2018 Managed Care Contracts
Driving Value Based Purchasing

Dual Strategy

• Quality Performance Measures

• Benchmarks for proportion of total spending attributable to value based purchasing contracts

*Financial penalties for failure to meet requirements in either area*
Quality Performance Measures

- Diabetes Care
- Medication management for people with asthma
- Cervical Cancer Screening
- Breast Cancer screening
- BMI Assessment
- Prenatal and postpartum care
- 30-day hospital readmission rate
Value Based Purchasing

• Shared Savings: offers providers a percentage of any realized net savings – upside risk.

• Bundled/Episodic Payments: provider receives a lump sum for all health services delivered for a single episode of care.

• Risk/Capitation/Total Cost of Care: contractor and provider share the financial risk for a defined population – upside and downside risk.
2018 Managed Care Contracts Driving Value Based Purchasing

Value Based Purchasing Benchmarks

<table>
<thead>
<tr>
<th>Contract Year</th>
<th>Bundled or Total Cost of Care</th>
<th>All Value Based Purchasing</th>
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</thead>
<tbody>
<tr>
<td>2018</td>
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<td>10%</td>
</tr>
<tr>
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