Medicaid Program and Children's Health Insurance Program (CHIP) Quality Rating System (MAC QRS) (CMS-2439-P)

Notice of Proposed Rulemaking: MAC QRS

May 25, 2023

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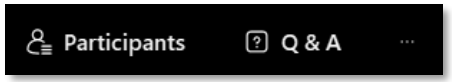

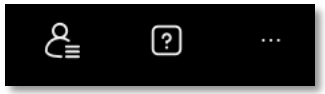

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Submitting Public Comments

Notice of Proposed Rulemaking (NPRM) Publication Date: May 3, 2023

https://www.federalregister.gov/documents/2023/05/03/2023-08961/medicaid-program-medicaid-and-childrens-health-insurance-program-chip-managed-care-access-finance

Deadline for Comments: July 3, 2023

- Submit comments online at: http://www.regulations.gov
- Refer to file code CMS-2439-P when submitting comments

Agenda

1. Background
2. NPRM – MAC QRS Proposed Provisions
3. Implementation Timeframe & Request for Comments

Background

Medicaid, CHIP, and Managed Care

- Managed care is the dominant delivery system in the Medicaid and CHIP program.
- The most recent Medicaid managed care enrollment data show that of the 80.8 million individuals covered by Medicaid as of July 1, 2020, 84 percent of these individuals were enrolled in a type of managed care.*
- Since February 2020, enrollment in Medicaid and CHIP has increased by more than 30%. As of January 2023, **more than 93 million individuals** were enrolled in Medicaid and CHIP, including **almost 42 million children.****

* https://www.medicaid.gov/medicaid/managed-care/downloads/2020-medicaid-managed-care-enrollment-report.pdf
** https://www.medicaid.gov/medicaid/program-information/medicaid-and-chip-enrollment-data/report-highlights/index.html

Previous Rulemaking

Final rules in 2016 and 2020 established:

- The authority to require States to operate a Medicaid and CHIP managed care quality rating system (MAC QRS) at § 438.334 that includes managed care plans including managed care organizations (MCOs), prepaid inpatient health plans (PIHPs), and prepaid ambulatory health plans (PAHPs) contracted by the State to provide Medicaid or CHIP services)
- A requirement for CMS to develop a MAC QRS framework, including measures and a methodology, after consulting with States and other interested parties
- The option for states to either use the CMS-developed framework or establish an alternative QRS, subject to CMS approval
- A three year implementation timeline

Policy Goals

The policy goals of the MAC QRS are threefold:

1. To hold States and plans accountable for the care provided to Medicaid and CHIP beneficiaries
2. To empower beneficiaries with useful information about the plans available to them
3. To provide a tool for States to drive improvements in plan performance and the quality of care provided by their programs

Consultation with Interested Parties

Since 2018, we have used a variety of forums to engage in robust consultation with interested parties to develop the framework of the MAC QRS.

- **Beneficiary and caregiver interviews** to discover beneficiary values and understand measures of health plan quality that matter to beneficiaries
- **State, health plan, and external quality review organizations (EQRO) interviews** to discuss a wide range of topics including potential mandatory measures, implementation of an alternative QRS, concerns about implementation of a MAC QRS, current approaches and methodologies used by States and plans to calculate quality measures, and technical assistance needs
- **Several testing cycles of a MAC QRS website prototype with beneficiaries** to refine content and features found most desirable by potential MAC QRS users
- **Mandatory measure workgroup with members from Medicaid and CHIP state agencies and plans, EQROs, and provider and beneficiary organizations**, to identify potential measures for the MAC QRS and the feasibility of reporting
- **Listening sessions with interested parties including states and managed care plans** to obtain input on a sample mandatory measure set containing over 25 measures

MAC QRS Proposed Provisions

Proposed Provisions

1. General Rules and Timeline
2. MAC QRS Framework
    i. Mandatory MAC QRS Measures
    ii. MAC QRS Methodology
    iii. Website Display
3. Alternative Quality Rating System
4. Resource Manual and Reporting

Proposed General Rules and Timeline

- Each State contracting with an applicable managed care plan to furnish services to Medicaid and CHIP beneficiaries would have to adopt the QRS framework developed by CMS or adopt an alternative managed care quality rating system approved by CMS.
- In establishing and maintaining the MAC QRS mandatory measure set and rating methodology, CMS would align with similar CMS programs and approaches when appropriate.
- Once finalized, States would have **four** years (not three as currently required) to implement the proposed MAC QRS and at least two additional years to implement certain proposed display requirements.
- States would have to provide a support system for beneficiaries or users of a State's MAC QRS, leveraging existing State resources.

