

# **NJ FamilyCare Perinatal Episode of Care Pilot: Performance Period 2**

## ***Guide for Participating Providers***

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### **FOR MORE INFORMATION**

*NJ FamilyCare Perinatal Episode Pilot website:*

<https://www.state.nj.us/humanservices/dmahs/info/perinatalepisode.html>

*NJ FamilyCare Perinatal Episode Pilot email:*

[mahs.maternityepisode@dhs.nj.gov](mailto:mahs.maternityepisode@dhs.nj.gov)

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## CONTENTS

I.	<a href="#">Introduction</a>	1
II.	<a href="#">Episode Program Background</a>	1
	1. <a href="#">NJ’s perinatal episode of care pilot</a>	1
	2. <a href="#">What is a perinatal episode of care?</a>	2
III.	<a href="#">Episode Design</a>	2
	1. <a href="#">The accountable provider</a>	3
	2. <a href="#">Identification and assignment of valid episodes</a>	3
	3. <a href="#">Calculation of episode performance: Quality</a>	4
	4. <a href="#">Calculation of episode performance: Spend</a>	5
IV.	<a href="#">Financial incentives</a>	6
	1. <a href="#">Shared Savings</a>	7
	2. <a href="#">High Performer Bonus</a>	8
	3. <a href="#">SUD Participation Incentive</a>	9
	4. <a href="#">Payment reconciliation</a>	10
V.	<a href="#">Episode Reports</a>	10
	1. <a href="#">Features of performance reports</a>	11
	2. <a href="#">Use of the PRA SPECT portal</a>	11
	3. <a href="#">Pre-Performance Report</a>	11
	4. <a href="#">Interim Reports</a>	11
	5. <a href="#">Final Performance Report</a>	12
VI.	<a href="#">Provider Requirements for Episode Participation</a>	12
	1. <a href="#">Providers eligible to participate</a>	12
	2. <a href="#">Participation Agreement</a>	13
	3. <a href="#">Participation Requirements</a>	13
VII.	<a href="#">Episode Program Timeline</a>	14
VIII.	<a href="#">Appendix</a>	15

Note: Cross-references throughout the *Guide* are clickable links and are designated in [blue](#).

## I. INTRODUCTION

The *Guide for Participating Providers* provides NJ FamilyCare obstetrical practices and providers a high-level description of the second Performance Period (July 1, 2023-June 30, 2024) of NJ FamilyCare's Perinatal Episode of Care Pilot.

This *Guide* will describe:

- basic episode pilot history;
- key features of an episode of care;
- specifications of NJ FamilyCare's perinatal episode of care for Performance Period 2;
- financial incentives available to participating providers for Performance Period 2;
- a timeline for the entire episode pilot;
- requirements for providers who choose to participate in the episode pilot; and
- use of the PRA|SPECT portal for episode pilot.

## II. EPISODE PROGRAM BACKGROUND

### 1. NJ's perinatal episode of care pilot

NJ FamilyCare's Perinatal Episode of Care is a three-year pilot program to test a new alternative payment model statewide. Within an episode, clinicians are financially incentivized to take on comprehensive responsibility for the quality and cost of their patients' care. The pilot's goal is to improve the quality of perinatal care delivered within NJ's Medicaid and CHIP program (also known as NJ FamilyCare), while supporting the financial sustainability of the program. Our goal is to achieve high-quality, equitable, accessible, and efficient maternity care for our members. The perinatal episode of care is one component of NurtureNJ, a statewide initiative committed to ensuring equity in maternal and infant health outcomes for Black and brown women, and to reducing overall maternal and infant mortality and morbidity in the state.

Pursuant to legislation passed in 2019 (P.L. 2019, c.86), the Department of Human Services' (DHS) Division of Medical Assistance and Health Services (DMAHS) convened a multi-stakeholder Perinatal Episode of Care Steering Committee, which has provided DMAHS with detailed guidance on the design of the voluntary perinatal episode of care model described in this *Guide*. For more information on the work of Steering Committee, including membership, please see the *Perinatal Episode of Care Steering Committee* document available at the [NJ FamilyCare Perinatal Episode Pilot website](#).

