

Appendix F

Innovative Payment Methods

Ohio is striving to change the way Medicaid services are reimbursed from volume driven systems to innovative payment methodologies that encourage efficiency and promote positive clinical outcomes.

Applicants are required to: 1) describe their actual experience implementing innovative payment methods that encourage efficiency and promote positive clinical outcomes, and, 2) describe their vision for implementing specific innovative payment methods in Ohio that would help achieve the goals of this project.

Initiatives of interest for this section include innovative payment methods for: preventive care, care coordination, health promotion, individual safety, quality of care, improved health outcomes, accountable care organizations, integrated behavioral and physical health, primary care for chronically ill or high risk individuals, effective discharge planning, and/or the avoidance of unnecessary or duplicative services.

Often such initiatives involve setting dollars aside for subsequent distribution to the best performing providers. Other approaches involve creative use of penalties or sanctions, or paying more for particular services, tests, or assessments.

Applicable innovative payment methods might include: shared savings; comprehensive care and episode based payments; global payments; multi-payer collaborations; or bundled payments. For responses to questions in this appendix, neither fee-for-service payments, nor risk-adjusted sub-capitation, will be considered an innovative payment method.

This section is structured to require Applicants to describe their experience, and their plans for Ohio, in regard to specific provider types. These include: a) hospitals, b) nursing facilities, c) physicians and other clinicians, d) home- and community-based service providers, e) assisted living facilities, f) providers of durable medical equipment, g) pharmacies, or h) another provider type chosen by the Applicant.

PLEASE NOTE: All essay responses *must comply with the Essay Requirements, including the certification, described in Section III.B.3 of this RFA.*

Experience with Innovative Payment Methods

Did the Applicant implement any innovative payment methods, since January 1, 2007, to change the way the Applicant reimbursed any or all of the specific provider types listed below in order to create incentives for improved clinical outcomes or better administrative efficiencies?

- Hospitals
- Nursing Facilities
- Physicians and other Clinicians
- Home- and Community-Based Service Providers
- Assisted Living Facilities
- Providers of Durable Medical Equipment
- Pharmacies
- Other _____

___ Yes ___ No

If ‘Yes,’ please respond to the following prompts to describe up to five innovative payment methods the Applicant has implemented, indicate the State and Line of Business from Appendix B for which each initiative was implemented, and describe the results of each initiative.

First Initiative

- A. In 200 words or less, describe the innovative payment method, including which provider types were affected.

- B. Indicate one state and line of business from Appendix B for which this innovative payment method was implemented:

- C. In 100 words or less, please describe the results of this innovative payment method in terms of improved health outcomes.

D. In 100 words or less, please describe the results of this innovative payment method in terms of return on investment.

Second Initiative

A. In 200 words or less, describe the innovative payment method, including which provider types were affected.

B. Indicate one state and line of business from Appendix B for which this innovative payment method was implemented:

C. In 100 words or less, please describe the results of this innovative payment method in terms of improved health outcomes.

D. In 100 words or less, please describe the results of this innovative payment method in terms of return on investment.

Third Initiative

A. In 200 words or less, describe the innovative payment method, including which provider types were affected.

B. Indicate one state and line of business from Appendix B for which this innovative payment method was implemented:

C. In 100 words or less, please describe the results of this innovative payment method in terms of improved health outcomes.

D. In 100 words or less, please describe the results of this innovative payment method in terms of return on investment

Fourth Initiative

A. In 200 words or less, describe the innovative payment method, including which provider types were affected.

B. Indicate one state and line of business from Appendix B for which this innovative payment method was implemented:

C. In 100 words or less, please describe the results of this innovative payment method in terms of improved health outcomes.

D. In 100 words or less, please describe the results of this innovative payment method in terms of return on investment.

Fifth Initiative

A. In 200 words or less, describe the innovative payment method, including which provider types were affected.

B. Indicate one state and line of business from Appendix B for which this innovative payment method was implemented:

C. In 100 words or less, please describe the results of this innovative payment method in terms of improved health outcomes.

D. In 100 words or less, please describe the results of this innovative payment method in terms of return on investment.

2. Applicant's Vision for Innovative Payment in Ohio

A. For up to five of the following provider types, please describe one innovative payment method the Applicant would employ in Ohio to help achieve the goals of this project. Please limit the response for each provider type to five pages or less:

- i. Hospitals
- ii. Nursing Facilities
- iii. Physicians and other Clinicians
- iv. Home- and Community-Based Service Providers
- v. Assisted Living Facilities
- vi. Providers of Durable Medical Equipment
- vii. Pharmacies
- viii. Other _____ (Applicant may select)

PLEASE NOTE: for Applicants selected, ODJFS reserves the right to incorporate selected components of the Applicant's response to this question into the body of the 3-way agreement and/or the ODJFS Provider Agreement.

Appendix F
Innovative Payment Methods

Scoring: Section F-1

The remainder of this Appendix is a description of the process that will be used by ODJFS in scoring an Applicant’s responses to the questions in this Appendix. Applicants are not to fill in and return this section with their applications. However, ODJFS strongly encourages applicants to use these pages to evaluate the quality and responsiveness of their application packets prior to submission.

- (1) ODJFS will award 1,000 points for each innovative payment method the Applicant implemented and describes (for a maximum of 5,000 points)
- (2) For each innovative payment method described, 300 points will be awarded if the Applicant indicates that the initiative resulted in improved clinical outcomes (for a maximum of 1,500 points)
- (3) For each innovative payment method described, 200 points will be awarded if the Applicant indicates that the initiative resulted in some positive return on investment (for a maximum of 1,000 points)
- (4) Across all of the (up to five) innovative payment methods described, 500 points will be awarded for up to five of the provider types listed that were affected by at least one of the initiatives (for a maximum of 2,500 points)

Please Note: 500 points will be awarded only once for each provider type even if the same provider type was affected by more than one of the initiatives.

