

970 PERFORMANCE MEASURES

REVISION DATES: 6/19/2024, 9/6/2023, 3/9/2022, 7/29/2020, 11/17/2017

REVIEW DATE: 1/8/2024, 3/6/2023

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. "Arizona Health Care Cost Containment System" or "AHCCCS" means Arizona's Medicaid Program, approved by the Centers for Medicare and Medicaid Services (CMS) as a Section 1115 Waiver Demonstration Program and described in A.R.S. Title 36, Chapter 29.
2. "AHCCCS/Division of Health Care Services Quality Improvement Team" means AHCCCS staff who evaluate Contractor Quality

Management/Performance Improvement (QM/PI) Programs; monitor compliance with required Quality/Performance Improvement Standards, Contractor Quality Improvement (QI) Corrective Action Plans (CAPs), Performance Measures, and Performance Improvement Projects (PIPs); and provide technical assistance for QI-related matters.

3. “Benchmark” means the process of comparing performance results with an external standard to evaluate performance and drive quality improvement efforts. Benchmarks may be generated from similar organizations, quality collaboratives, nationally recognized organizations, or authoritative bodies.
4. “External Quality Review Organization” or “EQRO” means an organization that meets the competence and independence requirements as specified in 42 CFR 438.354 and performs External Quality Review (EQR) activities as specified in 42 CFR 438.358 or 42 CFR 438.320.
5. “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.

6. "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.
7. "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.
8. "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.
9. "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.
10. "Member" means the same as "Client" as defined in A.R.S. § 36-551.

11. "Methodology" means the planned documented process, steps, activities, or actions taken to achieve a goal or Objective, or to progress towards a positive outcome.
12. "Monitoring" means the process of auditing, observing, evaluating, analyzing, and conducting follow-up activities and documenting results via desktop or onsite review.
13. "Objective" means a measurable step, generally one of a series of progressive steps, to achieve a goal.
14. "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.
15. "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].
16. "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.

17. "Performance Improvement Project" means a planned process of data gathering, evaluation, and analysis to determine interventions or activities that are projected to have a positive outcome. This process includes measuring the impact of the interventions or activities aimed toward improving quality of care and service delivery. Performance Improvement Projects (PIPs) are designed to achieve significant improvement, sustained over time, in health outcomes and member satisfaction, and include the elements outlined in 42 CFR 438.330(2). A PIP may also be referred to as a Quality Improvement Project (QIP).
18. "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.

19. “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.
20. “Quality” means the degree to which a Managed Care Organization (MCO) increases the likelihood of desired outcomes of its enrollees through:
- a. Its structural and operational characteristics;
 - b. The provision of services that are consistent with current professional, evidenced-based-knowledge; and
 - c. Interventions for performance improvement (42 CFR 438.320).
21. “Statistically Significant” means a judgment of whether a result occurred because of chance. When a result is statistically significant, it means that it is unlikely that the result occurred because of chance or random fluctuation. There is a cutoff for determining statistical significance which is defined as the significance level. If the probability of a result (the significance value or p value) is less than the cutoff (the significance level), the result is judged to be statistically significant. Statistical

significance is calculated utilizing the chi square methodology, and a statistically significant result is defined as a p value less than or equal to 0.05.

22. “Triple Aim” means a framework for optimizing health system performance consisting of the following three components:
- a. Improve the Member experience ~~and outcomes~~ of care, including quality and satisfaction;
 - 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 shall collect, monitor, and evaluate data relevant to the following performance metrics:

- a. Quality;
 - b. Timeliness;
 - c. Utilization;
 - d. Efficiency;
 - e. Member satisfaction;
 - f. Targeted investment; and
 - g. Performance Improvement.
2. The Division shall collect, monitor, and evaluate performance metric/performance measure data on an ongoing basis, and develop specific measurable goals or objectives aimed at enhancing the Quality Management/Performance Improvement (QM/PI) Program.
 3. The Division shall self-report performance metric/performance measure data to AHCCCS in accordance with AHCCCS Contract requirements.
 4. 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, National Committee

for Quality Assurance (NCQA) Healthcare Effectiveness Data and Information Set (HEDIS) measure sets, or other nationally recognized measure 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).
5. The Division shall comply with AHCCCS QM/PI Program requirements to enhance performance for all AHCCCS required performance measures.
 6. The Division shall compare the performance measure rates with national Benchmarks specified in the AdSS' contract effective during that measurement period.
 7. The Division shall use the calculated rates validated by AHCCCS' EQRO as the official rates utilized for determining compliance with performance measure requirements.

