

A COMMITMENT TO OPTIMAL CARE AND VIBRANT HEALTH

How one of the largest Medi-Cal plans in California
improves quality and care for members through
partnerships and data sharing



Manifest
MEDEX



“Accompanied by our mantra to always ‘do the right thing’ for our members, our mission to heal and inspire the human spirit will guide our thoughts, our decisions, and most importantly, our actions through these projects at IEHP in the months and years to come.”

– Jarrod McNaughton, Chief Executive Officer, Inland Empire Health Plan

Background

Inland Empire Health Plan (IEHP) is one of the 10 largest Medicaid health plans and the largest not-for-profit Medicare-Medicaid plan in the country. Founded in 1996 and organized as a Joint Powers Agency, IEHP serves more than 1.4 million residents of Riverside and San Bernardino counties, and nearly 90 percent of Medi-Cal enrollees in the region – approximately one-fourth of the region’s population.

IEHP’s relentless commitment to improving quality for their members and communities reflects their vision: “We will not rest until our communities enjoy optimal care and vibrant health.” In 2000, IEHP became the first Medicaid-only health plan in California to earn accreditation from the National Committee for Quality Assurance (NCQA), which it has maintained since that time. In its first-ever 2020 Annual Quality Report, the health plan noted year-over-year improvements in Healthcare Effectiveness Data and Information Set (HEDIS®) quality performance.¹ These improvements were achieved through strong partnerships with network providers, hospitals, and community organizations.

Using pay for performance programs to improve quality in partnership with providers

“Every day, we work to provide the highest quality of care for our communities through strong partnerships and data-driven innovation.”

– Edward Juhn, M.D., Chief Quality Officer, Inland Empire Health Plan

A cornerstone of IEHP’s quality improvement efforts is its pay for performance programs, also known as P4P, which reward hospitals, primary care providers (PCPs), and independent practice associations (IPAs) for providing high quality care. In 2021, IEHP had an incentive pool of \$118 million for its P4P programs – \$31.5 million for hospitals, \$67 million for PCPs, and \$20 million for IPAs.²

The health plan works with more than 7,300 network providers, in a mostly unconsolidated market of many community hospitals and solo and small practices. IEHP contracts with 30 hospitals, more than half of the region’s primary care physicians (PCPs), and approximately 40 percent of specialists.^{3,4}

IEHP first launched its current ambulatory P4P programs in 2016, providing financial rewards to PCPs and IPAs for

improving healthcare quality across multiple domains (e.g., clinical quality, access, behavioral health integration, patient experience). The rewards are based on a tiered system with increasing payments as PCPs and IPAs achieve higher levels of performance.

IEHP launched its Hospital P4P Program in 2018, tackling the need for better care coordination between hospitals and community care, especially during the critical transition when a member moves from the hospital setting to home. As an example, studies show that only 10 percent of patients admitted for heart failure understand all their discharge instructions, which can result in poorer health outcomes, readmission, and premature deaths.⁵

The Hospital P4P Program provides financial rewards to hospitals that meet quality and performance targets and demonstrate high-quality care to members, including care coordination and post discharge follow-up to reduce readmissions.

IEHP Hospital P4P Measures by Year 2018-2021

Measures	2018	2019	2020	2021
Cesarean Delivery Rate	X	X	X	X
Physicians Order for Life-Sustaining Treatment (POLST) Registry Form Submission	X	X	X	X
All-Cause Readmissions	X	X	X	X
Post Discharge Follow-up within 7 Days for High-Risk Members	X	X	X	X
Manifest MedEx Active Data Sharing (see below)	X	X	X	X
Timely Postpartum Care			X	X
Hospital Quality Improvement Platform				X



Data sharing is a critical component of improving quality

“We’re proud of our participation and successful performance in IEHP’s Hospital P4P Program. The incentive measures align with our goals to improve quality and enable critical health data sharing to provide better care for our patients. It’s a win-win for the hospital and patient.”

