

DATE: May 05, 2025

QIP POLICY LETTER 25-001

TO: ALL QUALITY INCENTIVE POOL (QIP) ENTITIES

SUBJECT: CALENDAR YEAR (CY) 2024 – REPORTING BASELINE ON FUX MEASURES

PURPOSE:

This QIP Policy Letter (QPL) provide further guidance to QIP entities on Quality Incentive Pool (QIP) Program Year (PY) 7 (Calendar Year [CY] 2024) reporting related to the Follow-Up (FUX) measures including Follow-Up After Emergency Department Visit for Substance Use (FUA), Follow-Up After Emergency Department Visit for Mental Illness (FUM), and Follow-Up After High-Intensity Care for Substance Use Disorder (FUI).

BACKGROUND:

On December 27, 2023, the Centers for Medicare and Medicaid Services (CMS) approved the revised PY4-PY6 preprints for the Designated Public Hospitals (DPHs) and District Municipal Public Hospitals (DMPHs). The QIP program is authorized by the Welfare and Institutions Code section 14197.4(c). On December 26, 2023, the Department of Health Care Services (DHCS) submitted the DPH and DMPH one-year QIP preprints for PY7 (CY 2024) to CMS for approval. The DPH preprint was approved on July 24, 2024, and the DMPH preprint was approved on August 5, 2024. The PY7 (CY2024) Reporting Manual was released on December 15, 2023, for the DPHs and January 3, 2024, for the DMPHs.

POLICY:

Previously, DHCS did not communicate the need for MCPs to produce CY 2023 baseline for QIP entity that is reporting any of the “better of” measures (Q-FUA, Q-FUI, and Q-FUM) in PY7 (CY 2024). However, we recognize that an MCP-produced baseline is essential because if MCP-produced rates are tied to payment (through the Achievement Value for these measures), the baseline must also be MCP-produced rates. The comparison of CY2024 performance to baseline must be an apples-to-apples comparison.

Regardless of what rates are being tied to payment (MCP-produced rates or QIP entity-produced rates), all QIP entity will require to follow the instructions for Option #1 or Option #2 below:



Option #1 Reporting MCP-produced Rates (which are tied to payment)	Option #2 Reporting QIP entity-produced Rates (which are tied to payment)
1. Report <u>MCP-produced baseline</u> (CY 2023) data under the data field “ <i>Trending Break Data For PY6 Reported in PY7</i> ” and PY7 (CY2024) performance data under “ <i>Data for PY7</i> ”	1. Report <u>QIP entity-produced baseline</u> (CY 2023) data under the data field “ <i>Trending Break Data For PY6 Reported in PY7</i> ” and PY7 (CY2024) performance data under “ <i>Data for PY7</i> ”
2. Report the <u>QIP entity-produced rates</u> (both CY 2023 baseline and CY 2024 performance data) in the data methodology narrative	2. Report the <u>MCP-produced rates</u> (both CY 2023 baseline and CY 2024 performance data) in the data methodology narrative

DHCS has instructed the Managed Care Plans (MCPs) to send these rates, regardless of QIP entity measure selection, to the entity’s contact and carbon copy the QIP mailbox, QIP@dhcs.ca.gov, for comparative analysis by **Monday, June 9, 2025**. Given the technical specifications for CY 2024 and CY 2023 performance, as calculated by MCPs, are the same other than the measurement year, DHCS believes this should be feasible for MCPs.

QIP entities are encouraged to actively reach out to their MCPs to ensure that their MCPs are able to produce the requested baseline.

Please contact your QIP Liaison or email the QIP Mailbox at gip@dhcs.ca.gov if there are any questions concerning this QPL.

Sincerely,

ORIGINAL SIGNED BY SARAH LAHIDJI

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