STATE OF CONNECTICUT

DEPARTMENT OF SOCIAL SERVICES

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DSS Regulation PR2022-002 – Maternity Bundled Payment

Responses to Comments – September 26, 2024

GENERAL COMMENTS

1. Comments Regarding Statute Authority

Comment: Conn. Gen. Stat. §§ 17b-3 and 17b-262 are broad and ambiguous, not providing adequate statutory authority to implement the maternity bundled payment program or other alternative payment methodologies.

Response: Those statues provide DSS with general statutory authority to administer the Medicaid program, including a maternity bundled payment program or other alternative payment methodologies. In addition to that general authority, DSS also proposed, and the legislature enacted and the Governor signed into law legislation specific for the maternity bundled payment program and related alternative payment methodologies, which was enacted as section 296 of Public Act 23-204 and later codified as Conn. Gen. Stat. § 17b-277d.

2. Comment Regarding Alternative Payment Methodologies

Comment: Is DSS limiting its implementation to maternity bundles only or is DSS proposing broad regulations to implement APMs across all medical specialties?

Response: DSS has revised this regulation amendment so that it covers only maternity bundled payment and related alternative payment methodology; this proposed regulation amendment no longer addresses any other type of bundled payment or alternative payment methodology.

3. Comment Regarding Stakeholder Engagement

Comment: Engage more Medicaid members and lay health workers in the development and implementation processes.

Response: DSS values the input of its HUSKY Medicaid members and community health workers. During the development of the maternity bundle program, DSS' Maternity Bundle Advisory Council included members who have lived birthing experience through HUSKY Health. DSS also connected with and continues to work with community organizations to engage HUSKY members and lay health

workers as much as possible through implementation of this program, including through the stakeholder engagement specified in the legislation referenced above.

4. Comment Regarding Equity Analysis

Comment: DSS should conduct a thorough equity analysis of risk adjustment, quality incentives, and cost-sharing methodology.

Response: This comment addresses a level of specific operational details beyond the scope of this proposed regulation. However, DSS has and continues to center health equity throughout the design, development, and implementation of the maternity bundle payment program. From the project onset, DSS created a health equity tool, which included a thorough equity analysis of risk adjustment, quality incentives, and cost-sharing methodology, that prompted thoughtful conversations about health equity in stakeholder meetings. Extensive stakeholder feedback on equity considerations related to this program will help mitigate unintended adverse consequences. DSS also engaged the Yale Center for Outcomes Research & Evaluation (CORE) team to recommend equity-sensitive quality measures, stratified by race and ethnicity.

MATERNITY BUNDLED PAYMEMT PROGRAM

5. Comment Regarding Payment Methodology

Comment: What is the payment methodology of the maternity bundle payment program?

Response: The regulation has been revised to include details about the payment methodology under the Per-Member-Per-Month (PMPM) Payments and Shared Savings Payments provisions. For a subset of services included in the maternity bundle episode, as outlined in the Medicaid State Plan, attributed provider practices will receive monthly per-member-per-month (PMPM) payments during the prenatal and postpartum periods. All other covered services not included in the PMPM will be paid FFS. In addition, if attributed providers meet quality performance criteria and comply with measures to prevent under-service, they have the opportunity to earn shared savings payments (upside only payment structure at this time).

Based on guidance from the Centers of Medicare and Medicaid (CMS), DSS updated terminology in the regulations. The Department updated references of to “PMPM Payments” as “case rate” payments and references of “Shared Savings Payments” to “incentive payments”.

6. Comment Regarding Covered Services

Comment: What services will be covered in the maternity bundle payment program?

Response: The regulation has been revised to include information specific to the maternity bundled payment program in the Services Included in the Shared Savings Calculation provision. Under the Medicaid maternity bundle payment program, HUSKY Health members will retain full coverage to all Medicaid-covered services and benefits and gain new benefits, including access to doula care, breastfeeding support, and group prenatal visits, and DSS will provide additional information on covered services in a forthcoming program technical guidance document.
2024 Update: This information can now be found in the Incentive Payments for Maternity Bundled Payment provision. Please refer to the State Plan Amendment for further information.

