



**HealthChoice  
Illinois**  
Illinois Department of  
Healthcare and Family Services

*Illinois Department of Healthcare and Family  
Services (HFS)*

*Pay-for-Performance (P4P) and Pay-for-  
Reporting (P4R) Program Methodology for  
Measurement Year 2024*

*September 2023*





# Illinois MY 2024 Pay-for-Performance (P4P) and Pay-for-Reporting (P4R) Program Methodology

## Project Overview

The Illinois Department of Healthcare and Family Services (HFS) contracted with Health Services Advisory Group, Inc. (HSAG) to develop scoring mechanisms for the managed care Pay-for-Performance (P4P) and Pay-for-Reporting (P4R) Programs. For measurement year (MY) 2024, each managed care organization (MCO) will be evaluated on 10 Healthcare Effectiveness Data and Information Set (HEDIS®)<sup>1</sup> measures (18 measure indicators) as P4P measures and 16 HEDIS and non-HEDIS measures (35 measure indicators) as P4R measures. In addition to P4P measures, a portion of the P4P program withhold will be used to incentivize MCO reporting of some reporting-only measures. The reporting measures were chosen to expand the measures included in the P4P program in subsequent years to better align with HFS’ five pillars of improvement. The reporting measures include HEDIS, Centers for Medicare & Medicaid Services (CMS) Core Set of Adult Health Care Quality Measures for Medicaid (Adult Core Set), CMS Medicaid Managed Long Term Services and Supports (MLTSS), Joint Commission National Quality Measures, and HFS-custom measures.

For the MY 2024 P4P and P4R Program, each MCO will be subject to a 2 percent withhold which may be earned back based on performance on the P4P measures (1 percent of the withhold) and accurate reporting of the P4R measures (1 percent of the withhold).

The following sections provide the P4P and P4R calculation methodology and measures for HEDIS MY 2024. The purpose of this document is to describe the mechanism through which HealthChoice Illinois MCO performance will be evaluated, scored, and final payments will be calculated.

## Measure List

The P4P and P4R performance measures were selected based on alignment with HFS’ five pillars of improvement and relevance to the HealthChoice Illinois managed care populations.

### *P4P HEDIS Performance Measures*

Table 1 displays the P4P HEDIS performance measures included in the P4P program, organized by HFS pillar.

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<sup>1</sup> HEDIS® is a registered trademark of the National Committee for Quality Assurance (NCQA).

Table 1—MY 2024 P4P HEDIS Performance Measures

| Measure   | Specification |
|---|---------------|
| <b>Pillar: Adult Behavioral Health</b>  |               |
| Follow-Up After Hospitalization for Mental Illness—7-Day Follow-Up                | HEDIS         |
| 18–64 Years   |               |
| 65+ Years   |               |
| Follow-Up After Hospitalization for Mental Illness—30-Day Follow-Up               | HEDIS         |
| 18–64 Years   |               |
| 65+ Years   |               |
| Follow-Up After Emergency Department (ED) Visit for Substance Use—7-Day Follow-Up | HEDIS         |
| 18+ Years   |               |
| Follow-Up After ED Visit for Substance Use—30-Day Follow-Up                       | HEDIS         |
| 18+ Years   |               |
| Pharmacotherapy for Opioid Use Disorder—Total                                     | HEDIS         |
| <b>Pillar: Child Behavioral Health</b>  |               |
| Follow-Up After Hospitalization for Mental Illness—7-Day Follow-Up                | HEDIS         |
| 6–17 Years  |               |
| Follow-Up After Hospitalization for Mental Illness—30-Day Follow-Up               | HEDIS         |
| 6–17 Years  |               |
| Follow-Up After ED Visit for Mental Illness—7-Day Follow-Up                       | HEDIS         |
| 6–17 Years  |               |
| Follow-Up After ED Visit for Mental Illness—30-Day Follow-Up                      | HEDIS         |
| 6–17 Years  |               |
| <b>Pillar: Maternal and Child Health</b>  |               |
| Prenatal and Postpartum Care—Timeliness of Prenatal Care                          | HEDIS         |
| Prenatal and Postpartum Care—Postpartum Care                                      | HEDIS         |
| Childhood Immunization Status—Combination 10                                      | HEDIS         |
| <b>Pillar: Equity</b>   |               |
| Breast Cancer Screening   | HEDIS         |
| Cervical Cancer Screening   | HEDIS         |
| Controlling High Blood Pressure   | HEDIS         |
| <b>Pillar: Community and Health Promotion</b>                                     |               |
| Adults' Access to Preventive/Ambulatory Health Services—Total                     | HEDIS         |

## P4R Performance Measures

Table 2 lists the HEDIS, CMS Adult Core Set, Joint Commission National Quality Measures, CMS MLTSS, and HFS custom P4R measures, organized by HFS pillar.

**Table 2—MY 2024 P4R Measures and Specification**

| Measure   | Specifications     |
|---|--------------------|
| <b>Pillar: Adult Behavioral Health</b>  |                    |
| Follow-Up After High-Intensity Care for Substance Use Disorder (SUD)—7-Day Follow-Up              | HEDIS              |
| 18–64 Years   |                    |
| 65+ Years   |                    |
| Follow-Up After High-Intensity Care for SUD—30-Day Follow-Up                                      | HEDIS              |
| 18–64 Years   |                    |
| 65+ Years   |                    |
| Screening for Depression and Follow-Up Plan   | CMS Adult Core Set |
| 18–64 Years   |                    |
| 65+ Years   |                    |
| <b>Pillar: Child Behavioral Health</b>  |                    |
| Mobile Crisis Response Services that Result in Hospitalization                                    | HFS Custom         |
| Screening for Depression and Follow-Up Plan   | CMS Child Core Set |
| 12–17 Years   |                    |
| Initiation and Engagement of SUD Treatment  | HEDIS              |
| Initiation of SUD Treatment—13–17 Years   |                    |
| Engagement of SUD Treatment—13–17 Years   |                    |
| Follow-Up Care for Children Prescribed Attention-Deficit/Hyperactivity Disorder (ADHD) Medication | HEDIS              |
| Initiation Phase  |                    |
| Continuation and Maintenance Phase  |                    |
| <b>Pillar: Maternal and Child Health</b>  |                    |
| Prenatal Depression Screening and Follow-Up   | HEDIS              |
| Depression Screening  |                    |
| Follow-Up on Positive Screen  |                    |
| Postpartum Depression Screening and Follow-Up   | HEDIS              |
| Depression Screening  |                    |
| Follow-Up on Positive Screen  |                    |

