



Data Quality and Integrity Technical Assistance Workshop

November 13 – 14, 2008

Performance Contracting

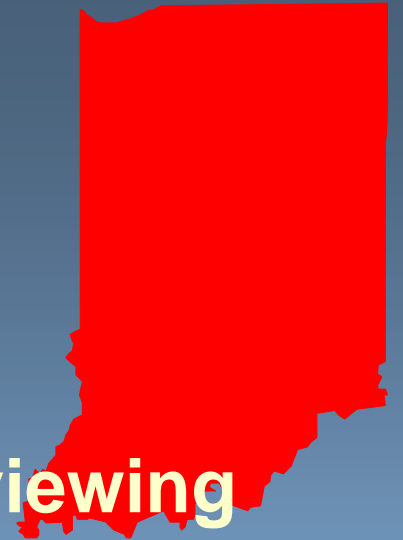
Sue Lummus

Why Performance Contracts



- 📄 **New Governor and Secretary**
- 📄 **All contracts to include measurable deliverables and metrics**
- 📄 **Indiana Mental Health and Addiction Transformation Initiative**
- 📄 **Goal to improve relationship with providers**




Approach



- 📄 Several months with DMHA staff reviewing data and funding
- 📄 Developed set of potential performance measures
- 📄 Wrote draft performance definitions
- 📄 Outlined allocation methodology and funding proposal

Approach



-  Brought all providers together, presented DMHA goals and proposed process
-  All providers asked to comment on the proposal
-  Established smaller workgroups to further define funding process and performance measures

Approach

- Provider meetings held about every 6 months to continue dialogue and discuss future plans
- Established targets for each provider based on the provider's historical performance
- Established procedures for target appeals and data challenges



Approach

Funding change:

- Allocation of funds given to each provider
- 90% of total allocation paid in four quarterly payments
- 10% of total allocation paid based on provider's actual performance on process measures
- Original plan for 2nd year included additional 10% of allocation based on Outcome performance



Approach

Performance Measures – Process Measures

- Reported during SFY 2008
- Providers received payments based on process performance
- SMI – Number Served by functioning level
- CA – Number Served by functioning level
- Youth – Number Served
- Reassessments within 7 months
- Timeliness of Data Submission



Process Measure Results

Adults with SMI	83%	Providers met or exceeded targets
	17%	Providers did not meet targets
Adults with Chronic Addiction	82%	Providers met or exceeded targets
	18%	Providers did not meet targets
Youth	80%	Providers met or exceeded targets
	20%	Providers did not meet targets

