

2022 Episodes of Care Cost and Quality Thresholds

TennCare Episodes of Care Thresholds

Scope of the Document

The goal of this document is to provide an overview of the thresholding process and 2022 values used to calculate gain-sharing or risk-sharing payments for Episode of Care quarterbacks.

This document will review the following topics:

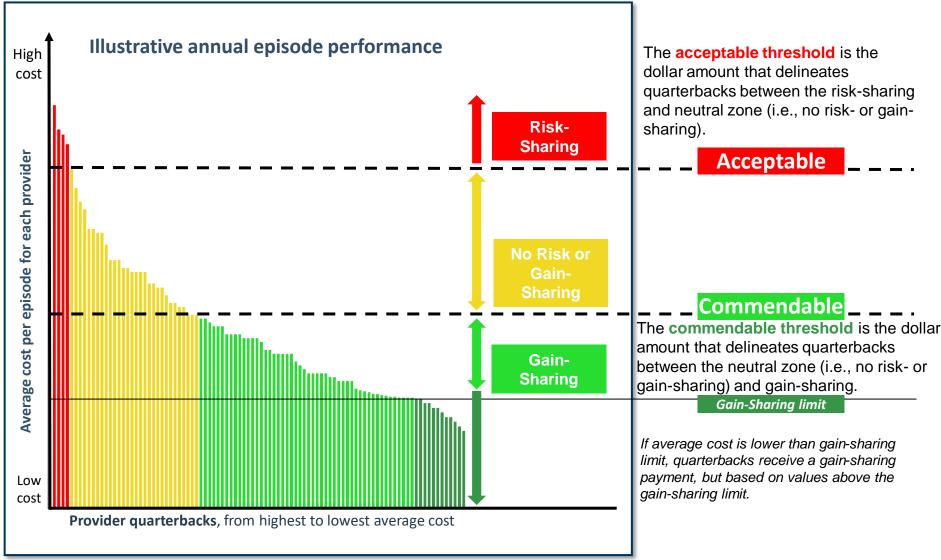
- 1. Overview of Episodes of Care thresholds
- 2. Cost and quality threshold values for 2022 performance period

Updates from Previous Thresholds (CY 2021)

- Acceptable thresholds have been updated based on the most recent data.
- These thresholds incorporate recent changes to the episode design, which can be referenced in the Memo: 2022 Episodes of Care Changes.
- The threshold for the 'Difference in Average MED/day' quality metric was changed from 1.0 to 70% for the following episodes, based on the updated calculation methodology for the quality metric:
- Spinal Decompression
- Knee Arthroscopy
- Non-operative Ankle Injury
- Non-operative Knee Injury
- Non-operative Shoulder Injury
- Non-operative Wrist Injury
- Back/Neck Pain
- GI Obstruction

- Appendectomy
- Hernia Repair
 - Cystourethroscopy

TennCare Episode of Care Cost Thresholds: Definitions



Calculating Cost Thresholds

Calculation

e Type	Risk-Sharing	Above the acceptable threshold	Quarterbacks who owe a risk-sharing payment pay 50% of the difference between the acceptable threshold and their average risk-adjusted episode spend, multiplied by the quarterback's number of valid episodes in the reporting period.
ost per Episode	No Risk or Gain-Sharing	Between the acceptable and commendable threshold	Quarterbacks have no change in payment, neither a gain-sharing payment or risk-sharing payment.
Average C	Gain-Sharing	Below the commendable threshold	Quarterbacks receive 50% of the difference between the commendable threshold and their average risk-adjusted episode, multiplied by the quarterback's number of valid episodes in the reporting period.

Example Gain-Sharing Calculation

Threshold included in calculation: Commendable



*Must reach quality metrics to be eligible for a gain-sharing payment

Additional Information on Episodes of Care Thresholds

Key Threshold Information

- All thresholds are set before the performance year begins.
- Thresholds are set based on projections that result in overall budget neutrality (i.e., equivalent total gain-sharing and risksharing payments).
- Commercial payers will set their own thresholds according to their own approaches. Commercial episodes will not have an
 acceptable threshold due to no downside risk.