The first Performance Period of the pilot ran from April 1, 2022-June 30, 2023.

## 2. What is a perinatal episode of care?

A perinatal episode of care is a value-based alternative payment model designed to incentivize high-quality obstetrical care and to create accountability for the totality of care and expenditures associated with a birth. While a patient may see many providers and receive care at multiple locations during the perinatal period, the premise of an episode is that improved coordination and quality of care can be achieved when a single provider is given the tools and incentives to improve the quality and efficiency of care across the perinatal period.

Within a perinatal episode program, key features include:

- *Identification of the accountable provider:* A single billing provider of obstetrical care will be identified as the accountable provider. For more information see [1. The accountable provider](#).
- *Identification and assignment of valid episodes:* The accountable provider will have valid episodes assigned to them, with each episode encompassing care centered on a particular birth event. For more information see [2. Identification and assignment of valid episodes](#).
- *Determination of episode quality and spend:* For each accountable provider, performance on episode quality and spend (cost-of-care) will be determined based on all of their assigned, valid episodes after the Performance Period ends. For more information see [3. Calculation of episode performance: Quality](#) and [4. Calculation of episode performance: Spend](#).
- *Calculation of financial incentives/risk:* The provider is eligible for financial incentives (and possibly, financial risk)—based on their performance on episode quality and spend. For more information see [IV. Financial incentives](#).
- *Personalized reporting:* Participating providers will receive access to interim episode quality and spend performance so that they can make improvements to care before the end of the Performance Period. For more information see [V. Episode Reports](#).

### III. EPISODE DESIGN

The specifications that follow describe the types of NJ FamilyCare claims that are included in the episode, how valid episodes are assigned to an accountable provider, and how a provider's performance on episode quality and spend is calculated.

This *Guide* provides an overview of episode design. For more technical details, (including technical logic and a list of diagnosis/procedure codes), please see the *Perinatal Episode Pilot, Performance Year 2: Detailed Business Requirements* documentation.

NOTE THAT SPECIFICATIONS IN THIS *GUIDE* ARE FOR PERFORMANCE PERIOD 2 (JULY 2023 – JUNE 2024) ONLY, AND MAY CHANGE FOR FUTURE PERFORMANCE PERIODS. EPISODE PROGRAM DETAILS FOR FUTURE PERFORMANCE PERIODS WILL BE SHARED IN ADVANCE, TO ALLOW PROVIDERS TO DECIDE WHETHER TO CONTINUE TO PARTICIPATE.

## 1. *The accountable provider*

The pilot is a voluntary model for NJ FamilyCare providers. Providers must affirmatively commit to participate (by signing a Participation Agreement) prior to each Performance Period in order to be eligible to receive episode financial incentives.

Providers of obstetrical care (i.e. physicians and/or midwives), as identified through professional claims, are eligible to be accountable providers under the episode. Accountability is at the level of the billing provider and their NJ Medicaid Provider ID (as an enrolled NJ FamilyCare provider within Fee-for-Service). This is most often the practice or larger provider group, and not the individual clinician.

In limited cases, multiple billing providers with a pre-existing business relationship may be able to have their episodes combined, and have their performance judged jointly as a “single” accountable provider for the purposes of this episode pilot: 1) An accountable provider may be comprised of multiple, associated NJ Medicaid Provider IDs if the billing providers have existing business relationships; 2) Due to existing regulatory complexities, Federally Qualified Health Centers cannot be direct participants in the pilot, but they may participate as an Associated Provider with an eligible provider.

IF A BILLING PROVIDER HAS ASSOCIATED PROVIDERS FOR THE EPISODE, ONE “MASTER” BILLING PROVIDER WOULD RECEIVE A SINGLE REPORT WITH INFORMATION FOR ALL ASSOCIATED BILLING PROVIDERS. PROVIDERS MUST SHARE ANY ASSOCIATIONS WITH DMAHS IN THE *PARTICIPATION AGREEMENT* (SEE 2. Participation Agreement).

