



Centers for Medicare & Medicaid Services

STATE QUALITY STRATEGY TOOL KIT FOR STATE MEDICAID AND CHILDREN'S HEALTH INSURANCE AGENCIES

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Attachments:

- 1) State Medicaid and CHIP Quality Strategy Overview**
- 2) Table A – Recommended Structure of a State Quality Strategy**
- 3) Table B – Recommended QI Components of a State Quality Strategy**

PROLOGUE:

Each State that enters into one or more managed care organization (MCO) or Pre-paid Inpatient Health Plan (PIHP) contracts must develop a quality strategy.¹

This strategy needs to address:

1. How the State will assess the quality of care delivered through the MCO/PIHP/HIO contracts, and
2. How the State, based on its assessment, will improve the quality of care delivered through the MCO/PIHP/HIO contracts

The following sections describe the four components that CMS would expect to be addressed in a State's written quality strategy:

- Introduction/Overview
- Assessment
- Improvement
- Review of Quality Strategy

I. Introduction

- A. This section should include general information about the State's decision to contract with MCO(s)/PIHP(s)/HIO(s). For example, in deciding to use a managed care system, was the State primarily attempting to address issues of cost, quality of care, and/or access? The State should describe how it believes that the use of a managed care system will impact the quality of care delivered in the Medicaid and CHIP programs.
- B. Given the State's reasons for implementing or continuing to implement a managed care delivery system, quantifiable performance driven objectives should be established for demonstrating success or challenges in meeting intended outcomes. CMS and other healthcare policy stakeholders are interested in knowing how the State plans to maximize opportunities in the managed care system to improve care. These objectives should reflect the State's priorities and areas of concern for the population covered by the MCO/PIHP/HIO contracts. Examples include:
 - The State will demonstrate a 10% improvement in childhood immunization rates over the next three years.
 - "The State will demonstrate a 10% improvement in the controlled HgA1c level of managed care beneficiaries with diabetes."

- The State will demonstrate a 10% improvement in the rate of pregnant women receiving prenatal care
- The State will demonstrate improvement in the coordination of care for beneficiaries with chronic conditions within three years of implementing a Pay-For-Performance Incentive Program.
- Through expansion of the primary care network, as evidenced by geographical reporting, the State will demonstrate a 5% improvement in enrollee access to Primary Care.

When possible, overarching principles with other State programs should be emphasized to demonstrate a comprehensive, efficient statewide strategy.

II. Assessment

This section should describe how the State will assess how well the managed care program is meeting the objectives outlined in the Introduction:

A. The quality and appropriateness of care and services delivered to enrollees

- include a discussion of how data on race, ethnicity, and primary language is communicated to MCOs/PIHPs/HIOs AND how the State expects that the information is used
- include a discussion on the External Quality Review (EQR) technical report and how the State uses the EQR technical report
- include a discussion on any clinical standards/guidelines that the State has established

B. The level of contract compliance of MCO(s)/PIHP(s)

- Include a discussion of the standards that the State has established in the MCO/PIHP/HIO contracts for:
 - a. access to care;
 - b. structure and operations;
 - c. quality measurement and improvement

These standards should relate to the overall objectives listed in the introduction.

Describe how the State determines whether the MCOs/PIHPs/HIOs comply with the contract requirements. Some examples of the mechanisms that can be used for collecting information on evaluating the progress of meeting each Strategy Objective are:

- Surveys
- HEDIS results
- MCO/PIHP/HIO Compliance rates with established EQR Standards
- Report Cards or Profiles
- Required MCO/PIHP reporting of Performance Measures
- Required MCO/PIHP/HIO reporting on Performance Improvement Projects
- Optional EQR Activity Reporting

C. The level of impact from use of available or evolving Health Information Technology

- Include discussion of challenges or opportunities with data collection systems such as: registries, claims or enrollment reporting systems, pay-for-performance tracking or profiling systems, electronic health record information exchange, regional Health Information Technology collaborative, telemedicine initiative, etc.

III. Improvement:

This section should:

A. Describe how the State, based on the results of the assessment activities, will attempt to improve the quality of care delivered by the MCOs/PIHPs through interventions as:

- Cross-State Agency Collaborative/Initiative
- Performance Improvement Project(s)
- Pay-for-Performance incentives
- Value-based Purchasing initiatives
- MCO sanctions
- Changes in benefits for program participants
- Information System or Electronic Health Record initiatives
- Provider network expansion
- Implementation of optional EQRO Activities

- B. Include a discussion on the State’s progress in meeting the State’s objectives described in the Introduction.
- For example, if the State has established an objective for “10% improvement over the next three years in the number of MCOs that demonstrate improvement in a Performance Improvement Project to improve the controlled HgA1c level of beneficiaries with diabetes,” how will the State assess whether or not this objective has been met?
- C. In the initial quality strategy, a State may decide to simply describe the process they intend to follow to embark on quality improvement. As results from the assessment activities are produced, it is likely that the State will be able to more clearly define steps to quality improvement.

IV. Review of Quality Strategy:

This section should describe how the State reviews the effectiveness of the quality strategy and revises it accordingly.