– Judi Nightingale, Director of Population Health, Riverside University Health System

A key component of the Hospital P4P program is active data sharing with Manifest MedEx (MX), a statewide nonprofit health data network serving the Inland Empire. The incentives encourage hospitals to share important clinical data used to alert providers when patients have a hospital encounter and need effective post-discharge follow-up. This improves health outcomes and reduces readmissions, especially for vulnerable populations. The data also helps streamline and reduce the burden of key administrative tasks, such as prior authorization, concurrent review, and utilization management.

MX works with IEHP to define data requirements and generates monthly and quarterly progress reports for each participating hospital. MX shares these reports with hospital participants, collaborating to identify areas for improvement so that hospitals earn as much of the incentives as possible.

Since 2018, IEHP has budgeted \$124 million to the Hospital P4P program and has awarded more than \$75 million for performance through Q2 2021.

MX Active Data Sharing Measure in IEHP’s Hospital P4P Program

Table Key:

To qualify for incentives hospitals must share this data

To qualify for incentives hospitals must share and meet data quality requirements for this data

	2018	2019	2020	2021
Requirements for Active Data Sharing Measures	Total Incentive Pool for Active Data Sharing Measure			
	\$6,000,000	\$6,000,000	\$6,000,000	\$6,000,000
Participation Agreement with MX	X	X	X	X
Admission, Discharge, Transfer Data (ADT)	<ul style="list-style-type: none"> Admissions Discharge Diagnosis 	<ul style="list-style-type: none"> Admissions Discharge Diagnosis 	<ul style="list-style-type: none"> Admissions Discharge Diagnosis 	<ul style="list-style-type: none"> Admissions Discharge Diagnosis
Observational Results Data (ORU)	<ul style="list-style-type: none"> Lab Results 	<ul style="list-style-type: none"> Lab Results Lab Documents* Pathology Documents* Radiology Documents* Chart Notes** 	<ul style="list-style-type: none"> Lab Orders Lab Results Lab Documents Pathology Documents Radiology Documents Chart Notes† 	<ul style="list-style-type: none"> Lab Orders Lab Results Lab Documents Pathology Documents Radiology Documents Chart Notes†
Pharmacy/ Treatment Encoded Order (RDE)	<ul style="list-style-type: none"> Prescribed Medications with Status and SIG 	<ul style="list-style-type: none"> Prescribed Medications with Status and SIG 	<ul style="list-style-type: none"> Prescription Medications/Orders Medication Information (including SIG) Delivery Route Status 	<ul style="list-style-type: none"> Prescription Medications/Orders Medication Information (including SIG) Delivery Route Status
Vaccination Record Updates (VXU)	N/A	<ul style="list-style-type: none"> Immunization Data* 	<ul style="list-style-type: none"> Immunization Data‡ 	<ul style="list-style-type: none"> Immunization Data‡

*Optional data element in 2019

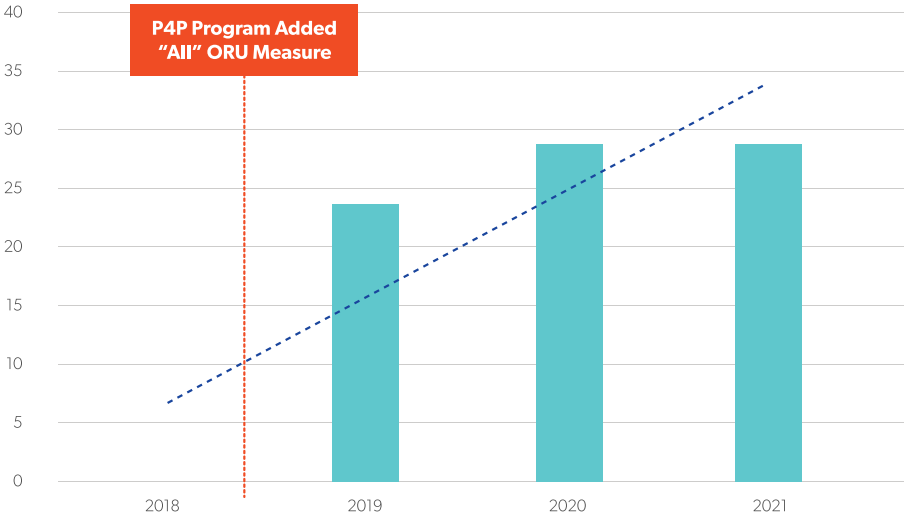
† Chart notes include: discharge summary, consults, progress notes, surgical notes and procedure notes

