NEW YORK STATE | Department of Health

2023 Essential Plan Quality Incentive Report

A Report on the Essential Plan Quality Incentive Program in New York State

QARR Report Series

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Section 1 Background

The Basic Health Program, as directed by Section 1331(a) of the Affordable Care Act (ACA), branded as the Essential Plan in New York, first became available through the New York State of Health (NYSoH) on November 1, 2015, with coverage effective January 1, 2016.[1] The Essential Plan Quality Incentive Program's initial parameters were set in 2019, and the first year of data collection and analysis occurred in 2020–2021, for the measurement year 2020 (MY 2020). A few years later, the plans became eligible to receive bonus points added to their premiums based on their composite scores from both quality and patient satisfaction measures. The Quality Incentive Program continues to evolve, incorporating new components and measures, as well as a refined methodology for calculating current performance relative to peers. In 2024, significant changes aimed at improving compliance and accountability among participating plans were announced, notably the addition of a compliance section and a framework for issuing statements of deficiency. The specific requirements will be phased in gradually over the next few years. These changes will enable the program to uphold the highest standards and ultimately benefit the Essential Plan enrollees.

The data sources used in the Quality Incentive Program include measures from the following sources:

- New York State Quality Assurance Reporting Requirements (NYS QARR), which is largely comprised of National Committee for Quality Assurance (NCQA) Healthcare Effectiveness Data and Information Set (HEDIS®)
- State-specific performance measures
- Consumer Assessment of Healthcare Providers and Systems (CAHPS®)

Rates of the Essential Plan performance have increased over the years and have demonstrated a high level of care compared to the national averages of Medicaid. The use of financial incentives has proven successful in engaging managed care plans in developing infrastructure, programs, and resources to promote high-quality care. Incorporating financial incentives that tie payment directly to quality is an important approach to improving the quality of care. It holds health plans accountable for the care they provide, and rewards those who invest in processes that improve care. State programs have steadily increased the use of financial incentives or pay-for-performance (P4P) mechanisms in their payment systems.

Currently, the Quality Incentive Program has a defined methodology to determine the percentage of the potential financial incentive that a plan receives. Healthcare plans can earn up to 100 percentage points from the categories of Quality of Care (80%) and Experience of Care (20%), and the opportunity to earn five additional points through two bonuses of 2.5 points each, focused on topics addressing current program needs.

[1] Essential Plan New York's Basic Health Program (https://www.health.ny.gov/health_care/managed_care/essential/docs/2015-dec_annual_rpt.pdf)

Section 1 Background

Summary of the current Quality Incentive structure components and possible points:

Component	Number of Measures	Points
Quality – QARR (HEDIS® and NYS-specific)	18	80 points
Satisfaction – CAHPS® Health Plan Survey	3	20 points
Total Points		The sum of the Quality points, weighted at 80%, and Satisfaction points, weighted at 20%, for a maximum of 100 points. Weighting is incorporated because some plans may have less than 80 possible points due to small sample sizes or other measure issues.
Bonus Points (Added to Total Points)	2	Up to 5 points
Final Score		**Up to 105 points**

Health plans are grouped into one of five tiers to determine the incentive award. The five tiers are based on the percentage of points earned by the plans. Tiers are formed before the introduction of bonus points. The plans could only move up a maximum of one tier due to the bonus points programs, and they must achieve or exceed the threshold for the respective tier to be eligible for their award. Quality incentive payments are subject to the availability of State funding as determined by the annual Budget process. Tier 1 indicates scores higher than or equal to 73.27, Tier 2 indicates scores higher than or equal to 69.94 but lower than 73.27, Tier 3 indicates scores higher than or equal to 44.955 but lower than 69.94, Tier 4 indicates scores higher than 40.74 but lower than 44.955, and Tier 5 indicates scores lower than or equal to 40.74.

Section 2 Quality Incentive Components and Calculation Process – 2023 Methodology

This section provides a detailed description of the three Quality Incentive components and the calculation process, explaining how the points were assigned to each measure within each component.

The following three Quality Incentive components were used to determine the 2023 Quality Incentive results:

- **Quality of Care**: 2023 Quality Assurance Reporting Requirements
- **Consumer Satisfaction**: Plans had to use a certified CAHPS® vendor, have their CAHPS® survey sample frame reviewed and approved by their auditor, and submit their results as part of QARR 2023 (MY 2023)
- **Bonus Points**: Earned for completing the Questionnaire on Barriers and Interventions in Mental and Behavioral Healthcare and the 2023 Health Disparities Implementation Plan

Quality of Care: (80 points possible)

The methodology for awarding points for quality measures in the Quality Incentive is outlined below.

