

## **970 PERFORMANCE MEASURES**

REVISION DATES: 9/6/23, 3/9/22, 07/29/20, 11/17/17

EFFECTIVE DATE: May 13, 2016

REFERENCES: 42 CFR 438 and AHCCCS Medical Policies 920 and 970

### **PURPOSE**

This policy establishes the requirements of the Division of Developmental Disabilities (Division) to Evaluate, monitor, and report on performance measures; responsibilities related to performance measures specific to Long-Term Services and Supports; and oversight of physical and behavioral health services performance measures delegated to the Administrative Services Subcontractors (AdSS).

### **DEFINITIONS**

1. "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.
2. "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.

3. "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.
4. "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.
5. "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.
6. "Member" means the same as "Client" as defined in A.R.S. § 36-551.
7. "Methodology" means the planned documented process, steps, activities, or actions taken to achieve a goal or Objective, or to progress towards a positive outcome.
8. "Monitoring" means the process of auditing, observing, evaluating, analyzing, and conducting follow-up activities and documenting results via desktop or onsite review.

9. "Objective" means a measurable step, generally one of a series of progressive steps, to achieve a goal.
10. "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.
11. "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].
12. "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.
13. "Performance Measure Performance Standards" means the minimal expected level of performance 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.

14. “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 PDSA 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.
13. “Statistically Significant” means a result occurs that is unlikely due to chance or random fluctuation.

14. “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**

The Division’s management of performance measures is focused on achieving the goals of the Triple Aim, providing integrated care, identifying and standardizing best practices, implementing targeted interventions, and tracking and trending outcomes to support quality improvement in member health and well-being.

### **A. PERFORMANCE MEASURES**

1. The Division’s Quality Management Unit (QMU) 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).
2. The Division shall collect, monitor, and Evaluate Health Information System data relevant to the following performance measures:
- a. Quality,
  - b. Timeliness,
  - c. Utilization,
  - d. Efficiency,
  - e. Member satisfaction,
  - f. Targeted investment, and
  - g. Performance Improvement.

3. The Division's Quality Management Unit (QMU) shall analyze, monitor, and Evaluate established performance metrics on an on-going basis and develop specific Measurable goals and Objectives aimed at supporting quality management and desired outcomes as well as enhancing the Quality Management/Performance Improvement (QM/PI) Program.
4. The QMU shall self-report the following performance metrics to AHCCCS:
  - a. Quality Management/Quality of Care;
  - b. Medical Management;
  - c. Maternal and Child Health;
  - d. Network Adequacy; and
  - e. Waiver/Program Evaluation.
5. The Division shall include LTSS specific performance measures that examine Members' quality of life, community integration activities [42 CFR 438.330©(1)(ii)], and any performance measures that are the responsibility of the AdSS.

## **B. PERFORMANCE MEASURE REQUIREMENTS**

1. The QMU shall oversee activities delegated to the AdSS associated with performance measures.
2. The QMU shall work collaboratively with the AdSS to ensure that the AdSS are achieving performance measure standards as part of the quality management plan.
3. The QMU shall ensure compliance with AHCCCS QM/PI requirements and the utilization of applicable performance measure methodologies for internal Monitoring and evaluation of performance measure results.
4. The QMU shall provide oversight to ensure that the AdSS:
  - a. Adhere to the requirements related to performance measures.
  - b. Utilize the results of the Official Rates in evaluating the AdSS QM/PI Program.
  - c. Achieve the Performance Measure Performance Standards (PMPS) identified by AHCCCS for each measure based on the rates calculated by AHCCCS.
  - d. Establish how the Statistically Significant improvement can



be attributable to interventions undertaken by the AdSS, and that the improvement occurred due to the project and interventions, not another unrelated reason.

- e. Maintain or increase the improvements in performance for at least one year after the performance improvement is first achieved.
- f. Measure and report performance measures, and meet any associated standards mandated by the Division, AHCCCS, or CMS.
- g. Achieve the PMPS outlined in the AdSS' contract for each measure using administrative and hybrid rates.
- h. Demonstrate sustained and improved efforts throughout the performance cycle when PMPS have been met.
- i. Develop an evidence-based Corrective Action Plan (CAP) for each measure not meeting the PMPS, including interventions to meet the specific needs of Division Members to bring performance up to the minimum standards required by AHCCCS while adhering to AMPM Policy 920, Attachment B.

