

**Align. Measure. Perform. (AMP) Program
Measurement Year 2018 Intended Health Plan Incentive Design Summary**

IHA Value Based Incentive Design Elements

Incentive Design Elements <i>IHA Recommendation</i>	Aetna	Anthem	Blue Shield of California	Cigna	United-Healthcare	Promise Health Plan*	Sharp	Western Health Advantage	Health Net
Incentive Payments Using IHA Results	✓	✓	✓	✓	✓	✓	✓	✓	✓
Incentive Design – Value Based Incentive Design	✓	✓	✓	✓	✓	✓	✓	✓	✗ Own design
1. Shared Risk PO Design Implement AMP recommended design based on IHA Quality, Resource Use, Total Cost of Care <ul style="list-style-type: none"> • Shared Savings • Attainment Incentive 	✓ Yes – full risk design applied to all POs	✓ Shared Savings ✓ Attainment	✓ Shared savings ✓ Attainment	✓ Shared savings ✓ Attainment	✓ Shared savings ✓ Attainment	✓ Shared savings ✓ Attainment	✗	✗	✗ Quality only incentive
2. Full Risk PO Design Implement recommended incentive design for Full Risk POs using IHA Quality & Total Cost of Care Results		✗	✓	✓	✗	✓	✓ ¹	✓ ¹	

Incentive Design – Measure Domains

IHA Measure Domains Included	Aetna	Anthem	Blue Shield of California	Cigna	United-Healthcare	Promise Health Plan ¹	Sharp	Western Health Advantage	Health Net
Clinical Quality	✓	✓	✓	✓	✓	✓	✓	✓	✓
Patient Experience	✓	✓	✓	✓	✓	✓	✓	✓	✓
Appropriate Resource Use & Total Cost of Care	✓	✓	✓	✓	✓	✓	✓ ²	✓ ²	✗

* Promise Health Plan reported usage applies to only the Medi-Cal product line

¹ Modified full risk design incorporating quality

² Due to data submission issues, health plan payment on these measures may vary

Value Based Incentive Methodology – Performance Gates

In order to earn an incentive, provider organizations (POs) must meet or exceed a minimum level of performance on IHA quality measures. The Total Cost of Care (TCOC) performance gates establish ceilings that POs cannot exceed to be eligible for an incentive. This table specifies health plan adoption of the recommended performance gates.

Pathway	Incentive Design Elements IHA Recommendation	Aetna	Anthem	Blue Shield of California	Cigna	United- Healthcare	Promise Health Plan*	Sharp	Western Health Advantage	Health Net
All	Quality Gate Quality Composite Score (QCS) at or above 10th percentile compared to the rest of the AMP population	✓	✓	✓	✓	✓	✓	✓	x	x
All	Total Cost of Care Trend Gate Standard: TCC trend \leq CPI +1%, with 85th percent confidence interval	x	✓	✓	✓	✓ adapted ¹	✓	✓	x	x
All	High Cost PO Total Cost of Care Trend Gate TCC Trend \leq CPI - 1% with 85th confidence interval	x	✓	✓	✓	✓	✓	x	x	x
Attainment	Total Cost of Care Amount Gate Not a high-cost PO ³	N/A	✓	✓adapted ²	✓	✓	✓adapted ²	N/A	N/A	N/A

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¹ TCC trend \leq CPI + 0%, with 85th percent confidence interval

² High cost POs above the plan-specific 90th percentile in both years who 1) pass the quality gate and 2) have a year over year negative TCC trend will be eligible

³ Definition– High Cost PO/Total Cost of Care Amount Gate: PO TCC performance for current AND prior measure year above plan-specific 90th percentile

IHA Value Based Incentive Design Calculations – Shared Risk PO Design

There are two ways to earn an incentive under AMP recommended design. To earn an incentive through shared savings pathway, POs eligible for an incentive (based on plan eligibility and performance on quality and cost gates) generate shared savings by improving performance on measures of resource use. Health plans share savings generated by improved performance with POs; the share of savings is adjusted up or down based on a PO's performance on quality metrics. In addition, the attainment incentive pathway assesses a PO's performance relative to population benchmarks and is designed to reward high-performing POs that meet and maintain excellent resource use standards. The shared savings and attainment incentives are combined; POs that both improve and meet attainment benchmarks are eligible to earn both incentives.