| Measure  | Specifications                                   |
|--|--|
| Child and Adolescent Well-Care Visits  | HEDIS  |
| 3–11 Years   |  |
| 12–17 Years  |  |
| 18–21 Years  |  |
| Family Planning Counseling   | HFS Custom                                       |
| Unexpected Complications in Term Newborns  | Joint Commission<br>National Quality<br>Measures |
| Severe Complications   |  |
| Moderate Complications   |  |
| Oral Evaluation, Dental Services   | HEDIS  |
| 0–2 Years  |  |
| 3–5 Years  |  |
| 6–14 Years   |  |
| 15–20 Years  |  |
| <b>Pillar: Equity</b>  |  |
| Breast Cancer Screening—Disparities Focus  | HFS Custom                                       |
| Asthma Medication Ratio  | HEDIS  |
| 5–11 Years   |  |
| 12–18 Years  |  |
| 19–50 Years  |  |
| 51–64 Years  |  |
| Colorectal Cancer Screening  | HEDIS  |
| 46–49 Years  |  |
| 50–75 Years  |  |
| <b>Pillar: Improving Community Placement</b>   |  |
| Long-Term Services and Supports (LTSS) Successful Transition after Long-Term Facility Stay | CMS MLTSS  |
| LTSS Minimizing Facility Length of Stay  | CMS MLTSS  |

## Population

The P4P will assess HealthChoice Illinois MCO performance based on the HealthChoice managed care population, as outlined in the Medicaid Model Contract, including Seniors, Persons with a Disability, Families and Children, Special Needs Children, and adults qualifying for the HFS Medical Program under the Affordable Care Act (ACA Adults).

## Performance Period

In State Fiscal Year (SFY) 2025, the HealthChoice MCOs will be subject to withholds or payments for P4P HEDIS performance measures and P4R performance measures based on data collected for calendar year (CY) 2024 (i.e., HEDIS MY 2024/Reporting Year [RY] 2025).

## Data Collection

For the P4P HEDIS performance measures, HSAG will use the auditor-locked Special Project Medicaid-only Illinois (not audited by HSAG) HEDIS Interactive Data Submission System (IDSS) files submitted by the MCOs to the National Committee for Quality Assurance (NCQA). For all P4R performance measures, HSAG will use the quarterly rate reporting templates submitted by the MCOs as part of the Performance Measure Validation (PMV) activities performed by HSAG. MCOs are required to report all P4R performance measures as outlined in the reporting guidance document provided by HSAG's PMV team in Spring 2024.

## P4P Score Calculation

The following sections provide a detailed description and examples of the P4P scoring and payment model.

### *P4P Scoring Model*

With receipt of audited HEDIS measure rates, each P4P HEDIS performance measure will be scored and weighted appropriately prior to calculating the performance withhold earn back percentages for each MCO. Measure rates with a “*Reportable (R)*” audit designation (i.e., the MCO produced a reportable rate for the measure in alignment with the technical specifications) will be analyzed using the P4P algorithm. Required measure indicators that receive a “*Biased Rate (BR)*”, “*Not Reported (NR)*”, “*No Benefit (NB)*”, “*Unaudited (UN)*”, or “*Not Required (NQ)*” audit designation (i.e., the MCO produced a rate that was materially biased; the MCO chose not to report the measure; the MCO did not offer the health benefit required by the measure; the measure was not audited; or the MCO was not required to report the measure) will automatically earn 0 percent of their eligible withhold back. Measure indicator rates with a “*Small Denominator (NA)*” status (i.e., the MCO followed the specifications, but the denominator was too small to report a valid rate) will not be included in the scoring for that MCO. MCOs that receive “*Small Denominator (NA)*” status for a majority of the P4P HEDIS performance measures rates will not be included in the P4P program calculations.

All P4P HEDIS performance measures listed in Table 1 will be scored based on comparisons to NCQA's Quality Compass<sup>®</sup> national Medicaid health maintenance organization (HMO) percentiles

(referred to as “percentiles” throughout the remainder of this document).<sup>2</sup> All HEDIS MY 2024 rates will be compared to the MY 2024 percentiles released in Fall 2025 for the performance score and high performance bonus and all HEDIS MY 2023 rates will be compared to the MY 2023 percentiles released in Fall 2024 as part of the improvement bonus scoring and high performance bonus scoring. Rates will be rounded to the nearest hundredths place prior to comparing to the national percentiles.

### P4P HEDIS Performance Measure Scoring

Table 3 presents the possible scores for each P4P HEDIS performance measure which will be based on the MCOs’ current year performance, the degree of improvement from the prior year, and sustained high performance in both years. Exact percentages are used with no rounding, and no scores will be dropped.

**Table 3—P4P HEDIS Performance Measure Scoring**

| Performance Measure Scoring Criteria   | Score  |
|--|--------|
| <b>Performance Score</b>   |        |
| MCO’s rate was at or above the 90th percentile   | 5.00   |
| MCO’s rate was at or above the 75th percentile and below the 90th percentile               | 4.00   |
| MCO’s rate was at or above the 50th percentile and below the 75th percentile               | 3.00   |
| MCO’s rate was at or above the 25th percentile and below the 50th percentile               | 2.00   |
| MCO’s rate was at or above the 10th percentile and below the 25th percentile               | 1.00   |
| MCO’s rate was below the 10th percentile   | 0.00   |
| MCO’s rate received an NR or BR audit status   | 0.00   |
| <b>Improvement Bonus<sup>3</sup></b>   |        |
| MCO demonstrated at or above a 25 percent degree of improvement                            | 25.00% |
| MCO demonstrated at or above a 15 percent but less than a 25 percent degree of improvement | 15.00% |
| MCO demonstrated at or above a 10 percent but less than a 15 percent degree of improvement | 10.00% |
| MCO demonstrated at or above a 5 percent but less than a 10 percent degree of improvement  | 5.00%  |
| MCO demonstrated less than a 5 percent degree of improvement                               | 0.00%  |

<sup>2</sup> Quality Compass® is a registered trademark of NCQA.