7. Comment Regarding Cost Benchmarks and Performance Assessment

Comment: How will price benchmarks be set and cost performance assessed against such benchmarks?

Response: This comment addresses specific operational details beyond the scope of regulation. DSS will provide more details on price benchmarks and cost performance assessment in a forthcoming program technical guidance document.

8. Comment Regarding Impacts to Shared Savings

Comment: What are the provisions governing receipt of savings and factors that might affect the return of such savings?

Response: The regulation has been revised to include details regarding shared savings earnings in the Shared Savings Payments provision. The distribution of shared savings will be adjusted based on provider performance within the bundle payment's quality program. The distribution of shared savings will also be subject to clinical and social risk adjustment to capture the clinical and social risk of the individual patient and recognize their effects on the maternity bundle's cost. DSS will provide more details on shared savings payments, quality performance, and risk adjustment in a forthcoming program technical guidance document.

9. Comment Regarding Hospital Price Variation

Comment: Specify a control for facility price variation in the maternity bundle model in regulation.

Response: In response to feedback from stakeholders and internal review, DSS plans to control for facility price variation. The regulation is not being specifically revised in this manner as details regarding the facility price variation control will be outlined under the Medicaid State Plan but are specific operational details beyond the scope of this regulation.

10. Comment Regarding Doula Payment

Comment: In the maternity bundle program, will physicians be responsible for issuing payment to doulas and lactation consultants outside of their practices?

Response: Since DSS is striving to connect member with doulas as soon as possible, the department intends at this time to move forward with a dual approach to provide doula access, with specific implementing timeline in progress: (1) paying doulas through the maternity bundle and (2) paying doulas fee-for-service (FFS). For the first approach, payment through the maternity bundle, physicians will receive an add-on payment – a set monthly payment within the PMPM – to reimburse for birth doula services provided as part of the practice's overall maternity services to each beneficiary and within the scope of the practitioner's plan of care for each member. For the second approach, DSS will initiate FFS payment to doulas after the Department of Public Health's establishes doula certification. Prior to program launch, DSS will be hosting webinars and providing more information for doulas and providers to support doula utilization in the Medicaid maternity bundle payment program.

DSS will pursue a dual approach to provide and fund doula access in Medicaid. For Option 1 (payment via maternity bundle), in response to provider feedback, DSS will allow providers who do not intend to contract with doulas in Year 1 to opt out of receiving the doula care add-on payment. For Option 2, doulas may register to become a credential doula or doula agency through the Department of Public Health based on the certification requirements listed **here**. DSS anticipates that direct fee-for-service

reimbursement of credentialed doula will be ready in January 2025, in alignment with the Maternity Bundled Payment Program's launch date.

11. Comment Regarding Lay Health Workers

Comment: Ensure that the bundled payment accounts for savings while adequately incentivizing collaboration with lay health workers at sufficient rates.

Response: DSS engaged Primary Maternity Care (PMC), a service design and consulting firm focused on improving maternity care, to support the design, planning, and successful integration of doula supports and lay health workers into the Maternity Bundled Payment program. As part of this ongoing work, PMC has been working to conduct a landscape analysis of the current doula workforce; facilitate partnerships and capacity building for doulas and practices; develop workflows and business process between doulas and practices; and recommend an implementation plan. These efforts aim to foster greater collaboration between doulas, lay health workers, and providers, while ensuring payment to lay health workers at sufficient rates.

PROVIDER PARTICIPATION

12. Comment Regarding Mandatory Participation

Comment: The maternity bundle payment program should be voluntary, similar to the current PCMH and PCMH+ programs.