Overview of Setting Thresholds: 2022 Performance Period

- Acceptable threshold: TennCare sets the acceptable threshold so that the quarterbacks with the highest risk-adjusted average annual cost for all TennCare would owe a risk-sharing payment, based on 2020 data.
- Commendable threshold: Each MCO sets its own commendable thresholds that determines a quarterbacks' eligibility for a gain-sharing payment. For the 2022 performance period, the commendable threshold is set such that total gain-sharing payments and risk-sharing payments would be equal, based on 2020 data. Information on the commendable threshold is available from each MCO.
- Gain-sharing limit threshold: The gain-sharing limit is designed to cap the amount of rewards a quarterback can receive to
 prevent incentivizing underutilization and inappropriate care. The MCOs and the state work together to define and set the
 gain-sharing limit.
- Quality metrics linked to gain-sharing thresholds: Some quality metrics will be linked to gain-sharing, while others will be reported for information only. To be eligible for gain-sharing, providers must meet predetermined thresholds for gain-sharing linked quality metrics.

Episodes of Care Cost and Quality Thresholds for 2022 Performance Period

Wave 1 – Thresholds

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	C-Section rate	37%		
	Group B streptococcus screening rate	90%		
	HIV screening rate	90%		
Perinatal	 Quality metrics not linked to gain-sharing (i.e., informational only): Gestational diabetes screening rate Asymptomatic bacteriuria screening rate Tdap vaccinate rate Primary C-section rate Genetic testing rate MFM referral rate for patients with diabetes Hepatitis C screening rate 		\$8,251	Varies by MCO
	Follow-up with physician or other practitioner within 30 days of discharge	30%	\$1,172	Varies by MCO
	Patient on appropriate medication (oral corticosteroid and/or injectable corticosteroids)	60%		
Asthma Acute Exacerbation	 Quality metrics not linked to gain-sharing (i.e., informational only): Repeat acute exacerbation during the post-trigger window Acute exacerbation during the trigger window is treated in an inpatient setting (as percent of all episodes) Smoking cessation counseling for the patient and/or family was offered Education on proper use of medication, trigger avoidance, or asthma action plan was discussed Chest x-ray utilization rate Follow-up care for newly-diagnosed asthma cases 			
	Readmission rate	10%		
Total Joint Replacement	 Quality metrics not linked to gain-sharing (i.e., informational only): Post-op deep venous thrombosis (DVT)/Pulmonary Embolism (PE) within 30 days post-surgery Post-op wound infection rate within 90 days post-surgery Dislocations or fractures within 90 days post-surgery Average inpatient length of stay Difference in MED/day 		\$27,737	Varies by MCO

MED = Morphine equivalent dose.

Wave 2 – Thresholds

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
Colonoscopy	 No quality metrics linked to gain-sharing Quality metrics not linked to gain-sharing (i.e., informational only): Perforation of colon during the trigger or post-trigger windows Post-polypectomy/biopsy bleeding during the trigger or post-trigger windows Prior screening and surveillance colonoscopy within 1 year of triggering colonoscopy Prior diagnostic colonoscopy within 1 year of triggering colonoscopy Repeat colonoscopy: screening, surveillance, or diagnostic colonoscopy within 60 days after the triggering colonoscopy ED visit within the post-trigger window Difference in average MED/day 		\$1,364	Varies by MCO
Outpatient and Non-Acute Cholecystect- omy	 Hospitalization in the post-trigger window Quality metrics not linked to gain-sharing (i.e., informational only): Intraoperative cholangiography during the trigger window Endoscopic retrograde cholangiopancreatography (ERCP) within 3 to 30 days after procedure Average length of stay Difference in average MED/day 	10%	\$6,333	Varies by MCO
COPD Acute Exacerbation	 Percent of episodes where the patient visits a physician or other practitioner during the post-trigger window Quality metrics not linked to gain-sharing (i.e., informational only): Repeat acute exacerbation during the post-trigger window Acute exacerbation during the trigger window is treated in an inpatient setting (as percent of all episodes) Smoking cessation counseling for the patient and/or family was offered 	45%	\$3,147	Varies by MCO