## 2. *Identification and assignment of valid episodes*

Definition of a valid episode: In order to qualify as a “valid episode” and be included in Performance Period 2, a birth must:

- Have an NJ FamilyCare-reimbursed professional claim that includes a delivery CPT procedure code, as well as a claim with a live birth diagnosis code;
- Be covered by one of NJ FamilyCare’s managed care organizations. Any birth events covered by NJ FamilyCare’s fee-for-service program are not included;
- Take place at least 60 days before the end of the Performance Period, so that the full episode is complete before the end of the Performance Period. The episode includes care delivered around a live birth from 280 days prior to birth to 60 days postpartum. Births that take place later than this date will count towards the next Performance Period. Performance Period 2 may include episodes whose prenatal care began prior to the start of the Period;
- Not be subject to a business exclusion. These include but are not limited to: inconsistent patient enrollment in NJ FamilyCare during the perinatal period; or third-party liability (e.g. the patient

has other health coverage in addition to NJ FamilyCare), including dual status (i.e., patient is covered by NJ FamilyCare and Medicare); and

- Not be subject to a clinical exclusion. These include, but are not limited to: non-singleton births, or certain atypical and significant diagnoses (e.g., cancer, sickle cell anemia, tuberculosis).

Attribution of valid episodes: Valid episodes will be attributed to a participating provider based on a hierarchical set of rules.

First, valid episodes will be assigned to a participating prenatal provider whenever possible. The prenatal provider is defined as a provider that is responsible for the plurality of care during the prenatal period, including at least two prenatal visits, with the first visit taking place more than 90 days before the birth. This definition is applied at the billing provider (typically practice) level; as such, it need not be the case that any individual clinician within a practice provide the plurality of prenatal care.

Second, when a prenatal provider is not participating in the pilot, or cannot be identified, valid episodes will be assigned to a participating delivering provider, meaning a provider who has a professional claim for the delivery.

### 3. Calculation of episode performance: Quality

Providers participating in the episode will be assessed on a set of five payment quality metrics which will inform incentive payments. These metrics reflect care delivered at different points of the perinatal period.

**TABLE 1: PERFORMANCE PERIOD 2 PAYMENT QUALITY METRICS**

<i>Perinatal period</i>	<i>Payment quality metric</i>	<i>Numerator</i>	<i>Denominator</i>
<b>Prenatal</b>	01 Prenatal depression screening	Episodes where patient receives prenatal screening for depression (e.g., Edinburgh Postnatal Depression Scale)	All of a provider's valid episodes
	02 Gestational diabetes screening	Episodes where patient receives gestational diabetes screening or has an existing diabetes diagnosis	All of a provider's valid episodes
<b>Labor and Delivery</b>	03 Delivery mode (Vaginal delivery for low-risk births)	Episodes where patient delivered vaginally	All of a provider's valid episodes for birthing individuals without a prior C-section, and with singleton and term neonate in vertex positions
<b>Postpartum</b>	04 Postpartum visit within 3 weeks of discharge	Episodes where the patient receives an obstetric follow-up visit within 21 days	All of a provider's valid episodes
<b>Neonatal</b>	05 Neonatal visit within 5 days of discharge	Episodes where the neonate receives a primary care visit within 5 days	All of a provider's valid episodes where patient can be matched to neonate

Calculation of quality metrics: The pilot metrics are calculated based on NJ FamilyCare claims data. The pilot will not require the provider to engage in any self-reporting for the purposes of calculating quality metrics.

Additional quality-related information: To support the success of providers in the pilot, additional reporting (informational-only, not tied to any financial payments) quality metrics will be included in Interim Reports and the Final Performance Period Reports (see [V. Episode Reports](#)) distributed to providers. Reporting measures may transition to become payment-linked quality metrics in future Performance Periods.

