

Additional Operational Details for Cat 3 in DY6

Overview

- HHSC updated the Category 3 Summary Work to reflect data reported in April DY5, and include PY3 goals for DY6 achievement milestones for most outcomes. For outcomes that are P4P in DY6, DY6 goals can be identified in the "reporting history" section of the Category 3 Summary tab, or the PFPM section of the Category 3 Summary tab.
- Milestone structure for DY6 is determined by the approved milestone structure for DYs 3 - 5.
- P4P outcomes will continue in DY6 as currently approved, including measure selection and approved subsets. Goals for DY6 will be set using the same baseline used for DY4 and DY5 goal setting.

Measurement Periods for DY6 Achievement Milestones:

- For outcomes that are P4P or Maintenance in DY6, goals can be achieved in either the standard 12 month Performance Year (PY) 3 that follows your PY2 measurement period used for achievement of DY5 goals, or the 12 month DY6 measurement period, with Carryforward available in the 12 months following the reported PY3 for achievement of DY6 milestone.
 - o Providers opting to use a non-consecutive PY3 measurement period for DY6 achievement will still need to use the standard PY3 measurement period that follows their PY2 measurement period for achievement of any carryforward from DY5 milestones (DY5 AM-2.x or DY5 PFPM's AM-3.x)
- For outcomes that are P4R in DY6, PY3 will be the 12 months following the measurement period used for reporting PY2.

Partial Payment in DY6:

- Partial payment for DY6 milestones AM-3.x will be measured as the percentage of improvement between the PY1 goal and the PY3 goal as defined in the Transition Year section of the PFM.
- **PY1 Goal Equivalent:** For outcomes that do not have a PY1 goal (outcomes using a DY4 baseline, PFPM outcomes) and outcomes where the DY6 goals are not a continuation of the methodology used for setting PY1 goals (QISMC outcomes with a DY6 goal set using the improvement floor formula, possibly IOS-Survey goals when methodology is determined), partial payment will be measured as the percentage of improvement between a PY1 goal equivalent and the PY3 goal.
 - o For outcomes that do not have a PY1 goal (DY4 baseline, PFPM outcomes), the PY1 goal equivalent is determined using the same calculations for a standard outcome PY1 goal (5% IOS, 10% QISMC).
 - o For outcomes with a DY6 goal set using the improvement floor, the PY1 goal equivalent is baseline plus 4% of the difference between the MPL and HPL
 - The PY1 goal equivalent, if needed, can be identified in the "Goal and Achievement Calculator" tab of the Cat 3 summary workbook by entering the baseline numerator and denominator.

Calculator for PFPM

Rate Part 1 of 1						
	Numerator	Denominator	Baseline Rate		DY5 AM-3.1 Goal	DY6 AM-3.1 Goal
Baseline	50	100	0.5000	NA	0.5500	0.5625
*PY1 equivalent goal for DY6 AM-3.1 partial achievement is 0.5250						
	Numerator	Denominator	Performance Rate		DY5 AM-3.1 % of Goal Achieved	DY6 AM-3.1 % of Goal Achieved
NA						
Performance Year 2						
Performance Year 3*						
Performance Year 4						

Goal Calculation Details:

DY6 goals for most outcomes are included in the current update of the Category 3 Summary Workbook, following the methodology outlined in the Transition Year section of the PFM

- **QISMC** - DY6 goal setting method for QISMC outcomes includes a standardized improvement floor for outcomes with a baseline near the HPL. This is intended to clear up current grey areas for outcomes with baselines close to or above the High Performance Level (HPL)
 - For outcomes with a baseline between the Minimum Performance Level (MPL) and HPL, DY6 goals are the greater absolute value of improvement of a 25% gap closure towards the HPL, or baseline + 10% of the difference between the HPL and MPL.
 - For outcomes with a baseline above the HPL, goals are the lesser absolute value of improvement of a 12.5% gap closure towards perfect, or baseline + 10% of the difference between the HPL and MPL.

PY3 QISMC Goal Setting for Category 3 P4P Outcomes		
Direction	Baseline	PY3 Goal
Positive (higher rates indicate improvement)	Below the MPL	baseline + .15*(HPL - MPL)
	Between MPL & HPL	the greater of: baseline + .25*(HPL - baseline) or baseline + .10*(HPL - MPL) †
	Above the HPL	the lesser of: baseline + .10*(HPL - MPL) † baseline +.125*(1- baseline)
Negative (lower rates indicate improvement)	Above the MPL	baseline -.15*(MPL - HPL)
	Between MPL & HPL	the lesser of: baseline -.25*(Baseline - HPL) or baseline -.10*(MPL - HPL) †
	Below the HPL	the greater of: baseline -.10*(MPL - HPL) † baseline -.125*(baseline)
† goal set using the improvement floor calculation		

