



## Statewide Medicaid Managed Care (SMMC) New Program Highlight: Quality Strategy – Incentives to Drive Improvement

The Agency for Health Care Administration (Agency) contracts with health and dental plans to provide Medicaid services to health plan enrollees. The Agency recently entered into new contracts with health and dental plans that will greatly benefit enrollees and providers. This document is part of a series that highlights the program changes in the new Statewide Medicaid Managed Care (SMMC) health and dental plan contracts. [Under the new contracts, the SMMC Quality Strategy details an array of quality components with balanced incentives and penalties to drive continual improvement in overall program quality. The strategy aims to promote healthier outcomes, ensure cost efficiency, and drive continuous improvement in health care and delivery.](#)

The Agency will transition to the new contracts in February of 2025. The plans will operate in 9 Regions throughout the state.

Region	Counties
A	Bay, Calhoun, Escambia, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Madison, Okaloosa, Santa Rosa, Taylor, Wakulla, Walton, and Washington
B	Alachua, Baker, Bradford, Citrus, Clay, Columbia, Dixie, Duval, Flagler, Gilchrist, Hamilton, Hernando, Lafayette, Lake, Levy, Marion, Nassau, Putnam, St. Johns, Sumter, Suwannee, Union, and Volusia
C	Pasco and Pinellas
D	Hardee, Highlands, Hillsborough, Manatee, and Polk
E	Brevard, Orange, Osceola, and Seminole
F	Charlotte, Collier, DeSoto, Glades, Hendry, Lee, and Sarasota
G	Indian River, Martin, Okeechobee, Palm Beach, and St. Lucie
H	Broward
I	Miami-Dade and Monroe

Florida Medicaid has a program called the Managed Medical Assistance (MMA) program. This program provides Medicaid state plan services through a managed care plan.

For the first time, the contracts include a SMMC quality strategy that utilizes a layered approach to drive continued improvement and assess penalties for poor performance to fully integrate incentives and penalties for quality plan performance.

### **Prioritizing Quality & Value**

The Agency has three core quality goals:

- ✓ Promote healthy birth outcomes for mothers and infants.
- ✓ Utilize home and community-based services to improve independence, well-being, and safety.
- ✓ Improve childhood and adolescent mental health.

To achieve these goals, an improved Quality Strategy was designed to enhance the quality of care provided to Medicaid recipients by incentivizing plans to achieve and maintain high performance in key health measures.

**Layered Approach to Drive Continued Improvement in Managed Medical Assistance and Dental Programs**

Under the new contracts, the Agency is implementing an innovative quality performance program for MMA and Dental plans. Below is a visual and written description of the incentive structure.

**New Innovative Quality Performance Programs for Plans**

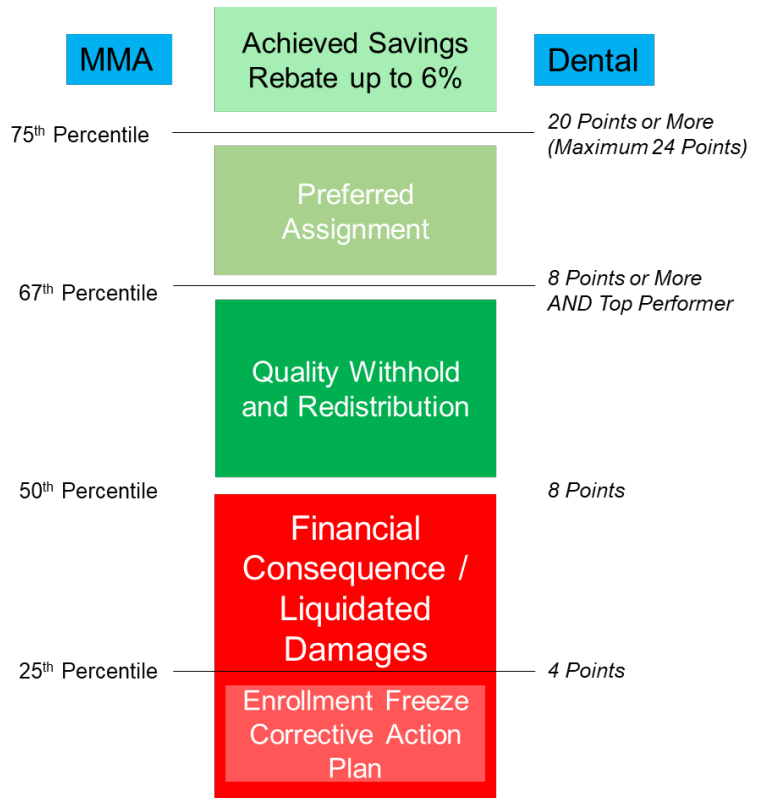
- Provide continual and increasing incentives that health plans can attain based on performance
- Ex: Quality Withhold and Redistribution and Preferred assignment

**Penalties for Poor Performance by Health Plans**

- Below 50<sup>th</sup> Percentile: Financial consequences / Liquidated Damages
- Below 25<sup>th</sup> Percentile: Enrollment Freezes and corrective action

**Quality Preferred Assignment Incentive**

- High-performing plans may receive additional auto-assignment enrollments of recipients into their plan.
- To qualify, plans must earn their full 2% or 1.5% withhold and be among the top three highest scoring plans based on total quality points.



**Achieved Savings Rebate**

The plans are required to submit an annual Achieved Savings Rebate (ASR) report, which includes information regarding their annual premium revenue, costs, and incomes or losses. If the plan achieves savings and revenue along with meeting the Agency’s defined quality measures, they may qualify to retain up to an additional one percent of their ASR.

**Quality Withhold Incentive**

The Agency withholds two percent of the plan’s capitation rate for MMA on an annual basis. The withhold may be earned back based on the plan’s performance based on measures from the Healthcare Effectiveness Data and Information Set (HEDIS).

**Types of Penalties for Poor Performance**

As a result of poor performance by the health plans, the Agency may impose monetary sanctions, corrective actions plans, performance measure monetary penalties, and temporary enrollment limitations, such as temporary enrollment freezes, enrollment algorithm reductions, and/or enrollment caps.