

Oregon Cost Growth Target **DRAFT**

Performance Improvement Plan Template Guidance

Background

The aim of the Cost Growth Target (CGT) Performance Improvement Plan (PIP) is to successfully reduce per capita health care spending. Once it has been determined that a payer or provider organization has exceeded the cost growth target in a given year, with statistical certainty and without good reason, the payer or provider organization may be required to undertake a PIP.

PIPs are intended to be a focused, collaborative effort to help organizations meet the cost growth target in future years. PIPs provide an opportunity for entities to commit to specific activities to address cost growth. Entities may collaborate or share learnings to identify promising approaches and best practices.

Purpose

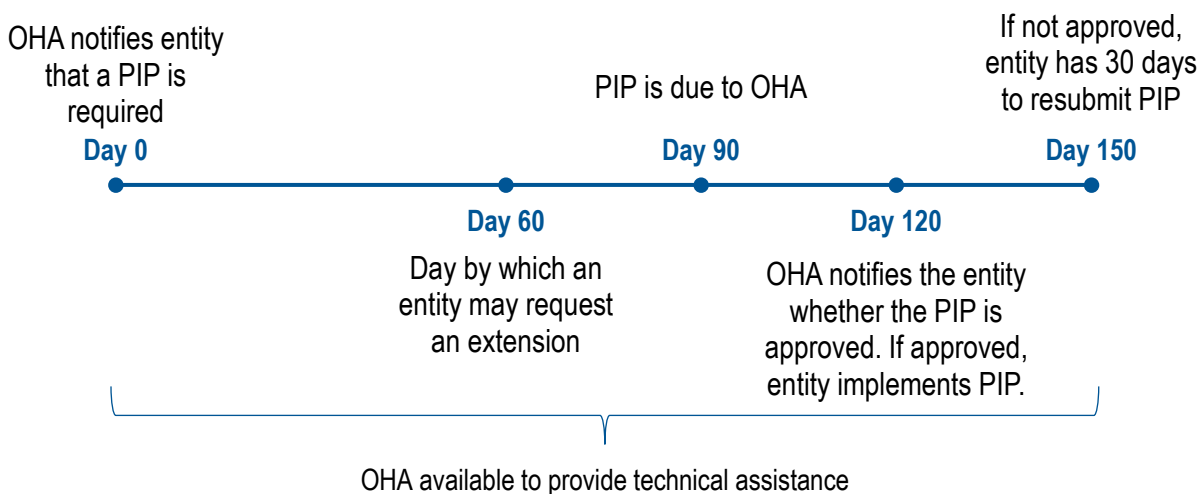
This document provides guidance on completing the PIP template and instructions for submitting the PIP to the Oregon Health Authority (OHA). For more information about PIP requirements, please see ORS 442.386 and OAR [insert once established].

PIP Process Timeline

OHA will notify an entity when a PIP is required. After OHA sends the notification, the entity has 90 calendar days to submit the PIP. After receiving the PIP submission, OHA will notify the entity within 30 calendar days about whether the PIP has been approved. If the PIP is not approved, the entity has 30 calendar days to resubmit the PIP. Accepted PIPs are intended to be implemented for up to 24 months.

OHA may, at its sole discretion, extend the initial 90-day timeline if an entity requests an extension. Entities must submit an extension request no fewer than 30 calendar days prior to the PIP due date. (See the *Requesting an extension to PIP submission deadline* section below for more information.)

Example PIP submission timeline



Contact information and technical assistance

OHA encourages entities to collaborate with OHA and use technical assistance resources while developing the PIP. General questions related to the PIP process should be directed to OHA's Cost Growth Target team at HealthCare.CostTarget@oha.oregon.gov.

Recommended technical assistance

OHA recommends that entities completing a PIP access the following technical assistance (TA) resources prior to submission:

- ✓ Review all PIP guidance documents
- ✓ Review Cost Growth Target regulatory requirements, including ORS 442.385, ORS 442.386 OAR 409-065-0000 through [insert]
- ✓ Complete the PIP process and template overview webinar or recorded webinar
- ✓ [Add other TA, as identified]

Pre-submission review

OHA strongly recommends that the entity submit a draft PIP to the Cost Growth Target team for feedback prior to submission. If requesting feedback, please submit the draft to OHA at least 45 calendar days prior to the submission deadline. OHA will provide feedback within 14 calendar days and offer a consultation call to review feedback.

