BENEFITS IN THE SHARED SAVINGS CALCULATION FOR THE MQISSP

July 8, 2015

Draft and Subject to Revision

In constructing the Medicaid Quality Improvement and Shared Savings Program (MQISSP), the State of Connecticut (State) will need to determine which benefits to include in the calculation of shared savings. Upon reviewing existing State shared savings programs, one may find programs on both ends of the following spectrum:

- States that include all benefits:
  - A state may choose to cover all benefits available in order to ensure that providers are willing to coordinate all of the care that its members need.
- States that include selective benefits:
  - A state may choose to cover only those benefits that providers believe they can directly affect. However, in such situations, states may run the risk of their providers realizing savings in those benefit categories while seeing cost increases in other benefit categories, therefore resulting in a net increase of costs while still owing savings to their providers under the calculation.

The following table outlines some of the key advantages to both approaches:

Advantages of Including All Benefits	Advantages of Including Selective Benefits
Motivates providers to coordinate care for all of their members' needs.	Holds providers accountable for only the services they feel they can directly impact.
Creates a more accurate account of members' costs as affected by the care coordination efforts of a Federally Qualified Health Center or Advanced Network.	Allows a staging of benefits included in the shared savings and care coordination efforts on the premise of targeting specific savings areas.
Creates a more collaborative environment by creating interdependencies among providers.	May potentially yield more accurate shared savings calculations by excluding services that do not have consistent year-over-year occurrences.
Has a lower probability of error in calculation by including all costs associated with a member's care.	Allows for increases in services the State might desire to enhance by leaving them out of the calculation.
Mitigates the risk of inappropriately denying care or diverting to services not included in the providers' shared savings calculation.	

The following table lists some of the prominent state shared savings programs throughout the country and the benefits that they exclude from their shared savings calculations:

State of Minnesota[1] Integrated Health Partnerships Demonstration	State of Maine[2] Integrated Care Model Accountable Communities Program	State of Vermont[3] Medicaid Shared Savings Program for Accountable Care Organizations
Excludes the following: • Long-term services. • Personal Care Assistant services.	Excludes the following: • Private Non-Medical Institutions. • Non-Emergency Transportation. • Targeted Case Management. • Home- and Community-Based Services waiver conditions.	Does not explicitly exclude any services.

Sources:

1. Minnesota Department of Human Services Health Care Administration. *Request for Proposals for Qualified Grantee(s) to Provide Health Care Services to Medical Assistance and MinnesotaCare Enrollees Under Alternative Payment Arrangements Through the Integrated Health Partnerships Demonstration*. February 11, 2014.
2. *Maine State Plan Amendment #14-004 for Integrated Care Model Accountable Community Program*. State of Maine and Center for Medicare & Medicaid Services. June 19, 2014.
3. State of Vermont Department of Vermont Health Access. *Request for Proposals for Medicaid Shared Savings Program for Accountable Care Organizations*. October 2, 2013.