

# **Exhibit “A”**



PUBLIC PARTICIPATION FORM  
FOR  
WINNIE STOWELL HOSPITAL DISTRICT

Public Comment Only

Agenda Item

Instruction: Fill out all appropriate blanks and present to the District's Administrator prior to the time that the Agenda Item(s) you wish to address are discussed. If you have material or documents for the Court, please make sure you have one for the Clerk to ensure that it is put into the record.

Name: Hazel Meaux

Address: Po Box 16 Stowell

Phone #: 409-296-2098

Employer: \_\_\_\_\_

Address: \_\_\_\_\_

Work Phone#: \_\_\_\_\_

Do you represent any particular group or organization? Yes  No

If you represent a group or organization, please state the name, address and telephone number of such group or organization.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Which agenda Item(s) do you wish to address?

a. Budget - For  Against

b. \_\_\_\_\_ For  Against

c. \_\_\_\_\_ For  Against

Hazel Meaux  
Signature

1-6-16  
Date

NOTE: This Public Participation Form must be presented to the District's Administrator prior to the time the agenda item(s) are discussed. As stated in the District's Public Comment Policy, Speakers will be limited to 3 Minutes and can address specific item(s) on the agenda.

**WINNIE STOWELL HOSPITAL DISTRICT  
PUBLIC COMMENT-SIGN IN SHEET**

**POLICIES AND PROCEDURES  
FOR PUBLIC COMMENT AT BOARD OF DIRECTORS  
MEETINGS**

Any Individual shall be allowed to speak but is subject to the rules set forth in above Policies and Procedures for Public Comment:

- a. The Board reserves the right to limit the number of speakers to insure the completion of the posted agenda in a timely manner
- b. Individuals desiring to speak shall sign-up in advance of the meeting
- c. The sign-up sheet shall be available 15 minutes before the beginning of each posted meeting
- d. Speakers shall be heard on a first-come first served basis, based on the sign-up sheet, time permitting
- e. The opportunity to speak shall be limited to no more than **three (3) minutes**, unless extended by the Board
- f. The Board is not required to speak and/or respond and/or answer any speaker, as allowed under law.

*1-6-2016 Public Forum & Special Meeting*

NAME	ADDRESS
<i>Hazel Means</i>	<i>Stowell</i>

# **Exhibit “B”**

**Winnie-Stowell Hospital District**  
**General Operating Fund Budget for 2016 Year**  
**Presented and Approved at the 12/16/2015 Board Meeting**

	Hospital District	Indigent Care Program	Nursing Home Program	Budget for 2016
<b>Budgetary fund balance, January 1</b>				5,436,131
<b>Resources (inflows):</b>				
Sales Tax Revenue	560,000			560,000
Interest Income	2,700			2,700
Miscellaneous (Tabacco Settlement)	0			0
Loan Proceeds - Building	0			0
Sale of Building	450,000			450,000
Loan Proceeds - UPL Program		0	14,440,000	14,440,000
Nursing Home - UPL Program (net of IGT)	0		13,702,000	13,702,000
<b>Total Revenue</b>	<b>1,012,700</b>	<b>0</b>	<b>28,142,000</b>	<b>29,154,700</b>
<b>Charges to appropriations (outflows):</b>				
Administrative Salary	41,600			41,600
Administrative Assistant	13,000			13,000
Administrative Services (Security)	2,000	0	0	2,000
Administrative Payroll Tax Expense	4,300			4,300
Administrative Expenses-Travel	4,000			4,000
Bank Service Charges	100			100
Indigent Care-Chambers Co Indigent Care and 1115 Waiver/Uncompensated Care Program	0	160,000		160,000
East Chambers ISD Partnership		180,000		180,000
District/County Promotion	0			0
Audit/Accounting	30,000			30,000
Bonds	300			300
Project Cost-Nursing Home-UPL Program (LTC)			3,362,643	3,362,643
Nursing Home Program - Legal			100,000	100,000
Nursing Home Program - Accounting			20,000	20,000
Nursing Home Program Management Fee			5,250,000	5,250,000
Nursing Home Program - Bonds			4,300	4,300
Nursing Home Program - Interest Expense			1,794,516	1,794,516
Education, Travel & Seminar Board	12,500			12,500
Insurance	14,000			14,000
Insurance - Property	2,000			2,000
Interest - Building	6,687			6,687
Hwy 124 Property Exp (Maint, Utilities, etc.)	4,000			4,000
Principle Payments on Building	300,557			300,557
Principle Payments on UPL Program Loans		0	14,440,000	14,440,000
Legal Fees (District Only)	110,000			110,000
Meals and Entertainment	2,200			2,200
Notices & Fees	350			350
Indigent Care - Salary	0	30,000		30,000
Indigent Care - Payroll Taxes		2,400		2,400
Indigent Care -Travel		2,500		2,500
Web-Site Development and Service Fee	1,250	1,250		2,500
Indigent Care - Software Costs		7,500		7,500
Office Supplies/Postage	4,000	1,000		5,000
Telephone & Internet	2,400			2,400
Indigent Care - Hospital Support		1,750,000		1,750,000
Contingency	200,000			200,000
<b>Total Expenses</b>	<b>755,244</b>	<b>2,134,650</b>	<b>24,971,459</b>	<b>27,861,353</b>
<b>Increase(Decrease) in Net Position</b>	<b>257,456</b>	<b>(2,134,650)</b>	<b>3,170,541</b>	<b>1,293,347</b>
<b>Budgetary Fund balance Estimated at Year End</b>				<b>6,729,478</b>

2016 Budget approved @ 12/16/15 Board Meeting

Agenda  
Item  
#2 & 4

# **Exhibit “C”**

# “QIPP” Quality Incentive Payment Program

Winnie Stowell Hospital District

Source: Most of the presentation has been copied from  
the Concept Paper issued by Texas Department  
of Health and Human Services (“HHSC”).

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# Current Status (MPAP)

- **Average Net Quarterly Proxy Payment:** Average Net (i.e., after vendors paid) to District per Quarter based on Proxy Payment is \$385,000.00. or \$2,310,000.00 for entire program.
- **8% Return of IGT – Eligibility Period 1:** In the month of January 2016, District is to receive \$392,000.00 as its share of the over payment for IGTs for Eligibility Period 1. Two IGTs for \$4,150,000.00.
- **8% Return of IGT – Eligibility Period 2:** This is unknown because while it is for four quarters, the average IGT has dropped to \$3,610,000.00 which is more reflective of what we should have been submitting for IGTs.
- **Return of Proxy Reconciliation:** In addition, the payments the District have been receiving for MPAP funds are the worse case scenario because they contemplate a Fee For Service (“FFS”) rate as of March 2015, the first month of Managed Care. Each month thereafter, this rate should have decreased resulting in higher MPAP payments for the District. Once the true FFS numbers are calculated, the District is going to receive the funds the District should have received.

# Loans

## Outstanding Loans

Loan	Original and Due Date	Loan Amount
Loan 5	May 2015/Feb. 1, 2016	\$4,150,000.00
Loan 6	Aug. 2015/May 6, 2016	\$3,610,000.00
Loan 7	Nov.2015/Aug. 4, 2016	\$3,610,000.00

## Loans Remaining for MPAP

Loan	Due/Amount	Loan Amount
Loan 8	Feb. 2016/Oct. 2016	\$3,610,000.00
Loan 9	May 2016/Feb. 2017	\$3,610,000.00

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# QIPP Background

- As you know, in 2014 HHSC established the Minimum Payment Amount Program (MPAP).
- The MPAP, which became effective March 1, 2015, establishes minimum payment amounts for qualified nursing facilities participating in STAR+PLUS. The STAR+PLUS managed care organizations (MCOs) pay the minimum payment amounts to qualified nursing facilities based on state direction.
- Per the HHSC, the MPAP was always intended to be a short-term program that would ultimately transition to a performance-based initiative.
- MPAP ends in August of 2016 but payments extend through January 2017.

# Origins of QIPP-Budget Rider 97 of 2016-2017 Budget

- "It is the intent of the Legislature that not later than September 1, 2016, the Commission shall fully transition the Nursing Facility Minimum Payment Amounts Program (MPAP) program from a program solely based on enhanced payment rates to publically owned nursing facilities to a Quality Incentive Payment Program (QIPP) for all nursing facilities that have a source of public funding for the non-federal share, whether those facilities are publically- or privately-owned. . . . The additional payments to nursing facilities through the QIPP should be based upon improvements in quality and innovation in the provision of nursing facility services, including but not limited to payment incentives to establish *culture change*, small house models, staffing enhancements and outcome measures to improve the quality of care and life for nursing facility residents."

# QIPP GOALS

The goal of the QIPP is to establish incentive payments to nursing facilities based on quality and innovation improvements, including promoting:

- O culture change;
- O small house models;
- O staffing enhancements; and
- O improved quality of care and life for nursing facility residents.

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# TWO Aspects of QIPP

- Two year phase out of MPAP program;
- QIPP Payments

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# MPAP Transition (Two Year Phase Out)

- Two Year Phase: There is a two year phase-in of QIPP in which in the first year, starting September 1, 2016, current MPAP participants will be allowed to continue receiving MPAP payments at approximately 50% of their current MPAP payment level. Second year, no MPAP.
- Net to District, based on Proxy and current vendor amounts, per Quarter is \$192 500.00 or \$770,000.00 for Sept. 2016-August 2017.
  - First Payment to be received in Feb. 2017 and last payment to be received in February 2018.
  - In addition, there would be a 10% reconciliation and reconciliation if still being paid by Proxy.

# QIPP Portion of Program

1. **QIPP Project Funding:** The non-federal share of all QIPP payments is funded through IGTs of public funds from governmental entities.
2. **Proposal Development:** There are two tracks a potential program participant may choose to pursue:
  - a. choosing a project from a pre-defined "menu" of projects developed by HHSC with input from stakeholders; or
  - b. creating its own unique project.
3. **Unreimbursed Medicaid Cost or UPL Cost:** State of Texas is now going to allow nursing facilities participating in QIPP to include, as part of their projects valuations, UPL costs so project valuations include the actual hard cost of the projects plus unreimbursed costs. Therefore, at the end of the day, a nursing facility will only get their unreimbursed costs if the underlying metrics are achieved.



# Project Negotiations and Letters of Agreement (LOA)

- Nursing facility will negotiate a QIPP project with a Medicaid MCO with which it contracts to provide nursing facility care.
- Details of the project, metrics, valuation, and payment schedules are laid out in a letter of agreement (LOA) between the nursing facility and the MCO. All LOAs are between one nursing facility and one MCO.
- LOA's due on February 1, 2016.
- A nursing facility can contract with one or more MCO for a project based on the benefit of the project to all Medicaid residents of the facility.
- The schedule of reporting of metrics to the MCO and payments to the nursing facility for achieving metrics is negotiated between the nursing facility and the MCO and incorporated into the LOA.
- HHSC will not approve an LOA that allows for payment prior to the achievement of a metric.
- If a nursing facility fails to achieve a metric, it cannot receive payment for that metric for that payment period, and the per member per month (PMPM) capitation payment funds associated with that metric are recouped from the MCO by HHSC with the non-federal share returned to the IGT- entity and the federal share returned to the federal government. HHSC may consider allowing unearned payments to accrue and be paid in future payment periods as associated metrics are met on a case by case basis. However, no funds will be carried over from year to year.

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# Two Month IGT Return Time- QIPP Payments

- A nursing facility must secure allowable intergovernmental transfer funds (IGT) from a governmental entity to fund the non-federal share of the PMPM bump associated with the nursing facility's QIPP project.
- Because a metric must be achieved prior to a payment being made, the earliest the first payment could be made to a nursing facility would be the end of September 2016.
- Given this, the time gap between when an IGT is made and when a nursing facility can receive a payment from an MCO that is funded by that IGT will likely be equal to close to two months.
  - For example, if an IGT is made on August 10, 2016, achievement of associated metric is reported to MCO on September 30, 2016, payment associated with metric is made from MCO to nursing facility on October 1, 2016.
  - Please note, this just means the first metric payment would be made within two months but that metric payment may not cover the whole IGT.
  - Managers trying to set up Metric so that they can be achieved as quickly as possible.

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# Two Month IGT Return Time- QIPP Payments Cont.

- The nursing facility's controlling entity shoulders the full risk for the allowability of the IGT. If CMS determines that an IGT is a non-bona fide donation or the product of an unallowable public-private arrangement and disallows associated funds from HHSC, a similar amount of funds will be recouped from the nursing facility by the MCO and from the MCO by HHSC.
- The governmental entity providing IGT for a nursing facility (IGT entity) must sign an IGT Responsibility Agreement which provides terms and conditions for the IGT entity to transfer non-federal public funds to HHSC to support the non-federal share of the PMPM bump associated with the project.
- The IGT entity agrees to provide HHSC the non-federal percentage of the QIPP Rate Component for all service areas in which the nursing facility participates in the QIPP initiative. The non-federal percentage of the QIPP Rate Component equals one-hundred percent minus the applicable Federal Medical Assistance Percentage for Medicaid for Texas in effect when HHSC incurs the expense.
- HHSC will calculate the non-federal share amount to be transferred by an IGT entity in order to draw the federal funding for the QIPP payments. Within 14 days after notification by HHSC of the identified nonfederal share amount, the IGT entity will make an intergovernmental transfer of funds. If the IGT is made within the appropriate 14-day timeframe, the QIPP payment will be disbursed within 30 days. The total computable QIPP payment must remain with the QIPP LOA participant.

# What if Metric are Not Achieved?

- Nursing facilities owned by District are making large efforts to set achievable metrics.
- If a nursing facility fails to achieve a metric, it cannot receive payment for that metric for that payment period, and the per member per month (PMPM) capitation payment funds associated with that metric are recouped from the MCO by HHSC with **the non-federal share returned to the IGT- entity** and the federal share returned to the federal government.
- HHSC may consider allowing unearned payments to accrue and be paid in future payment periods as associated metrics are met on a case by case basis. However, no funds will be carried over from year to year

# Project Proposal

Before implementation of the QIPP project, the nursing facility must submit a proposal, including a copy of the LOA with an MCO, to HHSC detailing the transformative project(s) in which it intends to engage. The proposal must include:

- **Project Overview.** An overview of the proposed incentive project, including a description of the work the nursing facility intends to complete; and the goals and objectives of the project.
  - **Project Costs and Values.** The itemized predicted amount of dollars needed for the project and a proposed valuation for the project (including costs that support the project's targeted outcomes that are not currently being reimbursed under the Medicaid program). The nursing facility will work with its MCO(s) to determine the value of the project.
  - **Participation in Other Programs.** Documentation demonstrating the goals and objectives of the project do not duplicate or overlap with any projects the NF participates in for which the NF receives federal funds. This includes Category 1 or 2 Delivery System Reform Incentive Payment (DSRIP) programs administered through the 1115 Waiver. Operating entities will certify in the LOA the proposed project does not duplicate or overlap with these projects or metrics.
  - **Payment Terms.** The frequency of payments to the nursing facility, if performance metrics are met, and the process that will be used by the MCO to recoup payments in the event of: a disallowance by CMS; a payment made in error; payments used to pay a contingent, consulting, or legal fee; and payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.
  - **Performance Metrics.** A description of the relevant measurable goals and performance metrics for determining success in meeting those goals, including quarterly, biannual, and annual status updates as described below.
- Comments:
- HHSC will review the proposals to ensure proposed projects meet the State's objectives and that the valuation is reasonable.
  - If HHSC does not approve a proposal, it will notify the provider of the reason that the proposal was not approved. The provider will have the opportunity to revise the proposal to address any concerns raised by HHSC.
  - If performance objectives are not met by the nursing facility, HHSC may recoup the associated portion of the capitation rate (i.e., IGT) through contractual claw-back provisions.

\*See example provide by Counsel.

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# Length of Projects and Payments

**Initial Projects:** It is expected that the projects are to last equal to the state fiscal year.

**Subsequent Years Projects:** Projects for later years may build upon achievements of projects from prior years but HHSC cannot guarantee CMS will approve future PMPM calculations associated with multi-year projects.

**Payments:** The facility's project valuation will be based on the benefit of the project to all residents of the facility. However, the facility's QIPP payments will be tied to the percent of the facility's total residents that are Medicaid beneficiaries at the time of project proposal submission, including dually certified residents where Medicaid is the primary payer

# TWO TYPES OF QIPP PROJECTS

- Nursing Facility-Designed Project; and
- Pre-defined "menu".

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# Nursing Facility-Designed Project

- While the nursing facility will be responsible for directly negotiating specific terms of the QIPP project with a Medicaid MCO, HHSC will establish general requirements and objectives.
- The participating nursing facility will be responsible for developing a project that furthers the state's objectives and complies with the general QIPP requirements set out by HHSC.



# Pre-determined Projects

Qualifying facilities will have the option of participating in one or more of the following categories of QIPP projects:

- Category One: Quality of Care
- Category Two: Staffing Enhancements
- Category Three: Small House Model
- Category Four: Culture Change and Quality of Life

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# Deadlines

- **February 1, 2016:** Submit proposed projects to MCO and sign LOA. The intent of the LOA is *if* we go forward with a project, we are obligated to do so with the MCO that we are submitting them to.
- **March 1, 2016:** Submit projects to HHSC.
- **March 31, 2016:** HHSC will provide guidance on valuation for each proposed project.

# Fast Track Approval Process

- State of Texas is developing a model that enables nursing homes to present projects and receive fast track approval (i.e. rubber stamped approval) or approval without a review.
- In so doing, HHSC has approved “unreimbursed Medicaid cost” with a 35% mark up.
- e.g.:
  - If you have a project for \$1,000,000.00 of which \$100,000.00 are hard cost and \$900,000.00 is unreimbursed Medicaid cost or UPL costs, the value of the project to be submitted will be \$1,450,000.00 (IGT cost, tax, and administrative costs) times 1.35% or \$1,975,000.00.
  - Of the \$2,000,000.00, the question is how is the IGT calculated. **Issue is still, is \$450,000.00 or \$900,000.00 based on the total project cost?**
  - If we go with \$900,000.00, this leaves, \$1,100,000.00.
  - Out of the \$1,100,000.00 we must pay 2.85 percent for administrative cost to MCO and taxes or \$55,000.00 which leaves \$1,005,000.00 to be split between the parties.
  - This leaves \$500,000.00 to the Hospital District of which we are responsible for interest costs and LTC costs.

# Outstanding Questions

- Is the program going to be profitable for the District in light of cost of money and vendor agreements?
- How does the District get paid? That is, is CMS and HHSC aware that the Districts is going to get a portion of these funds in exchange for its ownership of the facilities and for making the IGTs?
- As to QIPP IGTS, is the District going to get paid back first and will Lender do two month loans?
- What are the risk of metric not being achieved and the District being out interest costs for IGTs after the IGTs are returned?
- What is the role of LTC and what is the schedule for payment to LTC?
- What are the deadlines?
- If the District does not participate, what happens to the Nursing Homes?
- For fast track projects, how is the State of Texas going to determine IGT values, actual cost or total valuation?
- How are hard costs for projects and costs for the District going to split upon receipt of QIPP funds.
- Are the Managers asking the District to pay split their portion of the hard cost before splitting the remaining QIPP funds.
- Do we need to amend the management agreements to account for MCOs fees and QIPP tax.

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# Texas Quality Incentive Payment Program

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## Concept Paper

TEXAS HEALTH AND HUMAN SERVICES COMMISSION

12/9/2015

# Texas Quality Incentive Payment Program

## INTRODUCTION

This concept paper describes the Quality Incentive Payment Program (QIPP) proposed by Texas. QIPP is designed to incentivize nursing facilities to improve quality and innovation in the provision of nursing facility services, including payment incentives to establish culture change, small house models, staffing enhancements and outcome measures to improve the quality of care for nursing facility residents.

### Background

During the 83<sup>rd</sup> Session, the Texas Legislature outlined its goals for the managed care carve-in of nursing facilities. In implementing the nursing facility carve-in, the Health and Human Services Commission (HHSC) was directed to encourage transformative efforts in the delivery of nursing facility services, including "efforts to promote a resident-centered care culture through facility design and services provided" (S.B. 7, 83<sup>rd</sup> Texas Legislature, Regular Session).

In 2014 HHSC established the Minimum Payment Amount Program (MPAP). The MPAP, which became effective March 1, 2015, establishes minimum payment amounts for qualified nursing facilities participating in STAR+PLUS. The STAR+PLUS managed care organizations (MCOs) pay the minimum payment amounts to qualified nursing facilities based on state direction. The MPAP was always intended to be a short-term program that would ultimately transition to a performance-based initiative.

The goal of transition was reinforced during the 84<sup>th</sup> Legislative Session. The General Appropriations Act for the 2016-2017 Biennium contains HHSC Budget Rider 97, which directs HHSC to transition the MPAP to the Quality Incentive Payment Program (QIPP):

"It is the intent of the Legislature that not later than September 1, 2016, the Commission shall fully transition the Nursing Facility Minimum Payment Amounts Program (MPAP) program from a program solely based on enhanced payment rates to publically owned nursing facilities to a Quality Incentive Payment Program (QIPP) for all nursing facilities that have a source of public funding for the non-federal share, whether those facilities are publically- or privately-owned. No state General Revenue is to be expended under the QIPP. The additional payments to nursing facilities through the QIPP should be based upon improvements in quality and innovation in the provision of nursing facility services, including but not limited to payment incentives to establish culture change, small house models, staffing enhancements and outcome measures to improve the quality of care and life for nursing facility residents."

### MPAP Transition Period

In order to meet the intent of Rider 97 while also allowing a transition period for existing MPAP participants to make the shift to the new program, a two year phase-in of QIPP is proposed. Under the first year of the phase-in, current MPAP participants will be allowed to continue receiving MPAP payments at approximately 50% of their current MPAP payment level. Any additional funding for these facilities during the first year will have to be tied to projects under QIPP. Additional

## Texas Quality Incentive Payment Program

information on MPAP may be found on the HHSC website at <http://www.hhsc.state.tx.us/rad/Long-term-svcs/nursing-facility/mpa.shtml>. Facilities not currently enrolled in MPAP will enter directly into QIPP. Under the second year of the phase-in, MPAP-related payments will be eliminated and all funding will have to be tied to projects under QIPP.

### QIPP Program Philosophy

The Texas Department of Aging and Disability Services describes culture change as including the following concepts<sup>1</sup>:

- creation of an environment of home and community within nursing facilities;
- a vision of leadership committed to cultivating living environments that nurture, inspire and create a home-like setting and ambiance for the people who live there;
- a paradigm of person-centered and person-directed care practices;
- emphasis on the dignity and worth of an individual's preferences related to routine tasks (e.g., bathing times, fixed bed-time hours, flexible dining choices);
- consideration of the voices of people with disabilities regardless of age, medical condition or limitations; and
- the empowerment and support of direct care workers.

