



State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

DATE: September 1, 2020

QIP POLICY LETTER 20—002

TO: ALL MEDI-CAL MANAGED CARE HEALTH PLANS
ALL QIP ENTITIES

SUBJECT: DATA SHARING REQUIREMENTS FOR THE MANAGED CARE HEALTH PLANS IN THE QUALITY INCENTIVE POOL (QIP) DIRECTED PAYMENT PROGRAM

PURPOSE:

This QIP Policy Letter (QPL) informs Medi-Cal Managed Care Health Plans (MCPs) of data sharing requirements associated with the Quality Incentive Pool (QIP) directed payment program.

BACKGROUND:

The Department of Health Care Services (DHCS) has implemented the Designated Public Hospital (DPH) QIP directed payment program since state fiscal year 2017-18, and, upon CMS approval, District and Municipal Public Hospitals (DMPHs) will be eligible to participate in the QIP program effective July 1, 2020 in accordance with the terms of the CMS-approved directed payment program. QIP allows participating DPH and DMPH systems (collectively referred to as QIP entities) to earn performance-based quality incentive payments, as directed by DHCS, from MCPs with which they contract as network providers. QIP directed payments are earned based on QIP entity performance in achieving identified targets for quality of care metrics. QIP entities must submit reports directly to DHCS containing any information necessary for DHCS to evaluate achievement of applicable performance measures and calculate the amount of QIP directed payments earned.

[MCPs' contracts with DHCS](#) require that they comply with the terms of each directed payment program approved by CMS under 42 CFR 438.6(c), as specified by DHCS through technical guidance such as this QPL (see Medi-Cal Managed Care Boilerplate Contracts, Exhibit B, "Special Contract Provisions Related to Payment").

POLICY:

MCPs must assist QIP entities in collecting information necessary to complete QIP reporting obligations for all years in which the QIP is in effect. This includes providing QIP entities with the minimum necessary information outlined by DHCS, which may include, but is not limited to, pharmaceutical and non-pharmaceutical claims data. DHCS will notify MCPs of the specific data elements required to be shared with QIP entities on a regular basis via guidance on the [DHCS QIP website](#), and of the deadline by which the necessary data should be provided to the QIP entities. DHCS will email MCP Medical Directors when the aforementioned updates are posted to the DHCS QIP website.

QIP entities should contact their QIP Liaison and MCPs should email the QIP Mailbox at qip@dhcs.ca.gov if there are any questions concerning this QPL.

Sincerely,

ORIGINAL SIGNED BY KAREN MARK

Karen E. Mark, MD, PhD
Medical Director