Response: DSS declines to make this revision. As outlined in the Provider Participation and Qualifications section, all DSS/Medicaid participating obstetricians (OBs), licensed midwives, and family medicine providers (who practice OB services) who meet the minimum episode volume threshold, as set by the department, will be required to participate in the maternity bundle payment program. For Year 1, the minimum episode volume threshold is 30 deliveries per calendar year. This policy decision was made with input from DSS' Advisory Committee stakeholders with the goal to maximize the scope of program impact and DSS' goals for improved maternity care and health outcomes, while also ensuring sufficient volume for the financial model. The requirement also aligns with most other states' Medicaid maternity bundles which have been implemented as mandatory as well as with best practices as recommended by the Health Care Payment Learning & Action Network (HCPLAN). In addition, this requirement is essential so that the payment methodology, including its quality measures, drive improvement for maternity services for Medicaid members throughout the state.

Providers excluded from the program from the requirement include FQHCs, hospitals, and OBs, licensed midwives, and family medicine providers who deliver fewer than 30 births per year.

Based on provider feedback, DSS will no longer include Family Medicine as a specialty type that qualifies for program participation.

13. Comment Regarding Provider Participation

Comment: In Conn. Gen. Stat. §§ 17b-3 and 17b-262, what are the "applicable conditions" that providers must comply with?

Response: The regulation has been revised to include information regarding provider participation in the Provider Participation and Qualifications provision. See also response to Comment 1 above.

14. Comment Regarding Hospital Participation

Comment: Do not include hospitals in the maternity bundle payment program and carve out facility-based services from the broader scope of services referenced in the proposed regulations.

Response: Hospitals are not eligible to participate in the bundled payment program as attributed Maternity Providers. In addition, hospital-based, maternity care costs for services rendered in an Inpatient, Outpatient, or Emergency Department setting will have its associated costs of care factored into bundle payment pricing or reconciliation; however, facility-based services will maintain fee-for-service (FFS) payment.

15. Comment Regarding Provider Contracts

Comment: How will the regulations interact with existing contracts?

Response: Providers who meet the minimum episode volume threshold will be subject to the maternity bundle payment methodology and program accountability/under-service requirements. Otherwise, there will be no change or impact to existing provider contracts.

16. Comment Regarding Program Expectations

Comment: Will changes from the maternity bundle program create expectations that cannot be met by the current community of providers?

Response: DSS designed the maternity bundle program in consultation with a diverse group of stakeholders from the Maternity Bundle Advisory Council and with maternity providers from the Provider Subcommittee, which was established to engage the provider community and solicit feedback advise on various program design topics. DSS is confident that the program design reflects that feedback of HUSKY stakeholders and creates appropriate and reasonable expectations for HUSKY maternity providers. DSS remains committed to ongoing engagement with providers and other stakeholders.

DSS values providers as critical partners in this initiative and looks forward to continuing close engagement with all stakeholders throughout program launch and implementation. This year, the Department has hosted nine public meetings to date (seven of which were provider-focused), along with several one-on-one meetings with qualifying Maternity Bundle practices by request.

17. Comments Regarding Federally Qualified Health Centers (FQHCs)

Comment: Ensure access to prenatal and postpartum supports for Medicaid enrollees receiving birth-related care at FQHCs.

Response: DSS is currently exploring how to implement optional FQHC participation within the HUSKY Maternity Bundle Payment Program. Consistent with federal Medicaid requirements, DSS utilizes separate and systematically different Medicaid claims processing systems for FQHC and non-FQHC claims, which creates operational challenges. Given the specific federal reimbursement requirements of FQHCs' prospective payment system (PPS), including FQHCs is more complex than including non-FQHCs, so the initial design of the maternity bundled payment proposal has focused on non-FQHC providers. DSS remains committed to addressing birth inequities through the program and is working to include and operationalize FQHC participation in the program.

18. Comment Regarding Program Evaluation

Comment: Regularly release evaluations of this program's reach and impact and establish a formal process for revising and adapting the program in response to this analysis with input from Medicaid enrollees and other key stakeholders.

