

970 PERFORMANCE MEASURES

REVISION DATES: 9/6/23, 3/09/22, 10/28/20

EFFECTIVE DATE: October 1, 2019

REFERENCE: 42 CFR Part 438

PURPOSE

This policy applies to the Division of Developmental Disabilities' (Division or DDD) Administrative Services Subcontractors (AdSS) and establishes requirements to implement, Evaluate, monitor, and report on performance measures and associated improvement activities to the Division.

DEFINITIONS

1. "Benchmark" means the process of comparing a practice's performance with an external standard to motivate engagement in quality improvement efforts and understand where performance falls in comparison to others. Benchmarks may be generated from similar organizations, quality collaboratives, or authoritative bodies.
2. "Evaluate" means the process used to examine and determine the level of quality or the progress toward improvement of quality or performance related to service delivery systems.

3. "Health Information System" means a primary data system that collects, analyzes, integrates, and reports data to achieve the Objectives outlined under 42 CFR 438, and data systems composed of the resources, technology, and methods required to optimize the acquisition, storage, retrieval, analysis, and use of data.
4. "Inter-Rater Reliability" means the process of ensuring that multiple observers are able to consistently define a situation or occurrence in the same manner, which is then recorded.
5. "Long-Term Services and Supports" means services and supports provided to Members who have functional limitations or chronic illnesses that have the primary purpose of supporting the ability of the Member to live or work in the setting of their choice as specified in 42 CFR 438.2.
6. "Measurable" means the ability to determine definitively whether or not a quantifiable Objective has been met, or whether progress has been made toward a positive Outcome.
7. "Member" means the same as "client" as defined in A.R.S. § 36-551.
8. "Methodology" means the planned documented process, steps, activities, or actions taken to achieve a goal or Objective, or to progress towards a positive Outcome.

9. "Monitoring" means the process of auditing, observing, evaluating, analyzing, and conducting follow-up activities and documenting results via desktop or onsite review.
10. "Objective" means a measurable step, generally one of a series of progressive steps, to achieve a goal.
11. "Official Rates" means Performance Measure results calculated by the Division that have been validated by the AHCCCS External Quality Review Organization for the calendar year.
12. "Outcome" means a change in patient health, functional status, satisfaction, or goal achievement that results from health care or supportive services [42 CFR 438.320].
13. "Performance Improvement" means the continuous study and improvement of processes with the intent to better services or Outcomes, and prevent or decrease the likelihood of problems, by identifying areas of opportunity and testing new approaches to fix underlying causes of persistent or systemic problems or barriers to improvement.
14. "Performance Measure Performance Standards" means the minimal expected level of performance. The official performance measure rates are based upon the National Committee for Quality Assurance,

HEDIS® Medicaid Mean or Centers for Medicare and Medicaid Services Medicaid Median (for selected Core Set-Only Measures) as identified by the Arizona Health Care Cost Containment System (AHCCCS), as well as the line of business aggregate rates, as applicable.

15. “Plan-Do-Study-Act Cycle” means a scientific method for testing a change or intervention, designed to result in improvement in a specific area. The cycle is completed by planning the change/intervention, trying it, observing the results, and acting on what is learned. When these steps are conducted over a relatively short time period the approach is known as Rapid Cycle Improvement. The Plan-Do-Study-Act Cycle consists of the following steps:
- a. Plan: Plan the changes or interventions, including a plan for collecting data. State the Objectives of the interventions
 - b. Do: Try out the interventions and document any problems or unexpected results.
 - c. Study: Analyze the data and study the results. Compare the data to predictions and summarize what was learned.
 - d. Act: Refine the changes or interventions based on what was learned, and prepare a plan for retesting the interventions.

- e. Repeat: Continue the cycle as new data becomes available until improvement is achieved.
14. “Statistically Significant” means a result occurs that is unlikely due to chance or random fluctuation.
15. “Triple Aim” means a framework for optimizing health system performance consisting of the following three components:
- a. Improve the experience and Outcomes of care,
 - b. Improve the health of populations, and
 - c. Reduce the per capita costs of healthcare.

POLICY

A. PERFORMANCE MEASURES

- 1. The AdSS shall collect, monitor, and Evaluate data relevant to Division specific performance measures for required performance metrics in the areas of:
 - a. Quality,
 - b. Timeliness,
 - c. Utilization,

- d. Efficiency,
 - e. Member Satisfaction,
 - f. Targeted Investment, and
 - g. Performance Improvement.
2. The AdSS shall use ongoing collection, Monitoring, and evaluation of performance metric data to develop specific Measurable goals and Objectives aimed at enhancing the Quality Management/Performance Improvement (QM/PI) Program.
 3. The AdSS shall report performance metric data to the Division for the following:
 - a. Quality Management/Quality of Care (QOC);
 - b. Medical Management;
 - c. Maternal and Child Health;
 - d. Network Adequacy; and
 - e. Waiver/Program Evaluation.
 4. The AdSS' QM/IP program shall use standardized performance

measures that focus on the following clinical and non-clinical areas reflective of the Centers for Medicare and Medicaid Services (CMS) Core Set domains of care:

- a. Primary Care Access and Preventive Care;
 - b. Maternal and Perinatal Health;
 - c. Care of Acute and Chronic Conditions;
 - d. Behavioral Health Care;
 - e. Dental and Oral Health Services;
 - f. Experience of Care; and
 - g. Long-Term Services and Supports (LTSS) as specified in the AdSS' contract.
5. The AdSS shall measure and report on performance measures in accordance with CMS and AHCCCS requirements.
 6. The AdSS shall comply with Division and AHCCCS QM/PI Program requirements to enhance performance for all required performance measures.

