

Virginia Medicaid  
and FAMIS  
Performance  
Incentive Awards  
(PIA) Program  
Technical  
Specifications

*Health Care  
Services  
Division*

Version 2.0



Virginia Medicaid and FAMIS Performance Incentive Awards (PIA) Technical Specifications

Effective Date
July 1, 2017
Version 2.0

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# 1 Program Overview and Methodology

The Virginia Department of Medical Assistance Services (DMAS) Performance Incentive Award (PIA) program will assess managed care organization (MCO) performance on measures that DMAS has determined to be instrumental in the goals and objectives of managed care quality improvement for Virginia. This section provides information on the award methodology, measures, and implementation schedule for the PIA. All PIA measures include both the FAMIS and Medicaid managed care populations.

Questions about the program should be directed to the DMAS PIA mailbox at: [PIA@dmas.virginia.gov](mailto:PIA@dmas.virginia.gov).



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## 1.1 Award Methodology

The PIA is designed as a “zero sum” approach where the total MCOs’ awards are equal to the total MCOs’ penalties. The end result is a gain or a loss or no change for each payer (MCO) and no gain or loss for the purchaser (DMAS). The maximum amount at risk for each MCO is 0.15% of the total annual MCO capitation amount (i.e., per member per month (PMPM) capitation rate times the total annual member months), and the maximum award is 0.15% of the total annual MCO capitation amount. The amount of loss or gain for each MCO is contingent upon two factors: 1) MCO performance on each of the six quality measures, and 2) the total capitation paid to each MCO for the fiscal year.

The PIA will apply only to MCOs with a sufficient number of members in the denominator (i.e., 30 members) for each of the three Healthcare Effectiveness Data and Information Set (HEDIS®) measures (in accordance with the NCQA technical specifications).<sup>1</sup> If an MCO does not have sufficient members to report the three HEDIS measures, it will not be included in the PIA; however, the MCO’s administrative measures will be validated and scored in the same process as the other MCOs.

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<sup>1</sup> HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA).



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### 1.2 Measure Overview

The PIA utilizes six measures:

Three administrative measures:

- Assessments of foster care population
- MCO claims processing
- Monthly reporting timeliness and accuracy

Three HEDIS (Healthcare Effectiveness Data and Information Set) measures:

- Percent of 2-year olds who are fully immunized (Combo 3)
- Percent of members with a diagnosis of hypertension whose blood pressure is controlled
- Percent of pregnant members who received timely prenatal care

Each measure has a maximum score of three (3) points. The measures will be weighted through a scoring methodology with the HEDIS measures counting the most. The HEDIS measures will be validated as required by the National Committee for Quality Assurance (NCQA) standards. The NCQA is an organization that strives to improve health care quality in the health care system through the sharing of evidence-based processes and standards and provides accreditation to health plans. The NCQA's HEDIS results are reported through Quality Compass<sup>®</sup>, a comprehensive national database of health plans' data that gathers information about patient outcomes, care, and member satisfaction.<sup>2</sup> The Virginia External Quality Review Organization (EQRO) will validate two of the administrative measures, Foster Care Assessments and MCO Claims Processing. The third administrative measure, Monthly Reporting Timeliness and Accuracy, will be validated by DMAS. Table 1 shows the validation method for each measure, benchmarks and weight. Section 2.0 provides the detailed technical specifications for each measure.

<sup>2</sup> Quality Compass<sup>®</sup> is a registered trademark of NCQA.



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**Table 1: PIA Measures**

Measure	Validation Method	Benchmark	Max score for each measure	Weight
<b>Administrative Measures</b>				
Foster Care Assessments	VA EQRO	DMAS Standards	3	0.12
MCO Claims Processing	VA EQRO	Federal Regulations and DMAS Standards	3	0.12
Monthly Reporting Timeliness/Accuracy	DMAS	DMAS Standards	3	0.10
<b>HEDIS Measures</b>				
Childhood Immunizations – Percent of 2 Year Olds Fully Immunized (Combo 3)	NCQA requirements	National Medicaid Quality Compass percentiles	3	0.22
Blood Pressure Control	NCQA requirements	National Medicaid Quality Compass percentiles	3	0.22
Timely Prenatal Care	NCQA requirements	National Medicaid Quality Compass percentiles	3	0.22
<b>Total</b>			<b>18</b>	<b>1.0</b>



