



FMA Briefing: What AHCA's MMA Physician Incentive Program Means for You

From the FMA Legal Department

The Agency for Health Care Administration (AHCA) conducted a meeting of the Medical Care Advisory Committee on April 19, during which AHCA unveiled its MMA Physician Incentive Program. The genesis for this incentive program is a provision that was included in the 2011 legislation that established the Statewide Medicaid Managed Care system. This provision provides that:

Managed care plans are expected to coordinate care, manage chronic disease and prevent the need for more costly services. Effective care management should enable plans to redirect available resources and increase compensation for physicians. Plans achieve this performance standard when physician payment rates equal or exceed Medicare rates for similar services. The agency may impose fines or other sanctions on a plan that fails to meet this performance standard after two years of continuous operation.

The FMA met with AHCA on numerous occasions over the last two years to discuss how this provision will be implemented and to express our position that the Legislature's intent in passing this provision is that payment rates for all physicians should equal or exceed Medicare rates after two years of a managed care plan's continuous operation.

Unfortunately, AHCA's physician incentive program falls far short of the statute's requirement, and the intent of the Legislature. The MMA Physician Incentive Program provides that managed care plans must have an MMA Physician Incentive Program in place effective Oct. 1, 2016, despite the fact that plans in some of the Medicare Managed Care Regions began operations in May 2014.

Managed care plans have two alternatives to choose from in

implementing an MMA Physician Incentive Program: 1) an Individual Health Plan MMA Physician Incentive Program (IHP Incentive Program); or 2) AHCA's Alternative Proposal MMA Incentive Program (AP Incentive Program). In essence, a managed care plan can either design its own incentive program, or adopt AHCA's default program. If a plan opts to use AHCA's program, the plan has to keep it in place for one full contract year. To move to an IHP Incentive Program after the one year, the plan must submit a proposal to AHCA along with a transition plan that addresses how qualified providers will continue to receive the MMA Physician Incentive.

Regardless of whether a managed care plan creates its own incentive plan or uses the AP Incentive Program, two (and only two) groups of physicians must be included as "Identified Providers:" 1) Physicians who are board-certified in pediatrics by the American Board of Pediatrics; and 2) Physicians who are board-certified in obstetrics and gynecology by the American Board of Obstetrics and Gynecology or the American Osteopathic Board of Obstetrics and Gynecology. "Identified Providers" are those eligible to qualify for the MMA Physician Incentive Program. "Qualified Providers" are Identified Providers who have met all requirements to receive the Physician Incentive Program Payment. Managed care plans utilizing an IHP Incentive Program may, but do not have to, include other primary care provider types as Identified Providers.

As indicated above, in order to receive the increased payment, an Identified Provider has to "earn" the incentive by becoming a Qualified Provider. For the AP Incentive Program, an Identified Provider must meet one of the following qualifications:

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Obtain recognition by one of the following organizations as a Patient-Centered Medical Home:

- National Committee for Quality Assurance (NCQA), Level 2
- Accreditation Association for Ambulatory Health Care (AAAHC)
- The Joint Commission (TJC)

For board-certified OB/GYNs only, those who achieve all of the following for the plan’s Medicaid patients:

- HEDIS measure, Frequency of Ongoing Prenatal Care: For calendar year 2015, the Identified Provider’s rate of the plan’s patients with 81 percent or more of expected visits must be at or above the Medicaid 75th percentile as calculated by NCQA. Plans must use 2015 HEDIS specifications to calculate each measure, except that the measure must be calculated at the practice (pay to provider) level, rather than at the plan level.
- HEDIS measure, Postpartum Care: For calendar year 2015, the Identified Provider’s rate must be at or above the National Medicaid Mean as calculated by NCQA. Plans must use 2015 HEDIS specifications to calculate each measure, except that the measure must be calculated at the practice (pay to provider) level, rather than at the plan level.
- Florida Medicaid Cesarean Section Rate measure: The Identified Provider’s rate must be below 35 percent for Medicaid births between Jan. 1, 2015 and Dec. 31, 2015. For the Florida Medicaid Cesarean Section Rate measure, plans must use the Florida Medicaid Cesarean Rate Calculation Specifications 2016. The measure must be calculated at the practice (pay to provider) level, not the rendering/treating provider level.

Plans adopting the AP Incentive Program are prohibited from requiring physicians to meet any additional qualifications or benchmarks to earn the incentive payment other than those listed above. It appears that plans adopting an IHP Incentive Program can use different criteria for determining how an Identified Provider becomes a Qualified Provider. At the April 20 presentation, AHCA did not indicate what criteria managed care plans adopting an IHP Incentive Program must use.

The FMA has significant concerns with AHCA’s MMA Physician Incentive Program, the most significant of which is the fact that it does not require managed care plans to increase Medicaid payment for all physicians to at least the Medicare rate. Instead, the program offers a limited number of physicians who are providing care to Medicaid patients at artificially low rates a chance to “earn” the bump to the somewhat more reasonable Medicare rate. The FMA conveyed its concerns to AHCA at the Medical Care Advisory Committee meeting, and will be submitting an extensive list of questions in order to determine exactly how this incentive program will operate, and find out why AHCA is not requiring the managed care plans to increase physician compensation for all physicians without additional arbitrary and onerous requirements.

[Click here](#) for more details about the MMA Physician Incentive Program, and [here for the Draft](#) Statewide Medicaid Managed Care (SMMC) Policy Transmittal, or contact the FMA Legal Department by emailing Jeff Scott at jscott@flmedical.org, or Jarrod Fowler at jfowler@flmedical.org. You can also inform the state about the importance of the Medicaid rate increase by sending an email to flmedicaidmanagedcare@ahca.myflorida.com.