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Hospitalization in the post-trigger window (excluding hospitalizations for repeat PCI)	10%		
PCI – Acute	 Quality metrics not linked to gain-sharing (i.e., informational only): Multiple-vessel PCI: professional trigger claim involves multiple vessels (including multiple branches) Staged PCI: repeat PCI in the post-trigger window Difference in average MED/day 		\$25,330	Varies by MCO

Wave 3 – Thresholds

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
Upper GI Endoscopy (Esophagogas troduodenosc opy (EGD))	 ED visit within the post-trigger window Quality metrics not linked to gain-sharing (i.e., informational only): Admission within the post-trigger window Perforation within upper gastrointestinal tract Biopsy specimens in cases of gastrointestinal ulcers or suspected Barrett's esophagus Difference in average MED/day 	10%	\$1,564	Varies by MCO
Respiratory Infection	 ED visit within the post-trigger window Quality metrics not linked to gain-sharing (i.e., informational only): Admission within the post-trigger window Antibiotic injection for Strep A sore throat Steroid injection for Strep A sore throat Antibiotics utilization 	10%	\$158	Varies by MCO
Pneumonia	 Follow-up care within the post-trigger window Quality metrics not linked to gain-sharing (i.e., informational only): Follow-up care within the first seven days of post-trigger window ED visit within the post-trigger window Admission within the post-trigger window Follow-up visit versus emergency department visit Pseudomembranous colitis within the post-trigger window 	30%	\$2,405	Varies by MCO

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Admission within the trigger window for ED triggered episodes	5%		
	Admission within the trigger window for non-ED triggered episodes	5%		
Urinary Tract Infection (UTI)- Outpatient	 Quality metrics not linked to gain-sharing (i.e., informational only): ED visit within the post-trigger window Admission within the post-trigger window Pseudomembranous colitis within the post-trigger window Urinalysis performed in the episode window Urine culture versus urinalysis Renal ultrasound for children under two years old within the post-trigger window 		\$166	Varies by MCO
	Follow-up care within the post-trigger window	40%	\$6,586	Varies by MCO
Urinary Tract Infection (UTI)- Inpatient	 Quality metrics not linked to gain-sharing (i.e., informational only): Follow-up care within the first seven days of post-trigger window ED visit within the post-trigger window Admission within the post-trigger window Follow-up visit versus emergency department visit Pseudomembranous colitis within the post-trigger window 			
	Follow-up care within the post-trigger window	45%		Varies by MCO
Gastrointestinal Hemorrhage (GIH)	 Quality metrics not linked to gain-sharing (i.e., informational only): Follow-up care within the first seven days of post-trigger window ED visit within the post-trigger window Admission within the post-trigger window Follow-up visit versus emergency department visit Pseudomembranous colitis within the post-trigger window Mortality within the episode window 		\$5,518	

Wave 4 – Thresholds

Episode	Disode Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Minimum care requirement (5 visits/claims during the episode window)	70%		
Attention	Utilization of therapy for members aged 4 and 5 years	1 visit		
Attention Deficit and Hyperactivity Disorder (ADHD)	 Quality metrics not linked to gain-sharing (i.e., informational only): Long-acting stimulants for members aged 6 to 11 years Long-acting stimulants for members aged 12 to 20 years Utilization of E&M and medication management Utilization of therapy Utilization of medication by age group Follow-up within 30-days of the trigger visit 		\$788	Varies by MCO
	Follow-up care within the post-trigger window	30%		
Bariatric Surgery	 Quality metrics not linked to gain-sharing (i.e., informational only): Appropriate procedural choice Admission within the post-trigger window ED visit within the post-trigger window Mortality within the episode window Relevant repeat operation within the post-trigger window Difference in average MED/day 		\$13,544	Varies by MCO