Texas defines a small house as one designed and equipped to provide a homelike environment that promotes resident-centered care.<sup>2</sup> To implement the QIPP as directed, HHSC has developed a program that will provide the financial resources necessary to make infrastructure changes within the participating nursing facility to move them in the direction of improved quality, culture change or the small house model.

### QIPP Program Objectives

The goal of the QIPP is to establish incentive payments to nursing facilities based on quality and innovation improvements, including promoting:

- culture change;
- small house models;
- staffing enhancements; and
- improved quality of care and life for nursing facility residents.

### QIPP Minimum Nursing Facility Participation Requirements

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<sup>1</sup> <http://www.dads.state.tx.us/culturechange/library/whatis.html>

<sup>2</sup> 40 TAC §19.345.

## Texas Quality Incentive Payment Program

In order to be eligible to participate in the QIPP, a nursing facility must:

1. Be licensed as a nursing facility in Texas and be contracted with the state of Texas and a Texas Medicaid managed care organization to provide Medicaid nursing facility services.
2. Have submitted, and be eligible to receive payment for, a Medicaid managed care nursing facility claim for payment during the program year (i.e., state fiscal year).
3. Be situated such that a non-state governmental entity holds the facility's license and is party to the facility's Medicaid provider agreement or have a bona fide funding source for the non-federal share (IGT). In both situations, the funding source must be located within the same Texas Health Care Transformation and Quality Improvement Waiver (1115 Waiver) Regional Healthcare Partnership (RHP), or within 150 miles of the nursing facility.<sup>3</sup>
4. Have a signed certification of participation submitted by both the nursing facility and the IGT partner (private nursing facilities) and a signed IGT Responsibility Agreement (all nursing facilities).
5. For MPAP participants wishing to receive additional funds above their MPAP transition payments, have submitted a proposal meeting the requirements of the QIPP concept paper by February 1, 2016.
6. For new participants, have submitted a proposal meeting the requirements of the QIPP concept paper by March 1, 2016.
7. Not be a "special focus" facility as determined by the Centers for Medicare & Medicaid Services (CMS) as of the proposal submission date.
8. Not have a proposed license revocation pending under Section 242.061(a-2) of the Texas Health & Safety Code (the 3-Strike Rule).
9. Have a Medicaid-contracted bed occupancy rate (as defined in 40 TAC § 19.2322[a][9]) of 50 percent or higher; or have a Medicaid-contracted bed occupancy rate that is no more than 15 percentage points lower than the average contracted occupancy rate for the county in which the facility is located. HHSC will evaluate requests for exceptions to this criterion on a case-by-case basis.

Facilities will be evaluated for eligibility annually as part of the approval process for a QIPP proposal. Facilities that meet the eligibility criteria are admitted to the program and are eligible to participate through the end of the program year.

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<sup>3</sup> Distance requirement shall not apply to facilities that were grandfathered into the MPAP program despite not complying with this requirement or to governmental entities that can establish good cause for an exception to this criterion. HHSC will evaluate requests for exceptions on a case-by-case basis.



## **Texas Quality Incentive Payment Program**

### **QIPP Funding Overview**

The non-federal share of all QIPP payments is funded through IGTs of public funds from governmental entities. A governmental entity is any state agency or a political subdivision of the state. Public funds are defined as funds derived from taxes, assessments, levies, investments, and other public revenues within the sole and unrestricted control of a governmental entity. Public funds do not include gifts, grants, trusts, or donations, the use of which is conditioned on supplying a benefit solely to the donor or grantor of the funds.

### **QIPP PROPOSAL DEVELOPMENT**

#### **Overview**

HHSC will implement QIPP in a manner that provides each nursing facility the latitude to develop unique interventions aimed at achieving specific program-wide common goals. Through this model, HHSC identifies the aspects of nursing facility care these interventions will address, while still allowing the flexibility to create interventions based on the unique characteristics of each nursing facility's population and infrastructure. There are two tracks a potential program participant may choose to pursue: choosing a project from a pre-defined "menu" of projects developed by HHSC with input from stakeholders, or creating its own unique project. Implementation of a project does not supplant any licensure or other regulatory requirements.

#### **Project Negotiations and Letters of Agreement (LOA)**

A nursing facility will negotiate a QIPP project with a Medicaid MCO with which it contracts to provide nursing facility care. Details of the project, metrics, valuation, and payment schedules are laid out in a letter of agreement (LOA) between the nursing facility and the MCO. All LOAs are between one nursing facility and one MCO. A nursing facility can contract with one MCO for a project based on the benefit of the project to all Medicaid residents of the facility. If a nursing facility is contracted with more than one MCO, it may negotiate separate LOAs with each MCO but these LOAs must be for distinct projects.

The schedule of reporting of metrics to the MCO and payments to the nursing facility for achieving metrics is negotiated between the nursing facility and the MCO and incorporated into the LOA. HHSC will not approve an LOA that allows for payment prior to the achievement of a metric. Because a metric must be achieved prior to a payment being made, the earliest the first payment could be made to a nursing facility would be the end of September 2016. Given this, the time gap between when an IGT is made and when a nursing facility can receive a payment from an MCO that is funded by that IGT will likely be equal to close to two months (e.g., IGT is transferred on August 10, 2016, achievement of associated metric is reported to MCO on September 30, 2016, payment associated with metric is made from MCO to nursing facility on October 1, 2016).

If a nursing facility fails to achieve a metric, it cannot receive payment for that metric for that payment period, and the per member per month (PMPM) capitation payment funds associated with that metric are recouped from the MCO by HHSC with the non-federal share returned to the IGT-entity and the federal share returned to the federal government. HHSC may consider allowing

## Texas Quality Incentive Payment Program

unearned payments to accrue and be paid in future payment periods as associated metrics are met on a case by case basis. However, no funds will be carried over from year to year.

### Nursing Facility-designed Project

While the nursing facility will be responsible for directly negotiating specific terms of the QIPP project with a Medicaid MCO, HHSC will establish general requirements and objectives. The participating nursing facility will be responsible for developing a project that furthers the state's objectives and complies with the general QIPP requirements set out by HHSC. Each MCO and nursing facility must negotiate the amounts to be paid to the nursing facility when goals are achieved, and the frequency of those payments (such as a quarterly lump sum payment or other arrangement).

### Pre-determined Projects

Qualifying facilities will have the option of participating in one or more of the following categories of QIPP projects:

- Category One: Quality of Care
- Category Two: Staffing Enhancements
- Category Three: Small House Model
- Category Four: Culture Change and Quality of Life

The specific project suggestions are outlined in attachment one.

### Project Proposal

Before implementation of the QIPP project, the nursing facility must submit a proposal, including a copy of the LOA with an MCO, to HHSC detailing the transformative project(s) in which it intends to engage. The proposal must include:

- **Project Overview.** An overview of the proposed incentive project, including a description of the work the nursing facility intends to complete; and the goals and objectives of the project.
- **Project Costs and Values.** The itemized predicted amount of dollars needed for the project and a proposed valuation for the project (including costs that support the project's targeted outcomes that are not currently being reimbursed under the Medicaid program). The nursing facility will work with its MCO(s) to determine the value of the project.
- **Participation in Other Programs.** Documentation demonstrating the goals and objectives of the project do not duplicate or overlap with any projects the NF participates in for which the NF receives federal funds. This includes Category 1 or 2 Delivery System Reform Incentive Payment (DSRIP) programs administered through the 1115 Waiver. Operating entities will certify in the LOA the proposed project does not duplicate or overlap with these projects or metrics.

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- **Payment Terms.** The frequency of payments to the nursing facility, if performance metrics are met, and the process that will be used by the MCO to recoup payments in the event of: a disallowance by CMS; a payment made in error; payments used to pay a contingent, consulting, or legal fee; and payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.
- **Performance Metrics.** A description of the relevant measureable goals and performance metrics for determining success in meeting those goals, including quarterly, biannual, and annual status updates as described below.

HHSC will review the proposals to ensure proposed projects meet the State's objectives and that the valuation is reasonable. If HHSC does not approve a proposal, it will notify the provider of the reason that the proposal was not approved. The provider will have the opportunity to revise the proposal to address any concerns raised by HHSC. If performance objectives are not met by the nursing facility, HHSC may recoup the associated portion of the capitation rate through contractual claw-back provisions.

### Proposal Review Process

HHSC will review the proposals to ensure that they meet the state's objectives, and must accept a proposal prior to its implementation by a nursing facility. The factors considered by HHSC will be:

- How the proposal relates to the philosophy of culture change or the small house model;
- How the nursing facility proposes to measure progress towards and final achievement of the goal of its proposal, including the appropriateness of the measures selected;
- How reasonable the forecasted costs appear. Potential pricing factors include:
  - Entity size
  - Complexity of the project
  - Size and scope of the project
  - Size of target population
  - Investment and resources needed; and
- The relationship of the proposed valuation to forecast costs and expected improvements.

An ad hoc HHSC team reviews all LOAs for acceptability. Summaries of all approved projects are shared with CMS as a courtesy. While nursing facilities may hire consultants to help them identify how they might implement culture change or small house characteristics, no QIPP funds may be used for consultant costs.

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### Measurement Periods

Due to the federal requirement that CMS approve all PMPM calculations, the guaranteed life span of a project cannot be longer than the period to which the PMPM calculation applies. Typically, this period is equal to the state fiscal year. Projects for later years may build upon achievements of projects from prior years but HHSC cannot guarantee CMS will approve future PMPM calculations associated with multi-year projects.

### Provider Payments

The facility's project valuation will be based on the benefit of the project to all residents of the facility. However, the facility's QIPP payments will be tied to the percent of the facility's total residents that are Medicaid beneficiaries at the time of project proposal submission, including dually certified residents where Medicaid is the primary payer.

HHSC will amend its contract with the MCO to indicate the dollar addition to the PMPM payment associated with the QIPP project; the amendment will also detail the MCO's quarterly reporting requirements to HHSC and supplemental reporting requirements for the MCO's Financial Statistical Report (FSR).

HHSC Actuarial Analysis will calculate the dollar addition to the MCO's PMPM payment from HHSC (the PMPM "bump") associated with the QIPP project. This calculation is based on the value of the project plus 1.5% of the value to cover the MCO's administrative costs associated with the project and an additional percentage of the value to cover the premium tax(es) associated with the "bump". CMS must approve all PMPM calculations. Total dollars available for QIPP payments for a specific project will vary with the MCO's member months since the dollar addition to the capitation rate for the project is calculated on a per member per month basis. QIPP payments are lump sum payments, and are not tied to particular claims or recipients.

For each service area in which a nursing facility participates in a QIPP initiative, HHSC's managed care contract with the participating MCO will require the MCO to allocate a fixed percentage of its capitation rate to the nursing facility's QIPP initiatives (the "QIPP Rate Component"). The MCO will be required to make agreed upon payments to the nursing facility for achieving program objectives. The MCO must report all payments made for QIPP as a separate line item on the FSR(s) the MCO submits to HHSC. To account for the difficulty in attributing the funds to a particular service component of the rates, HHSC will also identify QIPP funds as a separate line-item on the rate-setting documentation it submits for CMS approval.