- Quality of Care Measures align with the demographics of the Essential Plan population (age 19-64). Quality measures from several domains of care covering women's preventive care, adult care, care for respiratory conditions, diabetes care, cardiovascular care, mental and behavioral health were included. This approach allows a more comprehensive view of quality and aligns with other uses of the data. It also minimizes the impact of one lower-performing area in the overall performance of the plan.

- For some measures with more than one indicator, we used a weighted average method (see equation below) to average each measure's individual indicator rates and calculate a measure score. Indicators with larger denominators contributed more to the scoring than indicators with smaller denominators.

The weighted average equation is as follows:

$$X = \frac{\sum_1^i n_i * x_i}{\sum_1^i n_i}$$

Where X is the final measure score that is the weighted average, x_i is the indicator score, and n_i is the indicator denominator.

- The allotted 80 points for quality were distributed evenly for all measure scores, and for measures with more than one indicator, each measure score was counted as one measure. For example, if there are 18 measures in the quality section, each measure was worth up to 4.44 points.

- If a measure has less than 30 members in the denominator, we consider it to be a small sample size and suppress those results. There was no reweighting for small sample size. For example, with 18 measures worth 80 possible points, if the plan only had 12 measures with a sufficient denominator, the base was reduced by the maximum value for the six measures.

- Measures were classified as Pay for Reporting (P4R) or Pay for Performance (P4P).

- For measures classified as P4R, full points were awarded for valid reporting for that measure unless the measure is zero denominator. In that case, those results were suppressed and there was no reweighting. There was an overall reduction of base quality points.

- For measures classified as P4P, plans were awarded 50 percent of possible points for a measure result at or above the 50th percentile, but less than the 75th percentile; 75 percent of possible points for a measure result at or above the 75th percentile, but less than the 90th percentile; and 100 percent of possible points for the measure at or above the 90th percentile.

- The determination of the 50th, 75th, and 90th percentiles was based on the same measurement year of the results. To determine the plans achieving the percentiles the results were rounded to two decimal points prior to the percentile determination.

- Each plan's quality points are totaled and then divided by their base points to achieve a quality score of up to 80 points.

Section 2 Quality Incentive Components and Calculation Process – 2023 Methodology

Quality Measure Benchmarks for the 2023 Essential Plan Quality Incentive

Measure Name	90th Percentile	75th Percentile	50th Percentile	Points Possible
Primary Care				
Adult Immunization Status - Influenza (Ages 19-65)	25.04	23.44	20.60	4.44
Antidepressant Medication Management - 84 Days and 180 Days (Composite)	60.19	58.69	54.07	4.44
Asthma Medication Ratio (Ages 19-64)	82.61	81.23	78.05	4.44
Breast Cancer Screening	71.45	69.84	68.84	4.44
Cervical Cancer Screening	70.58	69.81	68.28	4.44
Chlamydia Screening in Women (Ages 21-24)	77.36	73.81	70.55	4.44
Colorectal Cancer Screening (Ages 45-75)	54.86	53.49	50.80	4.44
Controlling High Blood Pressure	79.32	73.49	69.22	4.44
Eye Exam for Patients with Diabetes	64.58	62.31	59.42	4.44
Hemoglobin A1c Control for Patients with Diabetes - HbA1c Poor Control *	23.59	24.09	24.96	4.44
Initiation and Engagement of Substance Use Disorder Treatment	31.20	28.50	26.25	4.44
Mental Health				
Follow-Up After Emergency Department Visit for Mental Illness Within 7 Days	62.96	56.36	52.50	4.44
Follow-Up After Hospitalization for Mental Illness Within 7 Days	70.09	63.41	59.89	4.44
Depression Screening and Follow-Up for Adolescents and Adults (Composite)	23.45	11.64	0.95	4.44
Substance Use				
Follow-Up After High-Intensity Care for Substance Use Disorder Within 7 Days	41.82	38.64	30.23	4.44
Medical Assistance with Smoking and Tobacco Use Cessation (Composite)	74.63	67.83	64.34	4.44
Pharmacotherapy for Opioid Use Disorder (Ages 16-64)	52.33	36.36	28.05	4.44
Social Needs				
Social Need Screening and Intervention (All Screening)	12.77	5.08	0.39	4.44

* A low rate is desirable

CAHPS Satisfaction Survey: (20 points possible)

Three CAHPS Experience of Care survey measures were included in the Quality Incentive. Twenty points were available and distributed based on whether a plan was at or above the statewide average for the CAHPS survey submitted as a part of QARR 2023 (MY 2023). Plans were awarded points based on their scores within the measurement year. Plans earned 6.67 points for measures with results significantly better than the statewide average, 3.33 points for measures with results not significantly different from the statewide average, and no points for measures with results significantly lower than the statewide average. Each plan's satisfaction points were totaled and then divided by their base points to achieve a satisfaction score of up to 20 points.