<sup>3</sup> Please note that some measures may not be eligible for an improvement score based on NCQA’s recommendations for breaks in trending, which are expected to be released in late 2024.

| Performance Measure Scoring Criteria  | Score  |
|---|--------|
| <b>High Performance Bonus</b>   |        |
| MCO's rate was at or above the 75th percentile in both the current year and prior year    | 15.00% |
| MCO's rate was at or above the 66.67th percentile in both the current year and prior year | 10.00% |
| MCO's rate was below the 66.67th percentile in either the current year or prior year      | 0.00%  |
| MCO does not have a reportable rate in either the current year or prior year              | 0.00%  |

Performance scoring for the P4P HEDIS measures will be based on how current year performance compares to the national benchmarks as outlined in Table 3. For MCOs receiving a *Reportable* audit designation and performing at or above the 10th percentile but below the 90th percentile, scores will be based on a continuous scale with partial points add to an MCO's score based on how close a MCO's rate is to the next benchmark cut point. This is calculated using the following formula:

$$Partial\ Points = \left[ \frac{(MCO\ Rate - lower\ cut\ point)}{(upper\ cut\ point - lower\ cut\ point)} \right]$$

In order to convert the performance score and partial points for each measure into the Performance Score Percentage (PSP), the following formula will be used:

$$PSP = \frac{Performance\ Score + Partial\ Points}{5}$$

Improvement Bonuses (IB) for each P4P HEDIS measure will be determined by the degree of improvement between the current year and prior year as outlined in Table 3. The Degree of Improvement is calculated based on unrounded rates. For measures where higher rates represent better performance, the degree of improvement will be calculated as:

$$Degree\ of\ Improvement = \frac{(current\ year\ rate - prior\ year\ rate)}{(90th\ Percentile\ Value - 10th\ Percentile\ Value)}$$

For measures where lower rates represent better performance, the degree of improvement will be calculated as:



$$\text{Degree of Improvement} = \frac{(\text{current year rate} - \text{prior year rate})}{(\text{10th Percentile Value} - \text{90th Percentile Value})}$$

High-Performance Bonuses (HB) for each P4P HEDIS measure will be determined based on whether an MCO demonstrates consistent high performance in both the current year and prior year, as outlined in Table 3.

Once the PSP, IB, and HB values are calculated for each MCO, the Total Measure Score (TMS) is calculated by summing the PSP, IB, and HB. Please note, the TMS cannot exceed 100 percent. The formula for the TMS is represented below:

$$TMS = PSP + IB + HB$$

Table 4 presents an example of the performance scoring for three hypothetical MCOs across two P4P HEDIS performance measures (*Breast Cancer Screening [BCS-E]* and *Adults' Access to Preventive/Ambulatory Health Services—Total [AAP]*) based on MCOs' performance for the current year and improvement from the prior year.

**Table 4—P4P HEDIS Performance Measure Scoring Examples**  
**EXAMPLE—MOCK DATA**

|                            | BCS-E  |        |        | AAP    |        |        |
|----------------------------|--------|--------|--------|--------|--------|--------|
|                            | MCO A  | MCO B  | MCO C  | MCO A  | MCO B  | MCO C  |
| MY 2023 Rate               | 75.23% | 76.12% | 75.85% | 34.72% | 45.27% | 37.24% |
| MY 2024 Rate               | 77.45% | 79.68% | 71.91% | 34.17% | 46.99% | 44.55% |
| Degree of Improvement      | 0.00%  | 0.00%  | -8.02% | -1.53% | 4.79%  | 20.35% |
| MY 2024 90th Percentile    | 74.32% | 74.32% | 74.32% | 70.76% | 70.76% | 70.76% |
| MY 2024 75th Percentile    | 64.39% | 64.39% | 64.39% | 62.06% | 62.06% | 62.06% |
| MY 2024 66.67th Percentile | 58.97% | 58.97% | 58.97% | 59.23% | 59.23% | 59.23% |
| MY 2024 50th Percentile    | 50.00% | 50.00% | 50.00% | 53.31% | 53.31% | 53.31% |
| MY 2024 25th Percentile    | 37.63% | 37.63% | 37.63% | 45.00% | 45.00% | 45.00% |

|                            | BCS-E   |         |         | AAP    |        |        |
|----------------------------|---------|---------|---------|--------|--------|--------|
|                            | MCO A   | MCO B   | MCO C   | MCO A  | MCO B  | MCO C  |
| MY 2024 10th Percentile    | 25.17%  | 25.17%  | 25.17%  | 34.83% | 34.83% | 34.83% |
| MY 2023 75th Percentile    | 62.15%  | 62.15%  | 62.15%  | 60.97% | 60.97% | 60.97% |
| MY 2023 66.67th Percentile | 58.03%  | 58.03%  | 58.03%  | 57.99% | 57.99% | 57.99% |
| PS                         | 5.00    | 5.00    | 4.77    | 0.00   | 2.24   | 1.96   |
| PSP                        | 100.00% | 100.00% | 95.40%  | 0.00%  | 44.80% | 39.20% |
| IB                         | 0.00%   | 0.00%   | 0.00%   | 0.00%  | 0.00%  | 15.00% |
| HB                         | 15.00%  | 15.00%  | 15.00%  | 0.00%  | 0.00%  | 0.00%  |
| TMS                        | 100.00% | 100.00% | 100.00% | 0.00%  | 44.79% | 54.12% |

### P4P HEDIS Performance Measure Weighting

Each P4P HEDIS performance measure will be assigned an appropriate weight to address the State’s improvement goals as outlined in the comprehensive Quality Strategy. Table 5 shows the weight for each performance measure.

