

*D. Protocols for Conducting or Validating Performance Improvement Projects and Conducting Focused Studies*

*Comment:* One commenter believes all the activities in this protocol are reasonable.

*Response:* We agree and retain the activities in the protocol.

*Comment:* One commenter asked for clarification of why the protocol for conducting performance improvement projects was developed. The commenter questioned the value of this protocol since the EQRO is not affiliated with any MCO and has no way to implement performance improvement initiatives affecting the actual delivery of care. The commenter recommended eliminating this protocol.

*Response:* This protocol was developed to provide EQROs and States guidance on the activities required when conducting performance projects as an optional EQR-related activity that qualifies for 75 percent FFP. A State may itself, through another State contractor, or through the EQRO, have additional performance improvement projects conducted other than those required to be conducted by the MCO/PIHP under § 438.240(b)(1) of the Medicaid managed care final rule and § 438.358(b)(1) of this rule. As long as the project is conducted consistent with the protocol, the information can be provided to the EQRO and be included as part of the EQR function. If the State itself or other State contractor conducts the activity, the State would not qualify for the 75 percent enhance match. If the EQRO conducts the performance improvement project, the State could claim the enhanced match. We developed separate protocols for the conduct of performance improvement projects and the validation of performance improvement projects to have stand-alone documents.

*Comment:* One commenter recommended that the focused study protocol be combined with the validating performance improvement projects protocol. The resulting protocol should be an optional protocol to be used at the State's discretion. One commenter recommended that the validating performance improvement projects and conducting performance improvement projects protocols be combined.

*Response:* We have developed separate protocols for validating and conducting performance improvement projects and for conducting a focused study of health care quality in order to provide stand-alone documents for each of the EQR-related activities. The

focused study protocol and the conducting performance improvement projects protocol are to be used at the State's discretion if it decides to include information from these optional EQR-related activities as part of the EQR. In contrast, validating performance improvement projects conducted by MCOs/PIHPs is a mandatory activity. Although these protocols have much in common, there are some differences and we believe it is more helpful to the readers and users of the protocols to present these similar, but different activities in separate documents.

*Comment:* One commenter argued that the focused study protocol is biased towards proprietary measurement systems, that we advocate the use of indicators that are generally used in the public health community such as those developed by NCQA and the Foundation for Accountability (FACCT). The commenter recommended that the protocol be neutral in tone and approach the topic of performance measure selection from the perspective of State preferences and existing or evolving State-specified systems.

*Response:* We agree with the commenter that we advocate the use of performance indicators that are generally used in the public health and managed care industry. This is because these measures have been tested for validity and reliability and are widely accepted in the public and private sectors. However, we also, in the performance measures (both conducting and validating) and focused study protocols state that other indicators may be used. We recommend that these indicators be developed on the basis of current clinical practice guidelines or clinical literature derived from health services research or findings of expert or consensus panels.

*Comment:* One commenter suggested we add appointment availability studies, network assessment studies, open-closed panel reports, member and provider satisfaction survey data, and provider language reports as potential sources of information for selecting study topic for performance improvement projects or focused studies of health care quality.

*Response:* We agree with the commenter and have revised the potential sources of supporting information section, under Activity "Selecting the Study Topic," in the performance improvement projects (conducting and validating) and focused studies protocols to include the following: data on appointments and provider networks such as access, open and closed panels, and provider language spoken. Data from surveys was

already included in this section in each protocol.

*Comment:* One commenter suggested we add a discussion of service needs for special needs populations to the list of methods for selecting the study topic.

*Response:* We recommend in this section that topics should reflect high-volume or high-risk conditions of populations served, including populations with special health care needs such as children in foster care, adults with disabilities, and the homeless. We further state that although these populations may be small, their special health care needs place them at high risk. We believe these provisions address the commenter's concerns and that no change is needed.

*Comment:* One commenter believes that our rationale for reliable data collection only addresses clinical data collection. The commenter suggested we add a section for service studies such as appointment availability and that methods to implement this include review of appointment books, and "secret shopper" techniques when someone calls to make an appointment. These kinds of indicators require scripts and very clear definitions of items such as acute care, emergent care, and routine care.

*Response:* We agree with the commenter that we did not include a discussion on data collection issues when using nonclinical data. We have added a paragraph in the performance improvement projects (both conducting and validating) and focused studies protocols to address this issue.

*E. Protocol for Validating Encounter Data*

*Comment:* One commenter stated that the protocol does not allow for the fact that encounter data may be used for risk adjusted payment and/or other utilization data analysis purposes.

*Response:* Accurate and reliable encounter data is crucial to performing any analysis of utilization data, and in particular to the development of capitated payments which are based on utilization data. This protocol specifies processes for assessing the completeness and accuracy of the encounter data MCOs and PIHPs submit to the State. We believe this protocol for validation of encounter data accommodates the multiple purposes for which encounter data are used.

*Comment:* One commenter stated that this protocol is long, detailed, needlessly prescriptive and biased toward the MEDSTAT and HEDIS models. The commenter also stated that since States generally have encounter data validation processes in place, this