

Alternative Payment Methods
Semi-Weekly TAG Call
March 12, 2013

I. Review 3/7/2013 Call Notes

- Out of state providers should only be reported in the APM file if the provider meets the 36,000 member month threshold for Massachusetts members
- Provider-level TME should only be reported for Massachusetts members
- Claims run out times will be specific to each payer. Payers should use a claims run out cutoff that allows for maximization of data accuracy. Payers may submit data that includes IBNR factors to maximize accuracy.
- Data on Insurance Category "5" (other governmental programs) will only be collected for files due May 15th 2013. The TME and RP files do not need to include this insurance category until 2014.

II. Areas to Note – Network Average Dollar Amount [Handout 4]

- Handout 4 contains recommended methodology for calculating the network average dollar amount
 - For inpatient file, volume should be based on discharges
 - For outpatient, physician group and other provider files, the units of volume should be at the encounter, not service unit, level.
 - 1 encounter = 1 member, 1 provider, 1 date of service
- Network average dollar amount must be based on the data previously reported to the Center for CY 2010 and CY 2011 (hospital inpatient, hospital outpatient, other providers) and CY 2009 and CY 2010 (physician groups).

III. Areas to Note – Alternative Payment Methods [Handout 1]

- For provider level reporting, payers must report members according to the provider group contract payment mechanism. If the member is included in the negotiation of a risk contract amount, then that member's payment method and dollars should be recorded as the appropriate risk payment method. For example, under a PPO product, a member is attributed to a physician group which is under a global payment contract, and the overall medical expenditures of this member will affect the risk settlement of this physician group, then this member should be recorded as global payment at this physician group.
- If a member is *attributed* to a provider group that is under a risk contract, but that member is NOT included in the settlement of the risk arrangement dollars, then that member and associated dollars should be reported as Fee for Service. For example, under a PPO product, a member is attributed to a physician group which is under a global payment contract, but the overall medical expenditures of this member will NOT affect the risk settlement of this

physician group, then this member should be recorded as fee-for-service at this physician group (if no other alternative payment methods are associated with this member).

IV. Provider Payment Methods [Handout 2]

- Only the top 30 physician groups should be reported for physician group level reporting, with below-threshold physician groups aggregated under the appropriate OrgID, 999996.
- Payment methods should be based upon contracts with the physician group, NOT at the individual physician level.
- Community health centers should be reported in the Other Provider file.

V. Next Steps

- Final DSMs and TAG notes emailed to payers on March 12th
- Final DSMs and OrgID list will be uploaded to CHIA website within next week

Filing Deadlines

Date	File Due
May 1, 2013	CY 2012 Hospital and Other Provider Relative Prices CY 2011 Physician Group Relative Prices CY 2011 Final Total Medical Expenses CY 2012 Preliminary Total Medical Expenses
May 15, 2013	Contracting Entity Mapping CY 2012 Alternative Payment Methods CY 2011 Physician Group Provider Payment Methods CY 2012 Hospital, Other Provider Payment Methods CY 2010, 2011, 2012 Relative Price Network Average Dollar Amounts for Hospitals and Other Providers CY 2009, 2010, 2011 Relative Price Network Average Dollar Amounts for Physician Groups

Reporting Thresholds

Alternative Payment Methods [Handout 1]	Provider Level – Contracting entities with more than 36,000 Massachusetts member months. Zip Code Level – All MA zip codes.
Provider Payment Methods [Handout 2]	Hospital Inpatient, Hospital Outpatient – All MA licensed hospitals as listed on CHIA’s OrgID list. Physician Groups – Top 30 physician groups by revenue for each insurance category. Other Providers – Providers who receive more than 3% of a payer’s revenue within each provider type and insurance category.
Contracting Entity Mapping [Handout 3]	All contracts that include at least one physician group (with two or more physicians).