

QIP Overview – Informational Webinar

11/13/2024

3:00 – 5:00 pm





Pay-for-Performance Overview

Rate Reform Overview

Quality Incentive Program

- Progress to date
- Approach for program development
- Provider Directory

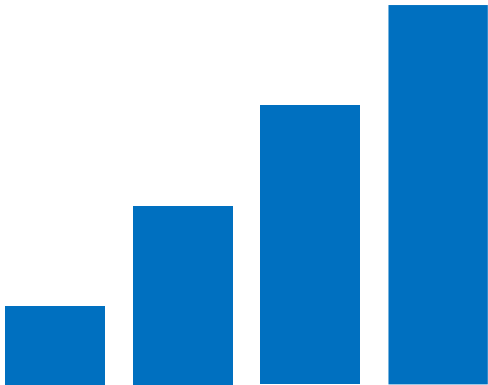
Opportunities for Community Partner Feedback

Pay-for-Performance Overview

Current Payment System

Current System:

Providers are paid based on the volume of services they provide to individuals (i.e., **fee-for-service**)



- Currently, the more services a provider delivers, the more payments they receive.
- Under this system, providers are paid for services at the same rate, regardless of the quality of those services or the outcomes individuals see.

Value Based Payment System:

Many states are starting to pay providers/vendors based on the quality of services and outcomes for individuals



This allows states to:

- **Reward** high-quality, person-centered, coordinated services that help individuals achieve their goals.
- **Influence** provider behavior in support of individuals and families, and state policy goals.
- **Track** trends in service quality and provision.

Developing a Pay for Performance System

There are many considerations (and questions) to developing pay for performance home- and community-based services.

Vision

- What are the priorities and goals?
- What outcomes are we trying to achieve?

Data

- What data is already being collected?
- What other data do we need and how can we get it?

Measures

- How do we measure quality and other individual outcomes?
- How do we make sure measures are reliable, valid, and attributable to the provider?

Payment

- How do we fairly pay providers based on performance?
- What incentives reward the right behaviors?

Rate Reform Overview

Rate Reform Timeline



Background

March 2016: CA Legislature passed legislation that directed DDS to do a study of payment rates and to determine ways to:

- Have enough providers to meet the needs of individuals across the state
- Support the sustainability of community-based services, and
- Improve the quality of services and improve consumer outcomes.

March 2019: DDS submitted a rate study to the Legislature.

- The rate study recommended new and increased payment rates for **many HCBS services** to standardize the way providers are paid for services.

September 2022: The Department began implementing a voluntary Quality Incentive Program (QIP) for service providers, pursuant to [Welfare and Institutions Code section 4519.10](#).

New rates will become effective January 1, 2025.