CAHPS Measure	Points
Rating of Health Plan	6.67 points
Getting Care Needed	6.67 points
Getting Care Quickly	6.67 points
Total	**20 points**

Bonus Points: (5 points possible)

Questionnaire on Barriers and Interventions in Mental and Behavioral Healthcare (2.5 points possible)

The NYSoH is committed to improving the quality of care and access to services for members with mental and behavioral health needs. As part of this effort, additional measures related to mental health and substance abuse disorders had been incorporated into the Essential Plan Quality Incentive for the reporting year 2023. Plans could earn 2.5 bonus points by completing a questionnaire identifying the challenges in delivering services to Essential Plan members with chronic mental health and behavioral disorders or experiencing an acute episode and developing interventions to address one or more of these. The questionnaire aimed to identify any barriers or obstacles that might prevent or delay the diagnosis, treatment, and continuity of care. The questionnaire included several key topics:

- The providers in the plan network directory and those accessed by members.
- The new providers added to the Essential Plan and those that have left.
- The credentialing requirements for new providers.
- Information about the culturally competent providers.
- Information about prior authorization requests and concurrent review, as well as the notices to reduce, suspend, or stop services.
- Non-medical services offered to members.
- Community outreach efforts and initiatives to expand the provider network and improve accuracy.
- The structural and operational barriers.

2023 Health Disparities Implementation Plan (2.5 points possible)

Plans could earn 2.5 bonus points by achieving 80% completeness in race and ethnicity data and reporting 99% of the member's cost-sharing tier, also known as the plan category, in the patient-level detail file. The NYSoH sent out plan-specific Race and Ethnicity Report Cards for the MY2022 reporting cycle in April 2024. The plans could only receive 2.5 bonus points if the issues identified on the MY2022 report card were rectified in the 2024 submission and if the 2024 submission had the aforementioned data (80% race and ethnicity and 99% of the member's cost-sharing tier as found on the patient level detail file described in the QARR 2023).

Component	Bonus Points Potentially Earned	Due Dates
Questionnaire on Barriers and Interventions in Mental and Behavioral Healthcare	2.5	October 15, 2024
Health Disparities Implementation Plan	2.5	October 15, 2024

Section 2 Quality Incentive Components and Calculation Process – 2023 Methodology

Quality Incentive Tiers:

A blended total of quality measure points (80%) and satisfaction points (20%) was calculated for each plan. Plans were grouped into one of five tiers based on the final total score to determine the incentive award. Tier 1 indicates scores higher than or equal to 73.27, Tier 2 indicates scores higher than or equal to 69.94 but lower than 73.27, Tier 3 indicates scores higher than or equal to 44.955 but lower than 69.94, Tier 4 indicates scores higher than 40.74 but lower than 44.955, and Tier 5 indicates scores lower than or equal to 40.74. As noted above, any award of funding associated with the determination of the final incentive tiers is subject to the availability of funding as determined by the annual Budget process.

Section 3 Quality Incentive Award Results

For 2023, the twelve NYS Essential Plan plans were grouped into five tiers based on their Quality Incentive scores. The table below shows the tier assigned to each plan.

Tier	Plan Name	Weighted Quality Score (up to 80 points)	Weighted Satisfaction Score (up to 20 points)	Sum of Quality and Satisfaction Scores	Questionnaire on MH and BH Services (up to 2.5 points)	2023 Health Disparities Plan (up to 2.5 points)	Final Score
TIER 1	Healthfirst New York	64.64	9.99	74.63	2.50	2.50	79.63
TIER 1	Independent Health	59.94	13.33	73.27	2.50	2.50	78.27
TIER 1	MetroPlus Health Plan	59.94	13.33	73.27	2.50	0.00	75.77
TIER 2	CDPHP	53.28	13.33	66.61	2.50	2.50	71.61
TIER 3	Excellus BlueCross BlueShield	47.73	13.33	61.06	2.50	2.50	66.06
TIER 3	HIP (EmblemHealth)	49.36	9.99	59.35	2.50	0.00	61.85
TIER 3	Highmark Western and Northeastern New York, Inc.	47.45	13.33	60.78	0.00	0.00	60.78
TIER 3	Fidelis Care	39.96	9.99	49.95	2.50	2.50	54.95
TIER 3	MVP Health Plan	37.74	9.99	47.73	2.50	0.00	50.23
TIER 4	Molina Healthcare	32.19	9.99	42.18	2.50	0.00	44.68
TIER 5	United Healthcare	34.08	6.66	40.74	0.00	0.00	40.74
TIER 5	Anthem BlueCross and BlueShield HP	31.08	0	31.08	2.50	2.50	36.08

If you have questions regarding the incentive premium award, please contact the Bureau of Managed Care Reimbursement at bmcr@health.ny.gov.

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