Proposed MAC QRS Framework

1. Mandatory measure set

- 18 proposed mandatory measures for which States would be required to report quality ratings on their MAC QRS website
- CMS would engage regularly with interested parties to update the mandatory measure set over time using a subregulatory process

2. Methodology for calculating quality ratings

- States would be required to use either the proposed CMS-developed methodology, or an alternate methodology approved by CMS, to calculate quality ratings for mandatory measures

3. Website display NEW

- Website display requirements for the MAC QRS website would be implemented in two phases, with interactive features implemented at a later date
- Proposals for the display requirements were developed based on extensive consultation with beneficiaries and states and are meant to balance implementation of features and information identified by beneficiaries as desirable with what states identified as feasible

Mandatory MAC QRS Measure Set

Proposal: An initial set of 18 mandatory measures and rules for ongoing maintenance of the MAC QRS mandatory measure set

Mandatory Measures	States would have to include the measures in the mandatory QRS measure set identified by CMS in their MAC QRS
Process to Update Measures	CMS would update the mandatory measure set by adding, removing, or updating existing measures at least every other year using a subregulatory process
Standards for Adding New Measures	CMS would add a measure to the mandatory measure set only when certain standards are met
Removing and Updating Existing Measures	CMS could remove and update existing measures under certain circumstances
Finalizing and Displaying Measures	• Modifications to the mandatory measure set would be finalized in an annual technical resource manual, which will also identify a timeline for State implementation of any modification • States would be given at least 2 calendar years to display new mandatory measures or substantive updates to existing mandatory measures

Mandatory MAC QRS Measure Set

Mandatory Measures

- **Proposal:** A State's MAC QRS must include the measures in a mandatory measure set identified by CMS

Measure Steward	Measure Name
NCQA	**Use of First-Line Psychosocial Care for Children and Adolescents on Antipsychotics (APP-CH)**
NCQA	**Initiation and Engagement of Substance Use Disorder (SUD) Treatment**
CMS	**Preventive Care and Screening: Screening for Depression and Follow-Up Plan (CDF)**
NCQA	**Follow-Up After Hospitalization for Mental Illness (FUH)**
NCQA	**Well-Child Visits in the First 30 Months of Life (W30)**
NCQA	**Child and Adolescent Well-Care Visits (WCV)**
NCQA	**Breast Cancer Screening (BCS)**
NCQA	**Cervical Cancer Screening (CCS)**
NCQA	**Colorectal Cancer Screening (COL)**
DQA	**Oral Evaluation, Dental Services (OEV)**
OPA	**Contraceptive Care - Postpartum Women (CCP)**

Measure Steward	Measure Name
NCQA	**Prenatal and Postpartum Care (PPC)**
NCQA	**Hemoglobin A1c Control for Patients with Diabetes (HBD)**
NCQA	**Asthma Medication Ratio (AMR)**
NCQA	**Controlling High Blood Pressure (CBP)**
AHRQ	**CAHPS – How people rated their health plan**
AHRQ	**CAHPS – Getting care quickly**
AHRQ	**CAHPS – Getting needed care**
AHRQ	**CAHPS – How well doctors communicate**
AHRQ	**CAHPS – Health plan customer service**
CMS	**MLTSS-1 LTSS Comprehensive Assessment and Update**
CMS	**MLTSS-7: LTSS Minimizing Institutional Length of Stay**

Mandatory MAC QRS Measure Set

Process to Update Mandatory Measures

- Proposal: CMS will use a subregulatory process to engage with States and other interested parties, to obtain expert and public input and recommendations prior to adding, removing, or updating measures

At least every other year, CMS would:

1. Engage with States and other interested parties to evaluate the current mandatory measure set and make recommendations to add, remove, or update existing measures
    - Engagement would include state officials, measure experts, health plans, beneficiary advocates, tribal organizations, health plan associations, and EQROs
    - Recommendations would have to be based on the proposed measure criteria and standards
2. Provide public notice and opportunity to comment through a subregulatory process (such as a call letter) on most substantive modifications to the mandatory measure set

Mandatory MAC QRS Measure Set

Standards for Adding Mandatory Measures

- **Proposal:** CMS will add a measure to the mandatory measure set when three standards are met, based on available information, including input from the subregulatory process

Standard 1: The measure meets at least 5 of 6 criteria:

i. Is meaningful and useful for beneficiaries or their caregivers when choosing a managed care plan;

ii. Aligns with other CMS programs described in § 438.505(c) of this chapter;

iii. Measures health plan performance in at least one of the following areas: customer experience, access to services, health outcomes, quality of care, health plan administration, and health equity;

iv. Presents an opportunity for managed care plans to influence their performance on the measure;

v. Is based on data that are available without undue burden on States and plans such that it is feasible to report by many States and managed care plans;

vi. Demonstrates scientific acceptability, meaning that the measure, as specified, produces consistent and credible results;

Standard 2: The proposed measure contributes to balanced representation of beneficiary subpopulations, age groups, health conditions, services, and performance areas within a concise mandatory measure set, and

Standard 3: The burdens associated with including the measure do not outweigh the benefits to the overall quality rating system framework of including the new measure based on the 6 proposed criteria.

Mandatory MAC QRS Measure Set

Application of Standard 1: Inclusion Criteria

	Criteria	Follow-Up After ED Visit for Mental Illness (FUM)	Follow-Up After Hospitalization for Mental Illness (FUH)
✓	**Alignment**	• Identified by 16 States as a measure collected from managed care plans in the '20-'21 EQR reporting cycle	• Identified by 19 States as a measure collected from managed care plans in the '20-'21 EQR reporting cycle
		• Reported publicly as a measure of plan performance in 2 States	• Reported publicly as a measure of plan performance in 4 States
		• Core Set measure	• Core Set and QHP QRS measure
✓	**Usefulness to Beneficiaries**	• The importance of timely access to mental health services were consistently identified in our conversations with Medicaid beneficiaries	
✓	**Relevance**	• Both measures address access to services	
✓	**Actionability**	• States and plans identified various ways in which plans can address follow-up. The 30-day measure was generally thought to be more actionable than 7-day due to supply of mental health providers and the need for plan coordination in States that carve out behavioral health.	• States and plans identified various ways in which plans can address follow-up. The 30-day measure was generally thought to be more actionable than 7-day due to supply of mental health providers and the need for plan coordination in States that carve out behavioral health.
			• Used by 3 States to assess plan performance as part of the State's quality strategy
✓	**Feasibility**	• Relies on administrative data from claims that are owned or available to plans, but would require coordination between plans in States that offer behavioral through a separate managed care program.	
✓	**Scientific Acceptability**	• Generally regarded as reliable and valid measure in our listening sessions	
		• Endorsed by the National Quality Forum	

Mandatory MAC QRS Measure Set

Application of Standards 2 and 3

Criteria	Follow-Up After ED Visit for Mental Illness (FUM)	Follow-Up After Hospitalization for Mental Illness (FUH)
Alignment	• Identified by 16 States as a measure collected from managed care plans in the '20-'21 EQR reporting cycle*	• Identified by 19 States as a measure collected from managed care plans in the '20-'21 EQR reporting cycle*
	• Reported publicly as a measure of plan performance in 2 States	• Reported publicly as a measure of plan performance in 4 States
	• Core Set measure	• Core Set and QHP QRS measure
Usefulness to Beneficiaries	• The importance of timely access to mental health services were consistently identified in our conversations with Medicaid beneficiaries	
Relevance	• Both measures address access to services	
Actionability	• States and plans identified various ways in which plans can address follow-up. The 30-day measure was generally thought to be more actionable than 7-day due to supply of mental health providers and the need for plan coordination in States that carve out behavioral health.	• States and plans identified various ways in which plans can address follow-up. The 30-day measure was generally thought to be more actionable than 7-day due to supply of mental health providers and the need for plan coordination in States that carve out behavioral health.
		• Used by 3 States to assess plan performance as part of the State's quality strategy*
Feasibility	• Relies on administrative data from claims that are owned or available to plans, but would require coordination between plans in States that offer behavioral through a separate managed care program.	
Scientific Acceptability	• Generally regarded as reliable and valid measure in our listening sessions	
	• Endorsed by the National Quality Forum	

* Cells are highlighted to show differences between the FUH and FUM measures.