Entities may request individual TA, which is available at the discretion of the Cost Growth Target team and dependent on available resources. Individual TA may include consultation with a subject matter expert or other individual TA. Requests for individual TA must be requested at least 30 days prior to final submission deadline.

PIP Submissions

Entities that are subject to PIP due to exceeding the cost growth target in multiple markets or as both a payer and provider organization may submit a single PIP. Entities may also choose to submit separate PIPs.

Submit electronic versions of the following PIP materials to HealthCare.CostTarget@oha.oregon.gov:

- Completed PIP Template in Microsoft Word or portable document format (pdf)
- Completed PIP Attestation form as pdf
- Completed PIP Contacts form as pdf
- All relevant attachments in native file formats, noting any materials that are confidential

Confidentiality of PIP submissions

If any of the information in the PIP Template or attachments is confidential, please clearly label it as such and provide:

1. A full, unredacted version of the completed PIP and supporting materials, as applicable, marked as CONFIDENTIAL
2. A redacted version of the completed PIP Template and supporting materials, as applicable, from which all confidential portions have been removed or obscured, marked as PUBLIC

3. A log that provides a reasonably detailed summary of confidential information and the reasons for marking it as such

Approved PIP Templates (public version) and non-confidential attachments will be publicly posted online. Confidential PIP Templates, confidential attachments, PIP Attestation forms, and PIP Contacts forms will not be published with the final approved PIP.

After reviewing the submitted PIP Template, OHA may request that the redacted copy be modified if OHA determines that confidential information claimed to be exempt is in fact not exempt from disclosure.

[Insert language about handling of confidential materials and public records requests.]

Requesting an extension to PIP submission deadline

Extension requests must be submitted to OHA's Cost Growth Target team at HealthCare.CostTarget@oha.oregon.gov with the length of the extension requested, reason for requesting the extension, and any supporting documentation. The maximum length of extension allowed is 90 days. Clearly indicate if any supporting documents are confidential.

Reasons for requesting an extension may include, but are not limited to the following:
Change in PIP Coordinator or PIP Executive Sponsor due to staff leaving the entity

- ✓ Significant change in entity leadership
- ✓ Emerging natural disasters or public health emergencies affecting the entity's region(s)

OHA will review the request and respond within 5 business days with an approval for the extension requested, approval of an alternate OHA-determined extension, or denial of the extension.

Template instructions and guidance

Narrative responses should be concise (less than 500 words per question), while containing sufficient detail. Please clearly indicate any information that is confidential.

You may opt to provide additional information or documentation to support your PIP. Please clearly identify which section of the PIP any attachments support. If any information is confidential, please clearly mark it as such in the attachment.

Entity Information

Provide the entity's legal name as registered with the Oregon Secretary of State. Assumed business names may be included, in addition to the legal name.

Entity Description

Provide a brief description of the entity, including type of entity, services provided, geographic service area, and any other relevant contextual factors.

Drivers of health care cost growth

Describe the factors that cause your organization's excessive cost growth. (Excessive cost growth is growth that is not due reasonable factors, as outlined in [insert OAR or link to guidance].) Drivers should include factors that caused the entity to exceed the cost growth target for the given performance year, and

may also include expected future drivers of cost growth. Drivers should be based on data and identified by the entity, as well through discussions with OHA, payers, and providers, as applicable. There may be multiple drivers. When identifying drivers:

- ✓ Payers should identify any entities that received payment increases that exceeded the cost growth target (for example, a specific IPA that received a payment increase that was greater than the target).
- ✓ Provider organizations should identify specific expenses or costs that grew faster than the target.

Consider quality improvement methods and tools to help identify causes. The Agency for Healthcare Research and Quality has many [quality improvement tools](#) available.

Goal

Provide a quantitative target for reduced spending, spending growth, or both. Provide a timeline for achieving those savings. For example: [Entity name] will reduce health care spending by at least \$[amount] by [date].

Savings goals should:

- ✓ Be meaningfully tied to amount by which the entity exceeded the cost growth target
- ✓ Support lower spending growth in future years
- ✓ Propose how much the entity expects to generate in savings

Explain how your organization selected and calculated the goal. For example, the goal could come from the difference between your organization's actual annual per capita cost growth and spending if your organization met the 3.4% cost growth target.

