

Office of Developmental Programs Performance-Based Contracting

September 2025

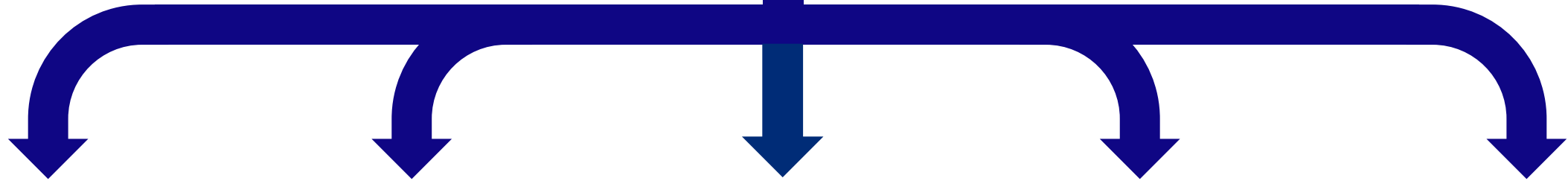




Improve Quality



Challenges



**Inadequate
Management
Tools**

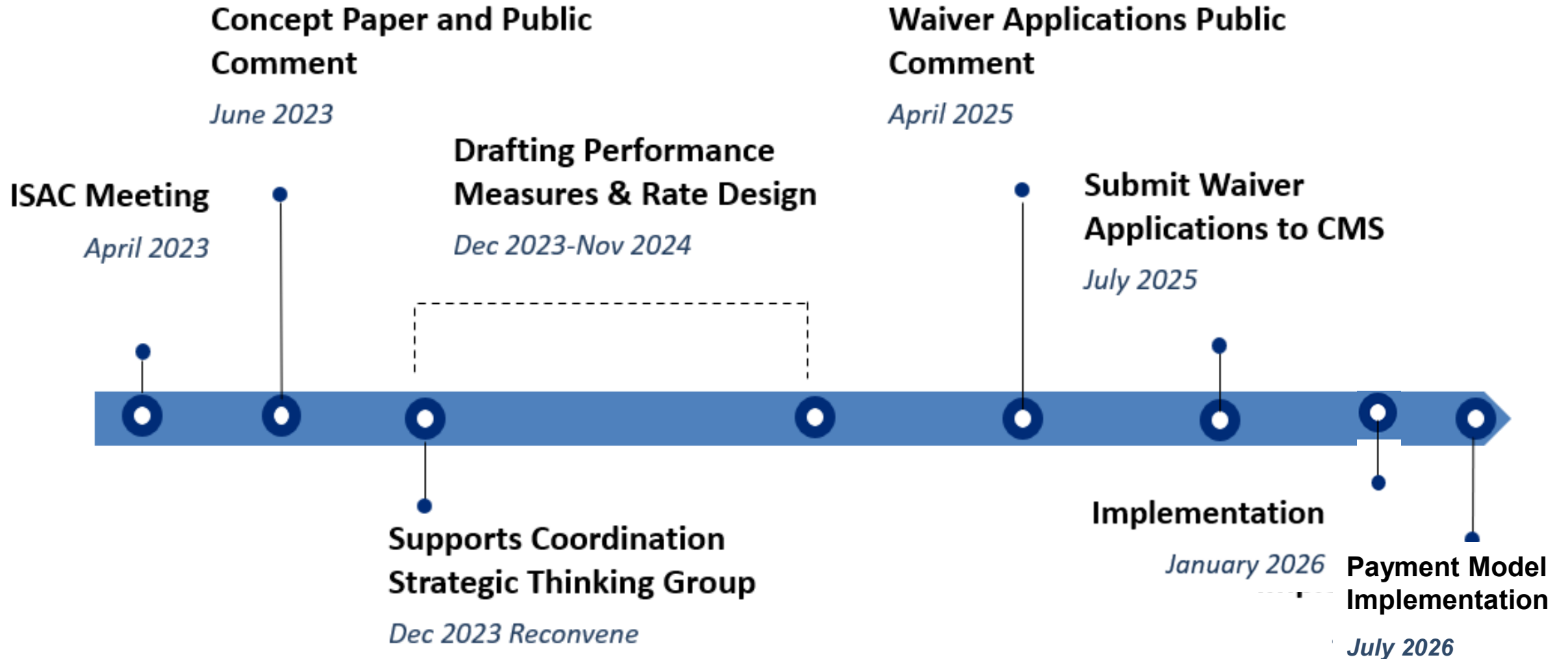
**LifeCourse in
Complex
Systems
Navigation**