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Follow-up care within the post-trigger window	60%		Varies by MCO
Congestive Heart Failure (CHF) Acute Exacerbation	 Quality metrics not linked to gain-sharing (i.e., informational only): Follow-up care within the first seven days of post-trigger window Admission from the emergency department within the post-trigger window Admission within the post-trigger window Mortality within the episode window Utilization of functional status assessment 		\$9,968	
Oppositional	Minimum care requirement (6 therapy and/or level I case management visits during the episode window)	30%	\$2,685	
Defiant Disorder (ODD)	 Quality metrics not linked to gain-sharing (i.e., informational only): Medication with no comorbidity Prior ODD diagnosis Utilization (excluding medication) Utilization of therapy and level I case management 			Varies by MCO

Wave 5 – Thresholds

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Appropriate diagnostic workup rate	90%		
	Core needle biopsy rate	85%		
Breast Biopsy	 Quality metrics not linked to gain-sharing (i.e., informational only): Surgical complication rate Subsequent biopsy/excision rate Appropriate genetic testing rate Difference in average MED/day 		\$2,965	Varies by MCO
	Bleeding up to two days following the procedure	5%		
Tonsillectomy	 Quality metrics not linked to gain-sharing (i.e., informational only): Dexamethasone administration rate Rate of indicated concurrent tympanostomy Rate of absence of antibiotics Post-operative encounter rate Bleeding rate between the 3rd and 14th day Difference in average MED/day 		\$3,815	Varies by MCO
	Otitis media with effusion (OME) episodes without antibiotics filled	25%		
	Non-OME episodes with amoxicillin	60%		
Otitis Media	 Quality metrics not linked to gain-sharing (i.e., informational only): OME episodes without oral corticosteroid filled Tympanostomy when indicated Overall tympanostomy Follow-up encounter during post-trigger window Non-OME episodes without macrolide filled 		\$263	Varies by MCO

Wave 6 – Thresholds

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Follow-up care in the first 30 days of the post-trigger window	30%		
Diabetes Acute Exacerbation	 Quality metrics not linked to gain-sharing (i.e., informational only): Follow-up care within the first seven days of post-trigger window Admission from the emergency department within the post-trigger window Admission within the post-trigger window Mortality within the episode window Utilization of functional status assessment 		\$7,747	Varies by MCO
Pancreatitis	 Follow-up care in the first 30 days of the post-trigger window Quality metrics not linked to gain-sharing (i.e., informational only): Nutritional counseling New narcotics prescription Multiple narcotics prescription Relevant readmission in the post-trigger window ED visit in the post-trigger window ERCP performed in the post-trigger window Cholecystectomy performed in the post-trigger window Relevant laboratory test in the first 14 days of the post-trigger window Difference in average MED/day 	35%	\$17,844	Varies by MCO

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Bacterial cultures when incision and drainage performed	50%		
	SSTI episodes with a first line antibiotic	85%		
SSTI	 Quality metrics not linked to gain-sharing (i.e., informational only): Infection recurrence Hospitalizations after initial diagnosis ED visits after initial diagnosis Ultrasound imaging Non-ultrasound imaging Incision and drainage 		\$413	Varies by MCO

Wave 7 – Thresholds

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
Spinal Fusion	Difference in average MED/day Quality metrics not linked to gain-sharing (i.e., informational only): Average MED/day during the pre-trigger opioid window Average MED/day during the post-trigger opioid window Related readmission Cervical procedure complication Lumbar procedure complication Related follow-up care Non-surgical management Post-discharge physical therapy Opioid and benzodiazepine prescriptions	70%	\$38,424	Varies by MCO
Spinal Decompression	Difference in average MED/day Quality metrics not linked to gain-sharing (i.e., informational only): • Average MED/day during the pre-trigger opioid window • Average MED/day during the post-trigger opioid window • Related readmission • Cervical procedure complication • Lumbar procedure complication • Related follow-up care • Non-surgical management • Post-discharge physical therapy • Opioid and benzodiazepine	70%	\$13,161	Varies by MCO