### Intergovernmental Transfer Process

A nursing facility must secure allowable intergovernmental transfer funds (IGT) from a governmental entity to fund the non-federal share of the PMPM bump associated with the nursing facility's QIPP project. The nursing facility's controlling entity shoulders the full risk for the allowability of the IGT. If CMS determines that an IGT is a non-bona fide donation or the product of

## **Texas Quality Incentive Payment Program**

an unallowable public-private arrangement and disallows associated funds from HHSC, a similar amount of funds will be recouped from the nursing facility by the MCO and from the MCO by HHSC.

The governmental entity providing IGT for a nursing facility (IGT entity) must sign an IGT Responsibility Agreement which provides terms and conditions for the IGT entity to transfer non-federal public funds to HHSC to support the non-federal share of the PMPM bump associated with the project.

The IGTs will be made on a schedule that minimizes the time between the IGT and the receipt of payments.

The IGT entity agrees to provide HHSC the non-federal percentage of the QIPP Rate Component for all service areas in which the nursing facility participates in the QIPP initiative. The non-federal percentage of the QIPP Rate Component equals one-hundred percent minus the applicable Federal Medical Assistance Percentage for Medicaid for Texas in effect when HHSC incurs the expense. HHSC will calculate the non-federal share amount to be transferred by an IGT entity in order to draw the federal funding for the QIPP payments. Within 14 days after notification by HHSC of the identified nonfederal share amount, the IGT entity will make an intergovernmental transfer of funds. If the IGT is made within the appropriate 14-day timeframe, the QIPP payment will be disbursed within 30 days. The total computable QIPP payment must remain with the QIPP LOA participant.

### **Claiming Federal Financial Participation**

Texas will claim federal financial participation (FFP) for QIPP payments. FFP will be available only for QIPP payments made in accordance with all pertinent requirements detailed in this document and its attachments. All QIPP plans and payments are subject to potential audits. The nursing facility shall have available for review by HHSC and CMS, upon request, all supporting data and back-up documentation evidencing performance as described under the QIPP for QIPP payments. Failure of the nursing facility to maintain adequate documentation or inaccurate reporting of data may result in recoupment of QIPP payments.

### **HHSC Monitoring of MCO Administration of QIPP**

MCOs will be required to submit quarterly reports to HHSC listing the performance metrics for each project for the quarterly reporting period and the nursing facility's performance results. In addition, the report must include a description of the methodology the MCO used to monitor and verify QIPP program performance and the type of information reviewed to determine if QIPP objectives are met for the reporting period.

### **CONCLUSION**

The State believes the only true measure of transformation is found in the actual, verified improvement of care and quality of life. QIPP is intended to serve as a resource for nursing facilities to leverage in order to achieve nursing facility transformation. The program is structured to allow

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each participating nursing facility to design its own program to meet the specific needs of its population.

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### Attachment One- Optional Project Menu

The projects identified in this section may be considered by a nursing facility, but are not required. Nursing facilities may propose unique, self-created projects. Nursing facilities may also use these pre-determined projects as a starting place, and revise them to meet the specific needs of their facility. Those projects will be considered original projects for purposes of the proposal review.

#### Category One: Quality of Care

Project Name:	CMS Five-Star Rating- Quality Component												
Project Overview	<p>This project measures improvement as it is demonstrated through nursing facility performance related to the CMS 5-Star nursing facility rating system. The measure specifications outlined in the <i>Design for Nursing Home Compare Five-Star Quality Rating System: Technical Users' Guide</i> apply to the calculation of the measures included in the quality composite component of the 5-star rating. Additionally, nursing facilities will report performance on two vaccination measures.</p> <p><u>Nursing Facilities with 1-3 stars</u> Nursing facilities that currently have between 1 and 3 stars for the quality composite component of the 5-star rating must improve by 10% in their overall performance. For example, a nursing facility that earned 545 points in 2014 will need to earn 600 points in 2015. This equates to a nursing facility improving enough on approximately 3 measures (out of 11) to move from one quintile to the next.</p> <p><u>Nursing Facilities with 4-5 stars</u> Nursing facilities with four or five stars for the quality composite component of the 5-star rating must maintain their star ranking in order to receive QIPP dollars.</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>QM Rating</th> <th>Point Range (as of 2/2015)</th> </tr> </thead> <tbody> <tr> <td>★</td> <td>225 – 544</td> </tr> <tr> <td>★★</td> <td>545 – 629</td> </tr> <tr> <td>★★★</td> <td>630 – 689</td> </tr> <tr> <td>★★★★</td> <td>690 – 759</td> </tr> <tr> <td>★★★★★</td> <td>760 – 1,100</td> </tr> </tbody> </table>	QM Rating	Point Range (as of 2/2015)	★	225 – 544	★★	545 – 629	★★★	630 – 689	★★★★	690 – 759	★★★★★	760 – 1,100
QM Rating	Point Range (as of 2/2015)												
★	225 – 544												
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★★★	630 – 689												
★★★★	690 – 759												
★★★★★	760 – 1,100												
What should be included in the proposal	<ul style="list-style-type: none"> <li>• The nursing facility's past year performance.</li> <li>• The nursing facility's goals for the coming year based on the prescribed project parameters.</li> <li>• The specific work to be completed and how it relates to the identified goals.</li> <li>• The itemized predicted amount of dollars needed for the project and a proposed valuation for the project.</li> <li>• The justification of the proposed valuation given the following:             <ul style="list-style-type: none"> <li>○ Entity size;</li> <li>○ Complexity of the project;</li> <li>○ Size and scope of the project;</li> </ul> </li> </ul>												

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	<ul style="list-style-type: none"> <li>○ Size of target population; and</li> <li>○ Investment and resources needed.</li> </ul>
Metrics	<p>Use the milestone relevant to the nursing facility's star rating.</p> <ol style="list-style-type: none"> <li>1. Milestone: nursing facility will improve performance by 10%             <ol style="list-style-type: none"> <li>a. Metric: Previous year number of points earned.</li> <li>b. Metric: Measurement year number of points earned.</li> </ol> </li> <li>2. Milestone: nursing facility will maintain its 5-Star ranking.             <ol style="list-style-type: none"> <li>a. Metric: Previous year ranking.</li> <li>b. Metric: Measurement year ranking.</li> </ol> </li> </ol>

### Category Two: Staffing Enhancements

Project Name:	Staff Training
Project Overview	<p>This project provides a mechanism by which nursing facilities can increase the skill sets of staff at all levels of credentialing or licensure. The following activities might be funded through this project:</p> <ol style="list-style-type: none"> <li>1. Paying for trainings that have a cost.</li> <li>2. Providing paid time for staff to attend training.</li> <li>3. Maintaining appropriate staffing levels at the facility while other staff are participating in trainings.</li> <li>4. Development of a recognition program to reward staff who complete training that will enrich their job performance, thereby enriching the nursing facility environment.</li> <li>5. Developing a career ladder for non-licensed staff.</li> <li>6. Attainment of a specific certification or developing a specialized set of services within the nursing facility.</li> </ol> <p>Training subjects must be relevant to the population of the nursing facility, and this relevance must be outlined in the proposal.</p>
What should be included in the proposal	<ul style="list-style-type: none"> <li>• The nursing facility's specific characteristics that make this project an appropriate selection.</li> <li>• The nursing facility's goals for the coming year based on the prescribed project parameters.</li> <li>• The specific work to be completed and how it relates to the identified goals.</li> <li>• The itemized predicted amount of dollars needed for the project and a proposed valuation for the project.</li> <li>• The justification of the proposed valuation given the following:             <ul style="list-style-type: none"> <li>○ Entity size;</li> <li>○ Complexity of the project;</li> <li>○ Size and scope of the project;</li> <li>○ Size of target population; and</li> <li>○ Investment and resources needed.</li> </ul> </li> </ul>
Implementation Measures	<ol style="list-style-type: none"> <li>1. Milestone: Establish baseline data regarding staff turnover rates. (10%)             <ol style="list-style-type: none"> <li>a) Metric: Rate of staff turnover broken out by position type</li> </ol> </li> <li>2. Milestone: Facilitate opportunities for professional staff to obtain training. (10%)</li> </ol>



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	<p>a) Metric: Provide proof of staff attendance at trainings.</p> <p>3. Milestone: Facilitate opportunities for non-professional staff to obtain training. (10%)</p> <p>a) Metric: Provide proof of staff attendance at trainings.</p> <p>4. Milestone: Increase knowledge and skills in professional staff. (20%)</p> <p>a) Metric: Provide documentation of subjects in which staff have received training.</p> <p>b) Metric: Number of staff, by position, participating in each training.</p>
Outcome measures	<p>1. Milestone: Improve staff longevity by 15%. (25%)</p> <p>a) Metric: Staff turnover rate by position type compared to pre-implementation</p> <p>2. Nursing facility-specific milestone. This might include the creation of a specialized unit or a certification the nursing facility has received. (25%)</p> <p>Metric: Self-designed metric</p>

Project Name:	Achieving a level of direct care staffing, as measured by the Direct-Care Staff Rate Enhancement program, that exceeds the level of staffing for which the facility is paid under the program
Project Overview	This project requires the nursing facility to comply with the rate enhancement program level that is at least five levels above that in which the nursing facility is enrolled. Payments will be equal to the difference between nursing facility's existing rate enhancement payments and the level at which the nursing facility is performing.
What should be included in the proposal	<ul style="list-style-type: none"> <li>• The nursing facility's specific characteristics that make this project an appropriate selection.</li> <li>• The nursing facility's goals for the coming year based on the prescribed project parameters.</li> <li>• How this project relates to the identified goals.</li> <li>• The itemized predicted amount of dollars needed for the project and a proposed valuation for the project.</li> <li>• The justification of the proposed valuation given the following:             <ul style="list-style-type: none"> <li>○ Entity size;</li> <li>○ Complexity of the project;</li> <li>○ Size and scope of the project;</li> <li>○ Size of target population; and</li> <li>○ Investment and resources needed.</li> </ul> </li> </ul>
Implementation Metrics	<p>1. Milestone: Achievement of staffing levels. (30%)</p> <p>a) Nursing facility meets the rate enhancement staffing and spending requirements associated with the higher level of enrollment.</p> <p>2. Milestone: Establish baseline data regarding staff turnover rates (10%).</p> <p>a) Metric: Rate of staff turnover broken out by position type.</p> <p>3. Milestone: Establish baseline data regarding avoidable care. (10%)</p> <p>a) Metric: Rate of emergency department visits in year prior to implementation.</p> <p>b) Metric: Rate of hospital admissions in year prior to implementation.</p>
Outcome Metrics	<p>1. Milestone: Reduce provision of avoidable care through increased staff observation capability. (30%)</p>

