

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF DIRECTOR

ACTION REFERRAL

TO <i>First</i>	DATE <i>7-14-11</i>
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DIRECTOR'S USE ONLY		ACTION REQUESTED	
1. LOG NUMBER <i>000031</i>	<input type="checkbox"/> Prepare reply for the Director's signature DATE DUE _____ <input type="checkbox"/> Prepare reply for appropriate signature DATE DUE _____ <input type="checkbox"/> FOIA DATE DUE _____ <input checked="" type="checkbox"/> Necessary Action		
2. DATE SIGNED BY DIRECTOR 			

APPROVALS (Only when prepared for director's signature)	APPROVE	* DISAPPROVE (Note reason for disapproval and return to preparer.)	COMMENT
1.			
2.			
3.			
4.			

July 7, 2011

RECEIVED

JUL 14 2011

Melanie "Bz" Giese, RN, Deputy Director
Medical & Managed Care Services
South Carolina Department of Health and Human Services
PO Box 8206
Columbia, SC 29202-8206

Department of Health & Human Services
OFFICE OF THE DIRECTOR

Re: Pay for Performance

Dear Bz:

I am writing in response to your letter of May 24, 2011, inviting BlueChoice HealthPlan to participate in the development of the expanded Pay for Performance program. We encourage the Office of Medical and Managed Care Services to consider implementing an array of measures that includes both clinical and operational metrics in order to ensure a comprehensive assessment of each plan's performance over time. To that end, we recommend the following measures and offer our rationale for including each:

Operational Measures

- Encounter Data – measures the plan's timeliness and accuracy of encounter submission. Managed care rates will likely be based on MCO encounter data as early as next year, so we feel it is important to track and monitor health plan submissions of encounter data.
- CRCS Report – we suggest maintaining this report over time for the same reason as outlined above around encounter data. Additionally, the report is a good measure of plan costs across services and categories.
- External Quality Review – this annual review process is consistently applied across plans and provides a good measure of health plan performance. As such, we suggest incorporating this process into the Pay for Performance program.
- Member Services – as the point of contact with beneficiaries, performance in this area is a key indicator of the plan's success in providing satisfactory service to its members. Industry standard metrics exist in this area and can be adopted to monitor health plan performance.
- Claims Payment Report – a key measure of plan performance, particularly as it relates to provider satisfaction. As such, we suggest incorporating this existing report into the Pay for Performance program.

Clinical Measures

- Prenatal Care - assess the percentage of deliveries that received a prenatal care visit in the first trimester or within 42 days of enrollment with the MCO. This measure is highly relevant to the member population, supports healthy birth outcomes, and minimizes the need for long delivery hospitalizations.

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Medicaid managed care administered by WellPoint Partnership Plan, LLC, an independent company.

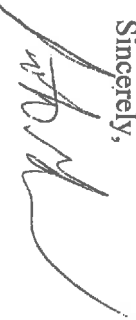
- Postpartum Care – assess the percentage of deliveries that had a postpartum visit between 21 and 56 days after delivery. This measure complements the prenatal care measure and provides important opportunities to assess the physical and psychosocial well-being of the mother, counsel her on infant care and family as well as the ability to detect and give appropriate referrals for pre-existing or developing chronic conditions such as diabetes, hypertension, or obesity.
- Hemoglobin A1c (HbA1c) testing for diabetics – assess the percentage of adult members with diabetes who had an annual HbA1c test. This is an important clinical process that allows patients and their physicians to monitor blood sugar control and then take action if the diabetes is not well controlled to help minimize both short-term and long-term diabetic complications such as kidney disease, nerve damage, or stroke.
- Cholesterol screening for diabetics – assess the percentage of adult members with diabetes who had an annual LDL-C screening test. This is an important clinical process that allows patients and their physicians to monitor cholesterol control to minimize diabetes complications including heart disease and stroke.
- Well-Child Visits in the 3rd-6th years of life – assess the percentage of members 3-6 years of age who received one or more well-child visits with a primary care provider each year. Another measure that is highly relevant to the member population. The annual visits are consistent with American Academy of Pediatrics (AAP) guidelines and are an opportunity to identify any health or developmental issues for the young children.

Regarding the clinical measures above, we strongly encourage the Agency to use HEDIS data as reported by each health plan. Health plan HEDIS data uses a combination of claims data and medical record reviews to document the most accurate quality measures possible. It is also a requirement that these results be audited by a third-party, ensuring accuracy and credibility of each plan's data.

BlueChoice HealthPlan Medicaid values our partnership with your office, and we greatly appreciate the opportunity to work with you on the development of these metrics. The performance measures we have recommended, individually and collectively, will effectively facilitate the state's Pay for Performance process. I am personally excited to work with you to provide additional insight regarding the related baseline metrics, measurement standards, and reporting requirements.

As always, BlueChoice HealthPlan Medicaid stands ready to assist you with these and other efforts to serve these most important South Carolinians. Should you have questions, please feel free to contact me anytime at 803-382-5114.

Sincerely,



Scott Graves
Executive Director
BlueChoice HealthPlan Medicaid