



# DEPARTMENT OF HEALTH AND HUMAN SERVICES

## DIVISION OF HEALTH CARE FINANCING AND POLICY

*Helping people. It's who we are and what we do.*



July 22, 2022

TRANSMITTED VIA ELECTRONIC MAIL

To: Lisa Bogard, Plan President, Anthem Blue Cross Blue Shield  
Kelly Simonson, Plan President, Health Plan of Nevada  
Michael Easterday, Plan President, Molina Health Care  
Eric Schmacker, Plan President, Silver Summit Health Plan

Fr: Theresa Carsten, Chief, Managed Care and Quality Assurance Unit

Re: CY 2023 Pay-For-Performance Withhold for Managed Care Organizations (MCOs)

In Calendar Year (CY) 2023, the Division will begin implementation of the Pay-For-Performance (P4P) Withhold Arrangement pursuant to Section 7.13.5 of the Contract. The P4P Withhold Arrangement for CY2023 will result in a 1.5% monthly withhold on MCO capitation payments. To determine payment distribution of the CY 2023 P4P Withhold, the Division will be measuring MCO performance by utilizing four HEDIS Measures that are currently in place for the state's Performance Improvement Program (PIP).

As shown in Table 1 below, the Division has established benchmarks for measuring MCO improvement that are based on each MCO's performance on the four HEDIS Measures during Measurement Year (MY) 2020. The benchmarks for Molina, as a new market entrant, will differ and be based on the lowest performance score achieved by the contracted MCOs in MY 2020 for each of the four HEDIS Measures.

**Table 1: Performance Targets for MCO Withhold Arrangement in CY 2023**

	Performance Performance			Performance Performance			Performance Performance			Performance Performance		
	Anthem MY20	Target 1 0.5	Target 2 2.5	HPN MY20	Target 1 0.5	Target 2 2.5	SSHP MY 20	Target 1 0.5	Target 2 2.5	MHC Baseline	Target 1 .5	Target 2 2.5
AAP 20-44	64.55	64.72	65.44	69.8	69.95	70.56	58.2	58.4	59.25	58.2	58.4	59.24
AAP 45-64	72.29	72.42	72.98	76.29	76.41	76.88	69.12	69.27	69.89	69.12	69.27	69.89
FUM 7 day	29.55	29.9	31.31	52.34	52.57	53.53	42.96	43.24	44.39	29.55	29.9	31.31
FUM 30 day	40.89	41.18	42.37	60.81	61	61.79	53.66	53.89	54.82	40.89	41.18	42.36

### Payment Methodology

To receive the full distribution (100%) of the withhold payment for the CY 2023 P4PWithhold, an MCO must achieve at least 2.5% QISM improvement on each HEDIS Measure as compared to the benchmark. If an MCO's performance does not achieve the level of improvement required for each Measure under Target 2, the MCO may be eligible to receive up to half (50%) of the withhold payment for CY 2023 P4PWithhold if its performance improvement efforts result in at least 0.5% QISM improvement in CY 2023 for each Measure under Target 1. This means that each HEDIS Measure in Target 1 is worth 12.5% of the withhold payment.

MY 2023 data should be available to the Division no later than October 2024. If performance targets are determined by the Division to have been met, then communication will be sent from the DHCFP Managed Care Quality Assurance Unit to DHCFP Fiscal Unit for processing and payment no later December 2024.

CC: Suzanne Bierman, Administrator  
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