**Payment
Structure Not
Outcome
Aligned**

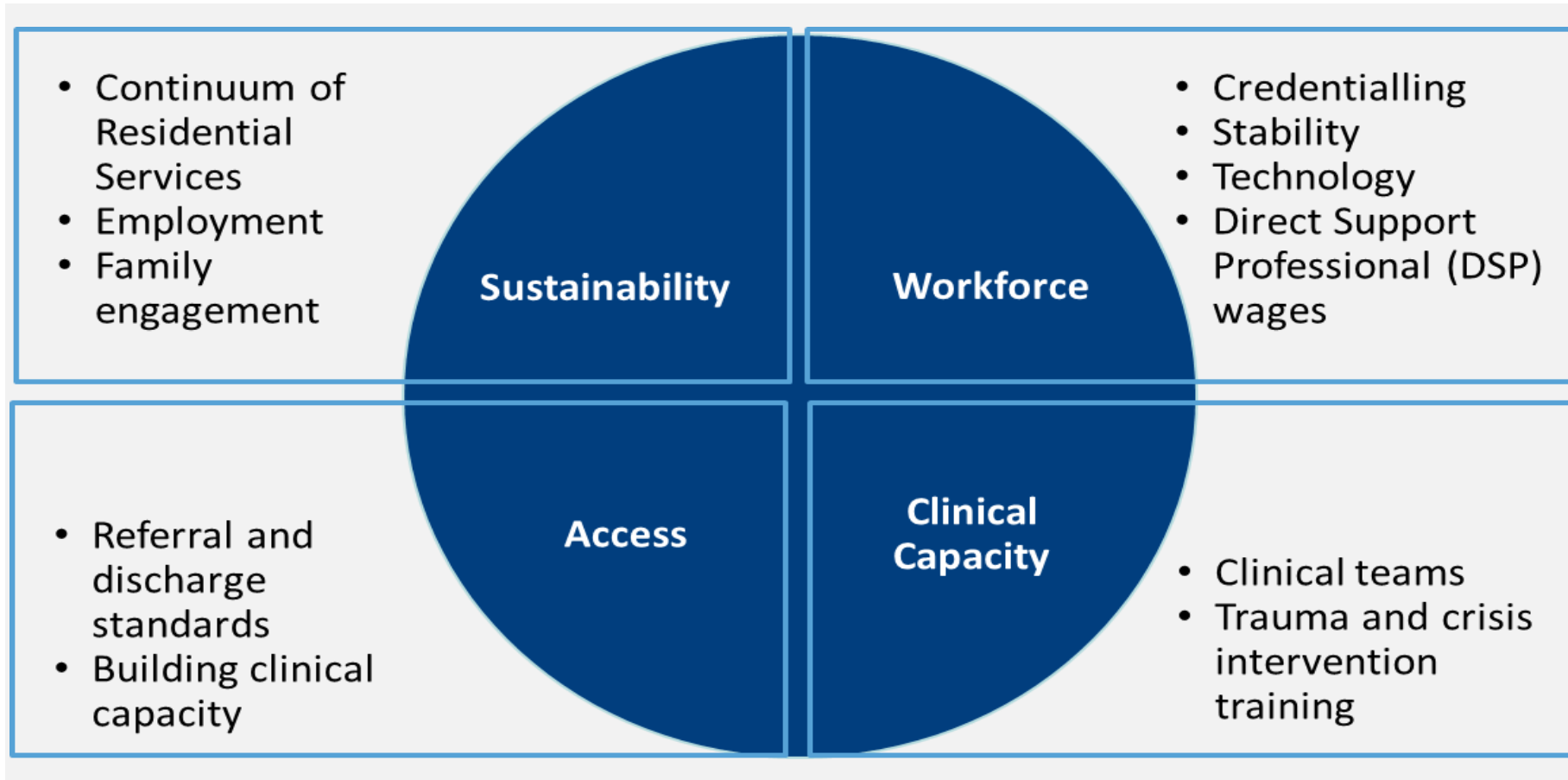
**Poorly
Performing
Providers and
Insufficient
Capacity**