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**1.3 PIA Implementation Schedule**

In the pilot year, the MCOs will not be subject to quality awards or penalties but will be evaluated on the administrative and HEDIS measures. MCOs will receive an annual report that includes the scores for each measure and a calculation of the quality award or penalty. In addition, each year (including the pilot) the HEDIS measures will be published as a “consumer report card” which will be available to all MCO members. All other HEDIS measures of priority will be included in the report card. Table 2 provides the PIA schedule for the pilot year and subsequent implementation in Years 1, 2 and 3.

**Table 2: PIA Schedule for Pilot Year, Years 1, 2 and 3**

<b>PIA Milestones</b>	<b>Pilot Year</b>	<b>First Live Year</b>	<b>Second Live Year</b>	<b>Third Live Year</b>
<b>HEDIS measurement year</b>	CY 2014	CY 2015	CY 2016	CY 2017
<b>HEDIS scores published</b>	Oct. 2015	Oct. 2016	Oct. 2017	Oct. 2018
<b>Administrative measures' performance year</b>	FY 2015 = 7/1/14 - 6/30/15	FY 2016 = 7/1/15 - 6/30/16	FY 2017 = 7/1/16 - 6/30/17	FY 2018 = 7/1/17 - 6/30/18
<b>Administrative measures scores finalized (includes validation by the EQRO)*</b>	Dec. 2015***	Dec. 2016	Dec. 2017	Dec. 2018
<b>Contract Year</b>	FY2015	FY2016	FY2017	FY2018
<b>Capitation Payments at Risk (0.15%)</b>	None	FY2016	FY2017	FY2018
<b>Report to MCOs to include scores and quality award/penalty*</b>	Dec-2015 (hypothetical cost allocation)	Dec-16	Dec-17	Dec-18
<b>Award of Quality Incentives/Penalties*</b>	None	Dec-16	Dec-17	Dec-18
<b>Publication of consumer decision support tool. Includes PIA HEDIS measures and all other HEDIS measures reported to DMAS by the MCOs **</b>	May-16	May-17	May-18	May-19

\* Timing contingent upon impact of validation process timeliness and feedback process

\*\* May be published sooner, but no later than May of each year; administrative measures will not be included in report card

\*\*\* Additional time will be allowed in Pilot Year to finalize scores





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## 2 Measure Specifications

This section provides the detailed specifications for each of the PIA measures. Sections 2.1 – 2.3 provide information on the DMAS Administrative measures and sections 2.4 – 2.6 detail the HEDIS measures.



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## 2.1 Foster Care Assessments

**Measure Description:** The percentage of newly-enrolled or newly eligible Foster Care members who completed a health care assessment within 60 days of MCO enrollment. A completed assessment would include, at a minimum, the Medallion 3.0 requirement elements.

**Measure Type:** Hybrid (MCO records and administrative data)

**Data Source:** Monthly MCO Foster Care Assessment deliverable; please refer to the Managed Care Technical Manual (MCTM) for file specifications. The source of the foster care member data is the eligibility end of month (EOM) 834 file. Additionally, the EQRO will select a sample of records to review for validation.

**Measurement Period:**

- Pilot Year: July 1, 2014 to June 30, 2015
- Year 1: July 1, 2015 to June 30, 2016
- Year 2: July 1, 2016 to June 30, 2017
- Year 3: July 1, 2017 to June 30, 2018

**Eligible population:**

Member is in aid category 076 (Foster Care) and is a new Foster Care member (i.e., has not been a Foster Care member in prior 6 months).

**Denominator:**

The number of members in aid category 076 (Foster Care) who are new Foster Care members during the contract year (i.e., the member has not been a Foster Care member in prior 6 months). Detail on the reporting periods and eligibility timeframes are available from the specifications in the MCTM.

**Numerator:**

The number of Foster Care members with an assessment completed within 60 days of enrollment.

**Rate Calculation:**

Each MCO's monthly numeric percentage scores will be summed and divided by twelve to determine the annual percentage for the MCO. Calculated percentage scores will be used with no rounding. No scores will be dropped.

