



Medicaid Managed Care Organization

Population Health Incentive Program (PHIP)

Measurement Year 2022

Table of Contents

Maryland HealthChoice Program Population Health Incentive Program (PHIP) Measurement Year 2022

Introduction	1
Methodology	2
Performance Measure Selection Process	2
Population Health Incentive Program Validation	3
Financial Incentive Methodology.....	5
Results	8
Validation Results.....	8
Performance Measure Results.....	10
Financial Incentive Results.....	11
Appendix A:	A-1

Maryland HealthChoice Program

Population Health Incentive Program (PHIP)

Measurement Year 2022

Introduction

The Maryland Department of Health (MDH) administers the state's Medicaid managed care program, Maryland HealthChoice Program (HealthChoice). Operating since June 1997 under the Centers for Medicare & Medicaid Services' (CMS) §1115 waiver and Code of Maryland Regulations (COMAR), HealthChoice emphasizes providing quality health care, which is patient-focused, prevention-oriented, coordinated, accessible, and cost-effective. HealthChoice aims to improve quality and access to coordinated services for qualifying enrollees through nine Medicaid managed care organizations (MCOs). HealthChoice served over 1,528,338 enrollees during its 24th year of operation.

Per federal regulations, MDH must contract with an external quality review organization (EQRO) to conduct annual, independent reviews of Maryland's HealthChoice program. To meet these requirements, MDH contracts with Qlarant. As the EQRO, Qlarant will validate annual Population Health Incentive Program (PHIP) activities of each HealthChoice MCO pursuant to the *CMS External Quality Review (EQR) Protocol 7 Calculation of Additional Performance Measures*. Qlarant collaborates with MetaStar, Inc. (MetaStar), a NCQA-Licensed Organization, and The Hilltop Institute of the University of Maryland Baltimore County (Hilltop) for completion of PHIP validation activities. In accordance with Code of Maryland Regulations (COMAR) 10.67.04.03-2, financial incentives are allocated annually to HealthChoice managed care organizations (MCOs) that demonstrate high-quality care based on standardized measures of performance.

The nine participating MCOs in the HealthChoice program are:

- Aetna Better Health of Maryland (ABH)
- CareFirst Community Health Plan (CFCHP)
- Jai Medical Systems, Inc. (JMS)
- Kaiser Permanente of the Mid-Atlantic States, Inc. (KPMAS)
- Maryland Physicians Care (MPC)
- MedStar Family Choice, Inc. (MSFC)
- Priority Partners (PPMCO)
- UnitedHealthcare Community Plan (UHC)
- Wellpoint Maryland (WPM)

This report includes PHIP results for HealthChoice MCOs for the measurement year (MY) 2022 reporting period of January 1, 2022, to December 31, 2022.

Methodology

MDH has selected HEDIS^{®1} and state-specific performance measures for the PHIP program. Selected HEDIS measures are calculated and validated per *HEDIS Volume 2: Technical Specifications for Health Plans* and then compared to the nationally calculated Quality Compass percentiles. These percentiles are used as incentive benchmarks to determine if the MCO's quality improvement efforts have successfully resulted in improved health outcomes. For state-specific performance measures, MDH and Hilltop calculate percentiles for comparison across HealthChoice MCOs.

Performance Measure Selection Process

MDH selects performance measures with input from stakeholders, which include MCOs and the Maryland Medicaid Advisory Committee. Measure selection is based on legislative priorities, HealthChoice enrollee health care needs, and the below criteria:

- Whether the topic is relevant to the HealthChoice core populations, which include children, special needs children, pregnant women, adults with disabilities, and adults with chronic conditions;
- Whether the topic is prevention-oriented to promote optimum health;
- Whether the topic is measurable with data availability;
- Whether the topic is consistent with CMS Medicaid Core Set or HEDIS performance measures; and
- Whether the MCOs can achieve quality improvement and positive health outcomes in this topic.

¹ HEDIS[®] – Health Care Effectiveness Data and Information Set. HEDIS[®] is a registered trademark of the National Committee for Quality Assurance (NCQA)

Population Health Incentive Program Validation

MY 2022 PHIP rates were drawn from HEDIS and encounter data rates reported by MCOs and/or the Maryland Department of Environment (MDE). Table 1 displays the selected PHIP measures for MY 2022.

Table 1. MY 2022 PHIP Measures

Performance Measure	Domain	Measure Source	Reporting Entity
Ambulatory Care Visits for Supplemental Security Income (SSI) Adults	Access to Care	Encounter Data	MCO
Ambulatory Care Visits for SSI Children	Access to Care	Encounter Data	MCO
Asthma Medication Ratio (AMR)	Effectiveness of Care	HEDIS	MCO
Continued Opioid Use (COU): ≥ 31 days covered	Effectiveness of Care	HEDIS	MCO
Hemoglobin A1c Control for Patients with Diabetes (HBD): Poor HbA1c Control ($>9\%$)	Effectiveness of Care	HEDIS	MCO
Lead Screenings for Children: Ages 12 to 23 Months	Effectiveness of Care	Encounter, Lead Registry, and Fee for Service Data	MCO/MDE*
Lead Screening in Children (LSC)	Effectiveness of Care	HEDIS	MCO*
Prenatal and Postpartum Care (PPC): Timeliness of Prenatal Care	Access and Availability to Care	HEDIS	MCO
Prenatal and Postpartum Care (PPC): Postpartum Care	Access and Availability to Care	HEDIS	MCO

*These measures are valued as a composite combining two sub-measures, weighted each at 50%: an MDH-homegrown measure for lead screenings in children, and a HEDIS measure for lead screening in children (LSC).