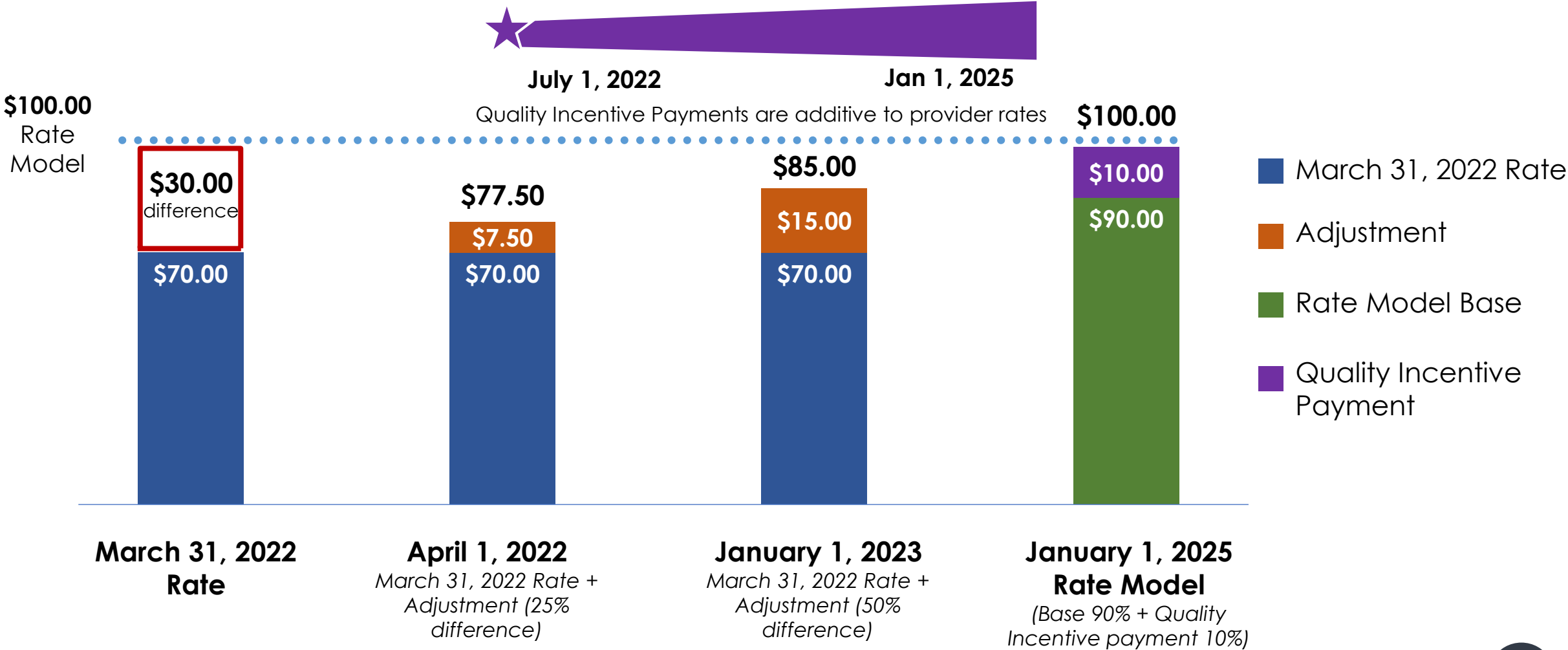


Pay for Performance Component

Rate Reform introduces a pay for performance component of provider payment, the [Quality Incentive Program \(QIP\)](#).

- **90%** of provider's payment will be based on the new payment rates under Rate Reform.
- **QIP is up to 10% of a provider's payment.**
 - To earn the QIP rate component, providers will need to meet certain quality measures
 - To meet statutory requirements, this 10% rate component must be tied to **individual outcomes** starting in 2026.

Provider Rates and Quality Incentives



Quality Incentive Program

QIP Progress to Date (1/3)



DDS formed a workgroup in November 2021 to provide feedback on QIP program development. Through multiple meetings, the Workgroup provided input on the HCBS aspects that are important to measure to promote good, person-centered outcomes.

The Workgroup identified six areas for QIP to focus on:

- *Employment*
- *Early Intervention*
- *Prevention and Wellness*
- *Workforce Capacity*
- *Access to Services*
- *Informed Choice & Satisfaction*





These focus areas were used to develop measures for **one-time incentive payments**.

These one-time incentive measures are being implemented to develop baseline data which can be used to inform the QIP measures in FY 26/27.

One-time incentive payment measures for July 2025 – June 2026:

- *Health Checks in Residential Providers*
- *DSP Workforce Survey Participation*
- *Competitive Integrated Employment (CIE) Placements*
- *Employment Specialist Training Completion*
- *Timely Service Delivery for Early Intervention Services*





For the first phase of rate reform, the 10% QIP rate component initially will be tied to Provider Directory participation.

- From **January 1, 2025 through June 30, 2026**, providers included in rate reform can earn the QIP rate component up to **10% of their rate** if they enter timely, accurate, and complete information in the Provider Directory.
- In addition to accessing their full rate, providers of certain types of services can also collect one-time incentive payments for participation in quality measures.
- Per statute, starting on July 1, 2026, the QIP rate component of a provider's rate will be earned by participating in the quality measures that are currently in development.



The Provider Directory allows DDS to better understand the landscape of providers in California's I/DD system, which helps inform future quality measurement. As the Provider Directory evolves, it will be a tool for individuals seeking services and family members to easily identify providers based on their location, needs, and preferences.