7. The AdSS shall compare the performance measure rates with national Benchmarks specified in the AdSS' contract effective during that measurement period.
8. The Division shall Evaluate the AdSS' compliance with performance measure requirements at least quarterly.
9. The AdSS shall include LTSS specific performance measures.

B. PERFORMANCE MEASURE REQUIREMENTS

1. The AdSS shall:
 - a. Adhere to the requirements specified within the AdSS' contract related to performance measure requirements.
 - b. Utilize the results of the Official Rates in evaluating the QM/PI Program.
 - c. Show Statistically Significant improvement from year to year, which is sustained over time, to meet the Performance Measure Performance Standards (PMPS).
 - i. Sustained improvement is demonstrated when it

- establishes how the Statistically Significant improvement can be reasonably attributable to interventions undertaken by the AdSS, and
- ii. Maintains or increases the improvements in performance for at least one year after the Performance Improvement is first achieved.
 - d. Measure and report performance measures, and meet any associated standards identified by the Division, AHCCCS or CMS.
 - e. Achieve the PMPS outlined in the AdSS' contract for each measure using the Official Rates.
 - f. Demonstrate sustained and improved efforts throughout the performance cycle when the PMPS have been met.
2. The AdSS shall develop an evidence-based Corrective Action Plan (CAP) for each performance measure not meeting the PMPS to improve performance to at least the minimum standards required by the Division and align with the requirements of AHCCCS Medical Policy 920, Attachment B.

3. The AdSS shall ensure that each CAP includes a list of activities or strategies to allocate increased administrative resources to improve rates for a specific measure or service area.
4. The AdSS shall submit the CAP to the Division for review and approval prior to implementation.
5. The AdSS shall show Statistically Significant and sustained improvement towards meeting the PMPS.
6. If requested by the Division, the AdSS shall develop CAPs for measures that are below the PMPS or that show a Statistically Significant decrease in rates even if it meets or exceeds the PMPS.
7. The AdSS shall report any discrepancies identified in encounters received by the Division, and the status of such discrepancies, to the Division's Quality Improvement Manager.

C. PERFORMANCE MEASURE ANALYSIS

1. The AdSS shall conduct data analysis related to the performance measure rates to improve the quality of the care provided to Members, identify opportunities for improvement, and implement targeted interventions.

2. The AdSS shall Evaluate performance rates to improve the quality of care provided to members, identify opportunities for improvement, and implement targeted interventions.
3. The AdSS shall evaluate performance for aggregate and subpopulations, inclusive of any focus areas identified by the Division or AHCCCS, including the analysis of performance to identify health disparities and related opportunities for improvement.
4. The AdSS shall utilize proven quality improvement tools when conducting root-cause analysis and problem-solving activities.
5. The AdSS shall identify and implement targeted interventions to address any noted disparities identified as part of the AdSS' data analysis efforts.
6. The AdSS shall conduct Plan-Do-Study-Act (PDSA) Cycles to Evaluate the effectiveness of interventions, revise interventions as needed, and conduct repeat PDSA Cycles until improvement is achieved.

D. INTER-RATER RELIABILITY

1. When AdSS are directed to collect data to measure performance, and if requested by the Division, the AdSS shall submit specific documentation to verify that indicator criteria were met in accordance with Division requirements.
2. The AdSS shall assign qualified personnel to collect data.
3. The AdSS shall ensure Inter-Rater Reliability if more than one person is collecting and entering data.
4. The AdSS shall ensure that data collected from multiple individuals is consistent and comparable through an implemented Inter-Rater Reliability process, as specified in AdSS Medical Policy 960, and documented as follows:
 - a. A detailed description of the Methodology for conducting Inter-Rater Reliability and required training;
 - b. Oversight and validation of data collection;
 - c. Minimum testing score required to continue participation in the data collection and reporting process;


- d. A mechanism for evaluating individual accuracy scores;
and
 - e. Actions taken if an individual does not meet the
established accuracy score.
- 5. The AdSS shall monitor and track the Inter-Rater Reliability accuracy scores and associated follow-up activities.
 - 6. Upon request from the Division, the AdSS shall provide evidence of implementation of the Inter-Rater Reliability process and associated Monitoring.

E. PERFORMANCE METRIC AND MEASURE REPORTING

- 1. The AdSS shall report the QM/PI Program performance to the Division using the AHCCCS Performance Measure Monitoring Report & Work Plan Evaluation Template.
- 2. The AdSS shall analyze and report the performance separately by DDD line of business.
- 3. The AdSS shall calculate and report combined rates/percentages for the DDD population; however, the AdSS shall have the ability to calculate and report numerators, denominators, and

rate/percentage for Medicaid, which is provided in accordance with AHCCCS or Division request or instructions.

3. The AdSS shall monitor KidsCare performance metrics and measures to ensure compliance with contractual standards.
4. The AdSS shall report performance measure performance to the Division in accordance with the AdSS' contract.

Signature of the Chief Medical Officer: 
[Anthony Dekker \(Aug 30, 2023 16:28 PDT\)](#)
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