HEDIS Measure Validation

HealthChoice MCOs are required to collect and report audited HEDIS data under COMAR 10.67.04.03B (2). The PHIP program includes the following six HEDIS measures:

- Asthma Medication Ratio
- Hemoglobin A1c Control for Patients with Diabetes - HbA1c Control ($>9.0\%$)
- Prenatal and Postpartum Care: Timeliness of Prenatal Care

- Prenatal and Postpartum Care: Postpartum Care
- Lead Screening in Children
- Continued Opioid Use - greater or equal to 31 days covered

MDH contracted with MetaStar to validate measures and conduct the NCQA HEDIS Compliance Audits™². MetaStar validated the six HEDIS measures and conducted the audits to ensure HEDIS data reported publicly by HealthChoice MCOs are accurate and reliable. The audit is conducted in three phases: a pre-onsite visit, an onsite visit, and a post-onsite visit (reporting), as displayed in Table 2.

Table 2. HEDIS Audit Phases and Activities

Audit Phase	Activities
Pre-onsite	<ul style="list-style-type: none"> • Perform a review of each MCO’s HEDIS Record of Administration, Data Management, and Processes (Roadmap). The Roadmap captures self-reported information about an MCO’s data systems and processes used for HEDIS data reporting. • Perform source code review and supplemental data validation; provide medical record review validation results; and select HEDIS measures to audit in further detail (results are then extrapolated to the rest of the HEDIS measures). • Conduct conference calls with each MCO to review any HEDIS guideline updates or measure specification changes and provide technical assistance.
Onsite	<ul style="list-style-type: none"> • Investigate issues identified in the Roadmap, interview key staff, and review systems and processes used to collect data and produce HEDIS measures.
Post-onsite	<ul style="list-style-type: none"> • Provide all MCOs with a list of follow-up items needed to complete the audit. • Require the MCO to implement corrective actions, which need to be completed with enough time to allow the auditor to assess the effect on measure results prior to final rate submission, if applicable. • Complete a final audit report and assign possible audit designations (Table 3) when the MCO has provided all requested documents and performed the recommended corrective actions. • Submit final HEDIS data to NCQA. • Provide a final audit report to the MCO and NCQA.

Table 3 displays HEDIS Compliance Audit Designations.

² NCQA HEDIS Compliance Audit™ is a trademark of the National Committee for Quality Assurance (NCQA).

Table 3. HEDIS Compliance Audit Designations

HEDIS Designation	Description
R	Reportable; the MCO submitted a reportable rate for the measure.
NA	Small Denominator; the MCO followed the specifications, but the denominator was too small (e.g., <30) to report a valid rate.
NB	No Benefit; the MCO did not offer the health benefit required by the measure.
NR	Not Reported; the MCO chose not to report the measure.

Encounter Data Measure Validation

PHIP encounter data measures were calculated by Hilltop. Hilltop used encounter data submitted by the MCOs, Lead Registry data submitted by MDE, and fee-for-service data, respectively, to calculate the below encounter data measures:

- Ambulatory Care Visits for SSI Adults
- Ambulatory Care Visits for SSI Children
- Lead Screenings for Children - Ages 12 to 23 Months

Qlarant validated the three measures by reviewing both data collection and processing systems and reviewing the source code for each measure to determine compliance with MDH's measure specifications. Validation designations were used to characterize the findings, as shown in Table 4.

Table 4. Validation Designation for Encounter Data Measures

Validation Designation	Description
R	Reportable; the measure was compliant with state specifications.
DNR	Do not report; the MCO rate was materially biased and should not be reported.
NA	Not applicable; the MCO was not required to report the measure.
NR	Not reportable; the measure was not reported because the MCO did not offer the required benefit.

Financial Incentive Methodology

The incentive payment structure is based on current performance and historical improvement in both HEDIS and non-HEDIS quality measures. The financial rewards to MCOs are based on performance and improvements of HEDIS and non-HEDIS quality measures against objective benchmarks. Available funds will be allocated through two rounds of incentive payments:

- In Round 1, payments to plans are made from the allocated incentive funding based on performance during the measurement year and improvement from the previous year. The maximum possible allocated incentive for each MCO will be up to 0.5% of total capitation payments during the measurement year (excluding supplemental payments). The amount will be determined by MDH budget allocations for the performance year under review.
- In Round 2, unallocated funds from Round 1 are redistributed among high-performing MCOs as additional incentives, up to a per-plan limit of 1% of the plan's measurement year capitation as total payment from Round 1 and Round 2.

Round 1 Incentives

Round 1 Incentives consist of two types of incentives: performance incentives and improvement incentives:

- Tier 1: Performance incentives are intended to reward strong performance in the measurement year. Up to 100% of the Round 1 incentives can be earned through performance on quality measures during the measurement year.
- Tier 2: Improvement incentives are intended to reward year-over-year improvement. Up to one-third (1/3) of the Round 1 incentives can be earned through improvement for MCOs that do not earn full performance incentives.

The performance incentives are intended to reward MCOs for strong objective performance on each performance measure. This objective assessment will be made by comparing individual MCO performance on each measure to one of the following:

- For HEDIS measures, the distribution of national Medicaid health maintenance organization (HMO) scores for the measure during the measurement year using the HEDIS Quality Compass percentiles.
- For non-HEDIS measures, the distribution of Maryland MCO scores for the measure during the measurement year as determined by Hilltop.

Each measure has a base value of one-eighth of the available incentive dollars per plan, which is a percentage of each plan's total capitation, not to exceed 1%, during the measurement year. Based on the measurement year score, MCOs will be assigned to one of the following four categories for each measure:

- **Superlative performance:** Measurement scores at or above the 90th percentile of Medicaid HMOs nationwide (HEDIS) or among Maryland MCOs (non-HEDIS). For a score within this category, the MCO would receive 1/8 of 0.5 percent of capitation.
- **Very strong performance:** Measurement scores in the 75th to 89th percentiles (inclusive) of Medicaid HMOs nationwide (HEDIS) or among Maryland MCOs (non-HEDIS). For a score within this category, the MCO would receive 2/3 of 1/8 of 0.5 percent of capitation.
- **Strong performance:** Measurement scores within the 50th to 74th percentiles (inclusive) of Medicaid HMOs nationwide (HEDIS) or among Maryland MCOs (non-HEDIS). For a score within this category, the MCO would receive 1/3 of 1/8 of 0.5 percent of capitation.