**TABLE 2: PERFORMANCE PERIOD 2 REPORTING-ONLY QUALITY METRICS**

<i>Perinatal period</i>	<i>Reporting-only quality metric</i>
<b>Prenatal</b>	Mental health treatment
	Substance use disorder treatment
<b>Labor and Delivery</b>	Vaginal deliveries (for all valid episodes)
	Vaginal deliveries without episiotomy
<b>Postpartum</b>	Term newborn free of unexpected complications (within 0-30 days including but not limited to: respiratory distress, bacteremia, sepsis)
	Absence of maternal complications (within 0-30 days including but not limited to: bacterial infections, anemia, fever)
	Post-delivery acute event (i.e., emergency department visit)
	Postpartum visit within 60 days (i.e., obstetrical follow up)

Health disparities information: Performance on payment and reporting quality metrics will be reported by patient race/ethnicity when it is shared in Interim Reports and the Final Performance Period Report.

Episode pooling: Quality performance will be pooled to include all valid NJ FamilyCare episodes for which that participating provider is attributed, across any of NJ FamilyCare’s managed care organizations with which the provider is contracted.

4. *Calculation of episode performance: Spend*

Providers participating in the episode will be assessed on spend performance (i.e., cost-of-care) across all valid episodes (births) attributed to them during Performance Period 2. This spend will include both expenditures on care provided by the participating provider, and expenditures on services provided by other NJ FamilyCare providers (including hospital, labs, other clinicians, pharmacy, etc.).

The pilot will not include the following to calculate episode spend:

- Claims associated with a specific set of high-value pregnancy-related care exclusions that include but are not limited to: community doula services, contraception, dental care, lactation support, and vaccination. This is to ensure that the episode does not inadvertently penalize provision of these high-value services.

- Claims associated with non-emergency transportation handled by the NJ FamilyCare vendor, ModivCare.
- Claims associated with a specific set of diagnoses and/or procedures that will not be regarded as pregnancy-related care, for example: vision services, or treatment of fractures.
- Claims for the neonate. (Note: Neonate claims *will* affect quality performance calculations, but will not be included in spend calculations).

Risk-adjustment of episode spend: The calculated episode spend will include risk adjustment that is intended to account for documented clinical risk factors that have been observed to increase spend (for example, opioid disorders, premature separation of the placenta, or a prior history of pre-term labor) and are regarded to be outside the control of the accountable obstetrical provider participating in the pilot. Each episode is given a risk score based on the cumulative risk factors associated with a birth. That risk score is used to calculate the risk-adjusted episode spend.

Truncation of spend: In rare cases of high outliers (i.e., three standard deviations above all providers' average risk-adjusted episode spend), an episode's spend will be truncated.

Calculation of average risk-adjusted spend: Spend for each attributed episode is risk-adjusted, then aggregated to create a total spend for the participating provider, and finally averaged across all valid episodes to calculate the provider's average risk-adjusted spend.

Episode pooling: Spend performance will be pooled to include all valid NJ FamilyCare episodes for which that participating provider is attributed, across any of NJ FamilyCare's managed care organizations with which the provider is contracted.

#### IV. FINANCIAL INCENTIVES

Participating providers are eligible to receive any of three financial incentives of Performance Period 2. It is possible for a provider to receive any combination of the incentives, including none—depending on their episode quality/spend performance and patient population.

Financial incentives of the episode design may change between each of the three Performance Periods under guidance of the Episode of Care Steering Committee. All providers eligible to participate will be informed of episode program details for each Performance Period in advance.

Minimum episode volume: The pilot requires that a participating provider must have at least 15 valid episodes in order to be eligible for any financial payment. This requirement ensures that evaluation of the calculated episode quality and episode spend reasonably reflects the provider's average performance. If a participating provider does not meet the minimum episode volume, they will still receive Interim Reports and a Final Performance Period Report for informational purposes.



**TABLE 3: PERFORMANCE PERIOD 2 FINANCIAL INCENTIVES**

<i>Episode Incentive</i>	<i>Quality Requirement (Threshold)</i>	<i>Spend Requirement (Benchmark)</i>	<i>Other Requirements</i>
Shared Savings Payment	Pass “minimum” thresholds for all five (5) payment metrics	Reduce average risk-adjusted episode spend by more than 3% relative to the individual provider’s historical performance	Episode minimum volume: Have more than 15 valid episodes
High Performer Bonus	Pass “minimum” thresholds for all five (5) payment metrics, and “commendable” thresholds for at least two (2) payment metrics	Have lower average risk-adjusted episode spend than statewide peer median	Episode minimum volume: Have more than 15 valid episodes
SUD Participation Incentive	None	None	Episode minimum volume: Have more than 15 valid episodes  Serve the highest percentage (top 20% of all providers) of patients with a SUD diagnosis

1. *Shared Savings*

The primary incentive within the episode of care pilot is Shared Savings. When a provider meets episode quality benchmarks while reducing spend, both the health payer and the provider share in the health care spending savings achieved.