Response: DSS plans to continue to solicit feedback from Medicaid members and stakeholders as the Department implements and operates the program. During the program's design and development, DSS convened the Maternity Bundle Advisory Council, a diverse array of stakeholders and Medicaid members with lived birthing experience through HUSKY Health, to identify key maternal and child health outcome measures to assess the progress and success of the overall bundled payment program. This process will also comply with the specific requirements for stakeholder engagement in the design of the maternity bundled payment proposal in section 296 of Public Act 23-204. As the Department evaluates the program on the key outcome measures and other factors, DSS will continue to convene the Maternity Bundle Advisory Council for ongoing input and advice.

19. Comment Regarding Risk Adjustment

Comment: Routinely review and revise the risk adjustment method and quality metrics used to calculate payments to ensure they are promoting equity in birth outcomes, as intended

Response: The regulation has been revised to include a statement regarding revisions to the program's risk adjustment methodology and the quality measure slate. To continually promote positive birth outcomes and reduce health disparities, DSS anticipates there may be a need to adjust program design elements, like risk adjustment and quality metrics, in the future. When considering program updates, the Department will solicit advice and input from Maternity Bundle Advisory Council and other stakeholders.

20. Comment Regarding Community Health Workers

Comment: In addition to the quality and outcome metrics embedded in the payment methodology, examine the utilization of lay health workers and the settings in which their services are accessed.

Response: This comment addresses details beyond the scope of regulation; however, DSS is working to expand data collection available for non-licensed individuals, such as community health workers, birth doulas, and lactation support consultants and other individuals who provide lactation support. Similar to the Obstetrics Pay for Performance (OBP4P) program, DSS will use provider encounter forms to collect data on doula and lactation support services to understand the utilization of the new program benefits. To incentivize robust data collection, encounter form questions regarding these categories of practitioners will be included in the program's quality measure slate as pay for reporting measures, in which financial reimbursement is tied to the submission and reporting of the measure data.

21. Comment Regarding Future Program Updates

Comment: Consider the following future adaptations: Explicitly incentivize providers to address inequities in birth outcomes; Incorporate direct reimbursement of community-based doulas and community health workers; Incorporate patient-reported outcomes; Respond to stakeholder-reported barriers to participation in the program; Include the first trimester in the bundle.

Response: Comments regarding future program updates are beyond the scope of regulation. DSS is working to prepare a proposal to incorporate direct reimbursement for community-based doulas. DSS is also exploring how to implement direct reimbursement for community health workers as prescribed by section 4 of Public Act 23-186. In addition, since use of patient-reported outcomes within the program is a key goal for DSS, the Department is also exploring how to integrate patient-reported measures in the program after Year 1.

22. Comment Regarding Request for Technical Detail

Comment: Publish methodological details in draft form, through some combination of regulatory language and technical guidance, such that hospitals and providers can fully understand and provide meaningful input on what is being proposed. While recognizing that some methodological detail will be contained in the forthcoming technical guidance, such guidance should not be in lieu of essential regulatory specificity regarding the major features of the model and protections to ensure that access and quality are not compromised. In addition, include provider or stakeholder questions in the regulation or forthcoming technical guidance to the extent that they concern methodological or operational issues.

Response: The Department plans to publish draft methodological details in the Fall. Before DSS can release additional technical guidance, the Department is in the process of first completing program testing using claims data from 2022 to review and refine the program's draft technical design details. The program testing will also generate historical provider reports, which will enable providers to view their performance as if they were participating in the program in 2022. DSS aims to finalize program testing in the Fall and to share historical provider reports and draft technical guidance once testing is complete. Please note, as there are several dependencies involved in this work, these targets may be subject to change. Following those publications, DSS and CHNCT also plan to host additional provider forums to provide education on the historical provider reports and solicit input on the technical design details.