The EQRO will conduct an annual performance measure validation audit on the MCO's data to validate the MCO's compliance with the established assessment standards. For each assessment, the EQRO will provide an audit result as Reportable (R), defined as measure data that were compliant with DMAS' specification or Not Reportable (NR), defined as the measure



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data that were materially biased. During the performance measure validation process, the MCOs will be provided the opportunity to correct data errors identified.

**PIA Scoring:**

The validated annual percentage will determine the PIA score. Records with (R) Audit result will count toward the final rate and those with (NR) audit result will receive a score of 0 for this measure. Table 3 provides the criteria for the foster care assessment measure scoring.

**Table 3: Foster Care Assessment Scoring**

Criteria	Score
MCO final annual percentage $\geq$ 85%	3
MCO final annual percentage $\geq$ 60% and < 85%	2
MCO final annual percentage $\geq$ 40% and < 60%	1
MCO final annual percentage < 40%	0



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## 2.2 MCO Claims Processing

**Measure Description:** The percentage of all clean claims that were paid or denied during the month: 1) in less than or equal to 30 days from receipt date, 2) within 90 days from receipt date, and 3) over 365 days from receipt date during the contract year.

**Measure Type:** Administrative

**Data Source:** Monthly MCO Claims Report deliverable; please refer to the MCTM for file specifications.

**Measurement Period:**

Pilot Year: July 1, 2014 to June 30, 2015

Year 1: July 1, 2015 to June 30, 2016

Year 2: July 1, 2016 to June 30, 2017

Year 3: July 1, 2017 to June 30, 2018

**Denominator:**

All claims with a paid or denied date during the month

**Numerators:**

Calculation for numerators:

- A) Number of Claims processed during month within 30 days of receipt – All claims with a paid or denied date during the month = Payment Date – Receipt Date  $\leq 30$
- B) Number of Claims processed during the month within 90 days of receipt – All claims with a paid or denied date during the month = Payment Date – Receipt Date  $< 90$
- C) Number of Claims processing during the month greater than 365 days of receipt – All claims with a paid or denied date during the month = Payment Date – Receipt Date  $> 365$

**Rate Calculation**

Rates using each of the three numerators and the denominator will be calculated for each month. Calculated percentage values will be used with no rounding. No scores will be dropped.

The EQRO will conduct an annual performance measure validation audit on the MCO's data to validate the MCO's compliance in accordance with federal and state regulations. The EQRO will provide an audit result as Reportable (R), defined as measure data that were compliant with DMAS specification or Not Reportable (NR), defined as measure data that were materially biased. During the performance measure validation process, the MCOs will be provided the opportunity to correct data errors identified during the audit process to arrive at valid rates.



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**PIA Scoring:**

Three monthly rates comprise this measure using numerators A, B, and C. One point is awarded for achieving each validated monthly benchmark, for a total of 3 possible points each month. The EQRO will calculate an annual score based on the total validated monthly rates. Table 4 provides the benchmarks and monthly scoring for the MCO Claims Processing measure. Table 5 provides the criteria for the annual measure scoring. Records with (R) Audit result will count toward the final rate and those with (NR) audit result will receive a score of 0 for this measure.

**Table 4: Monthly MCO Claims Processing Scoring**

Rate	Benchmark	Score
A) Percent of claims processed within 30 days from receipt	≥ 90 percent	1
B) Percent of claims processed within 90 days from receipt	≥ 99 percent	1
C) Percent of claims processed over 365 days from receipt	0 percent	1

**Table 5: Annual MCO Claims Processing Scoring**

Criteria	Score
MCO meets all standards for every month (i.e., 36 total) during the annual reporting period	3
MCO meets between 33 and 35 standards (out of 36 total) during the annual reporting period	2
MCO meets between 30 and 32 standards (out of 36 total) during the annual reporting period	1
MCO meets less than 30 standards (out of 36 total) during the annual reporting period	0



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### 2.3 Monthly Report Timeliness and Accuracy

**Measure Description:** The measurement of monthly deliverables submitted by MCOs to DMAS during the contract year that reflects the timeliness and accuracy standards that are defined in the MCTM.

