



## OPERATIONAL MEMO

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<b>TITLE:</b>	<b>IMPLEMENTATION OF THE FY 2022-23 PERFORMANCE COMPLIANCE INCENTIVE</b>
<b>SUPERSEDES NUMBER:</b>	<b>HCPF OM 21-079</b>
<b>EFFECTIVE DATE:</b>	<b>JULY 1, 2022</b>
<b>DIVISION AND OFFICE:</b>	<b>COMMUNICATIONS AND GOVERNMENT RELATIONS; POLICY, COMMUNICATIONS &amp; ADMINISTRATION OFFICE</b>
<b>PROGRAM AREA:</b>	<b>COUNTY RELATIONS AND ADMINISTRATION</b>
<b>KEY WORDS:</b>	<b>MAP DASHBOARD MEASURES, PERFORMANCE, TARGETS, MANAGEMENT DECISION LETTER, INFORMAL ACTION PLAN, CORRECTIVE ACTION PLAN, INCENTIVES</b>
<b>OPERATIONAL MEMO NUMBER: HCPF OM 22-054</b>	
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<b>APPROVED BY: RACHEL REITER</b>	

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### **Purpose and Audience:**

The purpose of this Operational Memo is to provide guidance to county departments of human/social services (counties) on how to operationalize the FY 2022-23 County Incentives Program Performance Compliance Incentive. The County Incentives Program creates performance-based benchmarks and deliverables for county departments of human/social services to achieve certain performance standards related to County Administration and Medical Assistance Eligibility. The Performance Compliance Incentives states the Contractor shall comply monthly with the Director-level MAP Dashboard measures. The performance measures include timeliness of applications/redeterminations, timeliness of long-term services and supports (LTSS) applications/redeterminations, timeliness of case changes, etc.

### **Information:**

The Department of Health Care Policy and Financing (the Department or HCPF) has statutory responsibility for the supervision of local administration of the Medical

Assistance Program (which includes Medicaid and Child Health Plan *Plus*); it is also obligated under federal law, specifically 2 CFR Part 200 Uniform Guidance, to establish performance measures and targets for the Department and counties to continuously strive to achieve to meet the program objectives as established by the Centers for Medicare and Medicaid Services. Further regulatory requirements at 10 CCR 2505-5 1.020.3.4.iii require the Eligibility Site Director to establish adequate internal controls, including organizing operations and staff functions to support performance management.

Per 10 CCR 2505-5 1.020, "Administrative Internal Controls," counties are required to establish performance management controls for Medical Assistance programs in their county. This should include establishing roles and responsibilities and designating Medical Assistance Performance (MAP) Dashboard Performance Owners, documenting processes and procedures for performance management and educating county staff on the importance of performance management and meeting performance targets, especially where there is a member impact.

The Performance Compliance Incentive was implemented for county departments of human/social services to ensure county compliance with federal and state performance standards, to address counties' internal performance management processes, and to comply with the Medical Assistance Performance (MAP) Dashboard program. MAP Dashboards are the established performance management methods used by the Department to measure county compliance with performance standards.

## **Definitions**

Director-level Performance Measure – a performance measure reported to county directors that captures overall county performance in specific work areas and tracks progress towards and/or compliance with federal and state performance requirements.

Long Run – eight consecutive data points of performance on the same side of the moving average that signify a deterioration or improvement in performance.

MAP Dashboard Performance Owner(s) - county designated MAP Dashboard performance owner(s) to access the MAP Dashboards to follow the posted Standard Operating Procedure (SOP), ensure targets are met, and research and address gaps in performance

Medical Assistance Performance (MAP) Dashboard Program – the program which reports performance measures, targets and information particular to performance management for Medical Assistance Programs.

Performance Measure – a quantification that provides objective evidence of the degree to which a performance result is occurring over time.

Semi-Annual Due Date – the due date(s) for the County Incentives Program, which occur bi-annually, on January 5th and July 5th.

Short Run – three or three out-of-four consecutive data points of performance closer to the limit of the county's normal process than the county's moving average.

Tableau – is an interactive data visualization software focused on business intelligence; provides a graphic representation of essential information regarding performance measures, targets and benchmarks and the county's actual performance.

Target – a degree of performance that we continuously strive to achieve; targets for MAP Dashboard Performance Compliance are set by the Department based on federal requirements, current county performance and county solicited feedback to drive improvement strategic goals, federal requirements and improvement endeavors.

### **Funding for Performance Compliance Incentive**

The Performance Compliance Incentive is weighted at thirty percent (30%) of total County Incentives funding for the fiscal year. Counties must meet or exceed seventy percent (70%) target of compliance with all Director-level MAP Dashboard performance measures. MAP Dashboard Director-level performance measures track progress towards, and compliance with, federal and state performance requirements.