**Table 5—P4P HEDIS Performance Measure Weights**

| Measure   | Weight |
|---|--------|
| <b>Pillar: Adult Behavioral Health</b>                              |        |
| Follow-Up After Hospitalization for Mental Illness—7-Day Follow-Up  |        |
| 18–64 Years   | 3.750% |
| 65+ Years   | 3.750% |
| Follow-Up After Hospitalization for Mental Illness—30-Day Follow-Up |        |
| 18–64 Years   | 2.500% |
| 65+ Years   | 2.500% |
| Follow-Up After ED Visit for Substance Use—7-Day Follow-Up          |        |
| 18+Years  | 5.000% |
| Follow-Up After ED Visit for Substance Use—30-Day Follow-Up         |        |
| 18+Years  | 7.500% |
| Pharmacotherapy for Opioid Use Disorder—Total                       | 6.250% |
| <b>Pillar: Child Behavioral Health</b>                              |        |
| Follow-Up After Hospitalization for Mental Illness—7-Day Follow-Up  |        |
| 6–17 Years  | 7.500% |

| Measure   | Weight |
|---|--------|
| Follow-Up After Hospitalization for Mental Illness—30-Day Follow-Up |        |
| 6–17 Years  | 5.000% |
| Follow-Up After ED Visit for Mental Illness—7-Day Follow-Up         |        |
| 6–17 Years  | 5.000% |
| Follow-Up After ED Visit for Mental Illness—30-Day Follow-Up        |        |
| 6–17 Years  | 7.500% |
| <b>Pillar: Maternal and Child Health</b>                            |        |
| Prenatal and Postpartum Care—Timeliness of Prenatal Care            | 7.000% |
| Prenatal and Postpartum Care—Postpartum Care                        | 7.000% |
| Childhood Immunization Status—Combination 10                        | 7.000% |
| <b>Pillar: Equity</b>   |        |
| Breast Cancer Screening   | 5.625% |
| Cervical Cancer Screening   | 5.625% |
| Controlling High Blood Pressure                                     | 7.000% |
| <b>Pillar: Community and Health Promotion</b>                       |        |
| Adults' Access to Preventive/Ambulatory Health Services—Total       | 4.500% |

The Weighted Total Measure Score (WTMS) will be calculated by multiplying the TMS by the weight values for that measure as outlined in Table 5:

$$WTMS = (TMS) * (Weight)$$

Once the WTMS for each measure is calculated, the sum of the WTMS for all measures will be used to derive the P4P Withhold Earned Back percentage as follows:

$$P4P \text{ Withhold Earned Back} = WTMS_1 + WTMS_2 + \dots + WTMS_M$$

Table 6 and Table 7 provides an example of how MCO B's TMS, WTMS, and P4P Withhold Earned Back percentage will be derived. For ease of reference, the following example table only includes one MCO and all data presented in the table below do not represent actual data or results. Additionally, please note that all numbers displayed in the tables below are rounded for display purposes. Calculations will be based off unrounded data.

**Table 6—P4P HEDIS Performance Measure WTMS Calculation**  
**EXAMPLE USING MOCK DATA**

| Measure   | Weight | MCO B TMS | MCO B WTMS |
|---|--------|-----------|------------|
| <b>Pillar: Adult Behavioral Health</b>                              |        |           |            |
| Follow-Up After Hospitalization for Mental Illness—7-Day Follow-Up  |        |           |            |
| 18–64 Years   | 3.750% | 46.16%    | 1.73%      |
| 65+ Years   | 3.750% | 48.75%    | 1.83%      |
| Follow-Up After Hospitalization for Mental Illness—30-Day Follow-Up |        |           |            |
| 18–64 Years   | 2.500% | 39.06%    | 0.98%      |
| 65+ Years   | 2.500% | 29.78%    | 0.74%      |
| Follow-Up After ED Visit for Substance Use—7-Day Follow-Up          |        |           |            |
| 18+Years  | 5.000% | 98.61%    | 4.93%      |
| Follow-Up After ED Visit for Substance Use—30-Day Follow-Up         |        |           |            |
| 18+Years  | 7.500% | 100.00%   | 7.50%      |
| Pharmacotherapy for Opioid Use Disorder—Total                       | 6.250% | 62.64%    | 3.92%      |
| <b>Pillar: Child Behavioral Health</b>                              |        |           |            |
| Follow-Up After Hospitalization for Mental Illness—7-Day Follow-Up  |        |           |            |
| 6–17 Years  | 7.500% | 61.82%    | 4.64%      |
| Follow-Up After Hospitalization for Mental Illness—30-Day Follow-Up |        |           |            |
| 6–17 Years  | 5.000% | 67.96%    | 3.40%      |
| Follow-Up After ED Visit for Mental Illness—7-Day Follow-Up         |        |           |            |
| 6–17 Years  | 5.000% | 100.00%   | 5.00%      |
| Follow-Up After ED Visit for Mental Illness—30-Day Follow-Up        |        |           |            |
| 6–17 Years  | 7.500% | 100.00%   | 7.50%      |
| <b>Pillar: Maternal and Child Health</b>                            |        |           |            |
| Prenatal and Postpartum Care—Timeliness of Prenatal Care            | 7.000% | 41.16%    | 2.88%      |
| Prenatal and Postpartum Care—Postpartum Care                        | 7.000% | 85.00%    | 5.95%      |
| Childhood Immunization Status—Combination 10                        | 7.000% | 0.00%     | 0.00%      |
| <b>Pillar: Equity</b>   |        |           |            |
| Breast Cancer Screening   | 5.625% | 100.00%   | 5.63%      |
| Cervical Cancer Screening   | 5.625% | 49.32%    | 2.77%      |
| Controlling High Blood Pressure                                     | 7.000% | 53.06%    | 3.71%      |

| Measure   | Weight | MCO B TMS | MCO B WTMS    |
|---|--------|-----------|---------------|
| <b>Pillar: Community and Health Promotion</b>                 |        |           |               |
| Adults' Access to Preventive/Ambulatory Health Services—Total | 4.500% | 44.79%    | 2.02%         |
| <b>Total WTMS for MCO B</b>                                   |        |           | <b>65.12%</b> |

Table 7—P4P Mock Total Score

| MCO   | P4P Withhold Earned Back |
|-------|--------------------------|
| MCO B | 65.12%                   |

### P4P HEDIS Weight Redistribution

To ensure that MCOs that report indicator rates with an NA measure status still have an opportunity to earn back 100 percent of their eligible withhold, measure weights will need to be redistributed based on NA rates. When an MCO reports a measure indicator with an NA measure status, the weights will first be redistributed evenly to the other reportable indicators within the same measure that are within the same pillar. If an MCO reports a measure indicator with an NA measure status and there are no other reportable indicators within the same measure within the same pillar, then the weights will be redistributed evenly to all other reportable measures within the same pillar (for measures with more than one indicator within the same pillar, the redistributed weights will be distributed evenly to all reportable indicators within that same pillar for that MCO). Lastly, if an MCO reports a measure indicator with an NA measure status and there are no other reportable measure indicators within the same pillar, then the measure weight will be redistributed evenly to all reported measures across all pillars (for measures with more than one indicator within the same pillar, the redistributed weights will be distributed evenly to all reportable indicators within the same pillar for that MCO). Table 8 displays an example of redistributing measure indicator weights for three MCOs with NA measures statuses.