- **None of the above:** Measurement scores below the 50th percentile of all Medicaid HMOs nationwide (HEDIS) or among Maryland MCOs (non-HEDIS). The MCO would not receive an incentive within this category.

The improvement incentives are intended to reward objectively strong improvement for MCOs that did not achieve superlative performance in the measurement year. For each measure, MCOs would receive 1/3 of the 1/8 of 0.5 percent of capitation if the following requirements are met:

- The MCO demonstrated improvement of at least 0.5 percentage points in the measure from the previous year, **AND**
- The MCO's current measurement year score is greater than or equal to the national 50th percentile.
- For any performance measures in which a lower score indicates stronger performance, year-over-year "improvement" is a reduction in the score for that measure.

Round 2 Incentives

In Round 2, unallocated program-wide funds from Round 1—that is, funds not disbursed from the total allocated to all MCOs in Round 1—would be redistributed among MCOs that meet the following qualifying criteria:

- The MCO earned above 80% of possible Round 1 incentives, **AND**
- The MCO performed sufficiently well on the HEDIS Performance Monitoring Policy requirements for the measurement year.

The incentive payments from Round 2 are not to exceed more than 1% of capitation in total across both rounds of incentives for any individual MCO. If the remaining funds from Round 1 are not sufficient to settle all qualifying MCOs up to 1% of capitation in Round 2, then the remaining funds will be disbursed proportionally among qualifying MCOs based on the amount of funding needed to achieve 1% of total capitation.

Additional Clarifications for Round 2 Incentives

If the leftover funds from Round 1 are not sufficient to settle all qualifying MCOs up to 1% of capitation in Round 2, then the leftover funds will be disbursed proportionally among qualifying MCOs based on the amount of funding needed to achieve 1% of total capitation.

If there are additional funds remaining after settling qualifying MCOs up to 1% of capitation across both rounds, then MDH may, within its discretion, make additional payments to MCOs that are below 1% of capitation based on improvement or performance, or place remaining funds into a non-lapsing pool.

Results

Validation Results

Table 5 illustrates the HealthChoice MetaStar HEDIS measure validation results for MY 2022.

Table 5. MY 2022 MetaStar HEDIS Measure Validation Results

Performance Measure	ABH	CFCHP	JMS	KPMAS	MPC	MSFC	PPMCO	UHC	WPM
Asthma Medication Ratio (AMR)	R	R	R	R	R	R	R	R	R
Hemoglobin A1c Control for Patients with Diabetes (HBD): Poor HbA1c Control (>9%)	R	R	R	R	R	R	R	R	R
Lead Screening in Children (LSC)	R	R	R	R	R	R	R	R	R
Prenatal and Postpartum Care (PPC): Timeliness of Prenatal Care	R	R	R	R	R	R	R	R	R
Prenatal and Postpartum Care (PPC): Postpartum Care	R	R	R	R	R	R	R	R	R
Continued Opioid Use (COU): >=31 days covered	R	R	R	R	R	R	R	R	R

R = Reportable; the MCO submitted a reportable rate for the measure.

Table 6 illustrates the HealthChoice encounter data measure validation results for MY 2022.

Table 6. MY 2022 Encounter Data Measure Validation Results

Performance Measure	ABH	CFCHP	JMS	KPMAS	MPC	MSFC	PPMCO	UHC	WPM
Ambulatory Care Visits for SSI Adults	R	R	R	R	R	R	R	R	R
Ambulatory Care Visits for SSI Children	R	R	R	R	R	R	R	R	R
Lead Screenings for Children – Ages 12 to 23 Months	R	R	R	R	R	R	R	R	R

R = Reportable; the measure was compliant with state specifications.

Model Parameters

The table below displays the total funding available for incentives for each MCO. Per MDH, there was 0.5% of capitation available for incentives, with an improvement buffer of 0.5%.

Table 7. Total Available Funds for PHIP

Capitation Payments	ABH	CFCHP	JMS	KPMAS	MPC	MSFC	PPMCO	UHC	WPM
Total available for Round 1 incentives	\$1,430,493	\$2,271,024	\$1,078,815	\$2,775,057	\$7,018,433	\$2,986,805	\$9,172,929	\$4,231,117	\$7,157,234
Max payout for each of the full measures (1/8th of available cap)	\$178,812	\$283,878	\$134,852	\$346,882	\$877,304	\$373,351	\$1,146,616	\$528,890	\$894,654
Max payout for each of the lead sub-measures (1/16th of available cap)	\$89,406	\$141,939	\$67,426	\$173,441	\$438,652	\$186,675	\$573,308	\$264,445	\$447,327

Performance Measure Results

Table 8. Tier 1 Performance Incentives: MY 2022 PHIP Benchmark Percentiles

Measure	ABH	CFCHP	JMS	KPMAS	MPC	MSFC	PPMCO	UHC	WPM
Ambulatory Care Visits for SSI Adults (MDH)	58.6%	72.6%	87.1%	70.9%	82.6%	79.6%	82.0%	76.2%	77.9%
Ambulatory Care Visits for SSI Children (MDH)	47.0%	70.5%	81.3%	71.0%	81.9%	75.3%	82.6%	75.2%	78.8%
Asthma Medication Ratio (AMR)	56.2%	75.8%	68.6%	98.1%	71.4%	65.4%	67.3%	56.8%	66.9%
Continued Opioid Use (COU): >=31 days covered [^]	3.5%	3.4%	3.9%	0.8%	3.8%	2.3%	3.9%	3.4%	2.4%
Hemoglobin A1c Control for Patients with Diabetes (HBD): Poor HbA1c Control (>9%) [^]	38.0%	38.0%	29.2%	30.7%	32.9%	30.7%	32.4%	36.3%	37.2%
Lead Screening in Children (LSC)*	66.2%	67.2%	82.2%	84.8%	65.0%	75.4%	72.0%	67.3%	74.0%
Lead Screenings for Children – Ages 12 to 23 Months* (MDH)	53.5%	58.0%	74.5%	69.6%	55.9%	61.0%	63.2%	56.0%	60.2%
Prenatal and Postpartum Care (PPC): Postpartum Care	78.6%	83.5%	85.3%	87.3%	83.5%	88.0%	82.0%	74.9%	80.4%
Prenatal and Postpartum Care (PPC): Timeliness of Prenatal Care	84.2%	88.9%	87.7%	88.6%	89.1%	83.2%	92.2%	87.4%	90.0%

Red = <50th percentile (no incentive); Yellow = 50-74th percentile (strong); Light green = 75-89th percentile (very strong); Dark green = 90th percentile (superlative)

*These measures are valued as a composite combining two submeasures, with each weighted at 50%: an MDH-homegrown measure for lead screenings in children, and a HEDIS measure for lead screening in children (LSC).

[^]A lower rate indicates a better performance.

Table 9. Tier 2 Improvement Incentives

Measure	ABH	CFCHP	JMS	KPMAS	MPC	MSFC	PPMCO	UHC	WPM
Ambulatory Care Visits for SSI Adults (MDH)	No	No	No	No	No	No	No	No	No
Ambulatory Care Visits for SSI Children (MDH)	No	No	No	No	No	No	No	No	No
Asthma Medication Ratio (AMR)	No	Yes	No	No	Yes	No	No	No	No
Continued Opioid Use (COU): >=31 days covered^	No	No	No	No	No	No	No	No	No
Hemoglobin A1c Control for Patients with Diabetes (HBD): Poor HbA1c Control (>9%)^	No	Yes	No	No	No	Yes	Yes	Yes	No
Lead Screening in Children (LSC)*	Yes	No	No	No	No	No	No	No	No
Lead Screenings for Children – Ages 12 to 23 Months* (MDH)	No	No	No	No	No	No	Yes	No	No
Prenatal and Postpartum Care (PPC): Postpartum Care	No	Yes	No	No	No	No	No	No	No
Prenatal and Postpartum Care (PPC): Timeliness of Prenatal Care	Yes	Yes	No	No	Yes	No	No	No	No

Blue Yes = Improvement; Gray No = No Improvement

*These measures are valued as a composite combining two submeasures, with each weighted at 50%: an MDH-homegrown measure for lead screenings in children, and a HEDIS measure for lead screening in children (LSC).

^ A lower rate indicates a better performance.

Financial Incentive Results

Performance incentives aim to reward MCOs for strong objective performance on each performance measure. The tables below display the financial incentives for each MCO based on specific performance measures.

Round 1

Table 10. Tier 1 Performance Measure Incentive Dollars Awarded

Measure	ABH	CFCHP	JMS	KPMAS	MPC	MSFC	PPMCO	UHC	WPM
Ambulatory Care Visits for SSI Adults (MDH)	\$0	\$0	\$134,852	\$0	\$584,869	\$124,450	\$382,205	\$0	\$0
Ambulatory Care Visits for SSI Children (MDH)	\$0	\$0	\$44,951	\$0	\$292,435	\$0	\$764,411	\$0	\$298,218
Asthma Medication Ratio: Ages 5-64	\$0	\$189,252	\$44,951	\$346,882	\$584,869	\$0	\$382,205	\$0	\$298,218
Risk of Continued Opioid Use (COU): >=31 days covered	\$0	\$94,626	\$0	\$346,882	\$0	\$124,450	\$0	\$176,297	\$298,218
Comprehensive Diabetes Care: Hemoglobin A1c (HbA1c) Poor Control (>9.0%)	\$59,604	\$94,626	\$134,852	\$231,255	\$584,869	\$248,900	\$764,411	\$176,297	\$298,218
Lead Screening in Children (HEDIS)*	\$29,802	\$47,313	\$67,426	\$173,441	\$146,217	\$124,450	\$382,205	\$88,148	\$298,218
Lead Screenings for Children (MDH)*	\$0	\$0	\$67,426	\$173,441	\$0	\$62,225	\$191,103	\$0	\$0
Prenatal and Postpartum Care: Postpartum Care	\$59,604	\$189,252	\$134,852	\$346,882	\$584,869	\$373,351	\$764,411	\$0	\$298,218
Prenatal and Postpartum Care: Timeliness of Prenatal Care	\$59,604	\$189,252	\$44,951	\$231,255	\$584,869	\$0	\$1,146,616	\$176,297	\$596,436
TOTAL	\$208,614	\$804,321	\$674,259	\$1,850,038	\$3,362,999	\$1,057,827	\$4,777,567	\$617,038	\$2,385,745

*These measures are valued as a composite combining two submeasures, with each weighted at 50%: an MDH-homegrown measure for lead screenings in children, and a HEDIS measure for lead screening in children (LSC).

Color coding correlates with Table 8. Tier 1 Performance Incentives: MY 2022 PHIP Benchmark Percentiles.