Mandatory MAC QRS Measure Set

Removing and Updating Mandatory Measures

Proposal: Establish the circumstances under which CMS may remove or update existing measures in the mandatory measure set

Removals

CMS could remove existing mandatory measures if:

- After following the subregulatory process, CMS determines that the measure no longer meets each of the three measure standards, or
- Outside of the subregulatory process if:
    1. The measure steward (other than CMS) retires or stops maintaining a measure;
    2. CMS determines that measure specifications no longer align with positive health outcomes; or
    3. CMS determines that the measure shows low statistical reliability.

Updates

- For **non-substantive updates**, CMS must update changes to the technical specifications for a measure made by the measure steward.
- For **substantive updates**, CMS could adopt substantive updates to a mandatory measure only after following the subregulatory process.

Mandatory MAC QRS Measure Set

Finalizing and Displaying Measures

Proposal: CMS will finalize modifications to the mandatory measure set and the timeline for State implementation of such modifications in the technical resource manual

- For new or substantively updated measures, CMS would provide each State with at least 2 calendar years from the start of the measurement year immediately following the release of the annual technical resource manual in which the modification to the mandatory measure set is finalized, to display measurement results and ratings using the new or updated measure(s).
- A State could elect to display the ratings for a new mandatory measure sooner.

EXAMPLE

If the technical resource manual finalized updates in August 2026, and the next measurement year after August started in January 2027, States would have, at a minimum, until January 2029 before they would be required to display the ratings for the mandatory measure updates in their MAC QRS.

MAC QRS Methodology

Proposal: Establishes how states must collect and use data to calculate managed care quality ratings for mandatory measures, unless CMS has approved an alternative QRS

Data Collection	• States would have to collect the data necessary to calculate quality ratings for mandatory measures from their contracted managed care plans with 500+ enrollees and, as applicable and available without undue burden, from the State's Medicaid fee-for-service program and Medicare
Data Validation	• Collected data would have to be validated • Enhanced match may be available for Medicaid External Quality Review (EQR) related activities performed for MCOs by EQR organizations to assist with the calculation and validation of data used to generate quality ratings for the MAC QRS
Calculating and Issuing Quality Ratings	• Performance rates for managed care plans would have to be calculated using validated data • States would issue, for each mandatory measure, a quality rating to each managed care plan whose contract includes a service or action being assessed by the measure, as determined by the State • Quality ratings would have to be issued for each individual measure

Calculating and Issuing Quality Ratings

Example: Follow-Up after Hospitalization for Mental Illness (FUH)

- FUH assess the percentage of inpatient discharges for a diagnosis of mental illness or intentional self-harm among patients age 6 years and older that resulted in follow-up care with a mental health provider within 7 and 30 days
- To calculate the FUH measure, a State would need both inpatient hospitalization data *and* mental health service data.
- In some states, inpatient and mental health services may be provided through a single program, and would therefore be provided by a single plan.
- Other states may provide these services through separate programs, and the two services may therefore be provided by different plans. In such a situation, the State would need to determine what plan or plans should be issued a quality rating for the FUH measure.

Calculating and Issuing Quality Ratings

Proposal for identifying plans who will receive a quality rating

- **Proposal**: States must calculate and issue a measure performance rate for each managed care plan whose contract includes a service or action assessed by the measure, as determined by the State.

- Under our proposal, a State would issue a FUH quality rating to "each managed care plan whose contract includes a service or action assessed by the measure, as determined by the State."
- When a single program covers inpatient care and mental health services, it follows that that single plan should be issued a quality rating for FUH.
- However, when inpatient and mental health services are provided by through different programs, the plan(s) who should be issued a quality rating for FUH may not be clear.