**Measure Type:** Administrative

**Data Source:** Monthly MCO deliverables

**Measurement Period:**

- Pilot Year: July 1, 2014 to June 30, 2015
- Year 1: July 1, 2015 to June 30, 2016
- Year 2: July 1, 2016 to June 30, 2017
- Year 3: July 1, 2017 to June 30, 2018

**PIA Scoring:**

Measurement will be based on MCOs monthly report submissions for the measurement year. Timeliness will be scored using standards for each monthly report in the MCTM. Accuracy scoring is based on the valid values criteria in the MCTM.

DMAS will validate this measure using the timeliness and file layout information in the MCTM. DMAS will use the 'FINAL SCORE' values for each monthly deliverable that are reported to the MCOs in the 'MCO\_xxx\_Monthly\_Rpt\_ccyymmdd.xlsx' file. Scores will reflect the timeliness and accuracy standards in effect for the applicable month in the MCTM. Table 6 provides the reports that apply to this measure.

**Table 6: Monthly Reports for MCO Timeliness and Accuracy Measure**

Enrollment Broker Provider File
MCO Claims Report
Live Births
Returned ID Cards
Patient Utilization and Safety Management Program (PUMS) Members
Assessments Age/Blind/Disabled and Children with Special Health Care Needs
Appeals & Grievances Summary
Monthly Provider File for Encounter Processing
Encounter Data Certification
Monies Recovered by Third Parties
Comprehensive Health Coverage
Workers' Compensation
Estate Recoveries
Other Coverage
MCO Newborn Reconciliation File
Assessment Exception Report
Assessments Foster Care Children
MCO Call Center Statistics
Behavioral Health Home (BHH) Enrollment Roster
Behavioral Health Homes Quality Report
Pharmacy Service Authorization Report
Foster Care Barrier Report

DMAS will sum the numerical scores for all of the monthly deliverables and divide by the total number of expected deliverables to calculate a single monthly score. The twelve monthly scores will be summed for the annual measurement period and divided by twelve for an annual average score. Exact values will be used with no rounding. No scores will be dropped.

The points for this measure will be awarded based on the annual average scores. The scoring for the annual measure is provided in Table 7.

**Table 7: Annual Report Timeliness and Accuracy Scoring**

Criteria	Score
MCO annual average is $\geq 91$ (A)	3
MCO annual average is $\geq 81$ and $< 91$ (B)	2
MCO annual average is $\geq 71$ and $< 81$ (C)	1
MCO annual average is $< 71$ (D or below)	0



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## 2.4 HEDIS Measure – Childhood Immunization Status (Combo 3)

**Measure Description:** Percent of 2-year olds who are fully immunized with the following combo of immunizations: DTaP (diphtheria, tetanus and acellular pertussis), IPV (polio), MMR (measles, mumps and rubella), HiB (H influenza type B), HepB (hepatitis B), VZV (chicken pox), and PCV (pneumococcal conjugate).

**Measure Type:** Hybrid (Medical record and administrative data)

**Measure Steward:** NCQA

**Data Source:** HEDIS Audited IDSS File

**Measurement Period:**

- Pilot Year: January 1, 2014 to December 31, 2014
- Year 1: January 1, 2015 to December 31, 2015
- Year 2: January 1, 2016 to December 31, 2016
- Year 3: January 1, 2017 to December 31, 2017

**PIA Scoring:** Quality Compass is NCQA's comprehensive national database of health plans' HEDIS and CAHPS results and will be used as the benchmarks for the PIA. The MCO's HEDIS score from the HEDIS Audited IDSS file will be compared to national Medicaid percentile scores obtained from Quality Compass. Table 9 provides the criteria and scoring for the Childhood Immunization Status measure.