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	<ul style="list-style-type: none"> <li>a) Reduction in rate of emergency department visits by 10%</li> <li>b) Reduction in rate of hospital admissions by 10%</li> <li>c) Reduction in rate of high risk residents with pressure ulcers by 10%</li> <li>d) Reduction in rate of residents with a urinary tract infection by 10%</li> </ul> <p>2. Milestone: Improve staff longevity by 15%. (20%)</p> <ul style="list-style-type: none"> <li>a) Metric: Staff turnover rate by position type compared to pre-implementation</li> </ul>
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Project Name:	Recruit and retain a nurse practitioner or other mid-level practitioner
Project Overview	The goal of this project is to improve quality of care by increasing the opportunity for on-site consultation with an advanced practice professional.
What should be included in the proposal	<ul style="list-style-type: none"> <li>• The nursing facility's specific characteristics that make this project an appropriate selection.</li> <li>• The nursing facility's goals for the coming year based on the prescribed project parameters.</li> <li>• How this project relates to the identified goals.</li> <li>• The itemized predicted amount of dollars needed for the project and a proposed valuation for the project.</li> <li>• The justification of the proposed valuation given the following:               <ul style="list-style-type: none"> <li>○ Entity size;</li> <li>○ Complexity of the project;</li> <li>○ Size and scope of the project;</li> <li>○ Size of target population; and</li> <li>○ Investment and resources needed.</li> </ul> </li> </ul>
Implementation Metrics	<ul style="list-style-type: none"> <li>1. Milestone: Hire a nurse practitioner or equivalent. (30%)           <ul style="list-style-type: none"> <li>a) Metric: Provide documentation of hire.</li> </ul> </li> <li>2. Milestone: Establish baseline data regarding avoidable care. (20%)           <ul style="list-style-type: none"> <li>a) Metric: Rate of emergency department visits in year prior to implementation.</li> <li>b) Metric: Rate of hospital admissions in year prior to implementation.</li> <li>c) Metric: Percent of high risk residents with pressure ulcers in year prior to implementation</li> <li>d) Metric: Percent of residents with a urinary tract infection in year prior to implementation</li> </ul> </li> </ul>
Outcome Metrics	<ul style="list-style-type: none"> <li>1. Milestone: Reduce provision of avoidable care through availability of on-site clinical expertise. (50%)           <ul style="list-style-type: none"> <li>a) Reduction in rate of emergency department visits by 10%</li> <li>b) Reduction in rate of hospital admissions by 10%</li> <li>c) Reduction in rate of high risk residents with pressure ulcers by 10%</li> <li>d) Reduction in rate of residents with a urinary tract infection by 10%</li> </ul> </li> </ul>

Project Name:	On-site 24-hour RN coverage
Project Overview	The goal of this project is to improve quality of care by ensuring the constant presence of professional staff who can observe residents directly, improving triage capability, thus reducing avoidable hospitalizations and emergency department visits.
What should be	<ul style="list-style-type: none"> <li>• The nursing facility's specific characteristics that make this project an</li> </ul>

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included in the proposal	<p>appropriate selection.</p> <ul style="list-style-type: none"> <li>• The nursing facility's goals for the coming year based on the prescribed project parameters.</li> <li>• How this project relates to the identified goals.</li> <li>• The itemized predicted amount of dollars needed for the project and a proposed valuation for the project.</li> <li>• The justification of the proposed valuation given the following: <ul style="list-style-type: none"> <li>○ Entity size;</li> <li>○ Complexity of the project;</li> <li>○ Size and scope of the project;</li> <li>○ Size of target population; and</li> <li>○ Investment and resources needed.</li> </ul> </li> </ul>
Implementation Metrics	<ol style="list-style-type: none"> <li>1. Milestone: Provide on-site 24-hour RN coverage. (30%) <ol style="list-style-type: none"> <li>a) Metric: Provide documentation of hire (if applicable)</li> <li>b) Metric: Provide documentation of scheduling</li> <li>c) Provide monthly evidence of continued employment.</li> </ol> </li> <li>2. Milestone: Establish baseline data regarding avoidable care. (20%) <ol style="list-style-type: none"> <li>a) Metric: Rate of emergency department visits in year prior to implementation.</li> <li>b) Metric: Rate of hospital admissions in year prior to implementation.</li> <li>c) Metric: Percent of high risk residents with pressure ulcers in year prior to implementation</li> <li>d) Metric: Percent of residents with a urinary tract infection in year prior to implementation</li> </ol> </li> </ol>
Outcome Metrics	<ol style="list-style-type: none"> <li>1. Milestone: Reduce provision of avoidable care through increased staff observation capability. (50%) <ol style="list-style-type: none"> <li>a) Reduction in rate of emergency department visits by 10%</li> <li>b) Reduction in rate of hospital admissions by 10%</li> <li>c) Reduction in rate of high risk residents with pressure ulcers by 10%</li> <li>d) Reduction in rate of residents with a urinary tract infection by 10%</li> </ol> </li> </ol>

### Category Three: Small House Model

Project Name:	Small House Special Rate
Project Overview	Current and new small house operators (as defined by TAC) who meet the qualifying criteria may receive QIPP payments tied to the Medicaid days of service provided in the small house model. Small House participants may also implement other QIPP projects. In addition, the facility may earn QIPP funds based on achievement of the metrics described below.
What should be included in the proposal	<ul style="list-style-type: none"> <li>• The nursing facility's specific characteristics that make this project an appropriate selection.</li> <li>• The itemized predicted amount of dollars needed for the project and a proposed valuation for the project.</li> <li>• The justification of the proposed valuation given the following: <ul style="list-style-type: none"> <li>○ Entity size;</li> <li>○ Complexity of the project;</li> <li>○ Size and scope of the project;</li> <li>○ Size of target population; and</li> </ul> </li> </ul>

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<p>Implementation Metrics</p>	<ul style="list-style-type: none"> <li>○ Investment and resources needed.</li> <li>1. Milestone: Complete the Best Practice System Summary/Technical Assistance Sheet for Fall Risk Management to identify potential areas for improvement (30%).             <ul style="list-style-type: none"> <li>a) Metric: Submit completed documentation.</li> </ul> </li> <li>2. Milestone: Identify baseline using MDS data (25%).             <ul style="list-style-type: none"> <li>a) Metric: Rate of residents with fall history as reported in responses to the following MDS 3.0 items:                 <ul style="list-style-type: none"> <li>i. Did the resident have a fall any time in the last month prior to admission/entry or reentry?</li> <li>ii. Did the resident have a fall any time in the last 2-6 months prior to admission/entry or reentry?</li> <li>iii. Did the resident have any fracture related to a fall in the 6 months prior to admission/entry or reentry?</li> <li>iv. Has the resident had any falls since admission/entry or reentry or the prior assessment (OBRA or scheduled PPS), whichever is more recent?</li> </ul> </li> <li>b) Metric: Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay)</li> <li>c) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay)</li> </ul> </li> </ul>
<p>Outcome Metrics</p>	<ul style="list-style-type: none"> <li>1. Milestone: Complete the Best Practice System Summary/Technical Assistance Sheet for Fall Risk Management to confirm all recommendations are met. (20%)             <ul style="list-style-type: none"> <li>a) Metric: Submit completed documentation.</li> </ul> </li> <li>2. Milestone: Maintain or improve in the following metrics compared with pre-implementation: (30%)             <ul style="list-style-type: none"> <li>a) Metric: Rate of residents with fall history as reported in responses to the following MDS 3.0 items:                 <ul style="list-style-type: none"> <li>i. Did the resident have a fall any time in the last month prior to admission/entry or reentry?</li> <li>ii. Did the resident have a fall any time in the last 2-6 months prior to admission/entry or reentry?</li> <li>iii. Did the resident have any fracture related to a fall in the 6 months prior to admission/entry or reentry?</li> <li>iv. Has the resident had any falls since admission/entry or reentry or the prior assessment (OBRA or scheduled PPS), whichever is more recent?</li> </ul> </li> <li>b) Metric: Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay)</li> <li>c) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay)</li> </ul> </li> </ul>

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### Category Four: Culture Change and Quality of Life

Project Name:	Incorporate certain aspects of Small House model into existing nursing facilities <sup>4</sup>
Project Overview	<p>This project provides a way for a nursing facility without an actual Small House to adopt certain Small House methods. The following activities might be funded through this project:</p> <ol style="list-style-type: none"> <li>1. Promote residents' personal expression through supporting them in decorating and arranging their personal space.</li> <li>2. Creation of small neighborhood pods.</li> <li>3. Development of outdoor or indoor communal spaces.</li> </ol>
What should be included in the proposal	<ul style="list-style-type: none"> <li>• The nursing facility's specific characteristics that make this project an appropriate selection.</li> <li>• The nursing facility's goals for the coming year based on the prescribed project parameters.</li> <li>• The specific work to be completed and how it relates to the identified goals.</li> <li>• The itemized predicted amount of dollars needed for the project and a proposed valuation for the project.</li> <li>• The justification of the proposed valuation given the following: <ul style="list-style-type: none"> <li>○ Entity size;</li> <li>○ Complexity of the project;</li> <li>○ Size and scope of the project;</li> <li>○ Size of target population; and</li> <li>○ Investment and resources needed.</li> </ul> </li> </ul>
Implementation Metrics	<ol style="list-style-type: none"> <li>1. Milestone: complete the activities described in the proposal. (5%) <ol style="list-style-type: none"> <li>a) Metric: Provide pictorial evidence of the changes.</li> </ol> </li> <li>2. Milestone: Complete the Best Practice System Summary/Technical Assistance Sheet for Fall Risk Management to confirm all recommendations are met. (30%) <ol style="list-style-type: none"> <li>a) Metric: Submit completed documentation.</li> </ol> </li> <li>3. Milestone: Identify baseline using MDS data: (15%) <ol style="list-style-type: none"> <li>a) Metric: Rate of residents with fall history as reported in responses to the following MDS 3.0 items: <ol style="list-style-type: none"> <li>i. Did the resident have a fall any time in the last month prior to admission/entry or reentry?</li> <li>ii. Did the resident have a fall any time in the last 2-6 months prior to admission/entry or reentry?</li> <li>iii. Did the resident have any fracture related to a fall in the 6 months prior to admission/entry or reentry?</li> <li>iv. Has the resident had any falls since admission/entry or reentry or the prior assessment (OBRA or scheduled PPS), whichever is more recent?</li> </ol> </li> <li>b) Metric: Percent of Residents Experiencing One or More Falls with Major</li> </ol> </li> </ol>

<sup>4</sup> No QIPP funds may be used for physical construction projects.

## Texas Quality Incentive Payment Program

	<p>Injury (Long Stay)</p> <p>c) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay)</p>
Outcome Metrics	<ol style="list-style-type: none"> <li>1. Milestone: Complete the Best Practice System Summary/Technical Assistance Sheet for Fall Risk Management to confirm all recommendations are met. (20%)             <ol style="list-style-type: none"> <li>a) Metric: Submit completed documentation.</li> </ol> </li> <li>2. Milestone: Maintain or improve in the following metrics compared with pre-implementation:             <ol style="list-style-type: none"> <li>a) Metric: Rate of residents with fall history as reported in responses to the following MDS 3.0 items: (20%)                 <ol style="list-style-type: none"> <li>i. Did the resident have a fall any time in the last month prior to admission/entry or reentry?</li> <li>ii. Did the resident have a fall any time in the last 2-6 months prior to admission/entry or reentry?</li> <li>iii. Did the resident have any fracture related to a fall in the 6 months prior to admission/entry or reentry?</li> <li>iv. Has the resident had any falls since admission/entry or reentry or the prior assessment (OBRA or scheduled PPS), whichever is more recent?</li> </ol> </li> <li>b) Metric: Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay)</li> <li>c) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay)</li> </ol> </li> </ol>

Project Name:	Person-centered care
Project Overview	<p>This project emphasizes the dignity and worth of an individual's preferences related to routine tasks (e.g., bathing times, fixed bed-time hours, flexible dining choices). The following activities might be funded through this project:</p> <ol style="list-style-type: none"> <li>1. Ensure person-centered planning processes are developed and followed, including the following:             <ol style="list-style-type: none"> <li>a. Institute policy that no changes are made to a resident's service plan or daily routine without meeting with the resident and discussing the need for the change, obtaining the residents input and incorporating that feedback to the greatest extent possible.</li> <li>b. Create a planning tool to be completed at each annual service plan update that includes, but is not limited to, items related to: unmet goals or needs, dietary preferences, leisure activity preferences, scheduling preferences.</li> <li>c. At each annual service plan update, review each aspect of the resident's physical and mental health to identify concerns or changes the resident would like to explore further.</li> <li>d. As appropriate, broach topic of end-of-life planning to ensure the residents desires are communicated to team and documented.</li> </ol> </li> </ol>