- j. Ensure each CAP includes a list of activities or strategies that the AdSS are using to allocate increased administrative resources to improve rates for a specific measure or service area.
  - k. Demonstrate and sustain improvement towards meeting PMPS.
- 5. The Division may take administrative action for PMPS that do not show Statistically Significant improvement in Official Rates.
- 6. The Division may take administrative action for Statistically Significant declines of rates or any rate that does not meet the PMPS or a rate that has a significant impact to the aggregate rate for the State.
- 7. The Division shall require the AdSS to report the status of any discrepancies identified in encounters submitted to and received by the Division for purposes of performance measure monitoring.
- 8. The Division is responsible for:
  - a. Monitoring encounter submissions by the Division's

- subcontractors;
- b. Demonstrating improvement from year to year, which is sustained over time, in order to meet goals for performance established by AHCCCS;
  - c. Complying with national performance measures and levels that may be identified and developed by CMS in consultation with AHCCCS; and
  - d. Ensuring the CAPs are approved by AHCCCS prior to implementation.
9. The Division shall internally measure and report to AHCCCS the Division's performance on contractually mandated performance measures using a standardized methodology established or adopted by AHCCCS.
10. The Division shall use the results of the AHCCCS contractual performance measures in evaluating the Division's QM/PI program.

### **C. PERFORMANCE MEASURE ANALYSIS**

1. The Division shall conduct data analysis of performance measure

rates to improve the quality of care provided to Members, identify opportunities for improvement, and implement targeted interventions.

2. The Division shall evaluate performance for aggregate and subpopulations, inclusive of Members with special health care needs, as well as any other focus areas identified by AHCCCS.
3. The Division shall utilize proven quality improvement tools when conducting root-cause analysis and problem-solving activities.
4. The Division shall identify and implement targeted interventions to address any noted disparities identified as part of the Division's data analysis efforts.
5. The Division 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. The Division shall use the following process to collect data used to measure performance:

- a. Assign qualified personnel to collect data,
  - b. Ensure Inter-Rater Reliability if more than one person is collecting and entering data, and
  - c. Submit specific documentation to verify that indicator criteria were met in accordance with AHCCCS instruction.
2. The Division shall ensure that data collected from multiple individuals is consistent and comparable through an implemented Inter-Rater Reliability process as specified in Medical Policy 960.
  3. If requested by AHCCCS, the Division shall provide evidence of implementation of the Inter-Rater Reliability process and the associated Monitoring.

#### **E. PERFORMANCE METRIC AND MEASURE REPORTING**

1. The Division's QM/PI Committee shall review performance measure analytics and recommendations from subcommittees to improve the quality of the care provided to Members, identify opportunities for improvement, and implement targeted interventions on a quarterly basis.

2. The Division shall combine performance measure outcomes from the AdSS and submit those results to AHCCCS as specified in the AHCCCS contract.
3. The Division shall report on LTSS specific performance measures and outcomes managed by the Division, through qualified vendors, as well as the LTSS specific performance measures and outcomes managed by the AdSS.
4. The Division shall report the Division's QM/PI program performance to the AHCCCS Quality Improvement Team, as specified in the AHCCCS contract, utilizing the AHCCCS Performance Measure Monitoring Report & Work Plan Evaluation Template found on the AHCCCS website.

#### **F. AdSS OVERSIGHT**

1. The Division shall use the following methods to ensure the AdSS are in compliance with AdSS Medical Policy 970 and associated policies:
  - a. Conduct annual operational reviews for compliance;
  - b. Analyze deliverable reports and other data as required;

- c. Conduct oversight meetings with each AdSS for the purpose of reviewing compliance and addressing any performance measures or other quality of care concerns; and
- d. Review data submitted by the AdSS demonstrating ongoing compliance Monitoring of the AdSS' network and provider agencies through Behavioral Health Chart Reviews.

Signature of Chief Medical Officer:   
[Anthony Dekker \(Aug 31, 2023 10:18 PDT\)](#)  
Anthony Dekker, D.O.