**Table 9: Criteria and Scoring for Childhood Immunization Status**

Criteria	Score
<b>Performance Score</b>	
MCO 95 percent confidence interval is entirely above the Medicaid HMO Quality Compass 50th percentile	2
MCO 95 percent confidence interval encompasses the Medicaid HMO Quality Compass 50th percentile	1
MCO 95 percent confidence interval is entirely below the Medicaid HMO Quality Compass 50th percentile	0
<b>Improvement Score</b>	
The MCO shows a statistically significant improvement from the prior year <b>OR</b> the MCO is high performing (i.e., above the Medicaid HMO Quality Compass 90th percentile) in both years*	1
The MCO did not show a statistically significant change between years or declined	0
<i>*If it is the MCO's first year reporting data, then the MCO will receive one improvement point if the current year score is above the Medicaid HMO Quality Compass 90th percentile.</i>	





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## 2.5 HEDIS Measure – Controlling High Blood Pressure

**Measure Description:** Percent of members 18-85 years of age who had a diagnosis of hypertension (HTN) and whose blood pressure is adequately controlled

**Measure Type:** Hybrid (Medical record and administrative data)

**Measure Steward:** NCQA

**Data Source:** HEDIS Audited IDSS File

**Measurement Period:**

Pilot Year: January 1, 2014 to December 31, 2014

Year 1: January 1, 2015 to December 31, 2015

Year 2: January 1, 2016 to December 31, 2016

Year 3: January 1, 2017 to December 31, 2017

**PIA Scoring:** Quality Compass is NCQA's comprehensive national database of health plans' HEDIS and CAHPS results and will be used as the benchmarks for the PIA. The MCO's HEDIS score from the HEDIS Audited IDSS file will be compared to national Medicaid percentile scores obtained from Quality Compass. Table 10 provides the criteria and scoring for the Controlling High Blood Pressure measure.

**Table 10: Criteria and Scoring for Controlling High Blood Pressure**

Criteria	Score
<b>Performance Score</b>	
MCO 95 percent confidence interval is entirely above the Medicaid HMO Quality Compass 50th percentile	2
MCO 95 percent confidence interval encompasses the Medicaid HMO Quality Compass 50th percentile	1
MCO 95 percent confidence interval is entirely below the Medicaid HMO Quality Compass 50th percentile	0
<b>Improvement Score</b>	
The MCO shows a statistically significant improvement from the prior year <b>OR</b> the MCO is high performing (i.e., above the Medicaid HMO Quality Compass 90th percentile) in both years*	1
The MCO did not show a statistically significant change between years or declined	0
<i>*If it is the MCO's first year reporting data, then the MCO will receive one improvement point if the current year score is above the Medicaid HMO Quality Compass 90th percentile.</i>	



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## 2.6 HEDIS Measure – Timeliness of prenatal care

**Measure Description** Percent of pregnant members who received a prenatal care visit in the first trimester or within 42 days of enrollment

**Measure Type:** Administrative and Hybrid

**Measure Steward:** NCQA

**Data Source:** HEDIS Audited IDSS File

**Measurement Period:**

Pilot Year: January 1, 2014 to December 31, 2014

Year 1: January 1, 2015 to December 31, 2015

Year 2: January 1, 2016 to December 31, 2016

Year 3: January 1, 2017 to December 31, 2017

**PIA Scoring:** Quality Compass is NCQA's comprehensive national database of health plans' HEDIS and CAHPS results and will be used as the benchmarks for the PIA. The MCO's HEDIS score from the HEDIS Audited IDSS file will be compared to national Medicaid percentile scores obtained from Quality Compass. Table 11 provides the criteria and scoring for the Timeliness of Prenatal Care measure.

**Table 11: Criteria and Scoring for Timeliness of Prenatal Care**

Criteria	Score
<b>Performance Score</b>	
MCO 95 percent confidence interval is entirely above the Medicaid HMO Quality Compass 50th percentile	2
MCO 95 percent confidence interval encompasses the Medicaid HMO Quality Compass 50th percentile	1
MCO 95 percent confidence interval is entirely below the Medicaid HMO Quality Compass 50th percentile	0
<b>Improvement Score</b>	
The MCO shows a statistically significant improvement from the prior year <b>OR</b> the MCO is high performing (i.e., above the Medicaid HMO Quality Compass 90th percentile) in both years*	1
The MCO did not show a statistically significant change between years or declined	0
<i>*If it is the MCO's first year reporting data, then the MCO will receive one improvement point if the current year score is above the Medicaid HMO Quality Compass 90th percentile.</i>	