**Increasing
Acuity of
Assessed
Needs**

Stakeholder Engagement Performance-Based Contracting: Supports Coordination Organizations



Performance Standard Areas



Services Included in Performance-Based Contracting

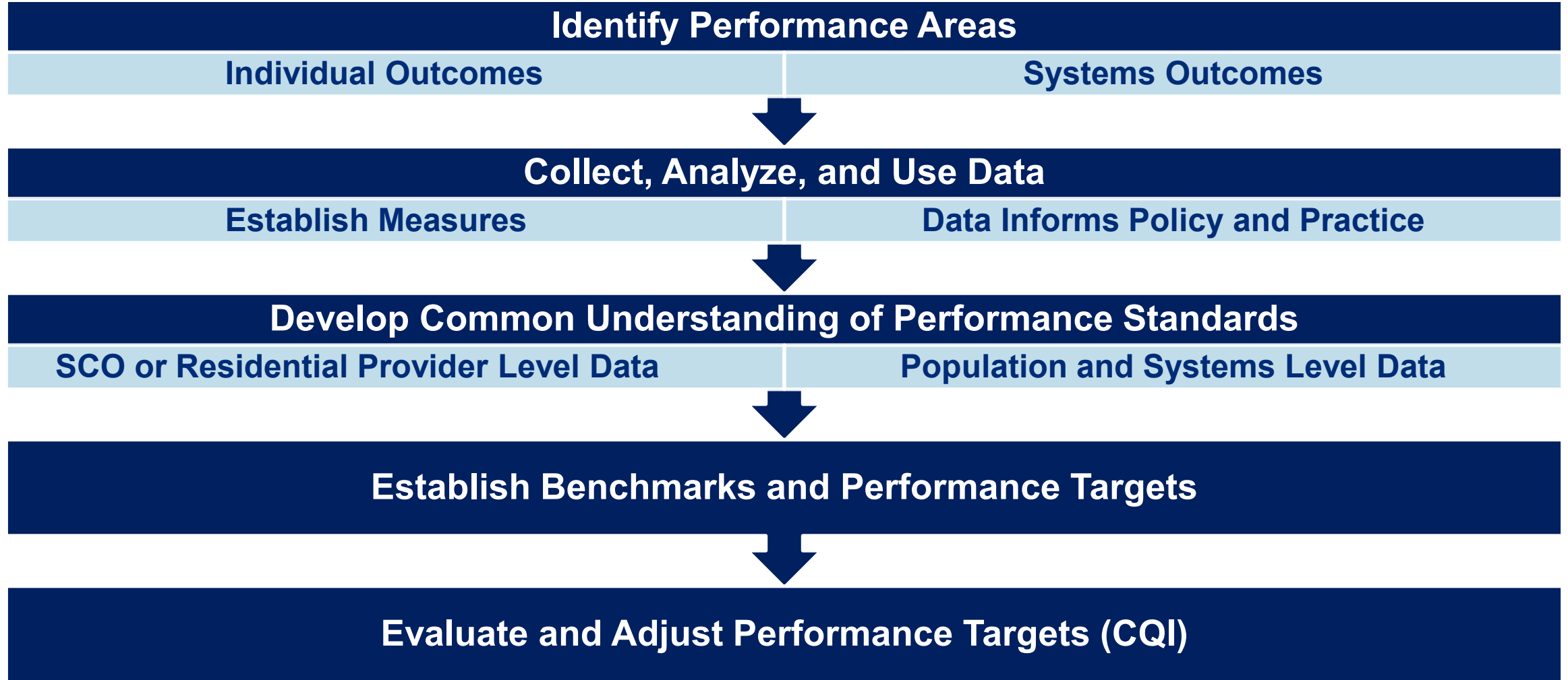
Concurrent 1915(b)(4) and 1915(c) effective January 1, 2025