In order to qualify for Shared Savings, a provider must:

- Have at least 15 valid episodes during the performance period (see [2. Identification and assignment of valid episodes](#)).
- Meet “minimum” performance thresholds for all five quality metrics (see [Table 4: Minimum Quality Thresholds for Shared Savings](#)). For Performance Period 2, the baseline will be Calendar Year 2021.
- Reduce their average risk-adjusted episode spend by more than 3% relative to their performance during the baseline period (for Performance Period 2, the baseline will be Calendar Year 2021).

**TABLE 4: MINIMUM QUALITY THRESHOLDS FOR SHARED SAVINGS**

<i>Description</i>	<i>Minimum performance requirement</i>
01 Prenatal depression screening	Patient receives prenatal depression screening in at least 50% of valid episodes OR 20% improvement on provider’s performance in 2021
02 Gestational diabetes screening	Patients either receive gestational diabetes screening or have a pre-existing diabetes diagnosis in at least 84% of valid episodes <i>(84% threshold is equivalent to the 40<sup>th</sup> percentile performance among all NJ FamilyCare providers in 2021)</i>
03 Delivery mode (Vaginal delivery for low-risk births)	Lower of: Birthing individuals without a prior C-section, and with singleton and term neonate in vertex positions deliver vaginally in at least 86% of valid episodes OR 2% improvement on provider’s performance in 2021 <i>(86% threshold is equivalent to the 50<sup>th</sup> percentile performance among all NJ FamilyCare providers in 2021)</i>
04 Postpartum clinical visit within 3 weeks of discharge	Patients receive a postpartum clinical visit within 3 weeks of hospital discharge in at least 10% of valid episodes
05 Neonatal visit within 5 days of discharge	Lower of: Infant receives a neonatal visit within 5 days of hospital discharge in 40% of valid episodes OR 5% improvement on provider’s performance in 2020 <i>(40% threshold is equivalent to the 40<sup>th</sup> percentile performance among all NJ FamilyCare providers in 2021)</i>

Providers who meet the above requirements will be eligible to receive 50% of the savings amount. For example, if a provider reduces risk-adjusted, average spend by 4% (and meets quality and minimum volume requirements), they will receive shared savings payments equivalent to 2% of total episode spend on their attributed episodes.

2. *High Performer Bonus*

The High Performer Bonus is intended to supplement the Shared Savings. Unlike with Shared Savings, eligibility for the High Performer Bonus is exclusively based on a provider’s performance relative to all NJ FamilyCare peers. This payment is intended to incentivize improvement among all providers, including those high-performing providers who have already achieved excellent quality and spend performance and may find it challenging to achieve *additional* savings.



WHILE PERFORMANCE PERIOD 2 (JULY 2023 – JUNE 2024) WILL ONLY INCLUDE “UPSIDE” SHARED SAVINGS (INCENTIVES), FUTURE PERFORMANCE PERIODS OF THE PILOT PLAN TO INCORPORATE “DOWNSIDE” RISK SHARING (PENALTIES) WHERE STRUGGLING PROVIDERS WOULD BE RESPONSIBLE FOR REPAYING A PORTION OF ANY INCREASES IN HEALTH CARE SPENDING TO THE NJ FAMILYCARE PROGRAM.

