

Policy Name: Shared Savings Distribution – Tier Multiplier Policy (HHP-15)

Effective Date:

Approved by the Board: [August 28, 2013]

Previous Versions: None

Approval Signature: _____



Name: Douglas Kwock, M.D.

Title: President/Chair

Definitions:

"HHP" means Hawai'i Health Partners, LLC.

"HHP Patient(s)" means an individual who is enrolled in a health plan or product sponsored or administered by a commercial or government health care insurer or any self-insured health plans that have contracted with HHP to participate in quality and incentive programs related to the furnishing of medically necessary items and services to such individual.

"PCPs" shall mean Physicians who are primary care physicians, which include family practice physicians, general practice physicians, internal medicine physicians and pediatricians.

"Physician Shared Savings Program" or **"Physician SSP"** shall mean the program developed by HHP pursuant to the Accountable Care Agreement to allocate shared savings received from HMSA pursuant to an incentive plan that recognizes the critical role of Specialists and PCPs, which program may include incentives related to quality of care, outcomes, and patient satisfaction, in addition to incentives based upon cost savings.

"Specialist" means a physician who is not a PCP.

"SSP Measure" shall mean a defined scope of services or behaviors that will be measured and evaluated by HHP for purposes of determining whether an Eligible Physician may eligible to receive incentive compensation under the Physician SSP for his or her performance related to the measure.

Purpose:

The policy of HHP is to compensate Specialists based on their potential to generate shared savings. This policy is intended to explain the tiered basis for calculating the Physician SSP incentive compensation for Specialists, as set forth in Exhibit A-1 to the Hawai'i Health Partners Physician Participation Agreement.

Policy / Procedure:

- I. HHP has assigned each physician specialty to one of three tiers, as specified in Table 1. HHP's assignment decisions are based on each physician specialty's unique ability to generate shared savings under the Physician SSP.

Table 1: Specialties by Tier

Tier Name	Specialties
Foundational	<ul style="list-style-type: none"> • Allergy & Immunology • Anesthesiology • Dermatology • Genetics • Nuclear Medicine • Pathology • Podiatry • Sports Medicine • Surgery, Oral & Maxillofacial • Transplant/Organ Retrieval
Population Health	<ul style="list-style-type: none"> • Critical Care Medicine • Endocrinology • Gastroenterology • Hematology/Oncology • Infectious Disease • Neonatology • Neurology • Ophthalmology • Orthopedics • Otolaryngology/Neurotology • Pediatric Cardiology • Pediatric Critical Care • Pediatric Endocrinology • Pediatric Gastroenterology • Pediatric Hematology/Oncology • Pediatric Nephrology • Pediatric Neurology • Pediatric Otolaryngology • Pediatric Rheumatology • Pediatric Sports Medicine • Pediatric Surgery • Pediatric Thoracic Surgery • Pediatric Urology • Physical Medicine & Rehab • Psychiatry • Radiology, Diagnostic • Radiation Oncology • Rheumatology • Surgery, General • Surgery, Breast • Surgery, Colorectal • Surgery, Neurological • Surgery, Oncology • Surgery, Plastic and Reconstructive • Surgery, Thoracic • Surgery, Vascular • Urology
Targeted Initiatives	<ul style="list-style-type: none"> • Cardiology • Emergency Medicine • Hospitalist • Internal Medicine (Hospitalist) • Obstetrics & Gynecology • Palliative Medicine • Pediatric (Hospitalist) • Pediatric Emergency Medicine • Pediatric Palliative Medicine • Pulmonology

II. Each tier is assigned its own Tier Multiplier, as specified in Table 2. HHP uses the Tier Multiplier to calculate each Specialist's incentive compensation under the Physician SSP.

Table 2: Tier Multipliers

Tier Name	Tier Multiplier
Foundational	1.0
Population Health	2.0
Targeted Initiatives	5.0

III. HHP's decision to assign the Specialties into tiers and weight the tiers according tier multipliers is based on the expected care delivery role and impact that each category of Specialist will have in reducing the medical cost trend for a specific patient population. Each tier's expected care delivery role has been defined as follows:

1. Foundational: Physicians whose services are necessary for a high value network.
2. Population Health: Specialists that influence a large component of health care spending. This tier includes many proceduralists and physicians that treat acute disease states.

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3. Targeted Initiatives: Specialists that directly affect clinical services where significant shared savings opportunities exist, such as chronic conditions, emergency services, and end of life care.

Tier definitions and assignments for each category of Specialist are determined by a group of HHP physician from the HHP Finance Committee. The HHP Finance Committee may re-evaluate tier use, tier definition, and tier assignments. Subsequent adjustments by the Finance Committee to the use of tiers in calculating incentive payments may include but are not limited to: creating new tiers; developing new definitions for existing tiers; reassigning a category of Specialist to a different tier; adjusting multiplier weightings for existing or new tiers; or eliminating a tier category.

Related Documents:

Physician Participation Agreement- Exhibit A

Distribution: