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April 7, 2016

DRAFT Statewide Medicaid Managed Care (SMMC) Policy Transmittal

Policy Transmittal: 16-07

Applicable to:

- Comprehensive Long-term Care (LTC) Plan
- Managed Medical Assistance Health Maintenance Organization
- Managed Medical Assistance Provider Service Network
- Managed Medical Assistance Specialty Plan
- Children's Medical Services (CMS) Plan

Re: MMA Physician Incentive Program & Ad-hoc Request for Plan Proposals

Part IV of Chapter 409, Florida Statutes contains provisions relating to the Statewide Medicaid Managed Care, Managed Medical Assistance (MMA) program.

Specifically, Part IV includes the following requirement:

409.967 Managed care plan accountability.—

- (1) The agency shall establish a 5-year contract with each managed care plan selected through the procurement process described in s. 409.966. A plan contract may not be renewed; however, the agency may extend the term of a plan contract to cover any delays during the transition to a new plan.
- (2) The agency shall establish such contract requirements as are necessary for the operation of the statewide managed care program. In addition to any other provisions the agency may deem necessary, the contract must require:
 - (a) *Physician compensation.—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 2 years of continuous operation.***

Section 409.967(2)(a), F.S., requires that managed care plans coordinate care, manage chronic disease and prevent the need for more costly care, and that such effective care management should enable plans to redirect available resources and increase compensations for physicians. In order to achieve this performance standard for the contract year beginning October 1, 2016, plans are required to implement an MMA Physician Incentive Program by October 1, 2016, as outlined by the program parameters specified in Attachment I, MMA Physician Incentive Program Submission Form; Attachment II, Florida Medicaid Cesarean Section Rate Calculation Specifications 2016; Attachment III, Agency Proposed Incentive Program Included Services; and Attachment IV, Incentive Proposal Estimated Value Template.

Managed care plans may be required to provide to the Agency or its agents information or data relative to this contract. In such instances, and at the direction of the Agency, managed care



plans must fully cooperate with such requests and furnish all data or information in a timely manner, in the format in which it is requested. Managed care plans must have at least thirty (30) days to fulfill such ad hoc requests, unless the Agency directs managed care plans to provide data or information in less than thirty (30) days. Managed care plan must verify that data and information it submits to the Agency is accurate. (Attachment II, Section II.D.2.)

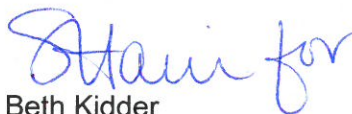
Managed care plans must submit their MMA Plan Incentive Program Proposal, as specified in Attachment I, MMA Physician Incentive Program Submission Form, to the 2016 ad hoc report folder on the Statewide Medicaid Managed Care FTP site using the following naming convention: IHPIPR***YYYYMM, where *** is the managed care plan's three character identifier, YYYY is the four digit year and MM is the two digit month in which the report is being submitted. The proposal must be submitted by May 5, 2016.

The MMA Physician Incentive Program may be an Individual Health Plan MMA Physician Incentive Program (IHP Incentive Program) or the Agency for Health Care Administration's Alternative Proposal: MMA Incentive Program (AP Incentive Program). Managed care plans must follow the instructions specified in Attachment I, MMA Physician Incentive Program Submission Form, to complete their MMA Physician Incentive Program proposal.

Managed care plans proposing to implement an IHP Incentive Program must complete all sections, including sections 6 and 8 for both the submitted IHP Incentive Proposal and the AP Incentive program, and submit Attachment III, Incentive Proposal Estimated Value Template. Managed Care Plans choosing to adopt the AP Incentive Program must complete sections 1, 2, 6, 8 and 9, and must complete and submit Attachment IV, Incentive Proposal Estimated Value Template.

If you have any questions, please contact your Agency contract manager at (850) 412-4004.

Sincerely,



Beth Kidder
Assistant Deputy Secretary for
Medicaid Policy and Quality

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Enclosures:

Attachment I, MMA Physician Incentive Program Submission Form

Attachment II, Florida Medicaid Cesarean Section Rate Calculation Specifications 2016

Attachment III, Agency Proposed Incentive Program Included Services

Attachment IV, Incentive Proposal Estimated Value Template