Medicaid Policy Proposed Draft Rules

- Section 181.000 (K) – Outlier Patient Exclusions ‘Calculation of average adjusted episode reimbursement for each PAP will exclude outlier patients who have extraordinarily high or low cost episodes and/or comorbid conditions risk/severity so that one or a few cases do not meaningfully misrepresent a provider’s overall performance across the provider’s broad patient population.’

Committee Discussion centered on the highlighted portion of the section above. Committee members expressed concern about the exclusion of low cost episodes from a principal accountable provider’s patient population. Their recommendation was to specifically include ‘low cost outlier’ as an episode-specific exclusion.

**DHS Response:** DMS accepts the committee’s recommendation to address low outliers as episode specific exclusions in the policy for each episode of care.

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- Section 181.000 A.6. – An ‘incentive payment’ refers to positive (gain-share) or negative (risk-share) payment.

Committee discussion centered on the use of the word ‘payment’ in conjunction with the word ‘incentive’ in multiple places throughout the policy. Their recommendation was to remove the word ‘payment’ and use only the word ‘incentive’.

**DHS Response:** DMS accepts the committee’s recommendation to remove the word ‘payment’ where it appears in the policy in conjunction with the word ‘incentive’. Removal of the word does not alter the meaning or intent of the policy.