- This may result in lower DY6 goals for outcomes with a baseline above the HPL, and higher goals for outcomes with a baseline below the HPL, eliminating the "notch effect" where a baseline above the HPL results in a greater value of improvement compared to a baseline below the HPL.
- DY6 goals set using the improvement floor can be identified in the "Goal and Achievement Calculator" tab of the Cat 3 summary workbook by entering the baseline numerator and denominator. In the example below, the provider had a baseline just above the HPL and DY4 and DY5 goals were calculated using the IOS methodology (DY5 goal = Baseline +.10*(1-Baseline)). The DY6 goal is set using the improvement floor (DY6 goal = baseline + .10*(HPL - MPL)) resulting in a slightly lower DY6 goal. Because the DY6 goal is set using the improvement floor, the PY1 goal equivalent for partial payment is also identified.

Rate Part 1 of 1						
	Numerator	Denominator	Baseline Rate	PY1 AM-1.1 Goal	PY2 AM-2.1 Goal	PY3 AM-3.1 Goal
Baseline	76	100	0.7600	0.7720	0.7840	0.7790
				*PY1 equivalent goal for DY6 AM-3.1 partial achievement is 0.7676		
	Numerator	Denominator	Performance Rate	AM-1.1 % of Goal Achieved	AM-2.1 % of Goal Achieved	AM-3.1 % of Goal Achieved
Performance Year 1						
Performance Year 2						
Performance Year 3*						
Performance Year 4						

- **IOS** - Goals are a 12.5 percent gap closure towards perfection over baseline.

PY3 IOS Goal Setting for Category 3 P4P Outcomes	
Direction	PY3 Goal
Positive	baseline + .125*(perfect - baseline)
Negative	baseline -.125*(baseline)

- **IOS – Survey** - (survey based outcomes in ODs 10 and 11) Goals are still TBD. HHSC will be speaking with CMS mid-July and hopes to have a resolution very soon.

Alternate Achievement Requests

- Providers with a currently approved alternate achievement request will submit a new request for DY6. Goals for DY6 should build on previously approved goals and take into consideration achievement reported to date.
- For QISMC outcomes with a baseline below the MPL, HHSC will allow new alternate achievement request to use the IOS calculation (12.5% gap closure) for DY6 only. This is in line with initial DY3-5 policies where providers could request at baseline submission an alternate achievement level for a QISMC outcome if the population measured is disparate compared to the population used to establish benchmarks. Benchmark sources are identified in the Category 3 compendium for a given outcome.
- Providers will submit Alternate Achievement Requests to anchors, and anchors will submit to HHSC on September 9th. HHSC will distribute a form later in July.

Population Focused Priority Measures

- PFPM goals will be calculated the same as Cat 3 outcomes, with the same rules for DY6 achievement milestone measurement periods. Partial achievement for DY6 achievement milestones will be measured over a PY1 equivalent goal.
- To reduce confusion, HHSC is referring to the first year following the PFPM baseline as PY2 so that for both primary Cat 3 outcomes and PFPM outcomes, PY2 is used to report achievement of DY5 milestones, and PY3 is used to report achievement of DY6 milestones. This is reflected in the updated Category 3 Summary Workbook.

Stretch Activities

- Providers with a P4R outcome and Stretch Activity in DY5 will select a new Stretch Activity for DY6 that does not duplicate their selection for DY5. Stretch activities for DY6 are outlined in the Transition Year section of the PFM. Alternately, providers may select a PFPM outcome that will replace the P4R outcome and the Stretch Activity in DY6. This PFPM outcome may duplicate a currently selected PFPM.
- Providers will submit their stretch activity selection for DY6, or their replacement PFPM to their Anchors, and Anchors will submit selections, along with responses to HHSC feedback to the DY6 participation template on September 9th. HHSC will provide anchors with a stretch activity selection template later in July.

Measure Specification for DY6

- HHSC does not intend to update the reporting companion at this time, but can issue additional guidance on specific measures if widely requested. Our guidance on the ICD-9 to ICD-10 transition is the same as in the past (copied below).
 - HHSC will not be updating the compendium with new ICD-10 codes and we do not plan to issue a code crosswalk specific to DSRIP Category 3. We ask providers (and Myers and Stauffer when relevant) to treat this as an instance where providers are using their best clinical judgment and then maintaining documentation of those clinical judgments and consistency throughout reporting periods. In this case, we would allow providers to use whatever guidance/crosswalks they are applying system-wide for the transition (for example, CMS GEMs 2016). Please notify HHSC if you identify a specific instance where the transition may make comparison between measurement periods invalid.