Provider Directory (continued)

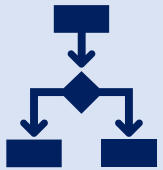
- DDS develops the Provider Directory
- Providers and Regional Centers submit data
- DDS validates data and finalizes incentive payments and provider rates for January 1, 2025-June 30, 2026

- DDS works with RCs to standardize vendorization process, including the Provider Directory

- DDS and community partners determine what additional data would be helpful to know about providers
- DDS updates the Provider Directory
- Providers and Regional Centers submit data (*ongoing*)
- DDS publishes a public-facing version of the Provider Directory
- DDS works with community partners on how to use the Provider Directory

Where Are We Going? 2026-2027 Measures

Determine what measures providers must reach to receive the 10% payment after July 1, 2026.



Measure development for FY26-27 will:

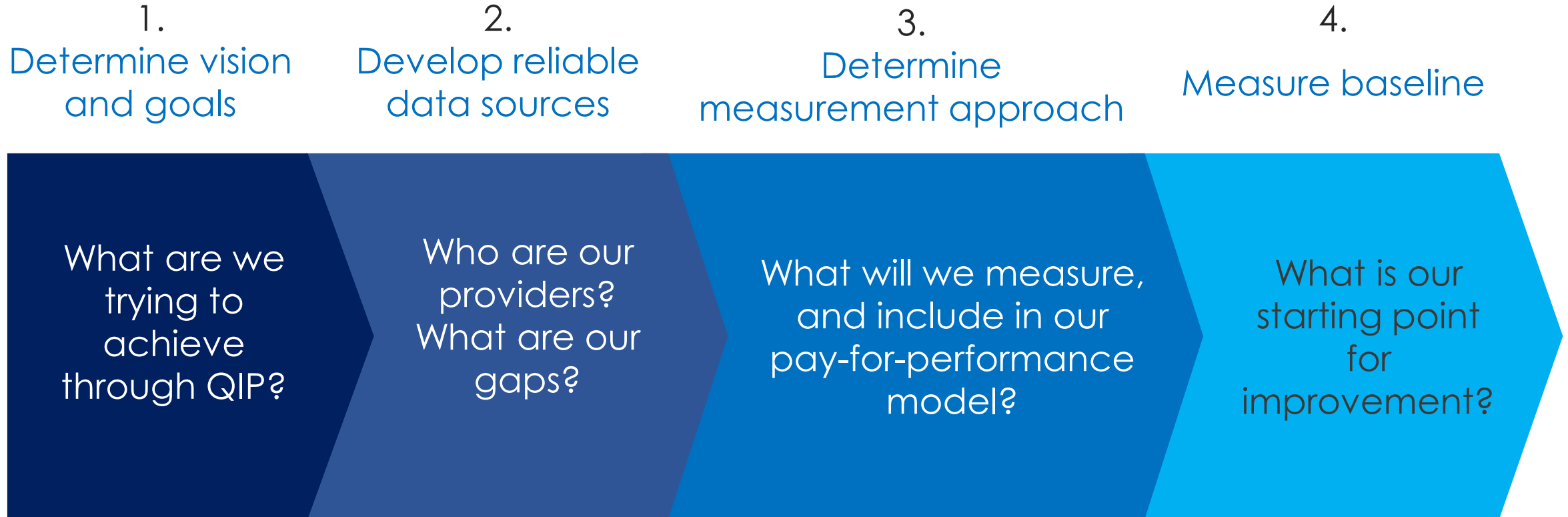
- Align with the program's vision and goals developed by QIP (see Appendix)
- Ensure all service codes included in rate reform are tied to at least one quality measure
- Build on lessons learned from one-time incentive payment measures



Key considerations:

- Data availability/ needs/ infrastructure development
- Community engagement (individuals, families, providers, RCs)
- Meaningful, reasonable incentives

Steps for Phased Approach



Opportunities for Community Partner Engagement

DDS plans to set up **focus groups** with individuals receiving services, family members, providers, Regional Centers, and other community partners to discuss QIP development, specifically:



- What outcomes are important for individuals and families?
- How should DDS collect and share data?
- What updates can be made to one-time incentive measures to improve individual outcomes?

Focus groups will begin this year.

Appendix

Resources and Additional Information on QIP and Rate Reform

[Welfare and Institutions Code 4519.10](#)

[DDS Rate Reform](#)

[Provider Directory](#)

[Quality Incentive Program](#)



QIP Vision and Goals



VISION

People with intellectual and developmental disabilities have access to high-quality services that meet their needs and goals.



GOALS

Experience
&
Satisfaction

Timely Access

Outcomes

Equity

Service
Delivery &
Capacity

Oversight &
Transparency