Table 11. Tier 2 Improvement Incentive Dollars Awarded

Measure	ABH	CFCHP	JMS	KPMAS	MPC	MSFC	PPMCO	UHC	WPM
Ambulatory Care Visits for SSI Adults (MDH)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ambulatory Care Visits for SSI Children (MDH)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asthma Medication Ratio: Ages 5-64	\$0	\$94,626	\$0	\$0	\$292,435	\$0	\$0	\$0	\$0
Risk of Continued Opioid Use (COU): >=31 days covered	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Comprehensive Diabetes Care: Hemoglobin A1c (HbA1c) Poor Control (>9.0%)	\$0	\$94,626	\$0	\$0	\$0	\$124,450	\$382,205	\$176,297	\$0
Lead Screening in Children (HEDIS)*	\$29,802	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lead Screenings for Children (MDH)*	\$0	\$0	\$0	\$0	\$0	\$0	\$191,103	\$0	\$0
Prenatal and Postpartum Care: Postpartum Care	\$0	\$94,626	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prenatal and Postpartum Care: Timeliness of Prenatal Care	\$59,604	\$94,626	\$0	\$0	\$292,435	\$0	\$0	\$0	\$0
TOTAL	\$89,406	\$378,504	\$0	\$0	\$584,869	\$124,450	\$573,308	\$176,297	\$0

*These measures are valued as a composite combining two submeasures, with each weighted at 50%: an MDH-homegrown measure for lead screenings in children, and a HEDIS measure for lead screening in children (LSC).

Color coding correlates with Table 9. Tier 2 Improvement Incentives.

Table 12. Round 1 Incentive Award Summary (Tier 1 & Tier 2)

Total Payments	ABH	CFCHP	JMS	KPMAS	MPC	MSFC	PPMCO	UHC	WPM	All MCOs
Tier 1- Performance Incentives	\$208,614	\$804,321	\$674,259	\$1,850,038	\$3,362,999	\$1,057,827	\$4,777,567	\$617,038	\$2,385,745	\$15,738,407
Tier 2 - Improvement Incentives	\$89,406	\$378,504	\$0	\$0	\$584,869	\$124,450	\$573,308	\$176,297	\$0	\$1,926,834
TOTAL INCENTIVES FOR ROUND 1	\$298,019	\$1,182,825	\$674,259	\$1,850,038	\$3,947,868	\$1,182,277	\$5,350,875	\$793,334	\$2,385,745	\$17,665,241
Maximum Possible Incentives from Round 1	\$1,430,493	\$2,271,024	\$1,078,815	\$2,775,057	\$7,018,433	\$2,986,805	\$9,172,929	\$4,231,117	\$7,157,234	\$38,121,907
Proportion of Potential Round 1 Incentives Earned	21%	52%	63%	67%	56%	40%	58%	19%	33%	46%

Round 2

No financial incentives were awarded to any of the MCOs for Round 2.

Summary

Table 13. Summary for Round 1 and Round 2 Incentives Awarded

Total Payments	ABH	CFCHP	JMS	KPMAS	MPC	MSFC	PPMCO	UHC	WPM	All MCOs
Round 1 – Performance (Tier 1)	\$208,614	\$804,321	\$674,259	\$1,850,038	\$3,362,999	\$1,057,827	\$4,777,567	\$617,038	\$2,385,745	\$15,738,407
Round 1 – Improvement (Tier 2)	\$89,406	\$378,504	\$0	\$0	\$584,869	\$124,450	\$573,308	\$176,297	\$0	\$1,926,834
TOTAL INCENTIVES FOR ROUND 1	\$298,019	\$1,182,825	\$674,259	\$1,850,038	\$3,947,868	\$1,182,277	\$5,350,875	\$793,334	\$2,385,745	\$17,665,241
Round 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Incentives (Round 1 and Round 2)	\$298,019	\$1,182,825	\$674,259	\$1,850,038	\$3,947,868	\$1,182,277	\$5,350,875	\$793,334	\$2,385,745	\$17,665,241
Percent of 2022 Capitation Earned as Incentives	0.10%	0.26%	0.31%	0.33%	0.28%	0.20%	0.29%	0.09%	0.17%	0.23%

After Round 1 and Round 2 incentives were earned, \$20,456,666 was left as unallocated funds from Round 2. MDH credited this remaining amount to a non-lapsing fund.

Conclusion

The Population Health Incentive Program (PHIP) is an incentive program designed to provide a financial reward to MCOs based on performance within certain measures, including both identified HEDIS measures and MDH-developed encounter measures. Round 1 is based on a two-tier review, looking at MCO performance and improvement within identified measures. All nine MCOs received a financial reward for Round 1 Tier 1 for performance. Six of the nine MCOs (ABH, CFCHP, MPC, MSFC, PPMCO, and UHC) received a Round 1 Tier 2 improvement incentive. No MCO received a Round 2 incentive. The remaining funds have been credited to a non-lapsing fund.

Quality Strategy Highlights

MDH set task goals for the following HEDIS measures in the HealthChoice Quality Strategy for 2022-2024³, based on pre-Covid public health emergency aggregate performance. Quality Strategy targets for the MDH-developed measures are currently in development. Specific HealthChoice performance metrics and targets are displayed in Table 14 below.

Table 14. Maryland Reportable Rate against Quality Strategy Targets

Performance Measures	MDH Quality Strategy Targets for MY 2024	Maryland Average Reportable Rate (MARR) ⁴
Asthma Medication Ratio (AMR)	70.6%	69.6%
Continued Opioid Use (COU): ≥ 31 days covered*	1.9%	3.0%
Hemoglobin A1c Control for Patients with Diabetes (HBD): Poor HbA1c Control ($>9\%$)*^	36.9%	33.9%
Lead Screening in Children (LSC)	82.8%	72.7%
Prenatal and Postpartum Care (PPC): Postpartum Care	81.3%	82.6%
Prenatal and Postpartum Care (PPC): Timeliness of Prenatal Care	88.2%	87.9%

*A lower rate indicates a better performance.

^Previously Comprehensive Diabetes Care (CDC), HbA1c Poor Control ($>9.0\%$).

The HBD Poor HbA1c control measure ($>9\%$) MARR exceeded the quality goal by three percentage points as a lower rate for this measure indicates better performance. The Maryland Average Reportable Rate for both prenatal and postpartum care measures exceeded the quality strategy goal, by ten percentage points (Postpartum Care) and nine percentage points (Timeliness of Prenatal Care), respectively.