Issuing Quality Ratings

Applying proposal to FUH

- **Proposal**: States must calculate and issue a measure performance rate for each managed care plan whose contract includes a service or action assessed by the measure, as determined by the State

1. State determines the service(s) or action(s) assed by the measure
   - Is FUH assessing hospitalizations, the provision of timely follow-up care for mental illness, or both?
2. State identifies the plan(s) whose contract includes the service(s) or action(s).

   - If a state determines that FUH assesses the timely follow-up of care for mental illness, the state would identify the plans whose contract includes follow-up care for mental illness (e.g., plans that offer services through the state's behavioral health program)
3. State issues FUH quality rating to identified plans.

Website Display

Proposal: Establish new requirements for the MAC QRS website display to be implemented in two phases

Phase 1 Requirements

- Navigational and orienting information
- Tailored MAC QRS display content
- Plan comparison information including costs, services, drugs and benefits, and providers
- Quality ratings of mandatory measures, including stratification of certain factors
- Timeline: Implementation would be required by the fourth calendar year following the final rule

Phase 2 Requirements

- Interactive tools to compare plan formularies and networks and tailor display content
- Interactive tool to view quality ratings for measures stratified by factors identified by CMS
- Timeline: Implementation would be required no earlier than six calendar years following the final rule, but States may implement earlier

Website Display

Website Display Resources

Given the visual nature of the proposed display requirements, CMS is providing additional resources on the MAC QRS website

- Two sample MAC QRS website prototypes each intended to illustrate *an* example of how States may choose to comply with the minimum proposed website display requirements in the two phases of website implementation
- Video walk throughs of both prototypes
- A citation map to assist users in locating where in each prototype a proposed display requirement is illustrated

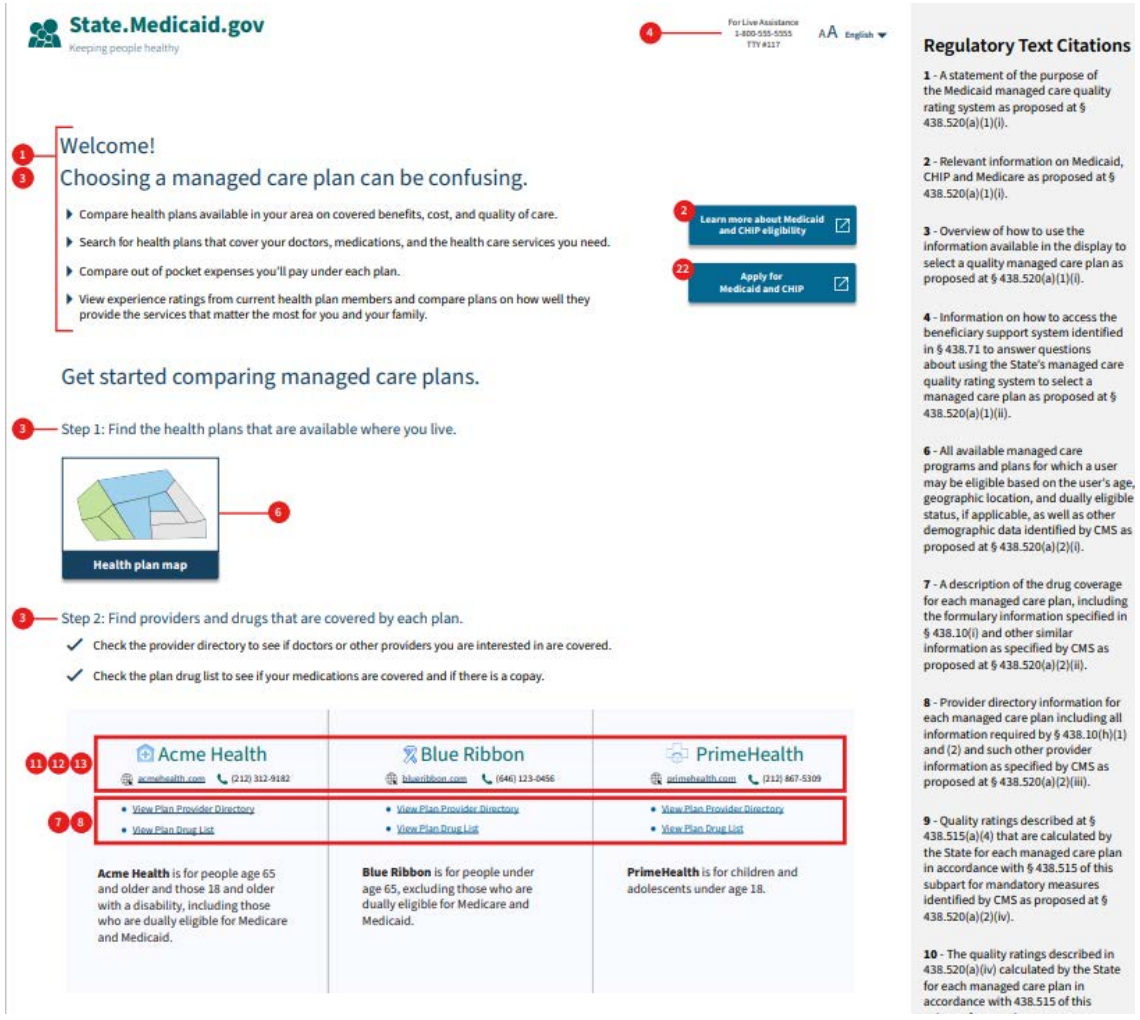
You can view these resources at:

https://www.medicaid.gov/medicaid/quality-of-care/medicaid-managed-care-quality/quality-rating-system/index.html

Website Display

Prototype Previews

- **Prototype A: Phase 1**



Regulatory Text Citations

1 - A statement of the purpose of the Medicaid managed care quality rating system as proposed at § 438.520(a)(1)(i).

2 - Relevant information on Medicaid, CHIP and Medicare as proposed at § 438.520(a)(1)(i).

3 - Overview of how to use the information available in the display to select a quality managed care plan as proposed at § 438.520(a)(1)(i).

4 - Information on how to access the beneficiary support system identified in § 438.71 to answer questions about using the State's managed care quality rating system to select a managed care plan as proposed at § 438.520(a)(1)(ii).

6 - All available managed care programs and plans for which a user may be eligible based on the user's age, geographic location, and dually eligible status, if applicable, as well as other demographic data identified by CMS as proposed at § 438.520(a)(2)(i).

7 - A description of the drug coverage for each managed care plan, including the formulary information specified in § 438.10(i) and other similar information as specified by CMS as proposed at § 438.520(a)(2)(ii).

8 - Provider directory information for each managed care plan including all information required by § 438.10(h)(1) and (2) and such other provider information as specified by CMS as proposed at § 438.520(a)(2)(iii).

9 - Quality ratings described at § 438.515(a)(4) that are calculated by the State for each managed care plan in accordance with § 438.515 of this subpart for mandatory measures identified by CMS as proposed at § 438.520(a)(2)(iv).

10 - The quality ratings described in 438.520(a)(iv) calculated by the State for each managed care plan in accordance with 438.515 of this

- **Prototype B: Phase 2**

Regulatory Text Citations

1 - A statement of the purpose of the Medicaid managed care quality rating system as proposed at § 438.520(a)(1)(i).

2 - Relevant information on Medicaid, CHIP and Medicare as proposed at § 438.520(a)(1)(i).

3 - Overview of how to use the information available in the display to select a quality managed care plan as proposed at § 438.520(a)(1)(i).

4 - Information on how to access the beneficiary support system identified in § 438.71 to answer questions about using the State's managed care quality rating system to select a managed care plan as proposed at § 438.520(a)(1)(ii).

5 - If users must input user-specific information to access or use the QRS, an explanation of why the information is requested and whether it is optional or required as proposed at § 438.520(a)(1)(iii).

6 - All available managed care programs and plans for which a user may be eligible based on the user's age, geographic location, and dually eligible status, if applicable, as well as other demographic data identified by CMS as proposed at § 438.520(a)(2)(i).