## Texas Quality Incentive Payment Program

	<p>e. Policy regarding room assignment must prohibit relocating individuals without first holding a meeting of the service planning team that includes the resident and, if appropriate, their family.</p> <p>2. Promote community engagement with the least restrictions possible, including developing the necessary infrastructure to promote opportunities for residents to engage in off-site activities on a one-to-one or small group basis.</p>
<p>What should be included in the proposal</p>	<ul style="list-style-type: none"> <li>• The nursing facility's specific characteristics that make this project an appropriate selection.</li> <li>• The nursing facility's goals for the coming year based on the prescribed project parameters.</li> <li>• The specific work to be completed and how it relates to the identified goals.</li> <li>• The itemized predicted amount of dollars needed for the project and a proposed valuation for the project.</li> <li>• The justification of the proposed valuation given the following: <ul style="list-style-type: none"> <li>○ Entity size;</li> <li>○ Complexity of the project;</li> <li>○ Size and scope of the project;</li> <li>○ Size of target population; and</li> <li>○ Investment and resources needed.</li> </ul> </li> </ul>
<p>Implementation Metrics</p>	<ol style="list-style-type: none"> <li>1. Milestone: Develop policy regarding room assignment that meets the criteria outlined in the core components (5%). <ol style="list-style-type: none"> <li>a) Metric: Submit policy for review.</li> </ol> </li> <li>2. Milestone: Create policy regarding resident participation in service planning process that includes the incorporation of information obtained through Section F of the MDS 3.0 (10%). <ol style="list-style-type: none"> <li>a) Metric: Submit policy for review.</li> </ol> </li> <li>3. Milestone: Create service-planning tool (10%). <ol style="list-style-type: none"> <li>a) Metric: Submit service-planning tool.</li> </ol> </li> <li>4. Milestone: Develop infrastructure for increased community engagement (10%). <ol style="list-style-type: none"> <li>a) Metric: Submit components of infrastructure for review.</li> </ol> </li> <li>5. Milestone: Identify baseline using MDS data: (15%) <ol style="list-style-type: none"> <li>a) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay)</li> <li>b) Metric: Of the residents indicating in responses to Section Q of the MDS 3.0 that they would like to speak with someone regarding relocating from the facility to the community, the rate who were provided the opportunity to do so.</li> </ol> </li> </ol>
<p>Outcome Metrics</p>	<ol style="list-style-type: none"> <li>1. Milestone: Implement policy involving residents in the development of their service plan to ensure a person-centered process is followed. (15%) <ol style="list-style-type: none"> <li>a) Metric: Submit de-identified service planning meeting documents evidencing the developed tools and policies were followed.</li> </ol> </li> <li>2. Demonstrate improvement of at least 10% from pre-implementation: (20%)</li> </ol>

## Texas Quality Incentive Payment Program

	<p>a) Metric: Percent of Residents Who Have Depressive Symptoms (Long Stay)</p> <p>b) Metric: Of the residents indicating in responses to Section Q of the MDS 3.0 that they would like to speak with someone regarding relocating from the facility to the community, the rate who were provided the opportunity to do so.</p> <p>3. Milestone: Implement plan for improved community engagement. (15%)</p> <p>a) Metric: Number of off-site activities in which at least one resident has participated each quarter.</p>
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Project Name:	Empowerment and support of direct care workers
Project Overview	Create a peer-mentoring program through which experienced and tenured staff who have demonstrated quality work are matched with new staff to help promote continuity of care at the resident level.
What should be included in the proposal	<ul style="list-style-type: none"> <li>• The nursing facility's specific characteristics that make this project an appropriate selection.</li> <li>• The nursing facility's goals for the coming year based on the prescribed project parameters.</li> <li>• The specific work to be completed and how it relates to the identified goals.</li> <li>• The itemized predicted amount of dollars needed for the project and a proposed valuation for the project.</li> <li>• The justification of the proposed valuation given the following:             <ul style="list-style-type: none"> <li>○ Entity size;</li> <li>○ Complexity of the project;</li> <li>○ Size and scope of the project;</li> <li>○ Size of target population; and</li> <li>○ Investment and resources needed.</li> </ul> </li> </ul>
Implementation Metrics	<p>1. Milestones: Create a peer-mentoring program (20%).</p> <p>a) Metric: Submit description of program.</p> <p>2. Milestone: Establish baseline data regarding staff turnover rates (20%).</p> <p>a) Metric: Rate of staff turnover broken out by position type.</p> <p>3. Milestone: Establish baseline data regarding avoidable care. (20%)</p> <p>a) Metric: Rate of emergency department visits in year prior to implementation.</p> <p>b) Metric: Rate of hospital admissions in year prior to implementation.</p> <p>c) Metric: Percent of high risk residents with pressure ulcers in year prior to implementation</p> <p>d) Metric: Percent of residents with a urinary tract infection in year prior to implementation</p>
Outcome Metrics	<p>1. Milestone: Reduce provision of avoidable care through increased staff observation capability. (50%)</p> <p>a) Reduction in rate of emergency department visits by 10%</p> <p>b) Reduction in rate of hospital admissions by 10%</p> <p>c) Reduction in rate of high risk residents with pressure ulcers by 10%</p> <p>d) Reduction in rate of residents with a urinary tract infection by 10%</p> <p>2. Milestone: Improve staff longevity by 15%.</p>



## Texas Quality Incentive Payment Program

	a) Metric: Staff turnover rate by position type compared to pre-implementation
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## Quality Incentive Payment Program Proposal Template

<b>MCO:</b> Amerigroup
<b>Nursing Facility:</b> Oak Manor Nursing Center
<b>Service Area:</b> Nursing Facility

Below are the specific items that must be addressed in the QIPP proposal and submitted along with the signed Letter of Agreement. HHSC will review the proposals to ensure that they meet the state's objectives, and must accept a proposal prior to its implementation by a nursing facility.

*Note: Operating entities will certify in the Letter of Agreement that the proposed project does not duplicate or overlap with any projects the NF participates in for which the NF receives federal funds.*

**Is this project based on an HHSC sample project?**      Yes      No

**If yes, what is the title of the sample project?**    Staff Training (Restorative Care and Programming)

<p><b>1. Project Overview.</b> In 500 words or less, provide an overview of the proposed incentive project, including a description of the work the nursing facility intends to complete; and the goals and objectives of the project. Include in the overview how the proposal relates to the philosophy of culture change or quality of care.</p>
<p><i>The center integrate 13-hour Restorative Nursing Course Programs offered by Relias Learning.</i></p> <p><i>PC- Restorative Nursing (1.5)</i></p> <p><i>Restorative Nursing Foundation for the Nurse (1.75)</i></p> <p><i>Restorative Nursing Foundation for the C.N.A. (1.0)</i></p> <p><i>Restorative Nursing: Dressing, Grooming Bathing for the Nurse (1.0)</i></p> <p><i>Restorative Nursing: Dressing, Grooming Bathing for the C.N.A. (1.0)</i></p> <p><i>Restorative Nursing: Mobility for the Nurse (1.0)</i></p> <p><i>Restorative Nursing: Mobility for the C.N.A. (1.0)</i></p> <p><i>Restorative Nursing: Bowel and Bladder for the Nurse (1.0)</i></p> <p><i>Restorative Nursing: Bowel and Bladder for the C.N.A. (1.0)</i></p> <p><i>Restorative Nursing: ADL's for the C.N.A (1.0)</i></p> <p><i>Restorative Nursing: Dining and Feeding for the Nurse (1.25)</i></p> <p><i>Restorative Nursing: Dining and Feeding for the C.N.A (1.0)</i></p>

## Quality Incentive Payment Program Proposal Template

*ADLs and the Restorative Nursing- the Basics (1.0)*

*In addition the Company's Traveling Clinical Education Specialists will conduct on-site training on the Company's Policy and Procedures for our Restorative Management Program, do include documentation, forms, MDS coding, etc.*

*Goals & Objectives:*

*To improve staff competencies and engagement in Restorative Nursing Programming. The overall outcome will be to better maintain and improve our customer's quality of life through maintaining their highest level of independence.*

**2. Project Costs and Values.** Provide the itemized predicted amount of dollars needed for the project. As well, in 250 words or less, provide the proposed valuation for the project and justification for the proposed valuation. Potential factors influencing valuation include entity size; project complexity; project size and scope; target population size; required investment and resources; and expected impact of the project.

*Projected Dollar's:*

*Monthly Relias Fee: \$6,000*

*Staff training time: \$1,800 (15 C.N.A.'s and 10 Nurses to complete 4 hours of Relias Training)*

*Corporate Nurse Educator Salary/Training Expense: \$1,000*

*Valuation of Project: \$500,000*

*The nursing facility justifies this proposed value based on*

- 1.) The size of the center, 40 average daily census (82- licensed beds)*
- 2.) The project is complexity is based on the population of patients with impairment or declines in activities of daily living*
- 3.) The size/scope of the project encompasses all patients who may benefit from this program and are willing to participate*
- 4.) Target population size is 50-75% of the patients*
- 5.) Required investment/resources includes Relias Online Training program, computers, staff training time, corporate trainer time/expense/supplies*
- 6.) Improved Quality of Care and improved Quality of Life*

**3. Payment Terms.** In 150 words or less, describe the frequency of payments to the nursing facility, if performance metrics are met, and the process that will be used by the MCO to recoup payments in the event of: a disallowance by CMS; a payment made in error; payments used to pay a contingent, consulting, or legal fee; or payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.

*The nursing center will receive monthly payments related to the completion of training for staff and working toward the performance measures outlined in Section 4.*

*The MCO may recoup a payment made in error; payments used to pay a contingent, consulting, or legal fee; or payments associated with fraudulent reporting of metric performance or fraudulent or*

## Quality Incentive Payment Program Proposal Template

*misleading statements on a nursing facility change of ownership application or during the change of ownership process.*

**4. Performance Metrics.** Provide a description of how the nursing facility will measure progress towards, and final achievement of, the proposal goals, including the rationale for the selected measures and what data will be provided in quarterly, biannual, and annual status updates. HHSC recommends two to four implementation measures and two to four outcome measures per project<sup>1</sup>.

*Implementation Measure: Center will complete at least 4 hours of Relias Training, combined for the month. The nursing facility will produce training summaries and attendance information monthly.*

*Implementation Measure: Center will complete 1 hour of the Company's Restorative P&P training. The nursing facility will produce training summaries and attendance information monthly.*

*Outcome Measure: 10% of center's Medicaid customers will participate in weekly Restorative Nursing programming. Participation summaries will be provided.*

*Outcome Measure: Center's Quality Measure for Decline in ADL will either improve by 5% or the center will achieve a reduction in falls from September baseline or remain at or below the National Average for both of these Quality Measures.*

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<sup>1</sup> There is no minimum or maximum number of measures required per project. HHSC recognizes that some projects may require fewer or more measures to adequately demonstrate improvement.

# Quality Incentive Payment Program Proposal Template

<b>MCO:</b> Amerigroup
<b>Nursing Facility:</b> Clairmont Beaumont
<b>Service Area:</b> Nursing Facility

Below are the specific items that must be addressed in the QIPP proposal and submitted along with the signed Letter of Agreement. HHSC will review the proposals to ensure that they meet the state's objectives, and must accept a proposal prior to its implementation by a nursing facility.