Table 8—P4P HEDIS Performance Measure Indicator Weight Distribution

#### EXAMPLE USING MOCK DATA

| Measure   | Original Weight | MCO D Measure Status | MCO D Re-distributed Weight | MCO E Measure Status | MCO E Re-distributed Weight | MCO F Measure Status | MCO F Re-distributed Weight |
|---|-----------------|----------------------|-----------------------------|----------------------|-----------------------------|----------------------|-----------------------------|
| <b>Pillar: Adult Behavioral Health</b>                              |                 |                      |                             |                      |                             |                      |                             |
| Follow-Up After Hospitalization for Mental Illness—7-Day Follow-Up  |                 |                      |                             |                      |                             |                      |                             |
| 18–64 Years   | 3.750%          | R                    | 7.500%                      | R                    | 3.750%                      | R                    | 3.900%                      |
| 65+ Years   | 3.750%          | NA                   | 0.000%                      | R                    | 3.750%                      | R                    | 3.900%                      |
| Follow-Up After Hospitalization for Mental Illness—30-Day Follow-Up |                 |                      |                             |                      |                             |                      |                             |
| 18–64 Years   | 2.500%          | R                    | 5.000%                      | R                    | 2.500%                      | R                    | 2.650%                      |
| 65+ Years   | 2.500%          | NA                   | 0.000%                      | R                    | 2.500%                      | R                    | 2.650%                      |

| Measure  | Original Weight | MCO D Measure Status | MCO D Re-distributed Weight | MCO E Measure Status | MCO E Re-distributed Weight | MCO F Measure Status | MCO F Re-distributed Weight |
|--|-----------------|----------------------|-----------------------------|----------------------|-----------------------------|----------------------|-----------------------------|
| <b>Follow-Up After ED Visit for Substance Use—7-Day Follow-Up</b>          |                 |                      |                             |                      |                             |                      |                             |
| 18+Years   | 5.000%          | R                    | 5.000%                      | R                    | 5.000%                      | R                    | 5.300%                      |
| <b>Follow-Up After ED Visit for Substance Use—30-Day Follow-Up</b>         |                 |                      |                             |                      |                             |                      |                             |
| 18+Years   | 7.500%          | R                    | 7.500%                      | R                    | 7.500%                      | R                    | 7.800%                      |
| Pharmacotherapy for Opioid Use Disorder—Total                              | 6.250%          | R                    | 6.250%                      | R                    | 6.250%                      | R                    | 6.550%                      |
| <b>Pillar: Child Behavioral Health</b>                                     |                 |                      |                             |                      |                             |                      |                             |
| <b>Follow-Up After Hospitalization for Mental Illness—7-Day Follow-Up</b>  |                 |                      |                             |                      |                             |                      |                             |
| 6–17 Years   | 7.500%          | R                    | 7.500%                      | R                    | 7.500%                      | R                    | 7.800%                      |
| <b>Follow-Up After Hospitalization for Mental Illness—30-Day Follow-Up</b> |                 |                      |                             |                      |                             |                      |                             |
| 6–17 Years   | 5.000%          | R                    | 5.000%                      | R                    | 5.000%                      | R                    | 5.300%                      |
| <b>Follow-Up After ED Visit for Mental Illness—7-Day Follow-Up</b>         |                 |                      |                             |                      |                             |                      |                             |
| 6–17 Years   | 5.000%          | R                    | 5.000%                      | R                    | 5.000%                      | R                    | 5.300%                      |
| <b>Follow-Up After ED Visit for Mental Illness—30-Day Follow-Up</b>        |                 |                      |                             |                      |                             |                      |                             |
| 6–17 Years   | 7.500%          | R                    | 7.500%                      | R                    | 7.500%                      | R                    | 7.800%                      |
| <b>Pillar: Maternal and Child Health</b>                                   |                 |                      |                             |                      |                             |                      |                             |
| Prenatal and Postpartum Care—Timeliness of Prenatal Care                   | 7.000%          | R                    | 7.000%                      | R                    | 10.500%                     | R                    | 7.300%                      |
| Prenatal and Postpartum Care—Postpartum Care                               | 7.000%          | R                    | 7.000%                      | R                    | 10.500%                     | R                    | 7.300%                      |
| Childhood Immunization Status—Combination 10                               | 7.000%          | R                    | 7.000%                      | NA                   | 0.000%                      | R                    | 7.300%                      |
| <b>Pillar: Equity</b>  |                 |                      |                             |                      |                             |                      |                             |
| Breast Cancer Screening  | 5.625%          | R                    | 5.625%                      | R                    | 5.625%                      | R                    | 5.925%                      |
| Cervical Cancer Screening  | 5.625%          | R                    | 5.625%                      | R                    | 5.625%                      | R                    | 5.925%                      |
| Controlling High Blood Pressure  | 7.000%          | R                    | 7.000%                      | R                    | 7.000%                      | R                    | 7.300%                      |
| <b>Pillar: Community and Health Promotion</b>                              |                 |                      |                             |                      |                             |                      |                             |
| Adults' Access to Preventive/Ambulatory Health Services—Total              | 4.500%          | R                    | 4.500%                      | R                    | 4.500%                      | NA                   | 0.000%                      |