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Difference in average MED/day	70%		
Knee Arthroscopy	 Quality metrics not linked to gain-sharing (i.e., informational only): Average MED/day during the pre-trigger opioid window Average MED/day during the post-trigger window Non-indicated diagnosis Pre-operative physical therapy Multiple MRIs Opioid and benzodiazepine prescriptions 		\$4,995	Varies by MCO
	Difference in average MED/day	70%		
Back/Neck Pain	 Quality metrics not linked to gain-sharing (i.e., informational only): Average MED/day during 1-60 days prior to the trigger window Average MED/day during the episode window Non-surgical management Absence of spine x-ray imaging Absence of spine MRI imaging Non-axial back/neck pain Drug screen Opioid and benzodiazepine prescriptions 		\$600	Varies by MCO

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Difference in average MED/day	70%		
Non-operative Ankle Injury	 Quality metrics not linked to gain-sharing (i.e., informational only): Average MED/day during the pre-trigger opioid window Average MED/day during the episode opioid window X-ray imaging for sprain/strain episodes Incremental imaging ED visit after initial diagnosis Opioid and benzodiazepine prescriptions 		\$469	Varies by MCO
	Difference in average MED/day	70%		
Non-operative Wrist Injury	 Quality metrics not linked to gain-sharing (i.e., informational only): Average MED/day during the pre-trigger opioid window Average MED/day during the episode opioid window X-ray imaging for sprain/strain episodes Incremental imaging ED visit after initial diagnosis Opioid and benzodiazepine prescriptions 		\$524	Varies by MCO

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Difference in average MED/day	70%		
Non-operative Shoulder Injury	 Quality metrics not linked to gain-sharing (i.e., informational only): Average MED/day during the pre-trigger opioid window Average MED/day during the episode opioid window X-ray imaging for sprain/strain episodes Incremental imaging ED visit after initial diagnosis Opioid and benzodiazepine prescriptions 		\$559	Varies by MCO
	Difference in average MED/day	70%		
Non-operative Knee Injury	 Quality metrics not linked to gain-sharing (i.e., informational only): Average MED/day during the pre-trigger opioid window Average MED/day during the episode opioid window X-ray imaging for sprain/strain episodes Incremental imaging ED visit after initial diagnosis Opioid and benzodiazepine prescriptions 		\$655	Varies by MCO

Wave 8 – Thresholds

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Brain MRI utilization in focal epilepsy	10%		
	Prolonged EEG monitoring utilization in newly diagnosed seizure	10%		
Acute Seizure	 Quality metrics not linked to gain-sharing (i.e., informational only): Brain MRI utilization in newly diagnosed seizure Brain MRI utilization in children Head CT utilization in adults Safety counseling in newly diagnosed seizure Related ED visit Related admission Related follow-up care 		\$2,397	Varies by MCO
Syncope	Carotid ultrasound imaging in adults Quality metrics not linked to gain-sharing (i.e., informational only): • Related admission during the post-trigger window • Admission during the trigger window • Related ED visit • Related follow-up care • Electrocardiogram (EKG) • Head or neck CT or brain MRI imaging in adults • Echocardiogram	10%	\$956	Varies by MCO

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Related admission during the post-trigger window	10%		
	Utilization of bronchodilators	30%		
	Utilization of steroids	50%	\$922	Varies by MCO
Bronchiolitis	 Quality metrics not linked to gain-sharing (i.e., informational only): Utilization of antibiotics Admission during the trigger window Utilization of chest physical therapy (PT) Utilization of blood or sputum cultures Utilization of respiratory viral testing Utilization of chest x-ray 			
	Related admission during the post-trigger window	10%	\$1,111	
	Utilization of macrolides in patients under 6 years old	30%		
	Utilization of narrow spectrum antibiotics	50%		
Pediatric Pneumonia	 Quality metrics not linked to gain-sharing (i.e., informational only): Related admission during the post-trigger window Admission during the trigger window Related ED visit Related follow-up care Electrocardiogram (EKG) Head or neck CT or brain MRI imaging in adults Echocardiogram 			Varies by MCO