*Note: Operating entities will certify in the Letter of Agreement that the proposed project does not duplicate or overlap with any projects the NF participates in for which the NF receives federal funds.*

**Is this project based on an HHSC sample project?**      X Yes                      \_\_\_ No  
**If yes, what is the title of the sample project?** Staff Training

**1. Project Overview.** In 500 words or less, provide an overview of the proposed incentive project, including a description of the work the nursing facility intends to complete; and the goals and objectives of the project. Include in the overview how the proposal relates to the philosophy of culture change or quality of care.

Center will provide staff classroom training on caring for residents with Alzheimer's and other related dementias. Training may include the following topics:

- A basic introduction to the foundations of Alzheimer's and other related dementias;
- Training on communicating and connecting with residents with Alzheimer's and other related dementias;
- Training on techniques and approaches to care of persons with Alzheimer's and dementia;
- Training on person centered care;
- Training on understanding the needs of and working with the families;
- Training on the dietary needs of residents with Alzheimer's and other related dementia;
- Training on the social needs and appropriate activities in the care of residents with Alzheimer's and other related dementia;
- Recognizing and responding to caregiver stress; and,
- Preventing, recognizing, and responding to abuse and neglect of residents with Alzheimer's and other related dementia.

Training may be conducted through the use of interactive learning techniques such as interactive or experiential exercises, small group discussion or exercises, role play, and/or case study. Training will also be provided to residents and families.

This dementia training will ensure that residents with Alzheimer's and other related dementias have a positive quality of life, consumer protection, and person directed care. In addition, the training will promote Resident's rights, dignity, choice, comfort, and independence in this setting. Overall, this training will improve the care of residents with Alzheimer's and other related dementias.

**2. Project Costs and Values.** Provide the itemized predicted amount of dollars needed for the project. As well, in 250 words or less, provide the proposed valuation for the project and justification for the

## Quality Incentive Payment Program Proposal Template

proposed valuation. Potential factors influencing valuation include entity size; project complexity; project size and scope; target population size; required investment and resources; and expected impact of the project.

### Projected Dollars:

*Training Expense: \$31,000*

*Training Materials: \$5,000*

*Trainer Expense: \$12,000*

*Valuation of Project: \$1,000,000*

*The nursing facility justifies this proposed value based on:*

- 1.) The size of the center, 100 average daily census (148- licensed beds)*
- 2.) The project is complex because it is tied to the individual deficits that are unique to each patient suffering from cognitive deficits. In addition, we are training clinical and non-clinical staff/family members with varying background and understanding of dementia diagnosis.*
- 3.) The size/scope of the project encompasses all patients with a cognitive deficit*
- 4.) Target population size is all patients with cognitive deficits*
- 5.) Required investment/resources includes facility operating costs, training cost, labor, supplies and equipment*
- 6.) The expected impact is improved Quality of Life and Culture Change for patients with cognitive deficits and improved competency of staff caring for these patients.*

**3. Payment Terms.** In 150 words or less, describe the frequency of payments to the nursing facility, if performance metrics are met, and the process that will be used by the MCO to recoup payments in the event of: a disallowance by CMS; a payment made in error; payments used to pay a contingent, consulting, or legal fee; or payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.

*The nursing facility will receive monthly payments based on the metric of completion of training sessions.*

*Nursing Facility will submit monthly training summaries and sign-in sheets for review and payment.*

*If nursing center misses the target in a given month, that month's payment will be deferred. When the nursing facility achieves the target in a subsequent month, deferred payments will be paid in the month of achievement, in addition to that month's payment.*

*The MCO may recoup a payment made in error; payments used to pay a contingent, consulting, or legal fee; or payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.*

## Quality Incentive Payment Program Proposal Template

**4. Performance Metrics.** Provide a description of how the nursing facility will measure progress towards, and final achievement of, the proposal goals, including the rationale for the selected measures and what data will be provided in quarterly, biannual, and annual status updates. HHSC recommends two to four implementation measures and two to four outcome measures per project<sup>1</sup>.

*The performance measurement will include:*

*Implementation Measure: The nursing facility will complete two Alzheimer's and other related Dementia trainings on average 2 per month for a total of 24 training sessions in one year. The nursing facility will produce training summaries monthly.*

*Implementation Measure: The nursing facility will offer a minimum of 6 different training topics during the year. The nursing facility will produce training summaries monthly.*

*Outcome Measure: 6% of staff will attend a training session each month with an aggregate of 72% of staff will attend training by the end of the year. Facility will produce training sign-in sheets and computation of completion monthly.*

*Outcome Measure: 1% of family/patient attend a training session each month with an aggregate of 12% of family members/residents by the end of the year. Facility will produce training sign-in sheets and computation of completion monthly.*

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<sup>1</sup> There is no minimum or maximum number of measures required per project. HHSC recognizes that some projects may require fewer or more measures to adequately demonstrate improvement.

# Quality Incentive Payment Program Proposal Template

<b>MCO:</b> Amerigroup
<b>Nursing Facility:</b> Oak Manor
<b>Service Area:</b>

Below are the specific items that must be addressed in the QIPP proposal and submitted along with the signed Letter of Agreement. HHSC will review the proposals to ensure that they meet the state's objectives, and must accept a proposal prior to its implementation by a nursing facility.

*Note: Operating entities will certify in the Letter of Agreement that the proposed project does not duplicate or overlap with any projects the NF participates in for which the NF receives federal funds.*

**Is this project based on an HHSC sample project?**     Yes     No

**If yes, what is the title of the sample project?** Transition from Paper to Electronic Medication Administration Record.

**1. Project Overview.** In 500 words or less, provide an overview of the proposed incentive project, including a description of the work the nursing facility intends to complete; and the goals and objectives of the project. Include in the overview how the proposal relates to the philosophy of culture change or quality of care.

*Over the past few years the center has converted to on-line MDS's, CAA's, Care Plans, Weights, Vital Signs and Physician Orders. In an effort to progress in the evolution of conversion to 100% electronic medical records the center proposes to integrate the Electronic Medication Administration Form.*

**Goals & Objectives:**

*To keep up with changing and advancing technology for streamlined IDT performance and overall management of patient care and documentation that meets the needs and standards of our payers and regulators. In addition, this technology has been proven to reduce medication errors for improved patient safety.*

**2. Project Costs and Values.** Provide the itemized predicted amount of dollars needed for the project. As well, in 250 words or less, provide the proposed valuation for the project and justification for the proposed valuation. Potential factors influencing valuation include entity size; project complexity; project size and scope; target population size; required investment and resources; and expected impact of the project.

**Projected \$\$'s:**

*Computers/Printers: \$10,000*

*IT infrastructure (set-up, cabling, configuration): \$7,000*

*EMAR Vendor (PCC) subscription fee: \$1,000 annually*

*Staff training time: \$4,000*

*Ongoing training and new hire orientation: \$12,000*

*Corporate Nurse Educator Salary/Training Expense: \$1,000*

*Valuation of Project: \$2,000,000*



## Quality Incentive Payment Program Proposal Template

*The nursing facility justifies this proposed value based on*

- 1.) The size of the center, 40 average daily census (82- licensed beds)*
- 2.) The project is complexity is based on completely changing the work flow and practices of the nursing staff from paper based medication administration record-keeping to electronic.*
- 3.) The size/scope of the project encompasses all patients who receive medications.*
- 4.) Target population size is 100% of the patients*
- 5.) Required investment/resources includes computers, internet lines, printers and training expense.*
- 6.) Improved Quality of Care*

**3. Payment Terms.** In 150 words or less, describe the frequency of payments to the nursing facility, if performance metrics are met, and the process that will be used by the MCO to recoup payments in the event of: a disallowance by CMS; a payment made in error; payments used to pay a contingent, consulting, or legal fee; or payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.

*The nursing center will receive monthly payments related to the, purchase and installation of equipment, training for staff and working toward the performance measures outlined in Section 4.*

*The MCO may recoup a payment made in error; payments used to pay a contingent, consulting, or legal fee; or payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.*

**4. Performance Metrics.** Provide a description of how the nursing facility will measure progress towards, and final achievement of, the proposal goals, including the rationale for the selected measures and what data will be provided in quarterly, biannual, and annual status updates. HHSC recommends two to four implementation measures and two to four outcome measures per project<sup>1</sup>.

*Implementation Measure: The equipment will be procured, delivered and installed at the center.*

*Implementation Measure: 100% of licensed nurses will be trained on the new system.*

*Outcome Measure: Center will begin utilizing Electronic MAR and discontinue use of paper MAR.*

*Outcome Measure: Center will have < 3 significant medication errors (wrong dose/wrong person) per month. Center will submit monthly adverse event report summaries.*

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<sup>1</sup> There is no minimum or maximum number of measures required per project. HHSC recognizes that some projects may require fewer or more measures to adequately demonstrate improvement.

# Quality Incentive Payment Program Proposal Template

**MCO:** Amerigroup

**Nursing Facility:** The Woodlands Healthcare Center

**Service Area:** Nursing Facility

Below are the specific items that must be addressed in the QIPP proposal and submitted along with the signed Letter of Agreement. HHSC will review the proposals to ensure that they meet the state's objectives, and must accept a proposal prior to its implementation by a nursing facility.

*Note: Operating entities will certify in the Letter of Agreement that the proposed project does not duplicate or overlap with any projects the NF participates in for which the NF receives federal funds.*

**Is this project based on an HHSC sample project?**       Yes       No

**If yes, what is the title of the sample project?** Recruit and retain a Nurse Practitioner or Physician

**1. Project Overview.** In 500 words or less, provide an overview of the proposed incentive project, including a description of the work the nursing facility intends to complete; and the goals and objectives of the project. Include in the overview how the proposal relates to the philosophy of culture change or quality of care.

Center will recruit a full-time Physician or Nurse Practitioner. A full-time Physician or Nurse Practitioner will on a continual basis oversee clinical care in the facility, work with the interdisciplinary team to ensure quality care and implement appropriate clinical policies, procedures, and programs, and work with the facility administration regarding staff management and survey issues, quality assurance activities, and education and training for physicians, nurses, and caregivers. In addition, the full-time Physician or Nurse Practitioner will make a clinical visit to Medicaid recipients at least once a quarter. A full-time Physician or Nurse Practitioner will assist the center in implementing federal and state standards requiring that medical services, as well as psychosocial services, be provided to help each resident meet his or her highest level of well-being. Thus, the added value of a full-time Physician or Nursing Practitioner will contribute to improvements in Quality of Care through the Staffing Enhancement resulting in opportunity for on-site consultation with an advanced practice professional. Long term improvements would also include monitoring and reducing ER usage, hospitalization and re-hospitalization if the center is over the national benchmark at the time of the project initiation.

**2. Project Costs and Values.** Provide the itemized predicted amount of dollars needed for the project. As well, in 250 words or less, provide the proposed valuation for the project and justification for the proposed valuation. Potential factors influencing valuation include entity size; project complexity; project size and scope; target population size; required investment and resources; and expected impact of the project.

