

Regionalized Intensive Behavioral Health Services (IBHS) Value-Based Payment (VBP) Arrangement

This bulletin is to alert providers to the implementation of the Regionalized Intensive Behavioral Health Services (IBHS) Value-Based Payment (VBP) arrangement effective January 1, 2024.

Payment Strategy

The VBP payment structure is a Performance Based Contracting (PBC) model. Performance Based Contracting as a Value-Based Purchasing (VBP) model is considered a low-risk payment strategy with fee-for-service contracts and incentive payments and/or penalties linked to performance. Performance is measured against quality benchmarks and/or through incremental improvement benchmarks. Providers should submit claims as previously submitted.

Rates

A 25% rate increase went into effect on July 1, 2023, for Regionalized IBHS levels of care. A second 25% rate increase will be implemented on January 1, 2024, for a compounded 56.25% increase.

Reconciliation Plan

Beginning with the January 2024 PBC model, CBH will provide a reconciliation process¹ for Providers with paid claims² between 50% and 85% of actual or budgeted expenses (actual costs cannot exceed the approved budget). Please note that any paid claims under 50% or over 85% of approved budgets will not qualify for reconciliation. Payments will be processed upon request by the Provider (Reconciliation request schedule to be released in 2024). Approved budgets are required for reconciliation consideration. Providers should contact CBH VBP if there are any significant changes to their 2024 calendar year budget after approval.

Performance Evaluation

Performance Evaluation is a crucial component of the PBC model. Incentives of up to 15% may be earned.

| Measure Category | Measure Title | Measure Goal |
|------------------|--|--|
| Community Tenure | Concurrent Crisis Services | Concurrent Crisis service rate of 4% or less |
| Community Tenure | Concurrent Acute Inpatient or Acute Partial Hospital Services | Concurrent Acute Inpatient or Acute Partial Hospital services rate of 3% or less |
| Access | Days from Receipt of Written Order to Start of IBHS Assessment | The number of days from the Written Order to the Start of the Assessment is 23 Days or Fewer |

¹ Reconciliation strategy is pending OMHSAS approval.

² Claims are subject to Compliance review.

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The IBHS Performance Measures will be weighed equally. Providers will be given 1 point for achievement of the goal for each measure. The total # of points achieved will be divided by the total # of points possible (3) and converted to a performance percentage. Providers will have possible scores of 0%, 33.3%, 66.7%, or 100%. That performance percentage will be multiplied by the amount that the 15% (highest percentage of potential bonus) represents for each provider.

Although previously discussed as a performance measure, CBH has made the decision to postpone the inclusion of the IBHS Paid to Authorization performance measure. CBH is looking forward to collaborating with Providers in working towards preparing for a Paid to Auth Measure for 2025 and beyond. In preparation for incorporating the Paid to Auth measure in the 2025 Regionalized IBHS VBP plan, the Paid to Auth measure will be run as a contextual measure in 2024.

Goals will be reevaluated annually and adjusted accordingly.

Should you have any questions, please contact CBH.VBP@phila.gov.