- Residential Habilitation (licensed and unlicensed)
- Lifesharing (licensed and unlicensed)
- Supported Living

Concurrent 1915(b)(4), SPA for TSM and 1915(c) effective January 1, 2026

- Supports Coordination

Plan for Achieving Outcomes



Performance-Based Contracting: Aligning Payment with Outcomes

1915(b)(4) Alternative Payment Methodology

- New rate methodology – Supports Coordination
- Enhanced rates – Residential rate add-ons
- Pay for Performance (P4P)

Performance Standards

- Contracted providers must meet established performance standards targeting individual and population health/systems outcomes

Pay-for-Performance (P4P) Areas



**CONTINUUM OF
SERVICES**



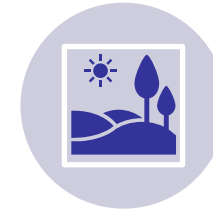
**ADOPTING
TECHNOLOGY**



**COMPETITIVE
INTEGRATED
EMPLOYMENT**



**DIRECT SUPPORT
PROFESSIONAL
AND FRONTLINE
SUPERVISOR
CREDENTIALING**



**RURAL
PROVIDER
CAPACITY**



**PERSON-
CENTERED
PLANNING -
COMMUNITY
INCLUSION**

Continuity of Care

- Current residential and SCOs eligible to contract
- Provider and SCO support
- Stakeholder engagement, communication with individuals and families



Residential Services

Residential Provider Tiers



Select Residential

Providers that deliver at least two of the three residential services in the performance-based contracting model and meet the additional established measures

Clinically Enhanced Residential

Providers that offer Clinically Enhanced medical or behavioral supports and meet the established enhanced measures

Primary

Providers that meet current standards and a few additional standards

Conditional Status

Providers operating under provisional or revoked licenses

Performance-Based Contracting Financial Tools

Tier		Payment		
		FFS	Enhanced FFS	P4P
Select Residential	▶ Meets the same Performance Measures as Primary AND additional measures in areas such as Continuum of Services, Workforce, and Quality		☑	☑
Clinically Enhanced Residential	▶ Meets the same Performance Measures as Primary AND enhanced measures in areas such as Supporting Individuals with Complex Needs (Dual/Medical), Workforce, and Risk Management		☑	☑
Primary	▶ Meets Performance Measures in 16 areas such as Quality, Workforce, Supporting Individuals with Complex Needs, and Risk Management	☑		☑
Conditional	▶ Actively working on improvements through an ODP approved corrective action plan to meet Performance Measures in 16 areas such as Quality, Workforce, Supporting Individuals with Complex Needs, and Risk Management	☑		



Status Performance-Based Contracting - Residential

- Tier determination process complete for contract period FY25-26
- Provider status
 - Primary: 410
 - Select: 16
 - Clinically Enhanced: 7
- 23 providers in conditional status
- 17.2% of individuals are served by advanced tiers
- Notification to individuals and families by administrative entities/counties
- [PBC Residential Provider Directory](#)

Status PBC Residential: Areas of Improvement

- Increased number of providers offering lifesharing and supported living. From July 2023 to January 2025 number of enrolled providers increased:
 - Lifesharing 81 to 90
 - Supported Living 115 to 135
- Increased employment CY23-24
 - 1% increases for NG1 - NG2
- Major improvement in health risk screenings CY23-24
 - 80% reduction in individuals without screening
 - 79% reduction in missed screenings for people at high risk
- Improvement in incident reporting fidelity
 - 5% reduction in potentially unreported incidents of abuse/neglect
 - Improvements in some timeliness measures
- PA surpassed 5,000 credentialed DSPs & FLSs