In order to qualify for the High Performer Bonus, a provider must:

- Have at least 15 valid episodes during the performance period (see [2. Identification and assignment of valid episodes](#)).
- Meet the minimum performance thresholds for all five quality metrics *and* pass the “commendable” threshold on at least two quality measures (see [Table 5: Commendable Quality Thresholds for High Performer Bonus](#)). For Performance Period 2, the baseline will be Calendar Year 2021.
- Have average risk-adjusted episode spend that is below the statewide median (calculated across all NJ FamilyCare providers, whether or not they are participating in the episode) of the baseline period (for Performance Period 2, the baseline will be Calendar Year 2021).

**TABLE 5: COMMENDABLE QUALITY THRESHOLDS FOR HIGH PERFORMER BONUS**

<i>Description</i>	<i>Requirement</i>
01 Prenatal depression screening	Patient receives prenatal depression screening in at least 75% of valid episodes
02 Gestational diabetes screening	Patients either receive gestational diabetes screening or have a pre-existing diabetes diagnosis in at least 91% of valid episodes <i>(91% threshold is equivalent to the 75<sup>th</sup> percentile performance among all NJ FamilyCare providers in 2021)</i>
03 Delivery mode (Vaginal delivery for low-risk births)	Birthing individuals without a prior C-section, and with singleton and term neonate in vertex positions deliver vaginally in at least 91% of valid episodes <i>(91% threshold is equivalent to the 75<sup>th</sup> percentile performance among all NJ FamilyCare providers in 2021)</i>
04 Postpartum clinical visit within 3 weeks of discharge	Patients receive a postpartum clinical visit within 3 weeks of hospital discharge in at least 17% of valid episodes <i>(17% threshold is equivalent to the 75<sup>th</sup> percentile performance among all NJ FamilyCare providers in 2021)</i>
05 Neonatal visit within 5 days of discharge	Infant receives a neonatal clinical visit within 5 days of hospital discharge in at least 54% of valid episodes <i>(54% threshold is equivalent to the 75<sup>th</sup> percentile performance among all NJ FamilyCare providers in 2021)</i>

High Performer Bonus payment: The bonus is funded through a fixed pool fund for Performance Period 2, the amount of which is targeted to be \$2 million subject to State Fiscal Year 2024 budget appropriations. The pool is distributed to qualifying providers in proportion to their episode volume and subject to caps on the amounts in bonuses that may be paid to a participating provider.

### 3. SUD Participation Incentive

The *SUD Participation Incentive* acknowledges that there are providers whose patient profile may include a significant proportion of patients with substance use disorder (SUD) diagnoses. In recognition that there

may be additional challenges in caring for this sub-population, the incentive payment is intended to encourage these providers to participate in the pilot.

In order to qualify for the SUD Participation Incentive, providers must:

- Have at least 15 valid episodes during the performance period (see [2. Identification and assignment of valid episodes](#))
- Be in the top 20% of all NJ FamilyCare providers serving SUD populations

Determination of providers serving SUD populations: Episodes will be identified that include a claim with a SUD diagnosis for the birthing individual. The fraction of those episodes relative to the total episodes attributed to the provider will be determined. This calculation will be performed for all NJ FamilyCare providers to create a statewide ranking.

SUD Participation Incentive payment: The bonus is funded through a fixed pool fund for Performance Period 2, the amount of which is targeted to be \$1 million subject to State Fiscal Year 2024 budget appropriations. The pool is distributed to qualifying providers in proportion to their episode volume and subject to caps on the amounts in bonuses that may be paid to a participating provider.

#### *4. Payment reconciliation*

During the Performance Period, providers who choose to participate in the pilot will see no disruption in the day-to-day processes of submission and reimbursement of claims for NJ FamilyCare patients. At the end of the Performance Period, each provider's quality and spend performance, as well as eligibility for financial incentives will be calculated retrospectively.

The calculation of episode quality and spend performance relies on NJ FamilyCare reimbursed claims data. As a result, final calculation will not occur until several months after the end of the Performance Period to allow for claims lag.

Shared Savings will be made to providers by the managed care organizations that they are contracted with, and will be based on the volume of episodes involving care for that managed care organization's patients.

## **V. EPISODE REPORTS**

To support participating provider's success towards improving quality of care and in achieving financial incentives, providers will receive interim feedback on performance through regular reporting throughout the Performance Period. This allows participating providers to have access to accurate, preliminary information about their performance so that they can make improvements on care prior to the end of the Performance Period. A sample report will be shared on the episode pilot website when Pilot Launch Reports are made available.