‡ Immunization data submitted to MX is separate from immunization reporting to California Immunization Registry (CAIR2)

The annual budget for the 2021 Hospital P4P Program was \$31.5 million in total possible payouts to qualifying hospitals that meet quality performance targets, with \$6 million allocated to active data sharing with MX.⁷ According to MX reporting in Q1 2021, hospital participants earned on average \$46,000 per quarter for the active data sharing measure, depending on their performance and the number of IEHP member admissions. As such, some hospital participants were eligible to earn as much as \$124,000 per quarter. While hospitals pay an annual fee to participate in MX, the incentives offset and more often exceed the participation fee, providing financial value to the hospitals in addition to the many other benefits of joining an HIE, such as access to longitudinal records to support emergency department care, case management, and discharge planning.

The P4P requirements have led to rapid increases in data sharing in the Inland Empire. Today all short-term acute care hospitals in the Inland Empire except the Kaiser Permanente hospitals participate in and share data with MX. The year before IEHP added the “ORU” requirement to its P4P program, no hospitals shared this data. The year after the requirement was added, 24 hospitals were sharing this data.

Inland Empire Hospitals Sharing All ORU Data Through P4P Program



As a result of this program, IEHP has seen significant improvement in the completeness and quality of hospital data shared through the HIE. In 2020, 67 percent of targets for data quality and completeness were met by IEHP’s participating hospitals. IEHP aims to improve this performance to 90 percent by partnering with MX on timely and actionable feedback reports to hospitals.

Better quality data shared through the HIE translates to streamlined inpatient care processes that better support members. For example, IEHP replaced the burdensome use of faxes for inpatient admissions and discharges with direct connections through MX to support concurrent inpatient reviews and discharge planning.

“The near-universal participation in the HIE in our community...has ensured that if a patient sees multiple providers or receives care at multiple hospitals in our region, their invaluable health data goes with them.”⁶

– Jarrod McNaughton, Chief Executive Officer, Inland Empire Health Plan



“There’s huge value to thinking about how we can leverage HIE to improve the data being shared within a region, especially (for the) Medi-Cal population and especially when members are shifting from provider to provider.”

– Genia Fick, MA Vice President of Quality

Evolving measures to meet member, provider, and community needs

“I have seen firsthand how invaluable robust data-sharing can be. Each of our patients deserves the highest-quality care — which necessitates a high-quality data structure — so that nothing, and no one, falls through the cracks.”

— Jarrod McNaughton, Chief Executive Officer, Inland Empire Health Plan

For 2022, IEHP added data sharing requirements to the PCP and IPA P4P programs, in recognition that data sharing, and the care coordination it enables, are critical foundations of high-quality and whole person care.⁸ A significant part of delivering high quality care is making sure it is seamless, coordinated, and integrated across the whole care team and multiple sites of care. IEHP will also explore how to improve race and ethnicity data in an effort to ensure underserved communities have access to quality care.

Extending data sharing incentives to PCPs also aligns with the CalAIM rollout in 2022. Health plan incentive payments will be based on several performance measures, including the percentage of enhanced care management and behavioral health providers sharing care plans and clinical records with the care team.⁹

IEHP’s innovative work demonstrates that with shared vision, shared data, and strong partnerships, health plans and providers can work together to deliver “optimal care and vibrant health” for the community.