Approach

Performance Measures – Outcomes

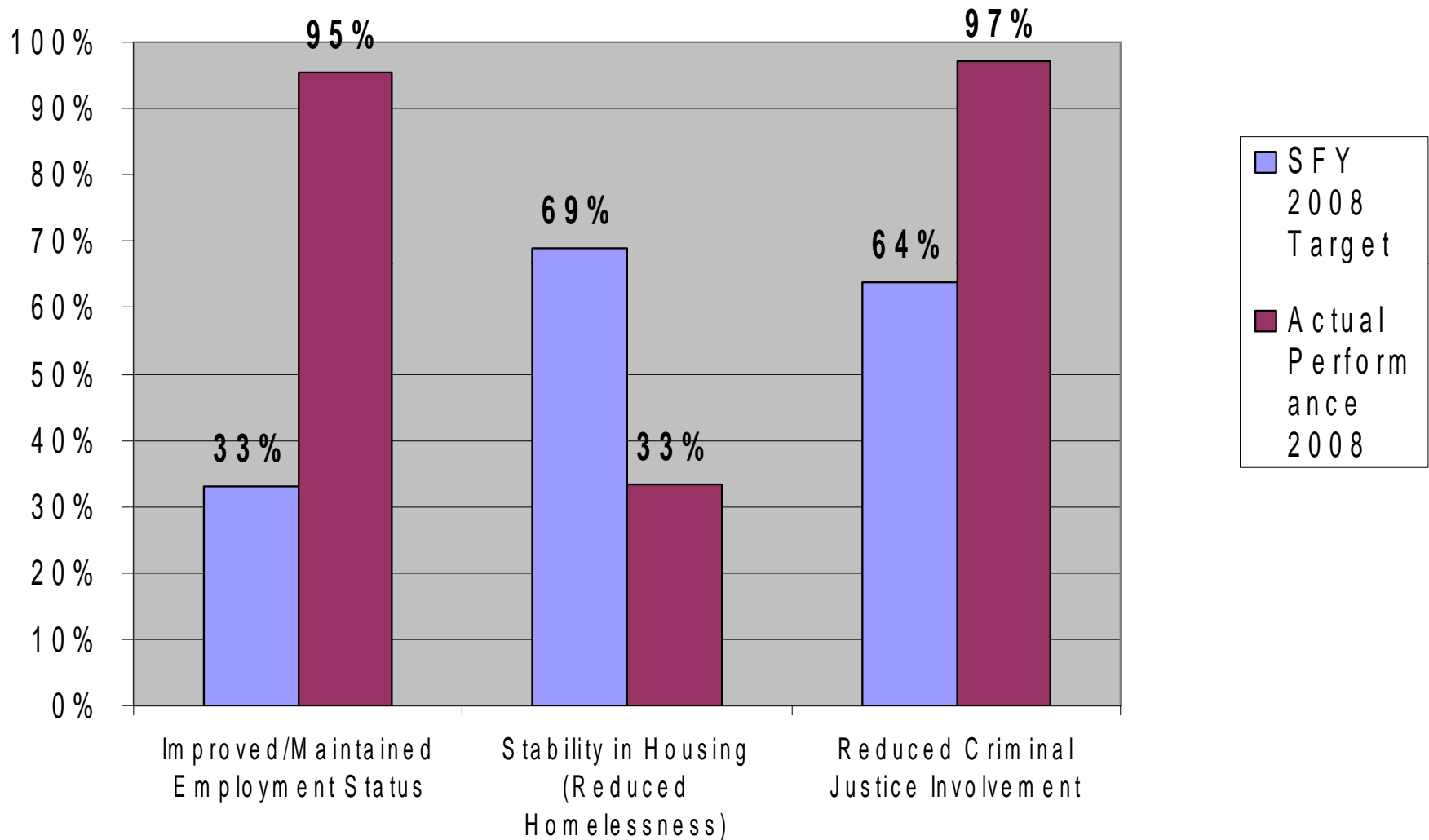
- Nominally related to NOMs
 - Employment
 - Criminal Justice Involvement
 - Living Situation
 - Retention in Treatment (Addiction only)
 - Reduced Substance Use (Addiction only)