³ [HealthChoice Quality Strategy 2022-2024](#)

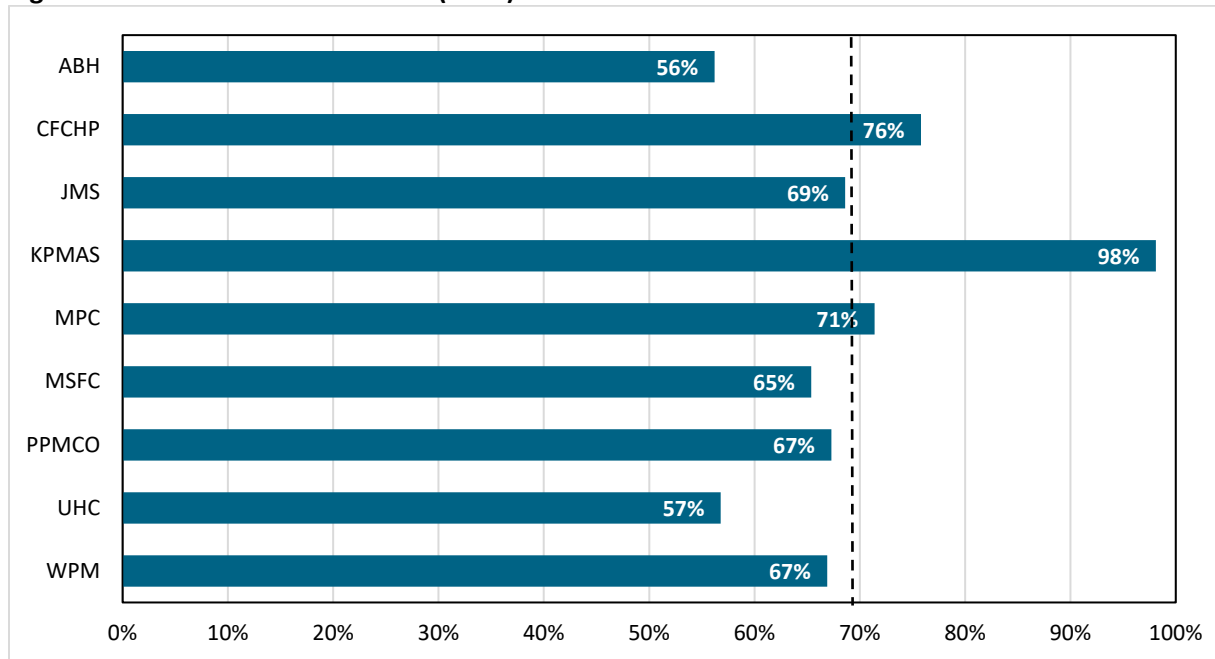
⁴ [MetaStar Statewide Executive Summary Report HealthChoice Participating Organizations HEDIS MY 2022 Results](#)

Quality, Access, and Timeliness. MCOs must ensure that HealthChoice Program enrollees receive high quality care that increases access to timely services and promotes desired health outcomes. MCO commitment to quality, access, and timeliness standards positively impacted desired health outcomes for enrollees during the measurement period. For MY 2022, MCOs demonstrated improved performance for the following PHIP measures: Asthma Medication Ratio, Poor HbA1c Control, Lead, Postpartum Care, and Timeliness of Prenatal Care.

MY 2022 is the first implementation year of the two-round incentive design. Analysis of select PHIP measures to determine incentivized performance promotes the delivery of high-quality care within the HealthChoice managed care program. Overall, results of PHIP activities demonstrate steady improvement in meeting or exceeding the current measurement year's benchmarks and improving year over year.

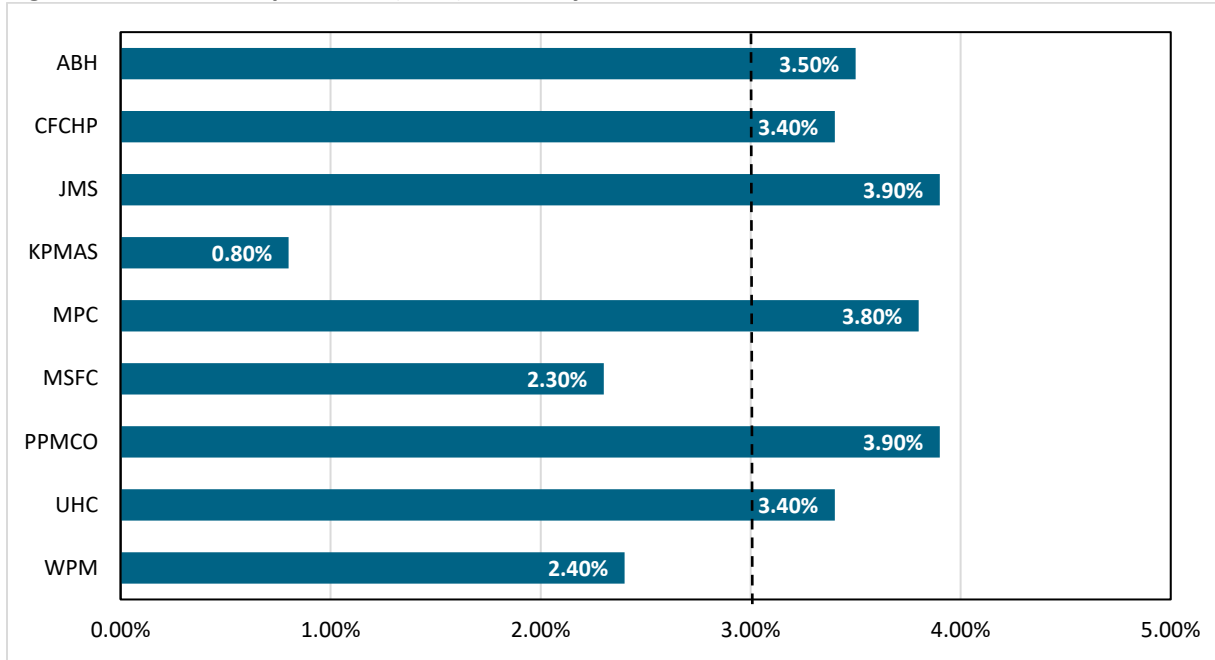
Appendix A: Quality Strategy Performance Measures by MCO Compared to Maryland Average Reportable Rate

Figure 1. Asthma Medication Ratio (AMR)



^The dotted line represents the Maryland Average Reportable Rate.

