# 980 PERFORMANCE IMPROVEMENT PROJECTS

REVISION DATES: 07/01/16, 10/01/15, 10/01/08, 02/01/07, 04/01/05, 08/13/03, 10/01/01, 10/01/97

REVIEW DATE: 10/01/13, 04/01/12, 02/01/11

INITIAL EFFECTIVE DATE: 10/01/1994

## A. OVERVIEW

AHCCCS mandates that Contractors participate in Performance Improvement Projects (PIPs) selected by AHCCCS (Contractors also may select and design, with AHCCCS approval, additional PIPs specific to needs and data identified through internal surveillance of trends). AHCCCS-mandated PIP topics are selected through analysis of internal and external data/trends and may include Contractor input. Topics take into account comprehensive aspects of enrollee needs, care and services for a broad spectrum of members or a focused subset of the population. When developing quality assessment and performance improvement projects, AHCCCS and its Contractors must consider all populations and services covered (42 CFR §438.330).

AHCCCS may also mandate that a PIP be conducted by a Contractor or group of Contractors, according to standardized methodology developed by AHCCCS.

The Centers for Medicare and Medicaid Services (CMS) may, in consultation with states and other stakeholders, specify standardized performance measures and topics for performance improvement projects (PIPs) for inclusion alongside state- specified measures and topics in state contracts (42 CFR §438.330(a)(2)). Contractors are required to participate in performance measures and performance improvement projects that are mandated by CMS.

## B. PERFORMANCE IMPROVEMENT PROJECTS (PIPS) DESIGN

1. PIPs are designed, through ongoing measurement and intervention, to achieve:

    a. Demonstrable improvement, sustained over time, in significant aspects of clinical care and non-clinical services that can be expected to have a beneficial effect on health outcomes and member satisfaction

    b. Correction of significant systemic problems

    c. Clinical focus topics may include the following:
        i. Primary, secondary, and/or tertiary prevention of acute conditions.
        ii. Primary, secondary, and/or tertiary prevention of chronic conditions.

iii. Care of acute conditions.
iv. Care of chronic conditions.
v. High-risk services, and
vi. Continuity and coordination of care.

d. Non-clinical focus topics may include the following:
   i. Availability, accessibility and adequacy of the Contractor's service delivery system.
   ii. Cultural competency of services.
   iii. Interpersonal aspects of care (i.e. quality of provider/member encounters), and
   iv. Appeals, grievances, and other complaints.

e. Behavioral Health topics may include:
   i. A change in behavioral health status or functional status, and
   ii. A change in member satisfaction.

2. PIP methodologies are developed according to 42 CFR 438.240, Quality Assessment and Performance Improvement Program for Medicaid Managed Care Organizations. The protocol for developing and conducting PIPs is found in Exhibit 980-1.

## C. DATA COLLECTION METHODOLOGY

Assessment of the Contractor's performance on the selected measures will be based on systematic, ongoing collection and analysis of accurate, valid and reliable data, as collected and analyzed by AHCCCS. Contractors may be directed to collect all or some of the data used to measure performance. In such cases, qualified personnel must be used to collect data and the Contractor must ensure inter-rater reliability if more than one person is collecting and entering data. Contractors must submit specific documentation to verify that indicator criteria were met.

## D. MEASUREMENT OF DEMONSTRABLE IMPROVEMENT

1. The Contractor must initiate interventions that result in significant demonstrable improvement, sustained over time, in its performance for the performance indicators being measured. Improvement must be evidenced in repeated measurements of the indicators specified for each PIP undertaken by the Contractor.

2. Contractors must strive to meet a benchmark level of performance defined in advance by AHCCCS for Statewide projects (such as the National Healthy People Objectives, or another appropriate goal).

3. A Contractor will have demonstrated improvement when:

    a. It meets or exceeds the AHCCCS overall average for the baseline measurement if its baseline rate was below the average and the increase is statistically significant.

    b. It shows a statistically significant increase if its baseline rate was at or above the AHCCCS overall average for the baseline measurement, or

    c. It is the highest performing (benchmark) plan in any re-measurement and maintains or improves its rate in a successive measurement.

4. A Contractor will have demonstrated sustained improvement when:

    a. The Contractor maintains or increases the improvements in performance for at least one year after the improvement in performance is first achieved.

    b. The Contractor must demonstrate how the improvement can be reasonably attributable to interventions undertaken by the organization (i.e., improvement occurred due to the project and its interventions, not another unrelated reason).

## E. PERFORMANCE IMPROVEMENT PROJECTS (PIPS) TIMEFRAMES

1. The PIP begins on a date, established by AHCCCS, and will correspond with a contract year. Baseline data will be collected and analyzed at the beginning of the PIP.

2. During the first year of the PIP, the Contractor will implement interventions to improve performance, based on an evaluation of barriers to care/use of services and evidence-based approaches to improving performance, as well as any unique factors such as its membership, provider network, or geographic area(s) served. AHCCCS may provide baseline data by Contractor, and may provide additional data by race/ethnicity, and/or geographic area, which may assist Contractors in refining interventions.

3. Contractors should utilize a Plan-Do-Study-Act (PDSA) cycle, to test changes (interventions) quickly and refine them as necessary. It is expected that this process will be implemented in as short a time frame as practical based on the PIP topic. See description of PDSA cycle included in Policy 970.

4. AHCCCS will conduct annual measurements to evaluate Contractor performance, and may conduct interim measurements, depending on the resources required to collect and analyze data.

5. A Contractor's participation in the PIP will continue until demonstration of significant improvement and the improvement has been sustained for one year.

## F. PERFORMANCE IMPROVEMENT PROJECTS (PIPS) REPORTING REQUIREMENTS

1. After the first year of the PIP, Contractors will report to AHCCCS annually their interventions, analysis of interventions and internal measurements, changes or refinements to interventions and actual or projected results from repeat measurements.

2. Contractors must use the AHCCCS PIP Reporting Template (Exhibit 980-2) to submit the annual reports, which are due with the Contractor's annual quality management plan and evaluation.