As shown in Table 8, MCO D received an NA measure status for the *Follow-Up After Hospitalization for Mental Illness—7-Day Follow-Up—65+ Years* and *Follow-Up After Hospitalization for Mental Illness—30-Day Follow-Up—65+ Years* measure indicators. For both of these indicators, MCO D had a

reportable rate for the 18–64 Years indicators, so the weights for the 65+ Years measure indicators were added to the weights for the 18–64 Years measures indicators for the same measure. MCO E received an NA measure status for the *Childhood Immunization Status—Combination 10* measure indicator. Because this measure does not have any additional indicators, the weight was evenly split between the two other measures in the Maternal and Child Health pillar (*Prenatal and Postpartum Care—Timeliness of Prenatal Care* and *Prenatal and Postpartum Care—Postpartum Care*). Lastly, MCO F received an NA measure status for the *Adults’ Access to Preventive/Ambulatory Health Services—Total* measure indicator. Because this measure does not have any additional indicators included in P4P and this is the only measure in the Community and Health Promotion pillar, the weight was evenly distributed between the 15 reportable measures within the Adult Behavioral Health, Child Behavioral Health, Maternal and Child Health, and Equity Pillars, with each measures receiving an additional 0.300 percent weight. Please note that for measures like *Follow-Up After Hospitalization for Mental Illness—7-Day Follow-Up* that have two separate measure indicators (18–64 Years and 65+ Years), each indicator received an additional 0.150 percent weight.

### P4P Funds Allocation Model

The P4P funds allocation model uses the MCOs’ Withhold Earn Back Percentages to determine the final amount of P4P funds earned back. Table 9 demonstrates an example of the P4P funds allocation model using three example MCOs.

**Table 9—P4P Funds Allocation  
EXAMPLE USING MOCK DATA**

| MCO Name (A) | Total Capitation Payment (B) | Withhold Amount (Total Capitation Payment × 2%) (C) | P4P Withhold Amount (Withhold Amount × 50%) (D) | P4P Withhold Earn Back Percentage (E) | P4P Withhold Amount Earned Back (F) |
|--------------|------------------------------|---|---|---------------------------------------|-------------------------------------|
| MCO A        | \$621,795,000.00             | \$12,435,900.00                                     | \$6,217,950.00                                  | 58.23%                                | \$3,620,712.29                      |
| MCO B        | \$475,800,000.00             | \$9,516,000.00                                      | \$4,758,000.00                                  | 65.12%                                | \$3,098,409.60                      |
| MCO C        | \$415,140,000.00             | \$8,302,800.00                                      | \$4,151,400.00                                  | 75.41%                                | \$3,130,570.74                      |
| <b>Sum</b>   |                              | <b>\$30,254,700.00</b>                              | <b>\$15,127,350.00</b>                          |                                       | <b>\$9,849,692.63</b>               |

According to the example in Table 9, MCO A earned back 58.23 percent of its withhold (column E in Table 7), which would be a total earned back amount of \$3,620,712.29 (column F in Table 7).

### P4R Scoring Model

With receipt of validated P4R performance measure rates, each P4R performance measure will be scored and weighted appropriately prior to calculating reporting penalties for each MCO. Table 10 provides the HEDIS and non-HEDIS audit designations/status that will be eligible or ineligible to receive points for the P4R performance measures.

**Table 10—P4R Performance Measure Audit Designations**

| HEDIS Audit Designation/Status | Non-HEDIS Audit Designation |
|--------------------------------|-----------------------------|
| <b>Eligible for Points</b>     |                             |
| Reportable (R)                 | Reportable (R)              |
| Small Denominator (NA)         |                             |
| <b>Ineligible for Points</b>   |                             |
| Biased Rate (BR)               | Do Not Report (DNR)         |
| Not Required (NQ)              | Not Applicable (NA)         |
| No Benefit (NB)                | No Benefit (NR)             |
| Not Reported (NR)              |                             |
| Unaudited (UN)                 |                             |

As indicated in Table 10, only measure rates with a “*Reportable (R)*” (HEDIS and Non-HEDIS rates) audit designation (i.e., the MCO produced a reportable rate for the measure that was compliant with the technical specifications) or “*Small Denominator (NA)*” (HEDIS rates only) status (i.e., the MCO followed the specifications but the denominator was too small to report a valid rate) will earn back the percentage of withhold associated with that rate. MCOs will not earn back any of the withhold associated with the rate if the rate has any of the following audit designations:

- “*Biased Rate (BR)*” audit designation for HEDIS measures or “*Do Not Report (DNR)*” audit designation for non-HEDIS measures (i.e., the calculated rate was materially biased)
- “*Not Required (NQ)*” audit designation for HEDIS measures or “*Not Applicable (NA)*” audit designation for non-HEDIS measures (i.e., the MCO was not required to report the measure)
- “*No Benefit (NB)*” audit designation for HEDIS measures or “*No Benefit (NR)*” audit designation for non-HEDIS measures (i.e., the measure was not reported because the MCO did not offer the required benefit)
- “*Not Reported (NR)*” audit designation for HEDIS measures (i.e., the MCO chose not to report the measure)
- “*Unaudited (UN)*” audit designation for HEDIS measures (i.e., the measure was not audited)

### P4R Performance Measure Weighting

Table 11 shows the measure weight (MW) for each P4R performance measure. If an MCO receives an ineligible audit designation for a stratification for any MY 2024 quarter, the MCO will not earn back any of the withhold associated with that rate stratification.

**Table 11—P4R Performance Measure Weights**

| Measure†                                    | Weighting* |
|---|------------|
| <b>Pillar: Adult Behavioral Health</b>      |            |
| Follow-Up After High-Intensity Care for SUD | 5.88%      |



| Measure†   | Weighting* |
|--|------------|
| Screening for Depression and Follow-Up Plan                    | 5.88%      |
| <b>Pillar: Child Behavioral Health</b>                         |            |
| Mobile Crisis Response Services that Result in Hospitalization | 5.88%      |
| Screening for Depression and Follow-Up Plan                    | 5.88%      |
| Initiation and Engagement of SUD Treatment                     | 5.88%      |
| Follow-Up Care for Children Prescribed ADHD Medication         | 5.88%      |
| <b>Pillar: Maternal and Child Health</b>                       |            |
| Prenatal Depression Screening and Follow-Up                    | 5.88%      |
| Postpartum Depression Screening and Follow-Up                  | 5.88%      |
| Child and Adolescent Well-Care Visits                          | 5.88%      |
| Family Planning Counseling                                     | 5.88%      |
| Unexpected Complications in Term Newborns                      | 5.88%      |
| Oral Evaluation, Dental Services                               | 5.88%      |
| <b>Pillar: Equity</b>  |            |
| Breast Cancer Screening—Disparities Focus                      | 5.88%      |
| Asthma Medication Ratio  | 5.88%      |
| Colorectal Cancer Screening                                    | 5.88%      |
| <b>Pillar: Improving Community Placement</b>                   |            |
| LTSS Successful Transition after Long-Term Facility Stay       | 5.88%      |
| LTSS Minimizing Facility Length of Stay                        | 5.88%      |

†MCOs are required to report on all indicators and stratifications indicated in the reporting guidance document provided by HSAG’s PMV team. The measure weight will be distributed evenly across all indicators and stratifications (i.e., age, race, gender, county, county designation, disparity areas).