Projected Dollars:

*Recruitment Costs: \$20,000*

*Salary/Benefits/Taxes: \$200,000 (Physician), \$120,000 (Nurse Practitioner)*

*Equipment (phone/computer): \$3000*

## Quality Incentive Payment Program Proposal Template

*Valuation of Project: \$2,500,000*

*The nursing facility justifies this proposed value based on:*

- 1.) The size of the center, 140 average daily census (214- licensed beds).*
- 2.) The project complexity is tied to the nursing facility's recruiting and retaining a Physician or Nurse Practitioner in a competitive market place and the collaboration of a Physician with a Nurse Practitioner.*
- 3.) The size/scope of the project encompasses all patients.*
- 4.) Target population size is all patients.*
- 5.) Required investment/resources includes recruitment cost, salary and equipment.*
- 6.) The expected impact is improved Quality and Continuity of Care for patients with through Enhanced Medical Staffing.*

**3. Payment Terms.** In 150 words or less, describe the frequency of payments to the nursing facility, if performance metrics are met, and the process that will be used by the MCO to recoup payments in the event of: a disallowance by CMS; a payment made in error; payments used to pay a contingent, consulting, or legal fee; or payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.

*The nursing center will receive the first monthly payment based posting the MD or CRNP position to begin recruitment*

*The nursing center will receive the second monthly payment based beginning to interview candidates (if candidates are available).*

*Monthly payments will continue as the center continues to source and aggressively pursue candidates. Candidate tracking log will be available, if requested.*

*When a MD or CRNP is hired payments will continue for one quarter while the practitioner is becoming oriented and assessing the opportunities and needs of the patients.*

*When the MD or CRNO is fully integrated into the center operations, monthly payments will be based upon the utilization of the program and achievement of outcome measures.*

*The MCO may recoup a payment made in error; payments used to pay a contingent, consulting, or legal fee; or payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.*

**4. Performance Metrics.** Provide a description of how the nursing facility will measure progress towards, and final achievement of, the proposal goals, including the rationale for the selected measures and what data will be provided in quarterly, biannual, and annual status updates. HHSC recommends

## Quality Incentive Payment Program Proposal Template

two to four implementation measures and two to four outcome measures per project<sup>1</sup>.

*Implementation Measure: The nursing facility will post an advertisement for a full-time Physician or Nurse Practitioner. The nursing facility will produce the job posting.*

*Implementation Measure: The nursing facility will assess candidates using interviews, ProfileXT Job Fit Assessment and references. The nursing facility will produce interview updates monthly.*

*Outcome Measure: The nursing facility will hire a full-time Physician or Nurse Practitioner. The nursing facility will provide a signed offer letter upon hire.*

*Outcome Measure: Center will reduce facility-acquired or worsening pressure ulcers, or maintain rates below the national average, if this measure is not an outlier at the onset of the program.*

*Outcome Measure: Center will reduce infection rate, or maintain rates below the national average, if this measure is not an outlier at the onset of the program.*

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<sup>1</sup> There is no minimum or maximum number of measures required per project. HHSC recognizes that some projects may require fewer or more measures to adequately demonstrate improvement.

## Quality Incentive Payment Program Proposal Template

<b>MCO:</b> Amerigroup
<b>Nursing Facility:</b> Oakland Manor Nursing Center
<b>Service Area:</b> Nursing Facility

Below are the specific items that must be addressed in the QIPP proposal and submitted along with the signed Letter of Agreement. HHSC will review the proposals to ensure that they meet the state's objectives, and must accept a proposal prior to its implementation by a nursing facility.

*Note: Operating entities will certify in the Letter of Agreement that the proposed project does not duplicate or overlap with any projects the NF participates in for which the NF receives federal funds.*

**Is this project based on an HHSC sample project?**     Yes     No  
**If yes, what is the title of the sample project?**  Music & Memory Certification (Quality of Life and Staff Training) \_\_\_\_\_

**1. Project Overview.** In 500 words or less, provide an overview of the proposed incentive project, including a description of the work the nursing facility intends to complete; and the goals and objectives of the project. Include in the overview how the proposal relates to the philosophy of culture change or quality of care.

*The center will complete the 3-day Music & Memory Certification Program offered by MusicandMemory.Org.*

*A series of three 90-minute, live webinars, taught by Music & Memory founding Executive Director Dan Cohen, MSW, will enable the center to create a facility-ready iTunes library, efficiently manage many participants' playlists, handle equipment and security concerns, integrate personalized digital music into your daily care plans, and evaluate the program's effectiveness.*

*The MUSIC & MEMORY<sup>SM</sup> Certification training package also includes:*

- Regular conference calls to support your program for one year.*
- One-to-one consultations as needed for one year.*
- Training opportunities for new staff for one year.*
- Access to Music & Memory's Community online platform, which includes a wide range of resources, a forum of fellow professionals and more.*
- Quarterly Noteworthy eNewsletter.*

**Goals & Objectives:**

*Increase recreation participation on our dedicated Memory Care (Dementia) Units. Reduce anxiety/agitation, reduce falls and incorporate as a non-pharmalogical pain intervention.*

**2. Project Costs and Values.** Provide the itemized predicted amount of dollars needed for the project. As well, in 250 words or less, provide the proposed valuation for the project and justification for the proposed valuation. Potential factors influencing valuation include entity size; project

## Quality Incentive Payment Program Proposal Template

complexity; project size and scope; target population size; required investment and resources; and expected impact of the project.

### Projected \$\$'s:

*Training Fee: \$1000*

*Staff training time: \$1000 (at least 4 staff members will complete the training)*

*iPods: \$500 (at least 10 iPod Shuffles)*

*Headphones: \$300 (at least 10 headphone sets)*

*iTunes Account Balance Load: \$1000*

*Valuation of Project: \$250,000*

*The nursing facility justifies this proposed value based on*

- 1.) The size of the center, 50 average daily census (120- licensed beds)*
- 2.) The project is complexity is based on the population of patients with dementia or memory impairment, which is between 25%-50% of the population*
- 3.) The size/scope of the project encompasses all patients who may benefit from this program and are willing to participate*
- 4.) Target population size is 25%-50% of the patients*
- 5.) Required investment/resources includes Music and Memory Training Fee, Staff training costs, equipment/supply cost*
- 6.) Improved Quality of Care and improved Quality of Life*

**3. Payment Terms.** In 150 words or less, describe the frequency of payments to the nursing facility, if performance metrics are met, and the process that will be used by the MCO to recoup payments in the event of: a disallowance by CMS; a payment made in error; payments used to pay a contingent, consulting, or legal fee; or payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.

*The nursing center will receive the first monthly payment based on completing the training and purchase of equipment/supplies.*

*The nursing center will receive the second monthly payment based upon collecting resident music preference and downloading the music from iTunes to the iPods.*

*Additional monthly payments will be based upon the utilization of the program and achievement of outcome measures.*

*The MCO may recoup a payment made in error; payments used to pay a contingent, consulting, or legal fee; or payments associated with fraudulent reporting of metric performance or fraudulent or misleading statements on a nursing facility change of ownership application or during the change of ownership process.*

**4. Performance Metrics.** Provide a description of how the nursing facility will measure progress towards, and final achievement of, the proposal goals, including the rationale for the selected

## Quality Incentive Payment Program Proposal Template

measures and what data will be provided in quarterly, biannual, and annual status updates. HHSC recommends two to four implementation measures and two to four outcome measures per project<sup>1</sup>.

*Implementation Measure: 4 Staff Complete Training Program and purchase of equipment.*

*Implementation Measure: Resident histories are obtained and preferred music is downloaded for each participant.*

*Implementation of non-pharmacological pain intervention of Music and Memory Care Plan for those who trigger for pain on the MDS.*

*Outcome Measure: 20% of center's memory impaired population will participate in weekly Music & Memory programming. Participation record summaries will be provided.*

*Outcome Measure: Reduce falls by 5% or maintain fall quality measure at or below the national average; specific focus place on memory impaired, frequent fallers (those who fall more than one time per month).*

*Outcome Measure: Decrease episodes of agitation or anxiety for memory impaired residents. Behavior Management Flowsheets will be provided, if requested.*

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<sup>1</sup> There is no minimum or maximum number of measures required per project. HHSC recognizes that some projects may require fewer or more measures to adequately demonstrate improvement.

Center	MCO	\$	Estimated QIPP Payment	Medicaid Pass Through Percentage	Total Center Project Valuation	Star Rating-QM	Hire Nurse Practitioner	C.N.A. class	Dementia Training	Music & Memory Certification	Dining Services	QoL	Restorative Training	Enhanced EMR	EMAR	Potential Project Count
Beaumont	Amerigroup	\$ 4,685,479.83	\$ 6,469,125.00	66.35%	\$ 9,750,000.00	ONE	TWO	TWO	FOUR	FOUR	FOUR	FOUR	ONE	ONE		6
Monument	Amerigroup	\$ 3,450,685.23	\$ 2,529,280.00	48.64%	\$ 5,200,000.00	2,500,000	2,500,000		1,000,000	250,000	450,000		500,000	2,000,000	1,000,000	6
Hallettsville	UHC	\$ 2,841,765.28	\$ 3,102,500.00	49.64%	\$ 6,250,000.00	2,500,000		2,000,000	1,000,000	250,000			500,000	2,000,000	1,000,000	5
Oak Manor	Amerigroup	\$ 2,153,942.42	\$ 4,756,500.00	65.64%	\$ 7,250,000.00	2,500,000			1,000,000	250,000			500,000	2,000,000	1,000,000	6
The Woodlands	Amerigroup	\$ 7,487,751.31	\$ 8,397,755.00	77.03%	\$ 10,850,000.00	4,000,000	2,500,000	2,000,000	1,000,000	250,000	600,000		500,000	2,000,000		6
Oakland Manor	Amerigroup	\$ 2,249,889.98	\$ 4,005,250.00	64.10%	\$ 6,250,000.00	2,500,000			1,000,000	250,000		500,000		2,000,000		5

Categories:

- Category One: Quality of Care
- Category Two: Staffing Enhancements
- Category Three: Small House Model
- Category Four: Culture Change and Quality of Life

Center Matrix



PROPOSED VALUE FY2016- Las Colinas (QM)			
Total Funding Request			\$ 4,000,000.00
Medicaid Census Percentage			51.00%
Total QIPP Remittance Request			2,040,000.00
IGT	41.95%		855,780.00
Federal Match	58.05%		1,184,220.00
MCO Total Expenses			
Administrative Expenses	1.5%		17,763.30
Taxes	1.8%		20,723.85
Net to QIPP Provider			\$ 1,145,732.85

29%

NAIP FUNDING MODEL

01.4.2016

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## Memo

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**To**  
Hubert Oxford IV

Hubert,

**From**  
Gary Klein

As per our discussion this morning here is an update on Caring Healthcare's QIPP activities, so that you can update the board on Wednesday.

**CC**  
Mendy Shapiro

Caring intends to participate in QIPP in all 7 buildings which we manage for the WSHD.

**Re**  
Caring QIPP Projects

We have already submitted projects for initial reviews to managed care companies, namely Molina and United Healthcare, for initial and follow-up reviews.

Our projects are all from the HHSC list of recommended projects.

- Many of our facilities will be enhancing the amount of staff through the staffing enhancement grant
- Many of our facilities will be increasing the involvement of our residents in the planning of their day to day activities by participating in the person-centered-care grant
- A number of our facilities will be hiring additional medical staff for our residents by participating in the grant aimed at "hiring and retaining the services of a nurse practitioner".

There is still a significant degree of uncertainty regarding the valuation process as it relates to these grant. We do expect to reach valuations that will necessitate IGT contributions in the amounts similar to last year (including the 50% MPAP which will be distributed) if not slightly higher.

We will of course keep you posted as this process progresses.

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CARING HEALTHCARE GROUP

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