

MEMORANDUM OF UNDERSTANDING **Michigan Patient Experience of Care Initiative**

(Revised version, June 3, 2016)

Purpose of MOU: The purpose of this Memorandum of Understanding (MOU) is to clarify the mutual understandings and expectations of all parties participating in the Michigan Patient Experience of Care (MiPEC) Initiative. This MOU briefly describes the initiative and its goals and the expectations, responsibilities and expected benefits or value for each stakeholder group.

Parties: This MOU describes the understandings among all parties participating in the MiPEC Statewide Initiative, including:

- Physician Organizations/Physician Hospital Organizations (PO/PHOs) and their respective affiliated physician practice sites;
- Health Plans/Payers
 - Blue Cross Blue Shield of Michigan
 - Blue Care Network
 - Health Alliance Plan
 - Health Alliance Plan North (formerly HealthPlus)
 - Priority Health
- The Greater Detroit Area Health Council (GDAHC).

Duration: This Memorandum of Understanding covers a two-year period (two annual reporting cycles), from 2016 through 2017, MiPEC Rounds 3 and 4. Although it is expected that this initiative will continue beyond 2017, at the end of 2017, all participants will determine how to structure involvement thereafter.

MiPEC Initiative Overview and Goals: MiPEC is a voluntary, statewide, collaborative initiative established to fill unmet needs related to measuring, reporting and improving patients' experience of care in the physician practice setting. Attributes of MiPEC include:

- Affordable solution for physician practices that would otherwise be hard-pressed to pay for scientifically validated, reliable and comparative measurements of their patients' experience when visiting their practices.
- Provision of performance reports (actionable data) with comparative benchmarks against other *Michigan* practices (and against other practices *in a given market area* when participation reaches critical mass).
- Support and structures to facilitate sharing and working together to continuously improve patient experience of care.
- Transparency—provision of experience of care information to patients and consumers—a dimension of provider performance very important to them.

The MiPEC Initiative is sponsored and staffed by GDAHC.

The goals for this MiPEC initiative are:

1. Generate and provide actionable data, benchmarking and other tools to individual providers, practices and POs/PHOs that can be used to improve patient experience;
2. Generate data that will be used to create valid and reliable publicly available reports of provider performance on the dimension of patient experience of care (PEC);
3. Design and implement a patient experience of care measurement system that minimizes the number of independent and uncoordinated patient survey efforts in the state, through a single initiative that meets the needs of most internal and external users. Included here are:

- a. Physicians' and other internal users' needs for data to track and improve PEC performance.
- b. GDAHC's needs to generate and disseminate public reports of performance.
- c. Private sector health plans' needs for PEC data for their pay-for-performance, public reporting and other initiatives.
- d. CMS' need for performance data related to PQRS and Physician Compare.
- e. Michigan's Multi-payer Advanced Primary Care Demonstration Project's (MiPCT) needs for PEC data by which to evaluate the project.
- f. NCQA's Recognition Program for the Patient-Centered Medical Home and its Distinction Program for Patient Experience of Care Measurement.
- g. Other demonstration and evaluation initiatives.

Common Expectations: The following expectations apply to all parties participating in the MiPEC Initiative--POs/PHOs/practices, health plans and the Greater Detroit Area Health Council:

1. **Participation in task forces and workgroups:** When asked, a party will make every effort to identify appropriate representatives from its organization to actively participate on various committees, workgroups or task forces, contributing knowledge and expertise and other input intended to improve the statewide initiative's effectiveness.
2. **Problem resolution:** In the event that problems or conflicts arise, each party involved will work to resolve them quickly, efficiently and respectfully.
3. **Sharing and Collaboration:** All parties will share MiPEC Initiative experiences, knowledge gained and lessons learned with one another in order to assess and improve the overall initiative, as well as increase the value received by each participating organization. Participating organizations will apply this commitment to sharing and collaboration to measurement, reporting and improvement work undertaken by the MiPEC initiative.
4. **Recruitment:** Each party will be ambassadors for the MiPEC Initiative, helping as asked (and pursuing their own respective outreach efforts) to recruit additional POs/PHOs, practices and health plans to join the initiative in subsequent measurement rounds or cycles.
5. **Adherence to MiPEC Data Access and Use Policy:** Each party will adhere to the provisions of the MiPEC Data Access and Use Policy under which it gains access to PEC results reporting. To the extent that any terms in this MOU conflict with terms in the Workgroup approved Data Access and Use Policy, the terms of the Data Access and Use Policy will prevail.