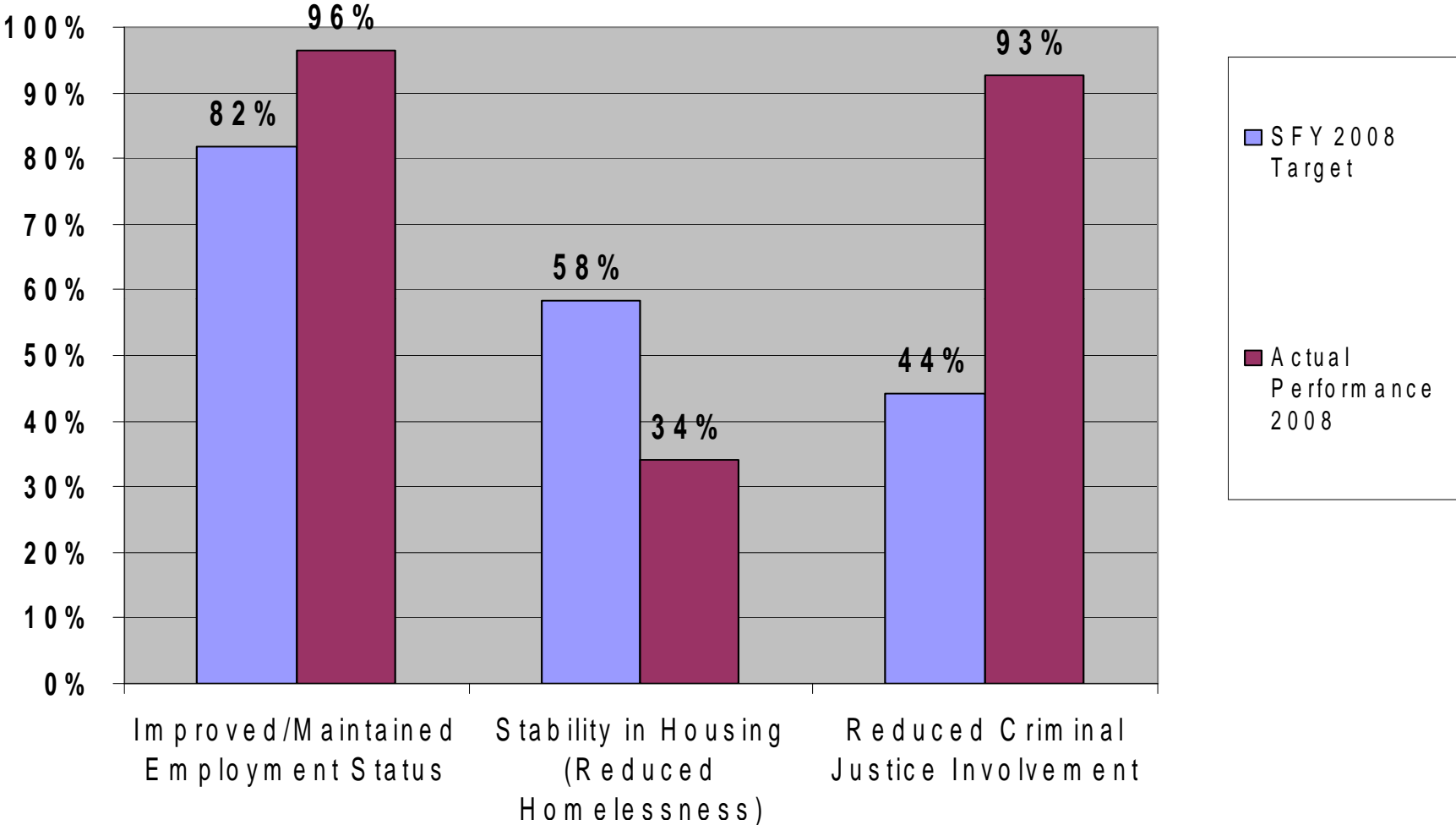
Outcome Measure Results

- ❏ No funding for SFY 2008 was based on Outcome Performance
- ❏ Due to the IGT Medicaid Rule, SFY 2009 funding is not based on Outcome Performance
- ❏ Plan is to begin paying based on Outcomes in SFY 2010
- ❏ The following 3 charts show SFY 2008 Outcome Results for Employment, Living Situation, and Criminal Justice Involvement