17 - Certain of the metrics, as specified by CMS, of managed care plan performance that States must make available to the public under § 438 subparts B and D, including data most recently reported to CMS on each managed care program pursuant to § 438.66(e) and the results of the secret shopper survey specified in § 438.68(f) of this part as proposed at § 438.520(a)(3)(v).

22 - Information or hyperlinks directing users to resources on how and where to apply for Medicaid and enroll in a Medicaid or CHIP plan as proposed at § 438.520(a)(5).

Alternative Quality Rating System

Proposal: Removes the current requirement that States must obtain CMS approval to display quality ratings for additional measures not included in the mandatory set

- Narrows scope of current regulations by requiring States to request an alternative QRS only to apply a different methodology than the one proposed by CMS
- An alternative QRS must:

  (1) Include mandatory measures identified by CMS

  (2) Generate ratings that yield information regarding managed care plan performance which, to the extent feasible, is substantially comparable to that yielded by the CMS methodology

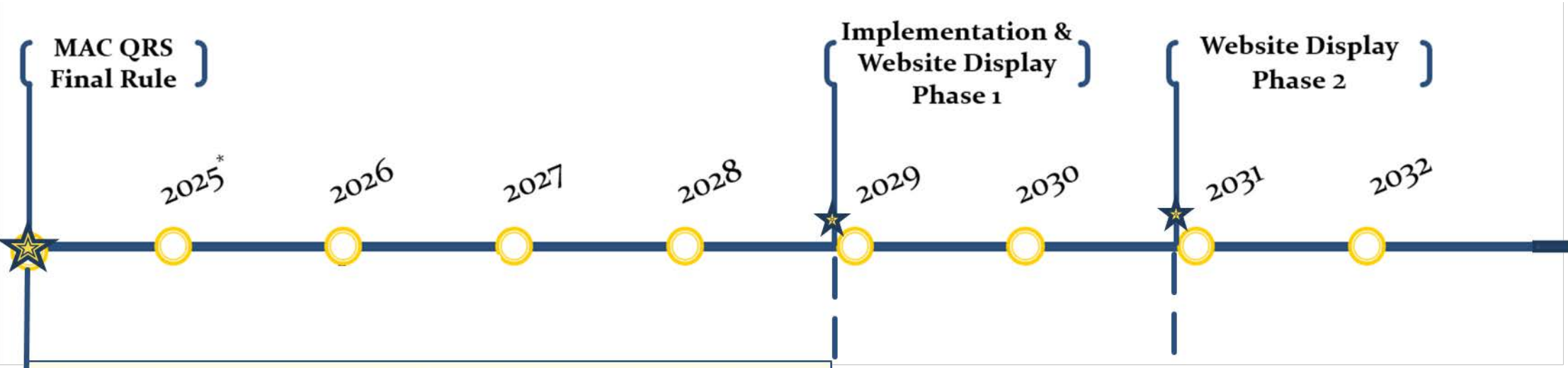
  (3) Be approved by CMS prior to implementation or modification to an existing alternative QRS previously approved by CMS

Resource Manual and Reporting

- CMS must develop a MAC QRS technical resource manual no later than August 1, 2025, and update it annually thereafter
- Upon request, states would have to submit certain information on their MAC QRS to CMS

Implementation Timeframe & Request for Feedback

Implementation Timeframe



Must implement a MAC QRS by the end of the fourth calendar year following publication of a final rule.

Must implement Phase 1 Website Display Requirements by the end of the fourth calendar year following publication of a final rule

May choose to implement one or more Phase 2 Website Display requirements

Must implement the Phase 2 requirements by a date specified by CMS, **which will be no sooner than 2 years after** Phase 1 implementation

* Years are subject to change based on when the final rule is published

Request for Feedback

We need YOU to review and submit public comments!

Submitting Public Comments

NPRM Publication Date: May 3, 2023

https://www.federalregister.gov/documents/2023/05/03/2023-08961/medicaid-program-medicaid-and-childrens-health-insurance-program-chip-managed-care-access-finance

Comment Deadline: July 3, 2023

- Submit comments online at: http://www.regulations.gov
- Refer to file code CMS-2349-P when submitting comments