\*Please note, the weights listed in the table are rounded values. The exact weights are calculated as 100%/17.

### P4R Funds Allocation Model

As discussed above, MCOs that successfully report the required stratifications will earn back the percentage of withhold associated with that rate. Otherwise, the MCOs will not earn back any of the withhold associated with the rate. Table 12 demonstrates an example of the P4R funds allocation model using the same three example MCOs. Please note, only a subset of P4R performance measures are used in the example.

**Table 12—P4R Performance Measure Calculations**  
**EXAMPLE USING MOCK DATA**

| Measure  | MW | MCO A              |                           |                               | MCO B              |                           |                               | MCO C              |                           |                               |
|--|----|--------------------|---------------------------|-------------------------------|--------------------|---------------------------|-------------------------------|--------------------|---------------------------|-------------------------------|
|  |    | Audit Designation* | Rate Withhold Earned Back | Total Measure Withhold Earned | Audit Designation* | Rate Withhold Earned Back | Total Measure Withhold Earned | Audit Designation* | Rate Withhold Earned Back | Total Measure Withhold Earned |
| <b>Adult Behavioral Health</b>                     |    |                    |                           |                               |                    |                           |                               |                    |                           |                               |
| <b>Follow-Up After High-Intensity Care for SUD</b> |    |                    |                           |                               |                    |                           |                               |                    |                           |                               |

| Measure   | MW    | MCO A              |                           |                               | MCO B              |                           |                               | MCO C              |                           |                               |
|---|-------|--------------------|---------------------------|-------------------------------|--------------------|---------------------------|-------------------------------|--------------------|---------------------------|-------------------------------|
|   |       | Audit Designation* | Rate Withhold Earned Back | Total Measure Withhold Earned | Audit Designation* | Rate Withhold Earned Back | Total Measure Withhold Earned | Audit Designation* | Rate Withhold Earned Back | Total Measure Withhold Earned |
| 7-Day Follow-Up—18–64 Years                                     | 5.88% | BR                 | 0.00%                     | 0.00%                         | R                  | 1.47%                     | 5.88%                         | NR                 | 0.00%                     | 0.00%                         |
| 7-Day Follow-Up—65+ Years                                       |       | BR                 | 0.00%                     |                               | R                  | 1.47%                     |                               | NR                 | 0.00%                     |                               |
| 30-Day Follow-Up—18–64 Years                                    |       | BR                 | 0.00%                     |                               | R                  | 1.47%                     |                               | NR                 | 0.00%                     |                               |
| 30-Day Follow-Up—65+ Years                                      |       | BR                 | 0.00%                     |                               | R                  | 1.47%                     |                               | NR                 | 0.00%                     |                               |
| <b>Screening for Depression and Follow-Up Plan</b>              |       |                    |                           |                               |                    |                           |                               |                    |                           |                               |
| 18–64 Years   | 5.88% | R                  | 1.96%                     | 5.88%                         | R                  | 1.96%                     | 5.88%                         | R                  | 1.96%                     | 5.88%                         |
| 65+ Years   |       | R                  | 1.96%                     |                               | R                  | 1.96%                     |                               | R                  | 1.96%                     |                               |
| Total   |       | R                  | 1.96%                     |                               | R                  | 1.96%                     |                               | R                  | 1.96%                     |                               |
| <b>Improving Community Placement</b>                            |       |                    |                           |                               |                    |                           |                               |                    |                           |                               |
| <b>LTSS Successful Transition after Long-Term Facility Stay</b> |       |                    |                           |                               |                    |                           |                               |                    |                           |                               |
| Age   | 0.84% | DNR                | 0.00%                     | 0.00%                         | R                  | 0.84%                     | 5.88%                         | R                  | 0.84%                     | 5.88%                         |
| Race  | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | R                  | 0.84%                     |                               |
| Gender  | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | R                  | 0.84%                     |                               |
| County  | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | R                  | 0.84%                     |                               |
| County Designation  | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | R                  | 0.84%                     |                               |
| Disparity Area  | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | R                  | 0.84%                     |                               |
| Total   | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | R                  | 0.84%                     |                               |
| <b>LTSS Minimizing Facility Length of Stay</b>                  |       |                    |                           |                               |                    |                           |                               |                    |                           |                               |
| Age   | 0.84% | DNR                | 0.00%                     | 0.00%                         | R                  | 0.84%                     | 5.88%                         | NR                 | 0.00%                     | 0.00%                         |
| Race  | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | NR                 | 0.00%                     |                               |
| Gender  | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | NR                 | 0.00%                     |                               |
| County  | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | NR                 | 0.00%                     |                               |
| County Designation  | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | NR                 | 0.00%                     |                               |
| Disparity Area  | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | NR                 | 0.00%                     |                               |
| Total   | 0.84% | DNR                | 0.00%                     |                               | R                  | 0.84%                     |                               | NR                 | 0.00%                     |                               |

Note: The weights listed in the table are rounded values.

\*Audit designations/status include: Reportable (R); Small Denominator (NA); Biased Rate (BR); Not Required (NR); No Benefit (NB); Not Reported (NR); Unaudited (UN); Do Not Report (DNR); Not Applicable (NA); No Benefit (NR).

Table 13 displays an example of the total measure withhold earned for each P4R performance measure using the same three example MCOs.