### 1. Features of performance reports

Reports will be individualized for each participating provider. All reports reflect information based on reimbursed NJ FamilyCare claims as submitted to managed care organizations, and reported by them to DMAHS.

Reports will include information on:

- Episode volume and total valid episodes attributed to provider
- Episode quality on all five payment metrics, and eight additional reporting (informational-only) metrics.
  - *For your information:* Episode quality will be displayed across all valid episodes, and also broken down by race/ethnicity of the birthing individual.
  - *For your information:* To support improved performance across all patients, in some instances quality performance will also be calculated and shared on an informational basis for fee-for-service (i.e. non-managed care) NJ FamilyCare births, despite the fact that these births are not used to calculate eligibility for financial incentives.
- Average risk-adjusted episode spend prior to the Performance Period, and currently within the Performance Period
- Percentage of episodes involving a birthing individual with a SUD diagnosis

### 2. Use of the PRA|SPECT portal

DMAHS has partnered with [Family Health Initiatives](#) to make reports available through [the PRA|SPECT portal](#). All NJ FamilyCare providers of prenatal care have access to the PRA|SPECT portal for submission of the required Perinatal Risk Assessment PRA Plus Form. Providers will be emailed when a report is available for viewing on the portal.

### 3. Pre-Performance Report

Only participating providers will receive Pre-Performance Reports. After provider participation has been determined for Period 2, providers will receive an informational Pre-Performance Report. This report will show the provider's historical performance on key episode quality and expenditure metrics. The purpose of this report is to educate providers on their recent performance (prior to the start of the Performance Period) and their quality thresholds and spend benchmarks from Calendar Year 2021. The report will be accessible to all current, active users listed in PRA|SPECT for the accountable billing provider when they log in to PRA|SPECT.

### 4. Interim Reports

Only participating providers will receive Interim Reports. Reports will be made available to all current, active users affiliated with participating providers and listed in PRA|SPECT for the accountable billing provider.

Interim Reports will offer providers preliminary information on cumulative performance throughout Performance Period 2 (see Table 6: Key Dates for Episode Pilot). Reports begin with a summary of the provider’s performance on all relevant measures and indicates whether the provider would be eligible for financial incentives *if* current trends continue.

### 5. *Final Performance Report*

Only participating providers will receive Final Performance Reports. Reports will be made available to all current, active users affiliated with participating providers and listed in PRA|SPECT for the accountable billing provider.

The *Performance Period 2: Final Performance Report* will be made available several months after the end of Performance Period 2. This delay is needed to allow for complete NJ FamilyCare reimbursed claims data. This report will represent the provider’s official episode quality and spend performance for Performance Period 2. Reports will detail the provider’s performance on all relevant measures and indicate whether the provider has qualified for any pilot program payments. Even if a participating provider does not meet the episode volume minimums for eligibility for financial incentives, they will still receive a *Final Performance* report so that they have feedback on their performance.

Shared Savings and incentive payments will be made after *Final Performance* reports have been released (see [4. Payment reconciliation](#)).

## VI. PROVIDER REQUIREMENTS FOR EPISODE PARTICIPATION

In order to participate in the pilot, providers must sign an agreement with DHS-DMAHS prior to each performance period. Financial incentives and other aspects of the episode design may change between each of the three Performance Periods, under guidance of the Episode of Care Steering Committee. All providers eligible to participate will be informed of episode program details for each Performance Period in advance.

### 1. *Providers eligible to participate*

Providers can be any current NJ FamilyCare providers of obstetrical care, including obstetricians and midwives that provided care during the baseline periods. Providers must be contracted with at least one of our five managed care organizations (Aetna Better Health of NJ, Amerigroup NJ Inc, Horizon NJ Health, UnitedHealthcare Community Plan, or Wellcare). Providers must be able to submit professional claims and receive reimbursement for obstetrical care.