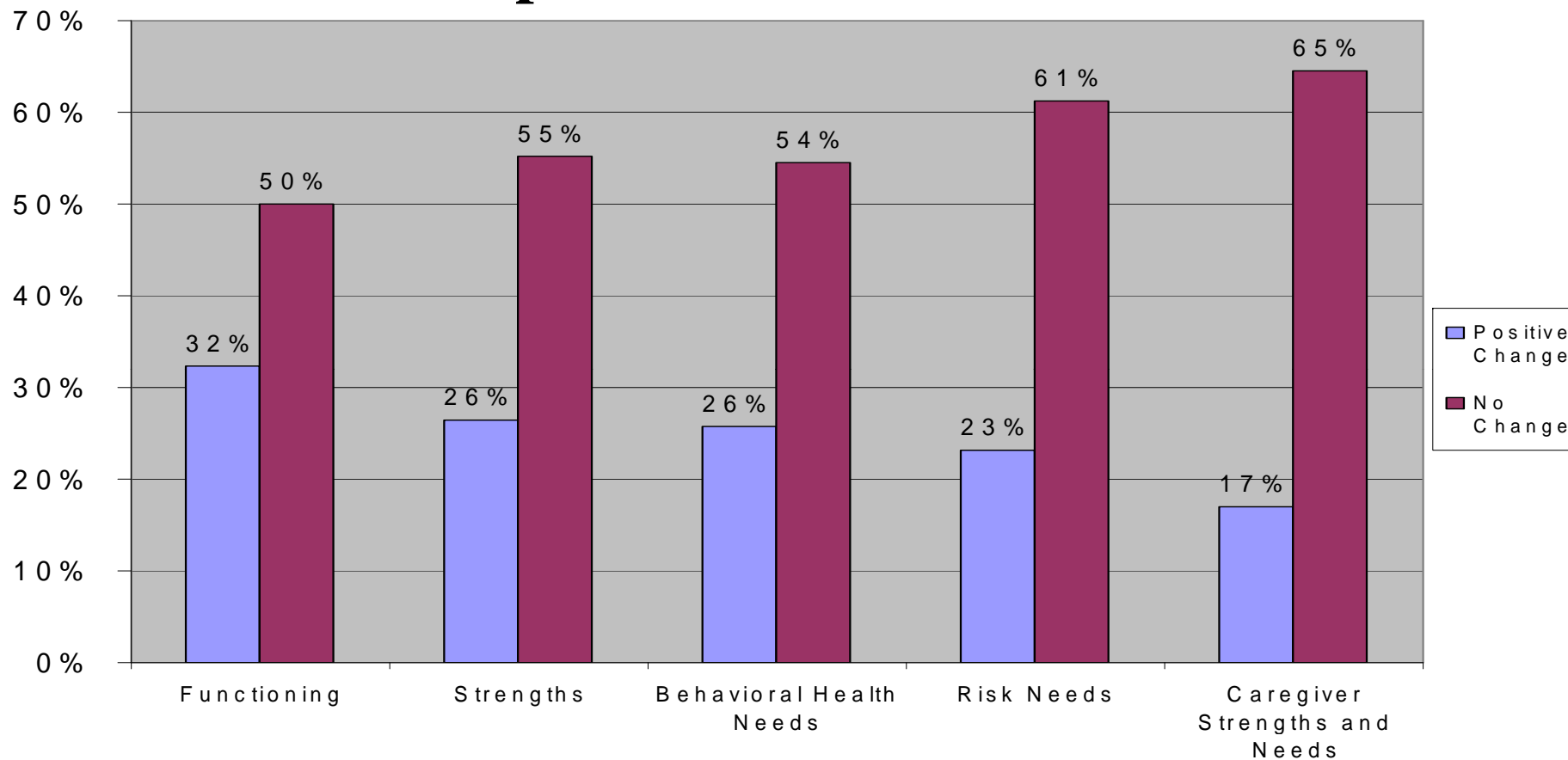
ADULT SMI OUTCOMES – SFY 2008



Addiction Services SFY 2008 Outcomes



CANS Episode of Care Outcomes



Major Challenges

- 📄 Implemented new processes for data reporting at same time as the performance-based contracts
- 📄 Variability in provider expertise with data
- 📄 Implemented new Child and Adolescent assessment
- 📄 Extremely resource intensive



A Final Comment

Indiana started on this road with a commitment that performance-based contracting was not designed to be punitive. Targets were established at a level providers could meet and providers were given the opportunity to appeal their targets. Providers were critical to developing the performance definitions.



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