Strategies to contain cost growth

Strategy explains how the entity will address the drivers of cost growth in order to meet the health care cost growth target in subsequent years. The strategy should be able to be completed within the PIP performance period. Provide a short name describing the strategy.

Strategy Description provides more detailed information about the strategy. The description must include:

- ✓ Which cost growth driver(s) are addressed by the strategy;
- ✓ How the strategy will result in reduction of per capita health care cost growth in future years;
- ✓ Evidence supporting the strategy's likelihood to influence cost growth, such as peer-reviewed literature, internal data, or other documentation; and
- ✓ Whether this is a sustainable strategy to address health care cost growth long-term or a one-time/short-term strategy.

Strategies may address known current and past drivers of cost growth or potential future drivers of cost growth.

Projected Savings provides a dollar amount estimate of savings associated with the strategy in the PIP time-period. You may provide a range.

Key Activities include the main steps, milestones, and target completion dates for the strategy to be successful. This must include sufficient detail but does not need to be a comprehensive work plan. Target completion dates should not exceed the PIP performance period.

Strategy Measures are the measures to assess and publicly report on the strategy’s progress and impact on health care spending. These may include both process indicators (for example, reducing avoidable readmissions by X) and financial indicators (for example, an estimated savings of \$Y for each prevented readmission for a total of \$Z).

Consider whether measures are specific, measurable, achievable, realistic, timebound, and incorporate inclusion and equity (SMARTIE). This [tool](#) from the Centers for Disease Control and Prevention provides guidance on SMARTIE measures.

Balancing Strategy explains how the entity will avoid any negative effects on service availability, quality of care or service or network access, particularly for populations experiencing health inequities (e.g., individuals with low-income, certain racial/ethnic groups, LGBTQ+ individuals, people with disabilities, and people with limited English proficiency, among other populations).

Balancing Measures are the measures tracked to ensure the intervention avoids negative effects. Consider including some balancing measures that can be disaggregated data by race, ethnicity, language, disability (REALD), sexual orientation and gender identify (SOGI). Learn more about [REALD](#) and [SOGI](#) data from OHA’s Equity and Inclusion Division.

Examples of balancing measures may include:

Access	<ul style="list-style-type: none"> Provider to patient ratios Provider FTE Providers accepting new patients Volume of services by type of service or type of provider Emergency department utilization Provider network Well care visit rates Length of time to next available / third next available appointment Other wait time measures?
Quality	<ul style="list-style-type: none"> Patient safety (i.e., hospital associated infections, falls, medication safety, etc.) Readmissions Patient experience survey measures Clinical quality measures Patient/ consumer complaints
Equity	<ul style="list-style-type: none"> Access and quality measures stratified by race/ ethnicity, age, gender, language, geography, disability, income, payer, and complexity Screening for social needs Translation and interpretation services Workforce representation of patient/ consumer populations
Population demographics	<ul style="list-style-type: none"> Insurance type Race/ ethnicity Gender

	Language Income Disability Geography Medical, behavioral health, and/or social complexity
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Strategy Adjustment is how the entity will adjust the strategy over time in response to continued cost growth or unmet balancing measures, negative effects on quality or access or equity, or other unexpected negative effects. Consider quality improvement methods, like the plan-do-study-act (PDSA) method. The Agency for Healthcare Research and Quality has many [quality improvement tools](#), including a [PDSA form](#).

Benefits to Consumers and Payers explains how the strategy will result in benefits to consumers, purchasers, or both. Benefits may address savings, access, quality, or other. **[Insert examples]**

Plan for Savings explains how any savings generated will be passed on to payers and patients (for provider organizations), and members and purchasers (for payers).

Required Attachments provide sufficient data and evidence to support the responses. For example, financial data trends, patient or member demographics, or peer-reviewed literature supporting the entity's strategies.

Timeline

Provide, as an attachment, a reasonably detailed timeline for the PIP performance period. For each strategy, the timeline should include start and end dates, as well as key activities.

Technical Assistance Requests

Entities may request technical assistance to support PIP implementation. **[insert examples]** OHA's ability to provide technical assistance will depend on the nature of the requested assistance, staff capacity, and staff expertise.