IEHP is not alone in adopting data sharing incentives as part of broader quality improvement programs. Blue Cross Blue Shield of Michigan requires data sharing with Michigan Health Information Network (MiHIN) as part of its pay for performance program.¹⁰ States are also taking this approach. Arizona Medicaid’s “differential adjusted payment program” gives hospitals up to a 2.5 percent payment increase for sharing data with the statewide HIE, Health Current.¹¹ In 2021, Wisconsin also launched data sharing measures as part of its Medicaid pay-for-performance program for hospitals, allotting \$8 million for 150 hospitals to share clinical data with WISHIN, a statewide health information network.¹²



Learning from IEHP: A roadmap to health care transformation in California

California stands at a pivotal moment. Over recent years, gaps in data and insight slowed the state's Covid-19 response, deepened disparities, and threatened the healthcare safety net. The pandemic exposed siloed and separate healthcare and public health data systems, blocking the ability to respond quickly and comprehensively. But California also has the opportunity to come together and tackle these challenges. CalAIM offers, as described by Governor Gavin Newsom, a "once-in-a-generation opportunity to completely transform the Medicaid system in California." It's a chance to replicate the success in Inland Empire and for health plans, hospitals, providers, and community organizations to forge strong partnerships, share health information, and truly deliver whole person care.¹³

With 1 in 3 Californians enrolled in Medi-Cal, the stakes are high – simply put, CalAIM must succeed. IEHP and states like Arizona have demonstrated that the right incentives to support health data sharing are critical to transforming healthcare in California and giving Californians the quality care they deserve. Now is the time for California to learn from the regional success in the Inland Empire and scale to Arizona's model. California should launch a statewide performance payment program rewarding Medi-Cal primary care providers and hospitals for joining and sharing high quality data with an HIE.

"The mission of California Department of Health Care Services (DHCS) is to provide Californians with access to affordable, integrated, high-quality health care, including medical, dental, mental health, substance use treatment services and long-term care. Our vision is to preserve and improve the overall health and well-being of all Californians."¹⁴

About Manifest MedEx

As California's leading nonprofit health data network, Manifest MedEx delivers real-time information to help healthcare providers and health plans care for millions of patients every day. Together, we are transforming the healthcare landscape across the state, supporting California as a leader in affordable, proactive, and compassionate medical care.

For more information on health plan data sharing incentives can improve quality and performance, please visit us at manifestmedex.org or contact us at info@manifestmedex.org.

Endnotes

¹ [Inland Empire Health Plan Annual Quality Report 2020](#)

² <https://www.iehp.org/en/providers/p4p-prop56-gemt>

³ <https://www.chcf.org/wp-content/uploads/2020/12/RegionalMarketAlmanac2020InlandEmpire.pdf>

⁴ <https://www.iehp.org/en/providers/join-our-network?target=hospitals>

⁵ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC4241117>

⁶ <https://www.hcinnoationgroup.com/interoperability-hie/blog/21241449/rebooting-californias-health-records-for-a-digital-world>

⁷ [Inland Empire Health Plan 2021 Pay For Performance \(P4P\) Program Technical Guide](#)

⁸ [Inland Empire Health Plan 2022 Pay For Performance \(P4P\) Program Technical Guide](#)

⁹ <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/APL2021/APL21-016.pdf>

¹⁰ <https://connectingforbetterhealth.com/updates/blog-building-a-statewide-hie-network-in-months-not-years>

¹¹ <https://healthcurrent.org/programs/ahcccs-programs/differential-adjusted-payment-dap-program>

¹² <https://www.wishin.org/ResourceCenter/P4PIncentive.aspx>

¹³ <https://californiahealthline.org/news/article/california-medicaid-makeover-calaim-homeless-whole-body-care>

¹⁴ <https://www.dhcs.ca.gov/Pages/AboutUs.aspx>





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