PO/PHO/practice site- Specific Expectations and Benefits:

1. **Expectations:** The following expectations apply to all participating physician organizations, physician/hospital organizations and physician practice sites, as appropriate:
 - a. **Use of an Appropriate Vendor:** For its engagement in this initiative, each PO or PHO agrees to utilize an external, independent survey vendor—either NRC or another vendor willing and able to: 1) administer the CG-CAHPS PCMH survey according to the CAHPS specifications, and 2) submit CAHPS Clinician and Group Survey (CG-CAHPS) data to the CAHPS Database according to the required data submission specifications.
 - b. **Standardization:** The PO, PHO or physician practice site will make every effort, working with its survey vendor, to ensure that its measurement period, sample frame, survey method and related work meet the common standards and guidance contained in the Common Vendor RFP or the Vendor Requirements for organizations not using the common vendor (both documents available upon request).

- c. Priority of MiPEC Initiative: If a PO, PHO or physician practice site is conducting ongoing/internal PEC survey activity in addition to its participation in the MiPEC statewide initiative, it will structure the patient sampling work to ensure that there will always be a large enough non-duplicate patient sample for the statewide initiative to meet AHRQ guidelines for practice site sampling.
- d. Provision of Data: At the beginning of the initiative, the PO, PHO or physician practice site will complete the Master List Template provided by GDAHC, within the specified time period. This template contains information regarding inter-relationships of practice sites and practice groups within the PO/PHO, as well as contact information, payer mix and certain supplemental descriptive information about a practice site required by the CAHPS Database. Furthermore, the organization agrees to provide updates to GDAHC at the beginning of each PEC measurement cycle reflecting changes that have occurred since the previous measurement cycle.
- e. Payment of Vendor: The PO, PHO or physician practice site will pay its vendor, per the terms of its contract, the full costs of its survey work, including its share and the health plans' collective share. All participating health plans, except for Priority Health, will pay their collective share to the PO/PHO before payment is due to the vendor. However, in the case of Priority Health, it is understood that payment may be retrospective, meaning that the PO/PHO will need to pay vendor invoices before receiving its payment.
- f. Payment of Administrative Fee: The PO, PHO or physician practice site will pay annually, upon being invoiced an "Administrative Fee", which shall represent its proportionate share of the expenses to administer and staff the Michigan Patient Experience of Care Initiative (MiPEC). The specific amount of the Administrative Fee will be calculated annually on the basis of a formula approved by the MiPEC Workgroup. The Administrative Fee will not be adjusted more frequently than annually, and in any event, each PO, PHO or physician practice site will be notified of any adjustments at least thirty (30) days in advance of such adjustment's effective date. It is understood that the Administrative Fee is over and above the PO/PHO/practice site's share of the costs of conducting the patient surveys (i.e., payments made to survey vendors).
- g. Dissemination of Results Reports to Practice Sites: Each year, the PO or PHO will disseminate survey results reports, displaying the practice site's results, to each of its MiPEC participating practice sites, within 30 days of receipt from MiPEC staff or within 30 days of notification of report availability.
- h. CAHPS Database Data Use Agreement: The PO, PHO or physician practice site will ensure that its CAHPS Database Data Use Agreement (required, submitted to the CAHPS Database) is accurately completed within the timeframe promulgated each year by the CAHPS Database.
- i. PEC Performance Targets: The PO, PHO or physician practice site agrees to accept the PEC performance targets (level of attainment or improvement for specified PEC domains) established annually by a consensus of all participating organizations.
- j. Continuing Participation: It is understood that the MiPEC Initiative is integrated into participating health plans' incentive programs. (For BCBSM, it is a part of the PGIP payment process). As such, payment for each year or measurement round of the health plans' share, after the first two measurement rounds, will be contingent upon the PO/PHO and its practice sites meeting the consensus performance targets described immediately above. It is expected that PO/PHOs/practice sites will continue to participate

in the MiPEC Initiative even if they fail to meet these performance targets in a given year.