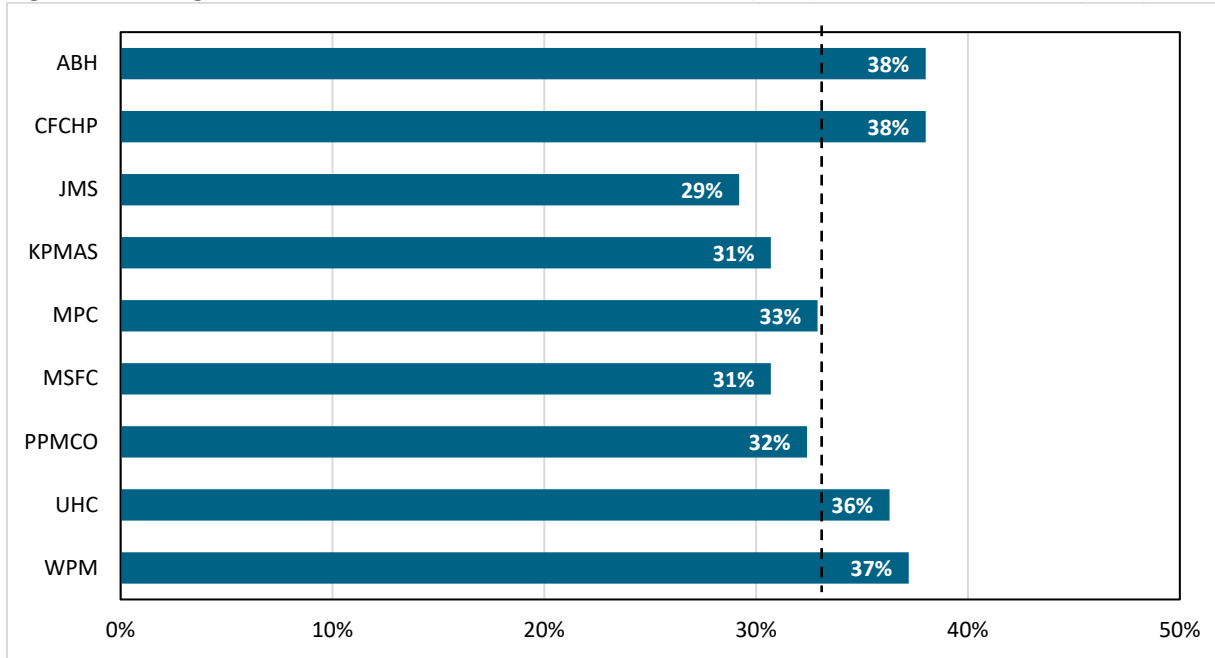
Figure 2. Continued Opioid Use (COU) >=31 Days Covered*



*A lower rate indicates a better performance.

^The dotted line represents the Maryland Average Reportable Rate.

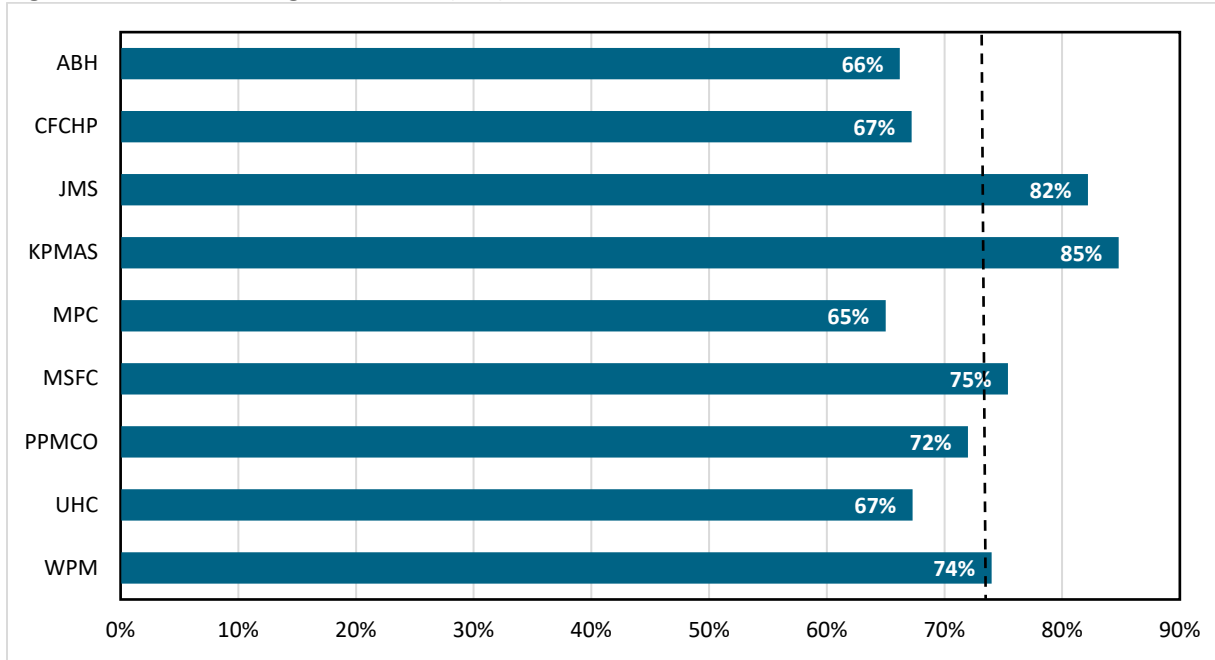
Figure 3. Hemoglobin A1c Control for Patients with Diabetes (HBD): Poor HbA1c Control (>9%)*



*A lower rate indicates a better performance.