Number of Initiatives Described (Maximum of Five)	1,000 Points for each; Maximum of 5,000
Number of Initiatives that had Positive Clinical Outcomes (Maximum of five)	300 Points for each; Maximum of 1,500

Number of Initiatives that had a Positive Return on Investment (Maximum of five)	200 Points for each; Maximum of 1,000	
Number of Specific Provider Types affected across all Initiatives (Maximum of Five)	500 Points for each; Maximum of 2,500	TOTAL Maximum is 10,000

Appendix F

Innovative Payment Methods

Scoring: Section F-2

- (1) ODJFS will award 500 points for each innovative payment method described for a specific provider type (for a maximum of 2,500 points)
- (2) ODJFS will award additional points based on the overall strength of each Applicant’s vision for Ohio and the alignment of the proposed models with the State’s goals. Each proposed method must be within the parameters set forth by ODJFS in the ICDS demonstration proposal.

Additional points will be awarded based on how well each proposed innovative payment method meets expectations to promote specific goals of this project. The ratings used will be: “does not meet,” “partially meets,” “meets,” or “exceeds” expectations with points awarded as follows:

0 Does Not Meet Expectations	50 Partially Meets Expectations	100 Meets Expectations	150 Exceeds Expectations
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The total score for question F-2 will be the sum of the point value for all the evaluation criteria with some limits for maximum scores.

Provider Type	500 Points if a Provider-Specific Initiative was Described <i>(0 or 500 per row)</i>
Hospitals	
Nursing Facilities	
Physicians and Other Clinicians	
Home- and Community-Based Service Providers	
Assisted Living Facilities	
Providers of Durable Medical Equipment	
Pharmacies	
Other _____	
TOTAL	

Innovative Payment Method for _____ (first provider type addressed)					
Evaluation Criteria	0 Doesn't Meet	50 Partially Meets	100 Meets Expectations	150 Exceeds Expectations	Points Awarded (max per row is 150)
Keep people living in the community					
Increase individuals' independence					
Improve the delivery of quality care					
Reduce health disparities across all populations					
Improve health and functional outcomes					
Reduce preventable hospital stays, nursing facility admissions, and/or emergency room utilization					
Improve transitions across care settings					
Increase identification of depression and other mental health conditions					
Increase or improve care coordination					
Increase the accountability and responsibility of the primary care provider to maintain the individuals' overall health					
TOTAL (cannot exceed 1,500)					

Innovative Payment Method for _____ (second provider type addressed)					
Evaluation Criteria	0 Doesn't Meet	50 Partially Meets	100 Meets Expectations	150 Exceeds Expectations	Points Awarded (max per row is 150)
Keep people living in the community					
Increase individuals' independence					
Improve the delivery of quality care					
Reduce health disparities across all populations					
Improve health and functional outcomes					
Reduce preventable hospital stays, nursing facility admissions, and/or emergency room utilization					
Improve transitions across care settings					
Increase identification of depression and other mental health conditions					
Increase or improve care coordination					
Increase the accountability and responsibility of the primary care provider to maintain the individuals' overall health					
TOTAL (cannot exceed 1,500)					

Innovative Payment Method for _____ (third provider type addressed)					
Evaluation Criteria	0 Doesn't Meet	50 Partially Meets	100 Meets Expectations	150 Exceeds Expectations	Points Awarded (max per row is 150)
Keep people living in the community					
Increase individuals' independence					
Improve the delivery of quality care					
Reduce health disparities across all populations					
Improve health and functional outcomes					
Reduce preventable hospital stays, nursing facility admissions, and/or emergency room utilization					
Improve transitions across care settings					
Increase identification of depression and other mental health conditions					
Increase or improve care coordination					

Increase the accountability and responsibility of the primary care provider to maintain the individuals' overall health					
TOTAL (cannot exceed 1,500)					

Innovative Payment Method for _____ (fourth provider type addressed)					
Evaluation Criteria	0 Doesn't Meet	50 Partially Meets	100 Meets Expectations	150 Exceeds Expectations	Points Awarded (max per row is 150)
Keep people living in the community					
Increase individuals' independence					
Improve the delivery of quality care					
Reduce health disparities across all populations					
Improve health and functional outcomes					
Reduce preventable hospital stays, nursing facility admissions, and/or emergency room utilization					
Improve transitions across care settings					
Increase identification of depression and other mental health conditions					
Increase or improve care coordination					
Increase the accountability and responsibility of the primary care provider to maintain the individuals' overall health					
TOTAL (cannot exceed 1,500)					

Innovative Payment Method for _____ (fifth provider type addressed)

Evaluation Criteria	0 Doesn't Meet	50 Partially Meets	100 Meets Expectations	150 Exceeds Expectations	Points Awarded (max per row is 150)
Keep people living in the community					
Increase individuals' independence					
Improve the delivery of quality care					
Reduce health disparities across all populations					
Improve health and functional outcomes					
Reduce preventable hospital stays, nursing facility admissions, and/or emergency room utilization					
Improve transitions across care settings					
Increase identification of depression and other mental health conditions					
Increase or improve care coordination					
Increase the accountability and responsibility of the primary care provider to maintain the individuals' overall health					
TOTAL (cannot exceed 1,500)					

TOTAL POINTS (Cannot exceed 7,500)