Pathway	Incentive Design Elements IHA Recommendation	Aetna	Anthem	Blue Shield of California	Cigna	United- Healthcare	Promise Health Plan*	Sharp	Western Health Advantage	Health Net
Shared Savings	Calculating Shared Savings Shared savings are determined by PO improvement on appropriate resource use measures	x	✓	✓	✓	✓	✓	x	x	x
Shared Savings	Appropriate Resource Use Improvement Targets PO's own prior year plan-specific performance	x	✓	✓	✓	✓	✓	x	x	x
Shared Savings	Estimating Savings Base unit cost savings on actual payments	N/A	✓	✓	✓adapted ¹	✓adapted ²	✓	N/A	N/A	N/A
Attainment	Appropriate Resource Use Attainment Targets Top 25 th and 10 th percentiles of PO performance for baseline and measurement year	N/A	✓	✓	✓	✓	✓	N/A	N/A	N/A
Both	Quality Adjustments Continuous linear adjustment based on quality composite scores (QCS) that adjusts a PO's share of savings up or down. Ranges from min multiplier of 0.65 with 10th percentile to max multiplier of 1.35 at 75th percentile.	✓	✓	✓	✓	✓	✓	x	x	x

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¹ Unit costs will be measured based on Cigna specific historical costs

² Unit costs will be measured based on the actual costs for the utilization specific to the PO for the measurement period

IHA Value Based Incentive Design Calculations - Full Risk PO Design

The recommended design for full-risk provider organizations applies a Quality gate and TCOC Trend gate. POs are only eligible for an incentive if they pass both the Quality and TCOC Trend gates. Incentive amounts are determined by a value score which is calculated by adjusting the quality composite score to a PO's performance on the TCOC amount.

Pathway	Incentive Design Elements AMP Recommendation	Aetna	Anthem	Blue Shield of California	Cigna	United- Healthcare	Promise Health Plan*	Sharp	Western Health Advantage	Health Net
Full Risk	Value Score Quality adjusted by Total Cost of Care. Adjustment calculated using a continuous linear scale based on the PO's geography- and risk-adjusted TOCC for the measurement year and specific plan. The maximum (increase 20%) and minimum (decrease 20%) adjustments correspond with the 10th and 90th percentiles of AMP PO performance on TCOC.	✓	✗	✓	✓	✗	✓	✗	✗	✗

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Health Plan Eligibility Criteria for PO Incentives

POs must also meet health-plan specific criteria to be eligible for incentive payments.

PO Requirements		Aetna	Anthem	Blue Shield of California	Cigna	United-Healthcare	Promise Health Plan*	Sharp	Western Health Advantage	Health Net
Health Plan Eligibility Criteria for PO Payout	Signed IHA Consent Agreement		✓	✓	✓	✓	✓	✓		
	Contracted with plan for full measurement year		✓	✓	✓	✓	✓	✓	✓	
	Contracted with plan for full baseline (prior) year		✓	✓	✓	✓		✓		
	Signed delegation agreement			✓	✓	✓		✓	✓	
	Contracted with plan at time of award distribution	✓	✓	✓	✓	✓	✓	✓		
	Meets encounter rate threshold				✓	✓		✓		
Plan Requirement for PO Incentive Eligibility	Data sharing requirements	x	x	✓	x	x	✓	x	x	x

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Health Plan Use of IHA Results

The table below includes information reported by health plan as of 11/24/20. If a health plan's intention on use changes, the health plan is obligated to update their information no less than sixty (60) days before they change such use.

Use of IHA Results	Aetna	Anthem	Blue Shield of California	Cigna	United-Healthcare	Promise Health Plan*	Sharp	Western Health Advantage	Health Net
Incentive Payments	✓	✓	✓	✓	✓	✓	✓	✓	✓
Network management and design			✓	✓		✓	✓		
Analysis, monitoring, and evaluation		✓	✓	✓		✓	✓	✓	✓
Participant reporting								✓	✓
Other		✓ Public reporting		<ul style="list-style-type: none"> ✓ Plan report card ✓ Public reporting ✓ Provider directory ✓ Awards ✓ Research 				✓ Public reporting	

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