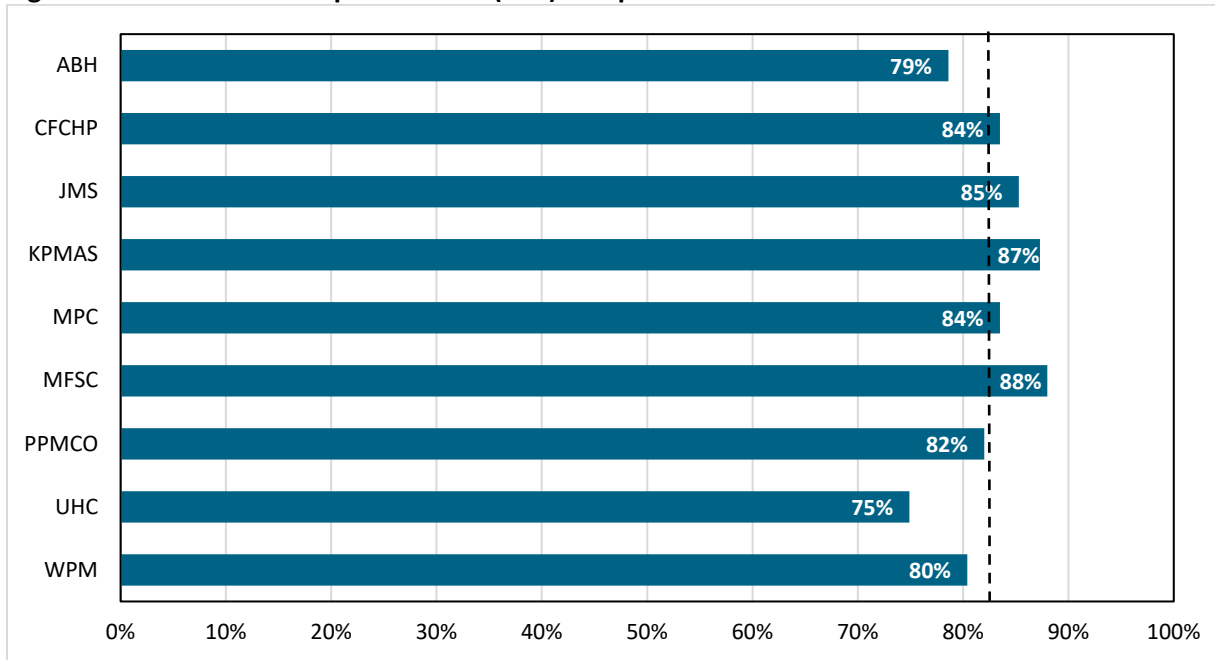
^The dotted line represents the Maryland Average Reportable Rate.

Figure 4. Lead Screening in Children (LSC)



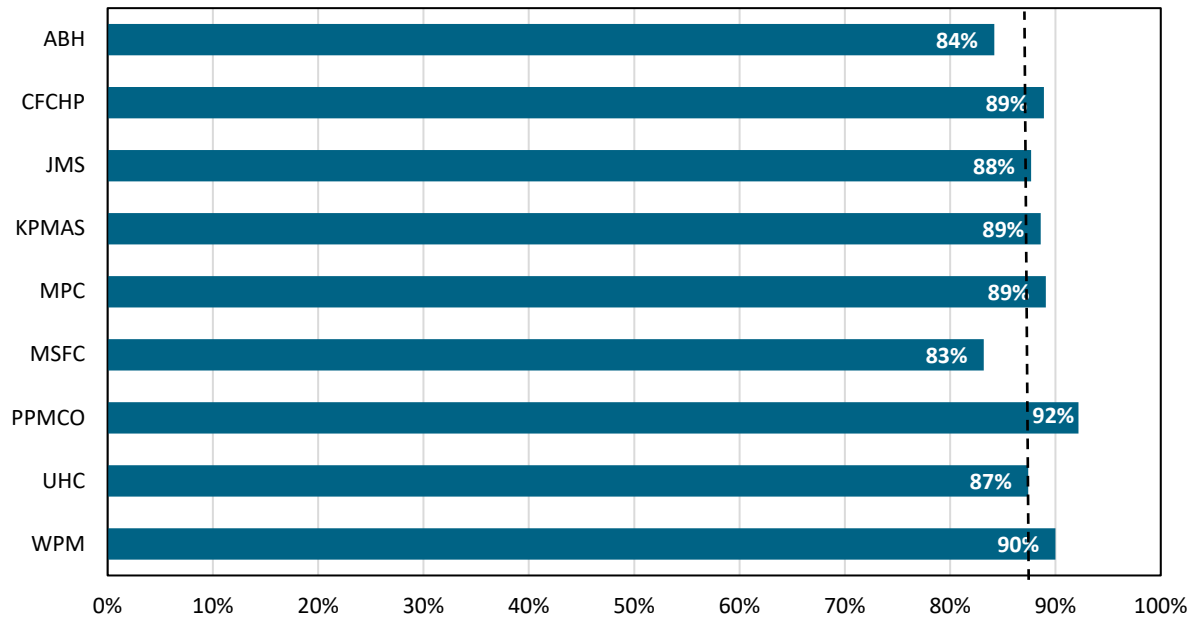
^The dotted line represents the Maryland Average Reportable Rate.

Figure 5. Prenatal and Postpartum Care (PPC) Postpartum Care



^The dotted line represents the Maryland Average Reportable Rate.

Figure 6. Prenatal and Postpartum Care (PPC) Timeliness of Prenatal Care



^The dotted line represents the Maryland Average Reportable Rate.