

11. Provide a brief summary or description of the required payment arrangement selected above and describe how the payment arrangement intends to recognize value or outcomes over volume of services. If “other” was checked above, identify the payment model. The State should specifically discuss what must occur in order for the provider to receive the payment (e.g., meet or exceed a performance benchmark on provider quality metrics).

The Quality Incentive Payment Program (QIPP) is designed to provide incentive payments to nursing facilities that meet performance requirements on specified quality metrics or program-specific targets. For quality metrics in Components Two through Four, payments will be based on making improvements on specific quality indicators or reaching program-wide benchmarks. Component One and Component Two, Metric Three require NFs, as conditions of participation in the program, to develop a Performance Improvement Project (PIP) based on a facility-specific area of focus. Facilities must use Quality Assurance and Performance Improvement (QAPI) processes to develop a systematic, comprehensive, and data-driven approach to maintaining and improving safety and quality in nursing homes in the form of a PIP. Suggested PIP topics include MDS long-stay measures for Component One and Workforce development issues such as recruitment, retention, turnover, etc. for Component Two, Metric 3. A sample of the PIPs submitted at the beginning and end of the program year will be used in program evaluation.

For the state fiscal year **2023**, QIPP will include four components. Components two through four include up to four quality metrics each. The quality metrics will be equally weighted (within a component) for payment each month or quarter, as appropriate. QIPP funds will be paid through these four components of the STAR+PLUS nursing facility managed care per member per month capitation rates. Each component's value will be determined as a percentage of the total amount of funding available for the QIPP program ~~based on the nursing facility's historical Medicaid fee-for-service and STAR+PLUS days of service in a base year.~~