

Quality and Performance – Holding PHPs Accountable in Medicaid

A key question is answered by the draft NC DHHS Quality Strategy and concept paper – how will Prepaid Health Plans (PHPs) be held accountable in the Medicaid/Health Choice managed care structure for quality services? Accountability will be related to performance measures that will also impact providers, and PHPs will have to work in partnership with their provider networks to meet these performance standards. This Quality Strategy is only related to the Standard Plan, and NC DHHS notes that it intends to have other performance measures in place for the BH/I-DD Tailored Plan and other plans. The concept paper states, “The Department’s goal is to improve the health of North Carolinians through an innovative, whole-person centered and well-coordinated system of care, which addresses both medical and non-medical drivers of health.” NC DHHS sets forth three overarching goals:

Aim 1: Better Care Delivery

Aim 2: Healthier People, Healthier Communities

Aim 3: Smarter Spending

Even without specific Tailored Plan performance measures or approval, LME/MCOs today report on a number of performance measures, including seven “super measures” that have financial penalties attached for non-compliance. For the Standard Plan, NC DHHS is proposing:

- 64 total quality measures that are clinical and administrative
- 33 measures will be considered “priority measures”
- 6-7 measures will be tied to withholds (penalties) for the PHP

NC DHHS is staggering implementation of the goals, and the focus of Year 1 implementation of the Standard Plan for the measures that are attached to financial withholds include: maternal health, childhood immunizations, and cardiovascular health and related risk factors. There will also be an increasing focus on the number of value-based contracts that the PHP holds with providers, and there will be performance measures addressing those expectation. The performance measure system will become more sophisticated over time and be fully functional by Year 5 of implementation (currently 2024) of the Standard Plan. NC DHHS associates the program integrity activities of the PHPs – processes and policies that will identify and address provider fraud and abuse of the Medicaid/Health Choice systems—to the Quality strategy and includes an Appendix C that provides an overview of the expectations for PHPs.

Pages 15-30 of the [Provider Health Plan Quality Performance and Accountability](#) Concept Paper list the potential measures that are related to BH/I-DD services under the Standard Plan.

They are:

- Adherence to Antipsychotic Medications for Individuals with Schizophrenia
- Diabetes Screening for People with Schizophrenia or Bipolar Disorder Who Are Using Antipsychotic Medications
- Follow-Up After Hospitalization for Mental Illness

- Initiation and Engagement of Alcohol and Other Drug Dependence Treatment (Both Rates)
- Percent of Beneficiaries with MH/DD/SU Visit with PCP Visit in Same Measurement Year

Additionally, NC DHHS includes other “levers” in the Quality Strategy that are essentially processes and products that will be required of PHPs and their providers. They include:

- Value-based payments and provider incentive programs;
- PHP performance incentive projects (3 each year) that are included in an annual Quality Assessment and Performance Improvement (QAPI) plan;
- Accreditation that includes an assessment of quality improvement efforts and a separate External Quality Review Organization (EQRO) review;

NC DHHS will be seeking feedback on quality improvement from PHPs, contracting providers, enrollees and other community stakeholders.

For more information, also see draft document - [*NC's Medicaid Managed Care Quality Strategy*](#).