Assessment criteria

The OHA Cost Growth Target team is responsible for assessing PIP submissions, presenting assessment findings to the entity, and providing final approval of the PIP. After a PIP is submitted, OHA staff will review the proposed PIP and notify within 30 calendar days whether the PIP is approved or requires revisions.

In order to receive approval, PIPs must include all required submissions, adequate responses to all questions, and sufficient attachments and documentation, and include required. OHA will approve PIPs that meet published criteria for approval **[Insert link to criteria document]**, including the following:

- ✓ Is there sufficient detail and information to explain the entity's proposed plan?
- ✓ Is the PIP likely to address the entity's drivers of cost growth?
- ✓ Is it reasonable for the entity to successfully implement the PIP within the proposed time frame?
- ✓ Is the PIP likely to have negative consequences that outweigh savings?

Entities must meet expectations for all criteria for a PIP to be approved.

OHA review and approval of PIP

OHA will notify the entity within 30 days about whether a submitted PIP has been approved or requires additional information. If OHA has any clarifying questions about the PIP submission, OHA will contact entities as soon as possible. OHA may have multiple meetings or conversations with entities during the 30-day review period.

PIPs that are not approved upon first review must be resubmitted with changes that address any assessment findings. Once the PIP is approved, the entity must submit the final approved version electronically to OHA at HealthCare.CostTarget@oha.oregon.gov.

PIP progress reports

Payers and provider organizations with an approved PIP must complete and submit periodic reports electronically, using the PIP report template [\[link\]](#), to OHA at HealthCare.CostTarget@oha.oregon.gov. OHA will collaborate with entities to determine a timeline for submitting progress reports, based on the overall PIP timeline and strategies.

OHA will review and accept progress reports based on the report's completeness and how well the report describes activities and progress. OHA's acceptance of the progress reports will not relate to the entity's achievement, or lack thereof, of the previously specified goals. If a progress report does not contain sufficient information or detail, OHA may ask an entity to revise and resubmit or provide additional information.

The final progress report is due from the entity no later than 30 calendar days after the PIP performance period concludes. Final progress reports will address:

- ✓ What your organization accomplished during the PIP performance period
- ✓ Why your organization did or did not successfully implement the PIP
- ✓ Amount of savings generated (both realized savings to date and projected savings)
- ✓ Benefits to members, patients, payers and purchasers (as applicable)
- ✓ For long term strategies, plans for sustaining or continuing strategies beyond the PIP performance period

After a PIP has concluded, OHA may follow up with entities about the impact of PIP strategies while reviewing cost growth for subsequent years. For example, OHA may discuss the impacts of PIP strategies during conversations with entities to validate data and understand cost growth drivers.

Multiyear PIPs

If an entity with an approved PIP is required to complete another PIP for a subsequent year in which the entity has exceeded the cost growth target with statistical certainty and without good reason, the entity may update the active PIP or submit a new, separate PIP, at the entity's discretion.

If the reasons for exceeding the cost growth target are the same in the subsequent year, the PIP strategies may be updated and the timeline extended.

If there are additional reasons for exceeding the cost growth target that require different strategies to address, or if the entity wishes to add new strategies to their existing PIP to address the previous reasons

for exceeding the cost growth target, they may do so. New strategies may extend the PIP performance period timeline, resulting in a combined PIP with staggered strategies and timelines. The subsequent PIP submission must still follow all timelines, guidance, and assessment criteria, and the entity must submit an updated PIP Attestation form and PIP Contacts form.

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CGT Performance Improvement Plan Guidance

Example Timeline

For this example, the entity exceeded the target with statistical certainty and without good reason for the 2022-2023 cost growth performance period. OHA notified the entity that a PIP was required and provided technical assistance for the PIP submission. OHA approved the submitted PIP with a 24-month performance period.

	2022				2023				2024				2025				2026				2027			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Cost growth performance period	■	■	■	■	■	■	■	■																
Data submission										■	■													
Validation conversations											■	■												
Report published												■												
PIP notification													■											
PIP Technical Assistance													■	■										
PIP Submission and Approval*													■	■										
PIP Performance Period**																	■	■	■	■	■	■	■	■

*If a PIP does not meet requirements, OHA may require entities to revise and resubmit the PIP.

**PIP performance periods may vary, based on the entity's cost growth drivers and strategies.