

**Overview of Proposed Program**  
**“Pivot Entity”**  
**Alabama Medicaid Agency**  
**May 8, 2018**

*Proposed details are based on Agency information as of May 8, 2018.  
Modifications may be made based on CMS guidance or other developments.*

### ***Guiding Principles***

- Pay for activity, not membership
- Focus on care management and health outcomes
- Redirect current expenditures to better achieve desired outcomes

### ***Pivot Entity Organizations***

- Are structured to be Primary Care Case Management Entities (PCCM-E)
- Are not Regional Care Organizations (RCOs)
- Do not take on full financial risk
- Do not pay providers (Medicaid will pay providers directly)
- Do not require third party administration (TPA) support (e.g., claims payment, risk management, prior authorization, etc.)
- Do not require large-scale upfront investment (in contrast to RCOs)
- Will be responsible for a care coordination system in one pre-defined region
- Will be incentivized along with Primary Care Providers for better health outcomes
- Will be incentivized to provide a higher volume of care coordination services
- Will have clinical and administrative incentive metrics focused on ambulatory care
- Led by key staff including an executive director, quality care manager, care coordination supervisor, pharmacists and a part-time medical director
- The Medicaid Agency will explore having the entity manage transportation benefits for assigned recipients

### ***Pivot Entity Governing Boards***

- Will have governing boards based on the following rules:
  - 50 percent of the board (regardless of size) must be primary care physicians (including at least one OB-GYN) who practice in the region and participate with the Pivot Entity. Up to two of these primary care physicians can be employed by a hospital.
  - In-region Hospitals (2 slots)
  - Community Mental Health Center Representative (1 slot)
  - Substance Abuse Treatment Facility Representative (1 slot)
  - Consumer Representative (e.g. Recipient, Parent of Recipient or Advocacy Organization Representative) (1 slot)
  - Federally Qualified Health Center (FQHC) Representative (1 slot)
- Consumer Advisory Committees for each Pivot Entity will be established. Governing boards will be required to hear from CACs at least twice each year.

## Overview of Proposed “Pivot Entity”

### Alabama Medicaid Agency

May 8, 2018

---

#### Quality Improvement / Data

- Pivot Entity will have funded quality improvement projects focusing on population priorities, such as:
  - Substance Abuse
  - Infant Mortality
  - Obesity and Obesity Prevention
- Metrics and benchmarks will focus on items under control of the Pivot Entity and primary care physicians, such as:
  - Well child visits
  - Immunization rates
  - BMI measurements
  - Substance abuse care coordination
  - Prenatal and post-partum care
  - Case management
    - May include other features in the future
      - Targeted population programs
      - More standardized specialist support
      - Provider supports
      - Public health initiatives
- The Agency will push out data to guide and support care coordination activities.

#### Populations / Regions

- Seven pre-defined regions (see last page)
- One Pivot Entity in each region;
- Pivot Entity will serve the Patient 1<sup>st</sup> population, maternity care population and Plan First.
  - Included Populations: Children, Pregnant Women, Aged/Blind/Disabled and Plan First recipients
  - Excluded groups: Medicare/Medicaid (dual eligible), foster children
  - Optional Groups: Breast and Cervical Cancer recipients; Native Americans

#### Payment/Reimbursement

- Payment to Pivot Entity will be a combination of A, B, and C:
  - A. **PMPM** payment for Quality Improvement/Population Health activities. Current plans are for this payment to help with costs of key staffing and for this payment to start at least one month before individual case management activities commence; and
  - B. **Payment for specific care coordination services delivered**

## Overview of Proposed “Pivot Entity”

Alabama Medicaid Agency

May 8, 2018

---

- This payment is based on the complexity/level of activity provided during a month for the recipients receiving face to face management.
- C. **Additional incentive payments** are possible based on achieving certain quality metrics
- D. **Current plans are for each region to have a maximum budget based on the number of Medicaid Eligibles living in the region. The budget will include financial considerations for those regions that are more rural.**
- E. Payments to physicians will be tiered and based on service, not participation
  - a. Patient 1<sup>st</sup> panel system to end; primary care patients may see any Medicaid Primary Care Physician; some restrictions will apply to maternity care recipients
  - b. Primary Care Physician payment methodology is based on achievements in the categories outlined below:

**Quality Metric Performance**

**Cost Effectiveness**

**Patient-Centered  
Medical Home Activities**

*Above payments are achievable if the physician participates with the Pivot Entity*

**Pivot Entity Participation Payment**

This will take the FFS payment to the current bump rate

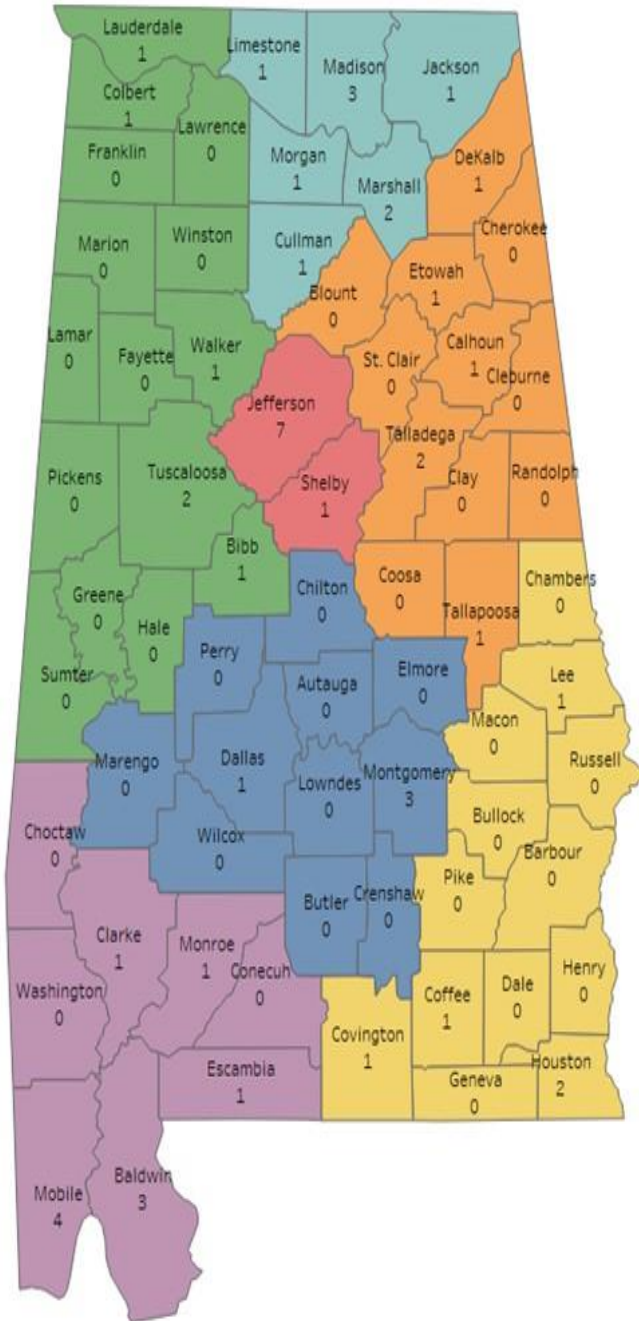
**Base Fee For Service**

Current Medicaid FFS schedule for those physicians who choose not to participate with the Pivot Entity

**Primary Care Physician Payment**

**Overview of Proposed “Pivot Entity”  
Alabama Medicaid Agency  
May 8, 2018**

**Proposed Pivot Plan Network Map  
(with number of delivering hospitals by county)**



Region Populations	CMS Rural Designation		Total
	No	Yes	
Southwest	98,664	24,669	<b>123,333</b>
Jefferson/Shelby	116,954	-	<b>116,954</b>
East	63,924	44,052	<b>107,976</b>
Northeast	97,100	7,210	<b>104,310</b>
Southeast	37,230	66,335	<b>103,565</b>
Central	54,197	47,461	<b>101,658</b>
Northwest	38,720	60,610	<b>99,330</b>
<b>Total</b>	<b>506,790</b>	<b>250,336</b>	<b>757,126</b>

- Regions**
- Central
  - East
  - Jeff./Shelby
  - NE
  - NW
  - SE
  - SW