

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850



CENTER FOR MEDICARE & MEDICAID SERVICES

DATE: June 6, 2014

TO: Medicare-Medicaid Plans

FROM: Amy K. Larrick
Acting Director, Medicare Drug Benefit and C & D Data Group

Tim Engelhardt
Director, Medicare Medicaid Coordination Office Models, Demonstrations and
Analysis Group

SUBJECT: Final Demonstration Year 1 Medicare-Medicaid Plan Quality Withhold
Methodology and CMS Core Technical Notes

In March 2014, CMS released a draft of the Demonstration Year 1 (DY 1) quality withhold methodology and technical Medicare-Medicaid capitated financial alignment model reporting requirements for comment. The attached document incorporates the feedback CMS received from a variety of stakeholders, including states, advocates, trade organizations, and MMPs, and serves as final guidance for MMPs in all states for DY 1. The purpose of this document is to provide Medicare-Medicaid Plans (MMPs) with the final methodology associated with the quality withhold payments for DY 1. It also includes the technical notes for the CMS DY 1 core measures.

The DY 1 methodology applies to both the CMS core and state-specific measures. A separate attachment will be provided with the technical notes for state-specific quality withhold measures for MMPs operating in each state. These technical notes will supplement the requirements in the CMS core technical notes described above. The state-specific attachments will be provided on a rolling basis as separate guidance; CMS anticipates releasing drafts of these attachments for comment prior to issuing in final. CMS also anticipates releasing an updated version of the MMP Core Reporting Requirements in the near future to include the information provided here regarding the required benchmarks for the CMS core quality withhold measures.

Please contact the Medicare-Medicaid Coordination Office at mmcocapsmodel@cms.hhs.gov if you have any questions.