Methodology

Data Source:

Medicaid Claims

Discovery Date:

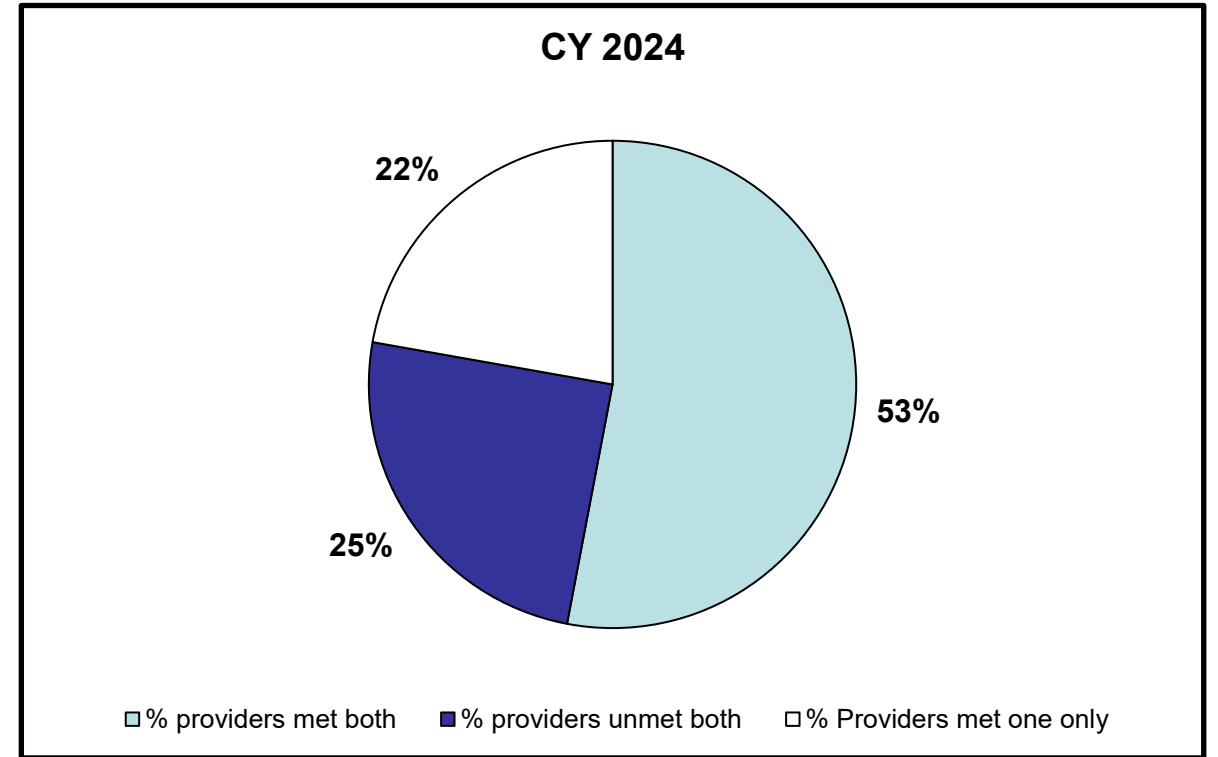
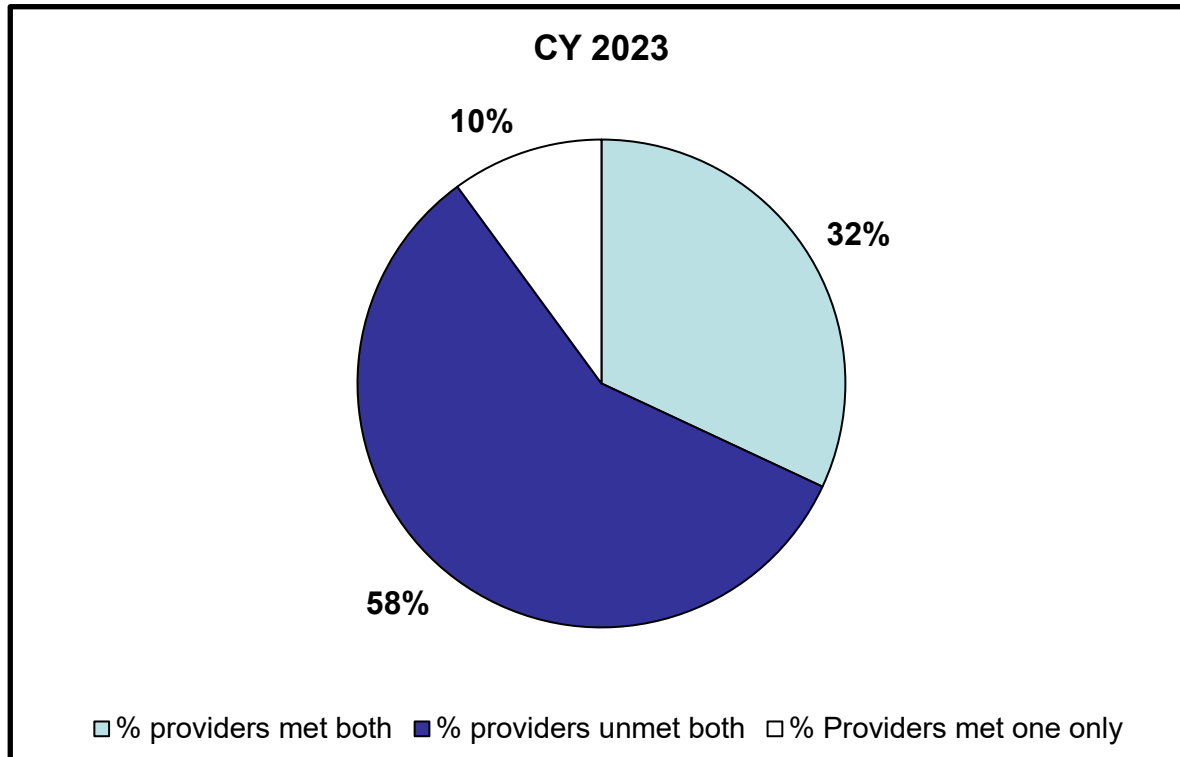
Data for Calendar Year 2023 was extracted 09/09/2024