- A. Include a timeline planned for the frequency of Strategy assessments
- B. Include a timeline planned for reporting of Strategy updates to CMS
- C. As the Quality Strategy evolves, document challenges and successes that result in changes to the Strategy (Strategy Effectiveness), including interim performance results as available for each strategy objective.

V. Achievements and Opportunities:

Ongoing assessment of the State’s Managed Care Quality Strategy provides the opportunity for the State to highlight its successes and share what has been found effective in improving health care quality and/or service.

Additionally, it is not expected that all strategy objectives can be met. Hence, sharing experiences that encountered challenges and whether the responses to those challenges were effective is important information to share nationally.

VI. Appendix of Technical Documents for Assistance

- A. Summary of the Recommended Structure of a State Quality Strategy – Table A
- B. Summary of the Recommended QI Components of a State Quality Strategy – Table B
- C. Listing of Web-based Resources for Developing or Enhancing Quality Strategies – Table C

Table A

RECOMMENDED STRUCTURE OF A QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT STRATEGY

<p>QUALITY STRATEGY DOCUMENT SECTION</p>	<p>CONTENT ADDRESSES:</p>
<p>Introduction</p>	<ul style="list-style-type: none"> • History of the State’s Medicaid and CHIP Managed Care Programs • The Strategy’s objectives, including performance targets
<p>Assessment</p>	<ul style="list-style-type: none"> • How will the State assess: <ul style="list-style-type: none"> • Quality and appropriateness of care and services delivered to enrollees • Level of contract and regulatory compliance of MCOs/PIHPs • Level of impact of Health Information Technology changes/evolution
<p>Improvement</p>	<ul style="list-style-type: none"> • What interventions are planned to improve the quality of care to be delivered to enrollees?
<p>Strategy Review – Outcomes and Effectiveness</p>	<ul style="list-style-type: none"> • Frequency of assessments of Strategy performance • Frequency of reporting Strategy updates to CMS • Summary of evaluation methods and performance targets

Table B

COMPONENTS TO ADDRESS IN A QUALITY ASSESSMENT AND PERFORMANCE IMPROVEMENT STRATEGY

Quality Strategy Elements and Key Questions	Correlates to Structure Section	Potential Sources Of Information	Additional Information
<p>Overview</p>	<p>I.A</p>	<ul style="list-style-type: none"> • BBA • MCO/PIHP contracting and turnover experience • Population description / changes • Driver for implementation of Managed Care 	<ul style="list-style-type: none"> • Include history of managed care program • Process to get public input on strategy • How often will strategy be evaluated and revised?
<p>Strategy Objectives</p>	<p>I.B</p>	<ul style="list-style-type: none"> • Results from Prior program experience • Results from Performance Measurement/EQRO or other Quality Related Reporting 	<ul style="list-style-type: none"> • Include measurable target (e.g. % increase or decrease) • May directly reference an intervention/ initiative driving the objective
<p>Quality and Appropriateness of Care</p> <p>How are the race, ethnicity, and primary language spoken of each enrollee identified and transmitted to MCOs?</p> <p>How is EQRO Technical Report used to evaluate quality and appropriateness of care?</p> <p>Does the State require specific performance measures or performance improvement projects based on Strategy Objectives, and if so – what are the performance standards?</p> <p>Are any clinical guidelines provided to managed care plans?</p>	<p>II.A</p>	<ul style="list-style-type: none"> • MMIS data • EQR Technical Report and recommendations • MCO required data reporting • Report Card efforts • Pay for Performance • Value Based Purchasing 	<ul style="list-style-type: none"> • Include state standards for quality measurement and improvement • Include any standards that will be reviewed using private or Medicare accrediting information

Quality Strategy Elements and Key Questions	Correlates to Structure Section	Potential Sources Of Information	Additional Information
<p>Improvement/ Interventions</p> <p>How will the State implement interventions specific to each Strategic Objective?</p> <p>What interventions are under consideration pending baseline reporting of targeted information?</p> <p>What interventions are under development?</p>	<p>III</p>	<ul style="list-style-type: none"> • Cross-State Agency Collaborative • Performance Improvement Project activities • Pay-for-Performance Incentives • Value-Based Purchasing incentives and or disincentives • Telemedicine • Health Information Technology Changes 	
<p>Strategy Effectiveness</p> <p>What are the planned evaluations (frequency, estimated target dates)?</p> <p>What are the reporting requirements for MCOs/PIHPS to State and from State to CMS?</p>	<p>IV</p>		<ul style="list-style-type: none"> • Consider aligning routine reporting mechanisms from MCOs/ PIHPS/EQR with planned evaluation periods
<p>Conclusions</p> <p>What particular successes could be considered best practices?</p> <p>What ongoing challenges does the State face in improving the quality of care for beneficiaries?</p> <p>What recommendations does the State make for ongoing Medicaid and CHIP quality improvement activities in the State?</p>	<p>V</p>	<ul style="list-style-type: none"> • Performance Improvement Project activities • Pay-for-Performance Incentives • Value-Based Purchasing incentives and or disincentives • Telemedicine • Health Information Technology Changes 	