FEDERALLY QUALIFIED HEALTH CENTERS (FQHC) CANNOT BE DIRECT PARTICIPANTS IN THE EPISODE PILOT. HOWEVER, THEY MAY PARTICIPATE AS AN ASSOCIATED PROVIDER WITH AN ELIGIBLE PROVIDER (SEE 1. The accountable provider).

## 2. Participation Agreement

In order to participate, providers must submit a *Participation Agreement* for each Performance Period (for due dates, see [Table 6: Key Dates for Episode Pilot](#)).

A binding *Participation Agreement* for Performance Period 2 is due June 30, 2023. Key requirements for the *Participation Agreement* include:

- Designation of Principal Accountable Provider: Responsible billing provider, at the level of NJ Medicaid Provider ID (as an enrolled NJ FamilyCare provider within Fee-for-Service);
- A complete list of additional Associated Providers, if relevant (see [1. The accountable provider](#))
- Identification of any additional PRA|SPECT user log-ins needed; and
- Acknowledgement of pilot policies and requirements.

## 3. Participation Requirements

All participating providers will be expected to complete the following additional Participation Requirements, which are intended to support the providers' success within the pilot:

1. Annual requirement: Create a health equity plan using a standardized template to describe the provider's strategy to address the racial health disparities identified in their individualized Reports (see [1. Features of performance reports](#)).
2. Annual requirement: Participate in a multidisciplinary review of clinical outcomes that includes, at minimum, C-section review of each attributed episode involving a C-section. Providers will document participation using a standardized template. We encourage submitted quarterly submissions of these reviews.
3. Ongoing requirement: Participation in the [New Jersey Health Information Network's \(NJHIN\) Admission, Discharge & Transfer \(ADT\) use case](#).
4. By request: Participation, as appropriate, in case study-based research projects to assess member experience and pilot outcomes.

## VII. EPISODE PROGRAM TIMELINE

The episode pilot will run for just over three years followed by reconciliation and program evaluation.

**TABLE 6: KEY DATES FOR EPISODE PILOT**

	Performance Period 1	Performance Period 2	Performance Period 3
<b>October 2021</b>	Episode pilot launch: Website and informational webinars		
<b>December 2021</b>	<i>Pilot Launch Report</i> made available on PRA SPECT		
<b>January 21, 2022</b>	Due date: Non-binding <i>Letter of Intent</i>		
<b>March 31, 2022</b>	Due date: <i>Participation Agreement</i>		
<b>April 1, 2022</b>	START		
<b>June 30, 2023</b>	Performance Period 1 with Interim Reports	Due Date: <i>Participation Agreement</i>	
<b>June 30, 2023</b>			
<b>June 30, 2023</b>	END		
<b>July 1, 2023</b>		START	
<b>In 2024</b>	Final Performance Period Report and Financial Reconciliation	Performance Period 2 with Interim Reports	
<b>May 2024</b>			Due Date: <i>Participation Agreement</i>
<b>June 30, 2024</b>		END	
<b>July 1, 2024</b>			START
<b>In 2025</b>		Final Performance Period Report and Financial Reconciliation	Performance Period 3 with Interim Reports
<b>June 30, 2025</b>			END
<b>In 2026</b>			Final Performance Period Report and Financial Reconciliation
<b>April 2026</b>	Formal pilot evaluation by DMAHS		



## VIII. APPENDIX

The following materials can be found on the NJ FamilyCare Perinatal Episode Pilot website.

<b>Document Name</b>	<b>Description</b>
<i>Perinatal Episode of Care Pilot North Star Principles</i>	Documentation of DMAHS-Steering Committee goals for the perinatal episode of care pilot
<i>Perinatal Episode of Care Steering Committee</i>	Description of the membership and work of the Steering Committee
<i>Perinatal Episode of Care Sample Provider Report</i>	Mockup of Provider Report, for illustrative purposes only
<i>Perinatal Episode of Care Performance Period 1 materials</i>	Documentation for Period 1, including: <i>Period 1 Participating Providers</i> list, <i>Period 1 Guide for Participating Providers</i> , <i>Period 1 Quick Glance of Specifications</i> , and Pilot Launch Recorded Webinars