

NJ FamilyCare Perinatal Episode of Care: Performance Period 4

Quick Glance of Specifications

Last updated: 4/16/2025

Category	Feature	Specification
Key dates	Performance Period 4	Episodes ending on 7/1/2025-6/30/2026
	Anticipated date when providers will receive Performance Period 4 incentive payments	Early 2027
	Financial reconciliation	Retrospective (Note: All providers are paid as usual during the Performance Period regardless of participation.)
Eligible providers	Participation	Voluntary
	Provider type	Provider of obstetrical care in the prenatal period and/or delivery within managed care
	Accountable provider unit of accountability	Billing provider (Note: Multiple billing providers can be associated with a single accountable provider)
	Provider exclusions	FQHCs, though they can participate as an Associated Provider with an eligible provider
	Attribution of episodes to a Principal Accountable Provider	Hierarchical: prenatal, then delivering obstetrical provider
Included patient population	Included claims	Claims for care of the birthing individual included for both episode quality and spend. Claims for care of the neonate are included in episode quality and SUD incentive calculation only.
	Births covered by managed care	Included
	Births covered by fee for service	Excluded
	Minimum episode volume requirement for incentives	15 managed care episodes
Episode quality	Number of payment metrics	5 (see separate table)
	Calculation method	Calculated from reimbursed NJ FamilyCare claims
	Baseline period for quality thresholds	CY2022
Episode spend	Number of incentives	3 (see separate table)
	Inflation adjustment	If needed, it will be determined during Performance Period 4
	Baseline period for spend benchmarks	CY2022

Performance Period 4: Quality metrics and thresholds

Metric	Minimum Threshold	Commendable Threshold
01 Prenatal depression screening	Lower of: 50% OR 20% Improvement from self*	60%
02 Gestational diabetes screening	87%	93%
03 Delivery mode (vaginal delivery for low-risk births)	Lower of: 86% OR 2% improvement from self*	91%
04 Postpartum visit within 3 weeks of discharge	15%	21%
05 Neonatal visit within 5 days of discharge	Lower of: 50% OR 5% improvement from self*	58%
*Improvement calculated based on performance in calendar year 2022		

Performance Period 4: Participation Requirements

Requirement	Options to complete	Alternative Option to complete
01 Health Equity Action Plan	Submission of a New Action Plan due the later of September 12, 2025 or 45d after Pre-Performance Report delivery	OR, <i>only available to continuing providers:</i> Present to peers during Period 4 on continued implementation of a previously approved Action Plan
02 Multidisciplinary review committee of clinical outcomes	Submission of Patient-level Review due June 30, 2026	OR, Submission of a description of review policies due September 30, 2025
03 NJHIN participation	Submission of attestation to participation in the minimum use case (Admission, Discharge, Transfer) due April 30, 2026	
04 Research participation	Upon request	

Performance Period 4: Financial incentives

Incentive	Feature	Specification
Shared Savings Payment	Quality requirements	Meet or exceed minimum threshold for all 5 metrics
	Spend requirement	Reduce risk-adjusted spend by at least 3%, relative to provider's own performance in CY2022
	Corridor	3%
	Gain sharing proportion	50% of spend below the benchmark
High Performer Bonus	Quality requirements	Meet or exceed minimum threshold for all 5 metrics Meet or exceed commendable threshold for at least 2 metrics
	Spend requirements	Provider's risk-adjusted spend must meet or be below 50 th percentile of risk-adjusted peer spend, calculated based on performance of all NJ FamilyCare providers in CY2022
	Bonus target (per episode)	\$1,500
	Bonus pool amount	\$2 million
SUD Participation Incentive	SUD percentile requirements	Provider must be in the top 20% of all NJ FamilyCare providers for the SUD calculation (below), calculated at the end of Performance Period 4
	SUD calculation	Percentage of episodes that include a substance use diagnosis for the birthing individual or neonate out of provider's total episode volume
	Bonus target (per episode)	\$300
	Bonus pool amount	\$1 million