**Table 13—P4R Performance Measure Calculations**  
**EXAMPLE USING MOCK DATA**

| Measure†   | Measure Weight | Total Measure Withhold Earned |                |               |
|--|----------------|-------------------------------|----------------|---------------|
|  |                | MCO A                         | MCO B          | MCO C         |
| <b>Pillar: Adult Behavioral Health</b>                         |                |                               |                |               |
| Follow-Up After High-Intensity Care for SUD                    | 5.88%          | 0.00%                         | 5.88%          | 0.00%         |
| Screening for Depression and Follow-Up Plan                    | 5.88%          | 5.88%                         | 5.88%          | 5.88%         |
| <b>Pillar: Child Behavioral Health</b>                         |                |                               |                |               |
| Mobile Crisis Response Services that Result in Hospitalization | 5.88%          | 0.00%                         | 5.88%          | 5.88%         |
| Screening for Depression and Follow-Up Plan                    | 5.88%          | 0.00%                         | 5.88%          | 5.88%         |
| Initiation and Engagement of SUD Treatment                     | 5.88%          | 0.00%                         | 5.88%          | 5.88%         |
| Follow-Up Care for Children Prescribed ADHD Medication         | 5.88%          | 0.00%                         | 5.88%          | 5.88%         |
| <b>Pillar: Maternal and Child Health</b>                       |                |                               |                |               |
| Prenatal Depression Screening and Follow-Up                    | 5.88%          | 0.00%                         | 5.88%          | 5.88%         |
| Postpartum Depression Screening and Follow-Up                  | 5.88%          | 0.00%                         | 5.88%          | 5.88%         |
| Child and Adolescent Well-Care Visits                          | 5.88%          | 0.00%                         | 5.88%          | 5.88%         |
| Family Planning Counseling                                     | 5.88%          | 0.00%                         | 5.88%          | 5.88%         |
| Unexpected Complications in Term Newborns                      | 5.88%          | 0.00%                         | 5.88%          | 5.88%         |
| Oral Evaluation, Dental Services                               | 5.88%          | 0.00%                         | 5.88%          | 5.88%         |
| <b>Pillar: Equity</b>  |                |                               |                |               |
| Breast Cancer Screening—Disparities Focus                      | 5.88%          | 5.88%                         | 5.88%          | 5.88%         |
| Asthma Medication Ratio  | 5.88%          | 5.88%                         | 5.88%          | 5.88%         |
| Colorectal Cancer Screening                                    | 5.88%          | 5.88%                         | 5.88%          | 5.88%         |
| <b>Pillar: Improving Community Placement</b>                   |                |                               |                |               |
| LTSS Successful Transition after Long-Term Facility Stay       | 5.88%          | 5.88%                         | 5.88%          | 0.00%         |
| LTSS Minimizing Facility Length of Stay                        | 5.88%          | 5.88%                         | 5.88%          | 0.00%         |
| <b>Overall Withhold Earned</b>                                 |                | <b>35.29%</b>                 | <b>100.00%</b> | <b>82.35%</b> |

\*Please note, the weights listed in the table are rounded values.

Table 14 demonstrates an example of the P4R funds allocation model using the same three MCOs presented in Table 12 and Table 13. Any P4R withhold amount that is not earned back represents the P4R measure penalty. The data presented in the table below do not represent actual data or results.

**Table 14—P4R Measure Funds Allocation**  
**EXAMPLE USING MOCK DATA**

| MCO Name (A) | Total Capitation Payment (B) | Withhold Amount (Total Capitation Payment × 2%) (C) | P4R Withhold Amount (Withhold Amount × 50%) (J) | P4R Withhold Earn Back Percentage (K) | P4R Withhold Amount Earned Back (L) |
|--------------|------------------------------|---|---|---------------------------------------|-------------------------------------|
| MCO A        | \$621,795,000.00             | \$12,435,900.00                                     | \$6,217,950.00                                  | 35.29%                                | \$2,194,570.59                      |
| MCO B        | \$475,800,000.00             | \$9,516,000.00                                      | \$4,758,000.00                                  | 100.00%                               | \$4,758,000.00                      |
| MCO C        | \$415,140,000.00             | \$8,302,800.00                                      | \$4,151,400.00                                  | 82.35%                                | \$3,418,800.00                      |
| <b>Sum</b>   |                              | <b>\$30,254,700.00</b>                              | <b>\$15,127,350.00</b>                          |                                       | <b>\$10,371,370.59</b>              |

According to the example in Table 13, MCO A has an eligible audit designation for six of the P4R performance measures. This means that MCO A earns back 35.29 percent of the P4R withhold amount (column K in Table 14). MCO B earns an eligible audit designation for all of the P4R performance measures and MCO C earns an eligible audit designation for 14 of the P4R performance measures, thus MCO B earns back 100.00 percent of the P4R withhold (column K in Table 14) and MCO C earns back 82.35 percent of the P4R withhold (column K in Table 14).

### **Final Payment Determinations**

To calculate the final payment determinations, the P4P withhold earned back will be combined with the P4R withhold earned back to determine the total amount of withhold earned back. Table 15 provides an example of the Total Withhold Earned back based on the P4P and P4R withhold earned back amounts for the three example MCOs.

**Table 15—Overall Withhold Earned Back**  
**EXAMPLE USING MOCK DATA**

| MCO Name (A) | Total Capitation Payment (B) | Withhold Amount (Total Capitation Payment × 2%) (C) | P4P Withhold Amount Earned Back (F) | P4R Withhold Amount Earned Back (L) | Total Withhold Earned Back (N) |
|--------------|------------------------------|---|-------------------------------------|-------------------------------------|--------------------------------|
| MCO A        | \$621,795,000.00             | \$12,435,900.00                                     | \$3,620,712.29                      | \$2,194,570.59                      | \$5,815,282.88                 |
| MCO B        | \$475,800,000.00             | \$9,516,000.00                                      | \$3,098,409.60                      | \$4,758,000.00                      | \$7,856,409.60                 |
| MCO C        | \$415,140,000.00             | \$8,302,800.00                                      | \$3,130,570.74                      | \$3,418,800.00                      | \$6,549,370.74                 |
| <b>Sum</b>   |                              | <b>\$30,254,700.00</b>                              | <b>\$9,849,692.63</b>               | <b>\$10,371,370.59</b>              | <b>\$20,221,063.22</b>         |