

# **The Ohio Department of Medicaid's**

## **Minimum Performance Standards Outliers (MPSO) Methodology**

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## Introduction

Due to the pandemic, standards for performance measures established in Appendix M of the Medicaid Managed Care provider agreement required modification. Instead of basing standards on national benchmarks, ODM will use the Minimum Performance Standard Outliers (MPSO) Methodology to set standards. Using this methodology, ODM will evaluate each plan's performance by comparing Ohio Medicaid managed care plans' results to each other and identifying outliers that are statistically lower or higher than the median plan for the measure being evaluated.

These methods set outlier standards for MY 2020 and MY 2021. For MY 2020, this method examines the dispersion in MCP values from MY 2018 – MY 2019 and the median MCP value for MY 2020 for each measure to set an upper or lower outlier standard (depending on the desired direction for the measure). The values from MY 2018 – MY 2019 determine the dispersion for each year MY 2018 through MY 2019 and those dispersions (standard deviation for each year) are used in a formula to create a threshold for MY 2020. The median plan in MY 2020 will be the starting point of the formula for the MY 2020 standard, with the outlier threshold relying on the median for MY 2020 and the dispersion (mathematical relationship between the values) using standard deviations from MY 2018 – MY 2019. (Note, if data from an MCP or more than one MCP from the years MY 2018 to MY 2019 is incomplete or is not considered to be quality data, then the formula will be adjusted to remove that MCP's data from the calculation of the standard deviation for that year).

The same process will be done for MY 2021, using the same MY 2018 and MY 2019 dispersion values but now using MY 2021 as the median value instead of MY 2020.

The measures for which there will be outlier standards for MY 2020 are:

- Adults' Access to Preventive/Ambulatory Health Services (AAP)
- Ambulatory Care: Total (AMBA) - Emergency Department (ED) Visits
- Annual Dental Visit (ADV)
- Antidepressant Medication Management (AMM) - Acute Phase
- Antidepressant Medication Management (AMM) - Continuation Phase
- Breast Cancer Screening (BCS)
- Cervical Cancer Screening (CCS)
- Childhood Immunization Status (Combo 3)
- Chlamydia Screening in Women (CHL)
- Comprehensive Diabetes Care (CDC) - Blood Pressure Controlled <140/90 mm Hg
- Comprehensive Diabetes Care (CDC) - Eye Exam (Retinal) Performed
- Comprehensive Diabetes Care (CDC) - HbA1c Control (<8.0%)
- Comprehensive Diabetes Care (CDC) - HbA1c Poor Control (>9.0%)
- Comprehensive Diabetes Care (CDC) - HbA1c Testing
- Controlling High Blood Pressure (CBP)

Follow-Up After Emergency Department Visit for Alcohol and Other Drug Abuse or Dependence (FUA) - 30-day follow-up  
Follow-Up After Emergency Department Visit for Alcohol and Other Drug Abuse or Dependence (FUA) - 7-day follow-up  
Follow-Up After Emergency Department Visit for Mental Illness (FUM) - 30-day follow-up  
Follow-Up After Emergency Department Visit for Mental Illness (FUM) - 7-day follow-up  
Follow-up After Hospitalization for Mental Illness (FUH) – 7-day follow-up, ages 6-17  
Follow-up After Hospitalization for Mental Illness (FUH) – 7-day follow-up, ages 18-64  
Follow-Up After Hospitalization for Mental Illness (FUH) - 30 day follow-up, Total  
Follow-Up Care for Children Prescribed ADHD Medication (ADD) - Continuation & Maintenance Phase  
Follow-Up Care for Children Prescribed ADHD Medication (ADD) - Initiation Phase  
Immunizations for Adolescents (Combo 2)  
Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment (IET) - Engagement Ages 13-17  
Initiation and Engagement of Alcohol and Other Drug Abuse or Dependence Treatment (IET) - Initiation Total  
Lead Screening in Children (LSC)  
Mental Health Utilization (MPTA) – Inpatient  
Statin Therapy for Patients With Cardiovascular Disease (SPC) - Received Statin Therapy - Total  
Statin Therapy for Patients With Diabetes (SPD) - Received Statin Therapy  
Use of First-Line Psychosocial Care for Children and Adolescents on Antipsychotics (APP) - Total  
Use of Opioids From Multiple Providers (UOP) - Multiple Pharmacies  
Use of Opioids From Multiple Providers (UOP) - Multiple Prescribers  
Use of Opioids From Multiple Providers (UOP) - Multiple Prescribers and Multiple Pharmacies  
Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents (WCC), BMI Percentile Documentation  
Well-Child Visits in the First 15 Months of Life (W15) - 6 or more visits  
CAHPS, Child Rating of Health Plan  
CAHPS, Child Rating of Customer Service  
CAHPS, Adult Rating of Health Plan  
CAHPS, Adult Rating of Customer Service

## **Step 1: Rank MCPs for Each Measure for MY 2020**

For each measure listed above the MCPs will be ranked for MY 2020 rates from 1-5 for the five managed care plans.

The median will be calculated for each measure for the five plans for MY 2020.

## **Step 2: Calculate Standard Deviations for Each Measure for MY 2018 and MY 2019**

Calculate the standard deviation for each measure for each of the three years listed, using all aggregate rate data for each of the five plans as the five data points (N) for that year, then

computing the mean of the 5 plans, and computing the rest of the standard deviation formula using the population standard deviation formula:

$$\sigma = \sqrt{\frac{1}{N} \sum_{i=1}^N (x_i - \mu)^2}$$

The population standard deviation formula is chosen instead of the sample standard deviation formula because all five plans represent the ODM MCP population for that year, and not a sample of the population for that year.

- A. Multiply each of the standard deviations by 2 in order to get the 2SD number

**Step 3: Calculate the threshold for the outliers for MY 2020 which will be the median MCP for MY 2020 minus a weighted average of the MY 2018 and MY 2019 standard deviations determined in Step 2.**

Using the standard deviations calculated in Step 2, the general formula for creating the threshold for the outliers for the measures will be:

$$\text{Median Plan MY 2020} - [(0.4 * (2SD \text{ MY 2018})) + (0.6 * (2SD \text{ MY 2019}))]$$

**Step 4: Make sure the new outlier threshold for MY 2020 is not higher (or lower) than the current threshold in the MCP Provider Agreement for MY 2019.**

For measures where a higher value is desired, if the threshold created by formula for MY 2020 is lower than the existing threshold used in MY 2019, the MY 2020 threshold will be used. For these measures, if the threshold for MY 2020 is higher than the existing threshold used in MY 2019 in the MCP Provider Agreement, the MY 2019 threshold will be used.

Conversely, for measures where a lower value is desired, if the threshold created by formula for MY 2020 is higher than the existing threshold used in MY 2019, the MY 2020 threshold will be used. For these measures, if the threshold for MY 2020 is lower than the existing threshold used in MY 2019 in the MCP Provider Agreement, the MY 2019 threshold will be used.

All measures will be specified to state whether a higher or lower value is desired.