QIPP Year 1 in Review – Now What?

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Topics

➢ History
➢ Transition to QIPP
➢ QIPP Year 1
➢ QIPP Year 2
➢ QIPP Year 3 Crystal Ball
History

First the History

- Oct 2013 - Regular nursing home UPL program
- March 2015 – Changed to MPAP
  - Senate Bill 7 signed in 2013
- Sept 2016 – MPAP ended (no program for a year)
  - Rider 97 to the 2015 appropriations bill
- Sept 2017 – QIPP began

History (continued)

- No direct State funding
  - IGT
    - Non-State Government Owned
Transition to QIPP

QIPP - Initially Proposed

- CMS said no to initial QIPP
  - No IGT responsibility agreements
  - No pay to play
  - Can’t return IGT for unmet projects

Transition to QIPP (continued)

New QIPP Year 1

- CMS approval on April 12, 2017 (program began Sept 1, 2017)
- Allowed both public and private participation
- Private participation based on Medicaid occupancy of about 78%
- Public (NSGO) participants will pay all of IGT to obtain federal funds for everyone
QIPP

➢ So What is QIPP

▪ This has really turned into a pay for performance program

QIPP Year 1

➢ There were about 514 participating facilities in QIPP Y1

▪ 84 Private
▪ 430 NSGO

➢ Significant decrease in funding for program

➢ Must “earn” majority of payment based on QM improvement
QIPP Year 1 (continued)

- NSGOs to earn “user” fee of IGT plus 10%
  - Paid monthly (Component 1)

- Remaining funds to be earned by everyone by showing quarterly improvement in 4 QM scores (Components 2 & 3)

- Overall participants experience decrease by approximately 60-70% compared to MPAP
  - IGT also decreased

QIPP Year 1 (continued)

- Timing of IGT
  - IGT – NSGOs must make advance payment by May/November
    - Pay in advance to set capitation rates
  - First IGT covers 6 months of program
    - State computes estimated IGT needed and adds 10%
Quality Payments

- How does payment for 4 QMs work
  - Paid quarterly based upon improvement over “baseline”
  - 35% payment with quarterly improvement of 1.7 to 4.99% (Component 2)
  - 65% payment with quarterly improvement of at least 5% (Component 3)
  - 100% payment if achieve equal to or better than national average (benchmark)

Quality Payments (continued)

- How does payment for 4 QMs work
  - Each QM is measured independently
  - If you are an “average” participant you would be paid as if you met all 4 QM goals
  - All QM dollars will be paid out

- Compliance with Component 1 – 100%
- Compliance with Components 2 & 3 – 80%
QIPP Year 2

- HHSC proposed major changes in April 2018
  - Decrease Private participation threshold to mean plus ¼ standard deviation (62.8%)
  - Increase all funds from $400M to $625M
    - Proposed rule change published May 4th

QIPP Year 2 (continued)

- What’s the Problem?
  - HHSC had good intentions
    - Allow more private facilities to participate (more than 570)
  - Who will pay for all of this?
    - Remember State doesn’t fund anything for the program
What’s the Problem – cont’d?

- NSGO IGT would increase 4X
- Private facilities pay nothing and earn substantially more than NSGO

Imagine - you put money in bank
- Bank took your interest and gave most of it to someone else

NSGOs were asked to IGT before the rule was final
- Would they lose some facilities
- Would all NSGOs IGT in full
- How many facilities are really going to participate
**Final QIPP 2 Decisions**

- **Friday May 18, 2018**
  - HHSC decided to basically keep the program the same as year 1
  - Medicaid mix at 76.7%
  - Total program funds to $446 M
  - 466 NSGO and 95 Private

**QIPP Year 3 (Crystal Ball)**

- Reduce IGT reserve from 10% to 8%
- Private Eligibility from about 78% to 65%
  - This will allow over 300 Privates to qualify
- Move from 3 components to 4
  - Component 1 and 4 only available to NSGO
  - Components 2 and 3 available to all participants
QIPP Year 3 (Crystal Ball) continued

- Component 1 – Monthly QAPI with strings
  - Meeting minutes
  - Attendance sign-in sheets
  - Documents related to policies and procedures
  - Records related to analysis and action
  - Show owner/operator involvement
  - Remains at IGT plus 10%

QIPP Year 3 (Crystal Ball) continued

- Component 2 – Monthly Staffing & Workforce Development 3
  - Equally Weighted Metrics
  - 12 hours of RN coverage per day
  - 16 hours of RN coverage per day
  - Recruitment and retention plan
  - Submission of data related to terminations and vacancies
QIPP Year 3 (Crystal Ball) continued

- Component 3 – Quarterly - Three QMs vs. 4 in Y1 and Y2
  - 3 Equally Weighted Metrics
    - Antipsychotic meds
    - Pressure ulcers
    - Ability to move independently worsened (new)
  - Must show 5% improvement or be better than national average

QIPP Year 3 (Crystal Ball) continued

- Component 4 – Quarterly - Infection Control Program
  - 3 Equally Weighted Metrics
    - Pneumococcal Vaccine
    - Urinary Tract Infection
    - Infection Control & Antibiotic Stewardship Program
QIPP Summary (Estimated Averages)

- Numbers below are estimated averages and actual results by facility will vary

<table>
<thead>
<tr>
<th></th>
<th>QIPP Y1</th>
<th>QIPP Y2</th>
<th>QIPP Y3 (projected)</th>
</tr>
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<tbody>
<tr>
<td>NSGO Participants</td>
<td>430</td>
<td>466</td>
<td>466</td>
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<tr>
<td>Private Participants</td>
<td>84</td>
<td>95</td>
<td>310 eligible</td>
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<td>Total Funds</td>
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<td>IGT Dollars</td>
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Questions?

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