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	LEEP utilization under 26 years old with no evidence of high grade dysplasia	10%		
	LEEP utilization with low-grade dysplasia	10%		
Colposcopy	 Quality metrics not linked to gain-sharing (i.e., informational only): Cervical cancer screening Diagnostic colposcopy LEEP utilization, trigger window LEEP utilization, episode window Difference in average MED/day Average MED/day during the pre-trigger opioid window Average MED/day during the post-trigger opioid window Opioid and benzodiazepine prescriptions 		\$588	Varies by MCO
	Alternative treatments	20%		
	Related follow-up care	10%		
Hysterectomy	 Quality metrics not linked to gain-sharing (i.e., informational only): Abdominal hysterectomy Complications Related ED visit Length of stay Difference in average MED/day Average MED/day during the pre-trigger opioid window Average MED/day during the post-trigger opioid window Opioid and benzodiazepine prescriptions 		\$8,289	Varies by MCO

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Related follow-up care Difference in average MED/day	20% 70%		
GI Obstruction	Quality metrics not linked to gain-sharing (i.e., informational only): • Cervical cancer screening • Diagnostic colposcopy • LEEP utilization, trigger window • LEEP utilization, episode window • Difference in average MED/day • Average MED/day during the pre-trigger opioid window • Average MED/day during the post-trigger opioid window • Opioid and benzodiazepine prescriptions		\$25,350	Varies by MCO
	Abdominopelvic CT scans in children Difference in average MED/day	50% 70%	\$7,438	Varies by MCO
Appendectomy	Quality metrics not linked to gain-sharing (i.e., informational only): • Average MED/day during the pre-trigger opioid window • Average MED/day during the post-trigger opioid window • Opioid and benzodiazepine prescriptions • Negative appendectomy • Related follow-up care • Related ED visit • Complications			

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
Hernia Repair	 Difference in average MED/day Quality metrics not linked to gain-sharing (i.e., informational only): Average MED/day during the pre-trigger opioid window Average MED/day during the post-trigger opioid window Opioid and benzodiazepine prescriptions Use of mesh Related follow-up care Related admission ED visit for related pain ED visit for other related reason Complications 	70%	\$5,915	Varies by MCO
Acute Gastroenteritis	Abdominal or pelvic CT or MRI in adults Abdominal or pelvic CT or MRI in children Antibiotics utilization Quality metrics not linked to gain-sharing (i.e., informational only): • Difference in average MED/day • Average MED/day during the pre-trigger opioid window • Average MED/day during the post-trigger opioid window • Complications • Related admission • Related ED visit • Stool culture in adults	40% 30% 30%	\$1,032	Varies by MCO

Wave 9 – Thresholds

Episode	Quality Metrics Thresholds		Acceptable Threshold	Commendable Threshold
	Difference in average MED/day	70%		
	Related ED visit	10%		
	Repeat cystourethroscopy	5%		
Cystourethroscopy	 Quality metrics not linked to gain-sharing (i.e., informational only): Average MED/day during the pre-trigger opioid window Average MED/day during the trigger and post-trigger window Complications Opioid naïve prescriptions Related follow-up care: Related post-trigger admission 		\$1,993	Varies by MCO
	Difference in average MED/day	70%		
	Related ED visit	15%		
Acute Kidney and Ureter Stones	 Quality metrics not linked to gain-sharing (i.e., informational only): Average MED/day prior to the trigger window Average MED/day during the trigger and post-trigger windows: Complications Kidney & ureter stone removal procedure Opioid naïve prescriptions Related post-trigger admission Related trigger admission Repeat CT imaging 		\$1,755	Varies by MCO

Contact Information

- Questions? Email <u>payment.reform@tn.gov</u>
- More information on Episodes of Care: <u>https://www.tn.gov/tenncare/health-care-innovation/episodes-of-care.html</u>