Data for Calendar Year 2024 was extracted 01/30/2025

Description:

Medicaid claims data for individuals in residential who are 6 years of age and older who have been discharged from an acute inpatient setting with a primary diagnosis at discharge of a mental illness or intentional self-harm and the Medicaid claims data for those individuals for follow up with a mental health provider within 7 days and within 30 days of discharge by way of a review of claims for the previous calendar year plus 30 days.

Met vs. Unmet 7 and 30 day Measures



Supports Coordination Services



Supports Coordination: Phase-In Performance Measures

- New flexibilities with corresponding changes in payment methodology
- Data submission for performance evaluation Oct 1 – Nov 1, 2025
- No tier assignments, phase-in measure design



SCO Measure Phase-In Example

PM Code	Definition of Standard	Performance Measures	Contract Timeframe
SC-EMP.01	Demonstrate support of individuals to seek and obtain Competitive Integrated Employment (CIE).	QM Plan for increasing CIE	January 1, 2026 – June 30, 2027
SC-EMP.01 (2027)	Demonstrated support of individuals to seek and obtain Competitive Integrated Employment (CIE).	Increase the combined percentage of working age individuals that are receiving Career Assessment or Job Finding services through ODP or OVR AND individuals competitively employed in integrated settings (working age individuals only and adjusted for acuity) from the SCO's calendar year 2026 baseline.	July 1, 2027 – June 30, 2028
SC-EMP.01 (2028)	Demonstrate support of individuals to seek and obtain Competitive Integrated Employment (CIE).	Demonstrate a combined xx% of working age individuals that are receiving Career Assessment or Job Finding services through ODP or OVR AND individuals competitively employed in integrated settings (working age individuals only and adjusted for acuity).	July 1, 2028 – June 30, 2029