### **Medical Assistance Performance (MAP) Dashboard Program**

The MAP Dashboard Program shares performance targets and actual county performance with county leadership and staff. This information initiates two-way conversations around performance and determine what support is needed from the state to achieve performance targets. The Department updates the MAP Dashboards monthly, which are accessible to the county through the Department's MAP Dashboard SharePoint Page or Tableau; copies of these Dashboards are also emailed to county leadership monthly.

MAP Dashboard Performance Owner(s) must access the MAP Dashboards and work within the county department to address root causes when performance targets aren't met.

**Earning the Performance Compliance Incentive Payment**

Counties will earn the Performance Compliance Incentive Payment if the 70% compliance target is met at the conclusion of the fiscal year. The 70% target is achieved by meeting and/or exceeding the Director-level performance measures on the MAP Dashboard.

If a county falls short of a Director-level performance target for three consecutive months or three months out of four months, this is considered a Short Run and the county will receive a notice of non-compliance for that measure. The intent of a notice of non-compliance, also called a Management Decision Letter (MDL), is to begin the formal process for performance improvement on the measure that is not meeting the target. The Management Decision Letter will be sent to the County Director.

An MDL decreases the county’s percent of compliance, thereby impacting the county’s ability to earn the Performance Compliance Incentive. After receiving an MDL, the county will be asked to create either an Improvement Action Plan (IAP) or Corrective Action Plan (CAP), per 10 CCR 2505-5 1.020.11, “Non-Compliance Findings and Action Plan Processes.” For additional guidance on MDLs, IAPs and CAPs, refer to [HCPF OM 21-078](#), or whichever later Operational Memo supersedes OM 21-078.

**Calculation of Target for the Performance Compliance Incentive**

The calculation is:

$$\frac{\text{Total \# of Director-level Measures In-Compliance}}{\text{Total \# of Director-level Measures on MAP Dashboards}} = \text{County Compliance \%}$$

Only Director-level performance measures that the county **did not** receive an MDL for any time throughout the fiscal year will be considered in-compliance (see the numerator of the equation above).

**Tips for Earning the Performance Compliance Incentive Payment**

County MAP Dashboard Performance Owners should ensure they have access to the Department’s [MAP Dashboard External SharePoint Page](#) or to the Tableau site when available; this is where MAP Dashboards are available and updated monthly. If the

county has MAP Dashboard access questions, please reach out to [hcpf\\_mapdashboards@state.co.us](mailto:hcpf_mapdashboards@state.co.us).

County MAP Dashboard Performance Owners should be familiar with the Standard Operating Procedures (SOPs) available on the [MAP Dashboard External SharePoint Page](#) or Tableau to be able to understand and monitor the Dashboards.

Review and understand the training materials provided to anticipate when an MDL may be triggered, which requires the county to prepare an IAP or CAP. Be proactive and address performance that is not meeting the targets.

A Short- or Long Run of performance, referring to a certain amount of data points or months of performance trending away from the county's past documented performance, may be reported on the MAP Dashboards. If this occurs, the Department will issue an MDL for non-compliance to the county and the county will investigate for root causes of the non-compliance. The MDL will require the county to submit either an IAP or CAP by the specified due date; the action plan will document the root causes and identification of the performance issue, why the problem exists, solutions to correct or mitigate the performance issue, timelines for correcting the problem, and who is responsible for ensuring the solution is implemented. If the county fails to submit either an IAP or CAP as required from the MDL, the Department will take the next regulatory oversight steps as defined in 10 CCR 2505-5 1.020.11 and 1.020.12.

If you are having challenges meeting performance targets, submit a [Continuous Improvement request](#) or reach out to [hcpf\\_performance.improvement@state.co.us](mailto:hcpf_performance.improvement@state.co.us). The Performance Improvement Team can assist with identifying the root cause of performance challenges and can work with the county to address challenges identified. In addition, the Overflow Processing Center may be able to provide processing assistance for those cases non-compliant with performance targets or extenuating circumstances; visit the [Overflow Processing Center page](#) for more information.

#### Exemptions for Unusual Circumstances

Exemptions will not be considered for the Performance Compliance Performance Incentive Standard.

#### Contract Language

Contract Language for the Performance Compliance Incentive can be found in the [FY22-23 County Incentives Contract](#) in section 4.3. If conflict arises between contract language

and guidance issued through the HCPF Memo Series, contract language supersedes the guidance provided through the HCPF Memo Series.

**Attachment(s):**

None

**Department Contact:**

For questions on the Performance Compliance Incentive, please complete a [County Relations Request form ticket](https://hcpfdev.secure.force.com/HCPFCountyRelations) (<https://hcpfdev.secure.force.com/HCPFCountyRelations>). Please select Ticket Type "Incentives Program."

For more information on MAP Dashboards and to request access to the MAP Dashboard External SharePoint Page or Tableau, reach out to:  
[hcpf\\_mapdashboards@state.co.us](mailto:hcpf_mapdashboards@state.co.us)

For assistance and support with Performance Improvement, reach out to:  
[hcpf\\_performance.improvement@state.co.us](mailto:hcpf_performance.improvement@state.co.us)