



**CO L O R A D O**

**Department of Health Care  
Policy & Financing**

**SOLICITATION #:**

**2017000265**

**Appendix V**

**Community Behavioral Health Services  
Program Performance Incentive Program**

## **EXHIBIT V: COMMUNITY BEHAVIORAL HEALTH SERVICES PROGRAM PERFORMANCE INCENTIVE PROGRAM**

The Department may institute a Performance Incentive Program allowing the Contractor to receive incentive payments for the improvement of key performance indicators. The implementation of the Performance Incentive Program is contingent on the availability of funds, as well as state and federal approval.

Under the Performance Incentive Program, the overall incentive funds available to the Contractor are proportionally contingent on the Contractor's performance as it relates to the following three (3) participation measures:

1. All corrective action plan submissions and activities shall be in accordance with the provisions of the Contract, for the duration of the Contract term.
  - 25% of the overall incentive funds are allocated to this participation measure.
  - To qualify for the portion of overall incentive funds allocated for this participation measure, the Contractor shall demonstrate 100% compliance.
2. Encounter data shall be submitted monthly in accordance with the provisions of the Contract, for the duration of the Contract term.
  - 25% of the overall incentive funds are allocated to this participation measure.
  - To qualify for 100% of the portion of overall incentive funds allocated for this participation measure, the Contractor shall submit flat file data that is 100% accurate for a minimum of ten (10) months for the duration of the Contract term.
  - In the event of a submission beyond the due date, up to two (2) months, the Contractor shall remain eligible for participation in the performance incentive program at a 10% reduction for each month beyond the due date. Inaccurate flat file submissions will be rejected by the Department and the Contractor shall continue to resubmit until the data is accurate.
3. The Contractor shall demonstrate documentation accuracy in the 2018 Contractor reported 411 audit.
  - 50% of the overall incentive funds are allocated to this participation measure.
  - The portion of overall incentive funds allocated for this participation measure is adjusted based on the average percentage of compliance achieved by the Contractor for the following six (6) documentation categories:
    - Procedure Code
    - Diagnosis Code
    - Place Service
    - Service Program Category
    - Units
    - Staff Requirements.
  - The percentage of total incentive payments for which the Contractor qualifies is determined by the accuracy of the above six (6) measures as follows:
    - 90% accuracy qualifies the Contractor for 100% of the portion of overall incentive funds allocated for this participation measure;
    - 85% accuracy qualifies the Contractor for 90% of the portion of overall incentive funds allocated for this participation measure;

- 80% accuracy qualifies the Contractor for 80% of the portion of overall incentive funds allocated for this participation measure.

If the Contractor meets the abovementioned minimum requirements, the Contractor can qualify for incentive payments based on minimum improvements in incentive performance measures and by percentage of compliance with incentive process measures.

Minimum improvement for each incentive performance measure is defined as the Contractor “closing their performance gap by 10%” from a respective benchmark (based on FY 15-16 rates) and Fiscal Year 2016-2017 performance. The table below lists each of the incentive performance measures and the percentage of incentive funding allocated for each measure. The benchmark for each measure is established by adding 10% to the highest validated FY15-16 Behavioral Health Organization score for associated measures.

	<b>Incentive Performance Measure</b>	<b>Percentage of Funding Allocated for Measure</b>
Indicator 1	Mental Health Engagement (all members excluding Foster Care)	15%
Indicator 2	Mental Health Engagement (Foster Care)	5%
Indicator 3	Engagement of SUD Treatment	10%
Indicator 4	Follow-up Appointment within 7 days after a hospital discharge for a mental health condition	5%
Indicator 5	Follow-up Appointment within 30 days after a hospital discharge for a mental health condition	5%
Indicator 6	Emergency Department Utilization for mental health condition	7.5%
Indicator 7	Emergency Department Utilization for substance use disorder condition	7.5%

The table below lists each of incentive process measures, the percentage of funding allocated for each measure, and the percentage of compliance that is required to qualify for an incentive payment.

	<b>Incentive Process Measure</b>	<b>Percentage of Compliance</b>	<b>Percentage of Funding Allocated for Measure</b>
Indicator 8	Suicide Risk Assessment	80%	10%
Indicator 9	Documented Care Coordination Agreements	100%	15%
Indicator 10	Denials: Dual Diagnosis	80%	20%

In accordance with 42 CFR 438.6(b)(2) incentive payments may not provide for payment in excess of 105% of the approved capitation payments. Incentive payments must be considered when determining the cost effectiveness of the Community Behavioral Health Services Program.

The incentive arrangements specified in the Performance Incentive Program are necessary to support program initiatives as specified in the state's behavioral health quality strategy, in accordance with 42 CFR 438.6(b)(2)(v).

Incentive payments may only be available for a fixed period of time and incentive performance must be measured during the rating period under the contract in which the performance incentive program is applied, in accordance with 42 CFR 438.6(b)(2)(i). The Department must remit qualifying incentive payments earned during the performance period on July 1, 2017 and June 30, 2018 to the Contractor between July 1, 2018 and December 31, 2018.

In accordance with 42 CFR 438.6(b)(2)(ii) - (iv) Performance Incentive Program arrangements:

- Are not renewed automatically.
- Are made available to both public and private contractors under the same terms of performance.
- Are not conditioned on the Contractor entering into or adhering to intergovernmental transfer agreements.