024	<ul style="list-style-type: none">• Performance Year 3 Starts
Jan, 2024	<ul style="list-style-type: none">• PY3 Preliminary Target Prices and Baseline Data available in EEP
Q3 2025	<ul style="list-style-type: none">• PY3 Incentive Payments distributed

** Performance Data Release Schedule may vary to ensure QA*



Thank you!



Appendix

Glossary

- **HSCRC** - Health Services Cost Review Commission
- **CRISP** - Chesapeake Regional Information System for our Patients
- **CMS** - Centers for Medicare & Medicaid Services
- **TCOC** - Total Cost of Care
- **CRP** - Care Redesign Program
- **EQIP** - Episode Quality Improvement Program
- **EEP** – EQIP Entity Portal
- **CMMI** - Center for Medicare and Medicaid Innovation
- **AAPM** - Advanced Alternative Payment Models
- **GBR** - Global Budget Revenues
- **CPA** - Care Partner Agreement
- **QP** - Qualifying Participant
- **QPP** - Quality Payment Program
- **MIPS** - Merit-based Incentive Payment System
- **HIE** - Health Information Exchange
- **PAEC** - Potentially Avoidable Episode Complications
- **MST** - Minimum Savings Threshold
- **ATP** - Aggregate Target Price
- **CQS** - Composite Quality Score

Quality Metric Definitions and Parameters

- For each triggered episode, the HSCRC will assess if the three measures were **performed 364 days prior to the end of the episode**, by any physician.

Defined by:

- **Advance Care Plan (NQF #326)** : Percentage of patients aged 65 years and older who have an advance care plan or surrogate decision maker documented in the medical record **or** documentation in the medical record that an advance care plan was discussed but the patient did not wish or was not able to name a surrogate decision maker or provide an advance care plan
- **Documentation of Current Medications in the Medical Record (NQF #419)**: Percentage of visits for patients aged 18 years and older for a clinician attests to documenting a list of current medications using all immediate resources available on the date of the encounter
- **Body Mass Index (BMI) Screening and Follow-Up Plan (MIPS #128)**: Percentage of patients aged 18 years and older with a BMI documented during the current encounter or during the previous twelve months **AND** with a BMI outside of normal parameters, a follow-up plan is documented during the encounter or during the previous twelve months of the current encounter