8. 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 Division shall comply with AHCCCS QM/PI Program requirements to meet established performance standards and maintain or improve performance for AHCCCS contractually required performance measures.
2. The Division shall utilize the results of its performance measure rates when evaluating its QM/PI Program performance.
3. The Division shall apply the performance measure specifications and methodologies in accordance with AHCCCS requirements and instructions for routine and ongoing monitoring and evaluation of performance measure rates.
4. The Division's QMU shall oversee activities delegated to the AdSS associated with performance measures.

5. The Division's QMU shall work collaboratively with the AdSS to ensure that the AdSS are achieving performance measure standards as part of the QM/PI Program plan.
6. The Division's QMU shall provide oversight to ensure that the AdSS:
 - a. Adhere to the requirements related to performance measure requirements.
 - b. Measures and reports performance measures and meets any associated standards mandated/identified by CMS for each measure.
 - c. Achieve the Performance Measure Performance Standards (PMPS) identified by AHCCCS for each measure based on the rates calculated by AHCCCS.
 - d. Develop an evidence-based Corrective Action Plan (CAP) for each measure not meeting the PMPS, including interventions specific to the Division's line of business to bring performance up to the minimum standards required by AHCCCS while adhering to AMPM Policy 920, Attachment B.

- e. 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.
 - f. Demonstrate and sustain improvement towards meeting PMPS.
- 7. The Division may take administrative action for PMPS that do not show Statistically Significant improvement in Official Rates.
 - 8. 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.
 - 9. 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.
 - 10. 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.
11. 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.
12. 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 performance measure rate data analysis 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 or any other focus areas identified by AHCCCS.
3. The Division shall review and evaluate its quality improvement data for accuracy, completeness, logic, and consistency as well as track and trend quality improvement data (including performance metric/performance measure data) to identify potential areas for improvement.
4. The Division shall identify and implement corrective actions with AdSS when QM/PI Program data (including performance metric/performance measure data) received from AdSS is not accurate, timely, and/or complete.
5. The Division shall utilize proven quality improvement tools when conducting root-cause analysis and problem-solving activities to identify and implement interventions aimed to improve performance.

6. The Division shall identify and implement targeted interventions to address any noted disparities identified as part of the Division's data analysis efforts.
7. The Division shall indicate if the interventions are applicable to Title XIX, Title XXI or both.
8. 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. Submit specific documentation to verify that indicator criteria were met in accordance with AHCCCS instruction.
 - b. Assign qualified personnel to collect data;
 - c. Implement Inter-Rater Reliability if more than one person is collecting and entering data; and

2. The Division shall ensure that data collected from multiple individuals is consistent and comparable through an implemented Inter-Rater Reliability process.
3. The Division shall ensure the documented Inter-Rater Reliability process includes:
 - a. A detailed description of the methodology for conducting the inter-rater reliability
 - b. The required minimum score to obtain in order to continue participation in data collection and reporting.
 - c. A mechanism to evaluate individual accuracy scores, and
 - d. Actions taken should an individual not meet the established accuracy score.
4. The Division shall provide evidence of implementation of the Inter-Rater Reliability process and the associated Monitoring to AHCCCS if requested.

E. PERFORMANCE METRIC AND MEASURE REPORTING

1. The Division shall align with the requirements outlined in Contract and AMPM 970 and adhere to the instructions provided

by AHCCCS and/or found within the AHCCCS QM/PI Reporting Templates & Checklists webpage.

2. 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.
3. The Division shall combine performance measure outcomes from the AdSS and submit those results to AHCCCS as specified in the AHCCCS contract.
4. 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.
5. 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.

6. The Division shall include all Medicaid Managed Care enrolled members (meeting the inclusion criteria outlined within the associated measure specifications) within its performance measure reporting.
7. The Division shall ensure the AdSS calculate, and report combined rates/percentages for the Medicaid and KidsCare populations.
8. The Division shall ensure the AdSS has the ability to calculate and report separate numerators, denominators, and rate/percentage for Medicaid as well as KidsCare, which shall be provided in accordance with AHCCCS' requests or instructions.

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.

SUPPLEMENTAL INFORMATION


Performance measures are utilized to evaluate whether the Division is fulfilling key contractual obligations and serve as an important element of the agency's approach to transparency in health services and VBP.

The Division's performance is publicly reported on the Division and AHCCCS website and other means, such as sharing of data with other State agencies, community organizations, and stakeholders.

PDSA Cycles consist of the following steps:

- a. Plan: Plan the change(s) or intervention(s), including a plan for collecting data. State the objective(s) of the intervention(s),
- b. Do: Try out the intervention(s) 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 change(s) or intervention(s), based on what was learned, and prepare a plan for retesting the intervention(s), and
- e. Repeat: Continue the cycle as new data becomes available until improvement is achieved.

Signature of Chief Medical Officer: 
[Anthony Dekker \(Jun 14, 2024 18:58 PDT\)](#)
Anthony Dekker, D.O.