

Children's Acute Inpatient Value-Based Payment Arrangement

This Notice is to alert providers to the transition of the Children's Acute Inpatient from Pay-for-Performance (P4P) to Value-Based Payment (VBP) effective April 1, 2023. This is an administrative change only; there are no changes to payment methodology or performance evaluation activities.

The transition from P4P to VBP aligns with requirements set forth by the Office of Mental Health and Substance Abuse Services (OMHSAS) to annually increase the percentage of medical spend expended through VBP strategies since 2018.

Under VBP, Children's Acute Inpatient will be in a Performance-Based Contracting (PBC) model. PBC is a Fee-for-Service contract in which incentive payments and/or penalties are linked to network provider performance.

The CBH Levels of Care Included:

100.001, 100.002, 100.004 – 100.008, 100.010 – 100.012, 100.032, and 100.037.

Please Note:

- ➔ The performance measures used to pay providers use PA HEDIS specifications and are the same as the measures used in the Pay for Performance payment arrangement. The measures are as follows:
 - » CIP01: 7-Day Follow-up After Hospitalization for Mental Illness
 - » CIP02: 30-Day Follow-up After Hospitalization for Mental Illness
 - » CIP03: 30-Day Readmission to Hospital for Mental Illness
- ➔ CBH will pay a bonus award annually for achievement of performance measure benchmarks through the following methodology:
 - » Performance measures are worth a certain number of points. the maximum number of points for each measure for achieving the performance goals above. Providers receive half the maximum number of points if their performance falls within one standard deviation of the goal (standard deviation is based on performance of all providers in calendar year 2020). This methodology incentivizes continuous improvement. The points available for each measure are:

Children's Acute Inpatient Value-Based Payment Arrangement

- ➔ CIP01: 7-Day Follow-up:
 - » At or above 63.00% = 3 points
 - » Between 53.18% to 63.00% = 1.5 points
 - » Below 53.18% = 0 points

- ➔ CIP02: 30-Day Follow-up:
 - » At or Above 75.00% = 3 points
 - » Between 67.29% to 75.00% = 1.5 points
 - » Below 67.29% = 0 points

- ➔ CIP03: 30-Day Follow-up
 - » Above 16.54% = 0 points
 - » Between 11.75% to 16.54% = 1 points
 - » Below 11.75% = 2 points

Should you have any questions, please contact the Value-Based Programs team at CBH.VBP@phila.gov.