2. **Benefits:** In return for participation in the MiPEC Initiative, POs, PHOs and physician practice sites will receive the following benefits:
 - a. **Access to the “We’re Listening” Campaign:** POs, PHOs and physician practice sites using the common vendor (NRC) will be able to implement the NRC “We’re Listening” campaign in each of their participating practice sites. This entails a variety of materials, along with guidance as to how to most effectively use them, to make both staff and patients aware of the fact that the practice site is conducting PEC surveys, wants to know what patients think, and is committed to improving patient experience. These materials should boost survey response rates as well.
 - b. **Rapid Results Reporting:** The POs, PHOs and physician practice sites using the common vendor will have access to regularly updated survey results reports via the NRC online portal (Catalyst) for each of its practice sites and the PO/PHO as a whole, available within weeks after the survey field period commences each round/year.
 - c. **Improvement Tools and Resources:** POs, PHOs and physician practice sites using the common vendor will have access to its Catalyst online suite of PEC improvement resources, including standardized and customizable results reports, improvement plan and best practice improvement recommendations, and other improvement resources.
 - d. **CAHPS Database Results Reporting:** All POs, PHOs and physician practice sites, regardless of the vendor used, will have access to the risk-adjusted results reporting produced by the CAHPS Database via its Online Reporting System, which includes national comparative performance benchmarks.
 - e. **MiPEC-specific Results Reports:** All POs, PHOs and physician practice sites, regardless of the vendor used, will have access to a series of MiPEC-specific results reports. These reports will include comparative benchmarking information available nowhere else (e.g., ability to compare your PO’s results to those of other participating Michigan POs).
 - f. **Preparation for CMS and Other External Reporting Opportunities (Requirements):** The MiPEC Initiative is being purposefully designed to be consistent with the patient experience of care components of CMS reporting initiatives such as PQRS and Physician Compare. These reporting programs are available to groups and practices of all sizes, offer financial incentives and/or penalties related to participation/performance, and will, in all likelihood, ultimately be mandated by CMS, just as HCAHPS is now mandatory for hospitals participating in the Medicare Program. Participation in this MiPEC Initiative will act as a learning curve for practice sites regarding the PEC portion of PQRS and Physician Compare, allowing them to measure, monitor and improve patient experience now, and to be well-positioned to benefit from any financial incentives and public reporting in the future. Participation now will also facilitate a seamless transition, through the survey vendor, to reporting under PQRS and Physician Compare.
 - g. **Alignment with Private Sector PCMH initiatives, OSC initiatives, and ACO initiatives:** GDAHC will continue to work with private payers, NCQA and others to ensure to the extent possible that participation in the MiPEC Initiative meets patient experience of care requirements associated with their respective health care transformation initiatives (i.e., PCMH, ACO, etc.)
 - h. **Increased Patient Adherence to Care Plans and Corresponding Benefits:** Research has demonstrated a statistically significant correlation between patient experience scores and patient adherence to care plans and provider instructions, i.e., the better a patient’s experience with a provider, the more

likely that the patient will follow care plans, medication regimens, and the like. This, in turn, improves patient outcomes, provider job satisfaction, and incentive payments tied to outcomes embedded in incentive programs.

- i. Demonstrated Patient-Centeredness: Participation in an organized multi-stakeholder PEC measurement, reporting and improvement program such as MiPEC demonstrates to patients, as most other activities cannot, that a practice site is truly patient-centered.
- j. Patients/Consumers Selection of Physician: Especially as the MiPEC Initiative matures and includes public reporting of patient experience at the practice site level, it is believed that patients/consumers will stay with or move to practices that: 1) participate in MiPEC Initiative; and 2) perform well within the domain of patient experience.

Health Plan-Specific Expectations and Benefits:

1. Expectations: The following expectations apply to all participating health plans or payers:
 - a. Payment to participating PO/PHOs from plans other than Priority Health: Upon receipt from GDAHC of the statement of its share of the plans' collective payment amount for each participating PO/PHO, the health plan will make its payment to each participating PO/PHO to support the MiPEC Initiative. The payment schedule for each annual measurement cycle or round will be agreed upon in advance. In situations where a plan will not be following this type of payment approach and schedule, it will inform all participating POs/PHOs and GDAHC prior to the beginning of the measurement round or year (defined as during the month of January).
 - b. Payment of Administrative Fee: The health plan will pay annually, upon being invoiced, an "Administrative Fee," which shall represent its proportionate share of the expenses to administer and staff the Michigan Patient Experience of Care Initiative (MiPEC). The specific amount of the Administrative Fee will be calculated annually on the basis of a formula approved by the MiPEC Workgroup. The Administrative Fee will not be adjusted more frequently than annually, and in any event, the health plan will be notified of any adjustments at least thirty (30) days in advance of such adjustment's effective date. It is understood that the Administrative Fee is over and above the health plan's share of the costs of conducting the patient surveys (i.e., payments made to survey vendors).
 - c. Common Performance Targets: The health plan will utilize the common PEC performance targets established by consensus of all participating parties as the basis for determining payment amounts to each participating PO/PHO related to its survey costs, as applicable. Payment for an upcoming cycle/round will be based upon each PO/PHO's performance during the previous cycle/round. The health plan is expected to participate in the process of establishing the performance targets each year, for the upcoming cycle.
 - d. Congruence of Health Care Transformation Initiatives with MiPEC Initiative: The health plan will work to ensure congruence with, and otherwise support the MiPEC Initiative vis a vis patient experience of care measurement and reporting guidelines/requirements within its PCMH, ACO, OSC, pay-for-performance and related types of initiatives to transform health care delivery and payment.
2. Benefits: In return for participation (including financial support) in the MiPEC Initiative, health plans will receive the following benefits:
 - a. Access to Results Reporting: Health plans will gain access to PEC results reporting, and be able to use those reports, consistent with health plans'

access and use provisions detailed in the MiPEC Data Access and Use Policy. Health plans will obtain access to practice site and aggregated results, as well as comparative benchmarking data that are unavailable from any other source.

- b. Potential for Results Reporting by Health Plan: The MiPEC Workgroup will begin to analyze the feasibility of segmenting results reporting by health plan prior to the start of Round 4 in 2017. If this capability is found to be both feasible and value-added, modifications to data collection protocols will be made to allow for reporting results by plan, beginning with the first round/year after the determination of feasibility and value is made.
- c. Improved Health Plan CAHPS Scores: Research by HealthPlus, one of the health plans originally participating in the MiPEC Initiative, has demonstrated a positive correlation between CG-CAHPS scores of physician practices in a health plan's network (focus of MiPEC initiative) and health plan CAHPS scores. Support for, and participation in the MiPEC Initiative and its goals of measuring and improving patient experience, then, can be reasonably predicted to result in improved CAHPS scores for health plans that include these MiPEC participating practice sites within their networks.
- d. Improved Star Ratings: Medicare Advantage Plans are given star-ratings by CMS, as part of the CMS efforts to provide beneficiaries with plan performance information to help them choose a plan. A plan's CAHPS scores contribute materially to its star rating (1-5 stars), meaning that improving CAHPS scores (see previous bullet point above) will lead to an increased star rating, "all else being equal". Research has shown that beneficiaries respond to these star ratings in making their choices of plan.
- e. Demonstrated Patient-Centeredness: Just as with physician organizations, participation in and support for the MiPEC Initiative demonstrates concretely and tangibly that the health plan is committed to making health care more patient centered.

Greater Detroit Area Health Council (GDAHC) -Specific Expectations and Benefits:

1. Expectations: The following expectations apply to GDAHC:
 - a. Organizer/Convener/Facilitator Roles: GDAHC will be expected to continue to play the organizing, convening and facilitating role that it has played to date to help the MiPEC Initiative move to its current stage of development. This work includes: 1) providing staff support and leadership to the MiPEC Workgroup and associated committees and task forces; 2) ensuring that the MiPEC Initiative timelines and milestones are met in a timely fashion, including measurement, reporting and PEC improvement tasks and activities; 3) facilitating the payment flows by which PO/PHOs are paid; 4) acting as an overall initiative-level liaison and guide to survey vendors involved with the MiPEC Initiative; and 5) organizing and implementing, with other participants, efforts to recruit more POs/PHOs and health plans into the MiPEC Initiative.
 - b. Technical and Policy Expertise: GDAHC will continue to provide the services of nationally recognized CAHPS experts, such as Dale Shaller, to the MiPEC Initiative, as budgeted resources allow.
2. Benefits: In return for its role and efforts to organize, implement and ensure continuation of the MiPEC Initiative over time, GDAHC will receive the following benefits:
 - a. Access to Results Reporting: GDAHC will gain access to PEC results reporting, and be able to use those reports, consistent with its access and use provisions detailed in the MiPEC Data Access and Use Policy. This entails access to all results reporting from the common vendor and all reporting produced by the CAHPS Database.

- b. Public Report Production: GDAHC permitted uses of the results reporting information to which it has access will include the design and production of public reports of PEC performance, consistent with the relevant provisions of the MiPEC Data Access and Use Policy.
- c. Demonstrating Value to Communities: GDAHC will be able to reference and describe the MiPEC Initiative as an example of how it can provide added value to diverse groups of health care stakeholders. This initiative will also assist it to demonstrate its capabilities as a regional health improvement collaborative working effectively to improve health, improve quality and reduce costs.

Amendment: This MOU may be amended from time to time, by mutual consent of the parties which have signed this MOU and as evidenced by a signed amending document.

Termination: As described on page 1, this MOU covers a two-year period beginning with the patient experience reporting cycle in 2016 and ending after the fourth MiPEC reporting cycle in 2017. All participants will make every effort to remain actively engaged in this initiative until the expiration of this MOU. If a problem jeopardizes continued participation, a participant will make every effort to work with GDAHC and other participants as appropriate to resolve the problem and remain engaged in the initiative. However, all participants reserve the right to terminate their respective participation in the MiPEC initiative, for any reason, after providing a 90-day written notice of termination. Wherever possible, termination will apply to the next measurement cycle, not the current cycle.

Physician Organizations only: If a PO/PHO or practice terminates its participation before the end of an annual PEC measurement round or cycle, resulting in that organization's data not being included in the CAHPS Database reports for that cycle, the organization shall reimburse each participating health plan for payments it has made to that organization's measurement and reporting work for that cycle.

Authorized Signature: I have read this MOU, understand the mutual expectations and benefits described and am authorized by the organization I am representing to sign this MOU.

Name (printed)

Signature and Date Signed

Position/Title (printed)

Check Appropriate Organization

- Affinia Health Network (Grand Rapids and Lakeshore)
- DMC PHO
- Great Lakes OSC
- Greater Macomb PHO
- Holland PHO
- Livingston Physician Organization
- Medical Network One
- Oakland Physician Network Services
- Oakland Southfield Physicians
- Olympia Medical Services PLLC
- Physicians Organization of West MI
- United Physicians
- Wayne State University Physician Group
- West Michigan Physicians Network
- Wexford/Crawford PHO (includes Otsego Memorial)
- Blue Care Network
- Blue Cross Blue Shield of Michigan
- Health Alliance Plan
- Health Alliance Plan North (formerly HealthPlus)
- Priority Health
- Greater Detroit Area Health Council, Inc.