

Align. Measure. Perform. (AMP) Program
Measurement Year (MY) 2019 Intended Health Plan Incentive Design Summary

IHA Value Based Incentive Design Elements

Incentive Design Elements <i>IHA Recommendation</i>	Commercial HMO								Medi-Cal Managed Care
	Aetna	Anthem	Blue Shield of California	Cigna	Health Net	Sharp	United- healthcare	Western Health Advantage	Blue Shield Promise
Incentive Payments Using IHA Results	✓	✓	✓	✓	✓	✓	✓	✓	✓
IHA's Value Based Incentive Design		✓	✓	✓	✓	✓	✓	✓	✓
1. Shared Risk PO Design <ul style="list-style-type: none"> Shared Savings incentive Attainment incentive 	✓ Full risk design applied to all POs	✓	✓	✓	✓	✗	✓	✗	✓
2. Full Risk PO Design Implemented recommended incentive design for Full Risk POs using IHA Quality & Total Cost of Care Results		✗ - shared savings on generic prescribing	✓	✓	✗	✓ ¹	✗ - shared savings on generic prescribing	✓ ²	✓

Incentive Design – Measure Domain

IHA Measure Domains Included	Commercial HMO								Medi-Cal Managed Care
	Aetna	Anthem	Blue Shield of California	Cigna	Health Net	Sharp	United- healthcare	Western Health Advantage	Blue Shield Promise
Quality: Clinical Quality, Patient Experience, and Advancing Care Information	✓	✓	✓	✓	✓	✓	✓	✓	✓
Appropriate Resource Use (ARU)	✗	✓	✓	✓	✓	✓	✓	✓	✓
Total Cost of Care (TCOC)	✓	✓	✓	✓	✓	✓	✓	✓	✓

¹ Modified full risk design incorporating quality

² Modified full risk design incorporating quality

IHA Value Based Incentive Design – 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 <i>IHA Recommendation</i>	Commercial HMO								Medi-Cal Managed Care
		Aetna	Anthem	Blue Shield of California	Cigna	Health Net	Sharp	United- healthcare	Western Health Advantage	Blue Shield Promise
All	Quality Gate Quality Composite Score (QCS) at or above 10th percentile	✓	✓	✓	✓	✓	x	✓	x	✓
All	Total Cost of Care Trend Gate Standard: TCOC trend \leq CPI+1%, including a lower 85% confidence interval	✓	✓	✓	✓	✓	x	✓ ³ (adapted)	x	✓
All	High-Cost PO Total Cost of Care Trend Gate High-Cost: TCOC Trend \leq CPI-1%, including a lower 85% confidence interval	✓	✓	✓	✓	✓	x	✓	x	✓
Attainment	Total Cost of Care Amount Gate Not a high-cost PO <i>Definition – High Cost PO/Total Cost of Care Amount Gate: PO TCOC performance for baseline and measurement year above plan-specific 90th percentile</i>	N/A	✓	✓ ⁴	✓	✓	x	✓	x	✓ ⁵

³ Unitedhealthcare: Standard TCOC trend to be \leq CPI+0%, with 85th percent lower confidence interval

⁴ Blue Shield of CA: Consistently high cost POs must pass the Quality Gate and have a year-over-year negative TCOC Trend to be allowed to pass the TCOC Amount Gate and become eligible for Attainment Incentives.

⁵ Blue Shield Promise: Consistently high cost POs must pass the Quality Gate and have a year-over-year negative TCOC Trend to be allowed to pass the TCOC Amount Gate and become eligible for Attainment Incentives.

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 <i>IHA Recommendation</i>	Commercial HMO								Medi-Cal Managed Care
		Aetna	Anthem	Blue Shield of California	Cigna	Health Net	Sharp	United- healthcare	Western Health Advantage	Blue Shield Promise
Shared Savings	Calculating Shared Savings A POs eligible shared savings is based on improvement (or declines) on ARU measures	N/A	✓	✓ ⁶	✓	✓	x	✓	x	✓
	ARU Improvement Targets POs' own prior year plan-specific performance	N/A	✓	✓	✓	✓	x	✓	x	✓
	Estimating Savings Base unit cost savings on actual payments	N/A	✓	✓	✓	x	N/A	✓ ⁷ (adapted)	N/A	✓
Attainment	Appropriate Resource Use Attainment Targets POs performing in the top 25 th and 10 th percentiles for AU measures for both baseline and measurement year	N/A	✓	✓	✓	✓	Under consideration	✓	Under consideration	✓
Both	Quality Adjustments Continuous linear adjustments based on PO Quality Composite Score (QCS) adjusting POs' share of savings up or down. Ranges from min. multiplier of 0.65 with 10 th percentile and max multiplier of 1.35 at the 90 th percentile.	✓	✓	✓	✓	x	x	✓	x	✓

⁶ Plan adjusted payout methodology to pay on eligible members for risk-adjusted measures.

⁷ Plan set Budget Neutrality Corridor if total payments are either too high or too low across all POs and UnitedHealthcare set an Adjustment Factor to all PO's estimated savings to ensure budget neutrality.

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 <i>AMP Recommendation</i>	Commercial HMO								Medi-Cal Managed Care
		Aetna	Anthem	Blue Shield of California	Cigna	United- healthcare	Sharp	Western Health Advantage	Health Net	Blue Shield Promise
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.	✓	✗	✓	✓	✗	✗	✗ <i>adapted</i>	✗ <i>adapted</i>	✓

Health Plan Eligibility Criteria for PO Incentives

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

PO Eligibility Requirements	Commercial HMO								Medi-Cal Managed Care
	Aetna	Anthem	Blue Shield of California	Cigna	Health Net	Sharp	United-healthcare	Western Health Advantage	Blue Shield Promise
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	✓			✓	✓	✓	✓		
Data sharing requirements			✓						✓

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.

Uses of IHA Results	Commercial HMO								Medi-Cal Managed Care
	Aetna	Anthem	Blue Shield of California	Cigna	Health Net	Sharp	United-healthcare	Western Health Advantage	Blue Shield Promise
Incentive Payments	✓	✓	✓	✓	✓	✓	✓	✓	✓
Network Management & Design			✓		✓				✓
Analysis, Monitoring, & Evaluation		✓	✓		✓	✓	✓		✓
Participant Reporting	✓				✓	✓			
Other		✓ Public Reporting							