DSS has published several provider resources, including informational videos, program specifications, and FAQs. Providers have also received provider-specific data, including draft Case Rate amounts and historic cost and quality performance reports (based on actuarial modeling and program testing).

23. Comment Regarding the Maternal Adverse Events Quality Measure

Comment: The proposed measure of maternal adverse events, based on the Yale CORE PC-07 measure, is intended as a measure of hospital performance, and is new and as yet untested for this purpose. It is unknown whether and to what extent community obstetrical practices can impact the observed variance on this measure versus the delivering hospital. While we appreciate that holding practices accountable for impactable adverse events is a reasonable aim, we suggest that the Department should begin by partnering with researchers to evaluate the suitability of the measure for this purpose, in lieu of using this measure as a factor in calculating quality performance or even as a reporting measure for the maternity bundle payment program.

Response: DSS partnered with the Yale Center for Outcomes Research & Evaluation (CORE), a leading national outcomes research center that works to assess healthcare quality, to select equity-sensitive metrics, including the Maternal Adverse Events measure, for the program's quality measure slate. DSS is continuing to evaluate the Maternal Adverse Events measure to ensure the measure achieves program goals to improve maternal health outcomes in a sustainable manner.

24. Comment Regarding Case Rate Payment

Comment: The proposed regulation does not specify the services to be included in the case rate payment and how the payment will be adjusted to ensure that revenue remains aligned with the level of resources expended by a practice during the performance period. Key information that is not specified in the regulation is whether and how the payment will be adjusted to reflect changes in the clinical risk or needs of a practice's patient population and changes in the services provided by a practice on-site compared to the factors present during the historical period on which the case rate payment is based. This may be less of an issue if there is a full reconciliation that includes all services included in the bundle. However, the methodology for reconciliation is not specified in the proposed regulation. These issues are of particular concern to the state's two maternal fetal medicine practices, which directly manage or co-manage patients, in addition to providing ongoing consultation. These practices may experience a change in case mix as a result of the incentives associated with this program that are not accompanied by an appropriate increase in financial resources.

Response: This comment requests a level of the details for methodology that are beyond the scope of regulation. However, information regarding services included in the Case Rate have been outlined in public presentations (see slide 14 **here**), and other details (e.g., risk adjustment methodology) requested by this comment will be outlined in the forthcoming provider technical guidance and Medicaid State Plan Amendment (SPA). The draft technical guidance will be published following the completion of program testing as outlined in Question 6, and a draft SPA will later be published for public comment.

More information about the Case Rate payment, including an informational video and technical specifications, can be found at the DSS website **here**.

25. Comment Regarding Downside Risk

Comment: The proposed regulation describes the Department's intent to calculate incentive payments with qualifying practices and makes no reference to downside risk, except to note in Section (4)(A) that downside risk will be included at program launch. This language suggests that the Department may introduce downside risk at some future time, without detailing the methodology for doing so in the regulation. We recommend that the phrase "Upon program launch" be deleted, with the understanding that the Department may, at some future date, seek to introduce downside risk and amend the regulation accordingly.

Response: The regulation has been revised to remove the phrase "Upon program launch". At this time, as communicated publicly on multiple occasions, providers will be eligible to share a portion of savings based on quality performance (upside only) and will not be responsible for any losses. If DSS pursues downside risk in the future for the maternity bundled payment, DSS intends to pursue further proposed revisions to the regulations to the extent necessary.

26. Comment Regarding Attribution

Comment: Regarding a practice qualifying for participation in the case rate and incentive payment, the proposed regulation appears to use the term "attribution" to refer to providers in a manner that may be confusing. Attribution is ordinarily used to refer to whether a patient is or is not assigned to a practice or other entity for inclusion in an alternative payment model. We recommend that the Department use the term "qualify" for inclusion, as is used by the Department in the statement of purpose, or an alternative.

Response: DSS revised the regulation by replacing all mention of attribution with the terms "accountable" or "accountability" to avoid confusion.