Support Coordination Payment Structure Effective July 1, 2026

Supports Coordination Level	Payment	Per Individual Rate
Standard Targeted Support Management	Two outcome payments available annually – (Completion of ISP and 1 individual monitoring (separate from the date of the ISP))	\$606.00
Intensive Targeted Support Management / PFDS	Monthly payment – must meet minimum activity standards to bill	\$295.00
Community Living and Consolidated waiver	Monthly payment – must meet minimum activity standards to bill	\$334.01
Initial ISP Development	One time payment	\$1,196.28



Associate SC

What they are:

- New role starting January 2026 - allows SCOs to use staff with less credentials than SC for certain activities.
- Designed to give SCOs more flexibility and help address workforce shortages

Why it matters:

- Expands the Supports Coordination workforce.
- Helps SCOs retain SCs for higher-level functions while delegating some activities to Associates
- Aligns with PBC's emphasis on flexibility, sustainability, and workforce stability.

Training & Requirements:

- Must complete SC Orientation and First Year Training (same as SCs).
- If facilitating Charting the LifeCourse tools: must have 1+ years of experience with people with ID/A and complete the CtLC Learner Pathways Practitioner-level course.
- Standard ODP provider background checks also apply

What they can do:

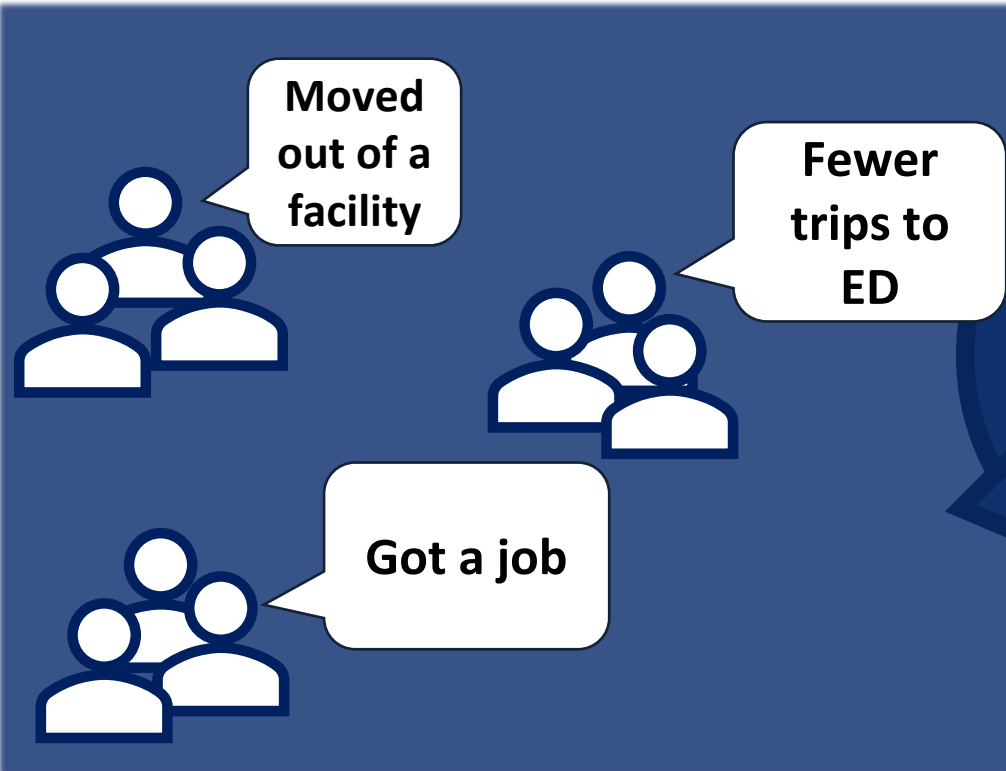
- Perform some functions previously limited to SCs, for example:
 - Facilitating the use of Charting the LifeCourse tools with individuals and families.
 - Supporting monitoring activities.
 - Assisting with plan development tasks (within defined limits)



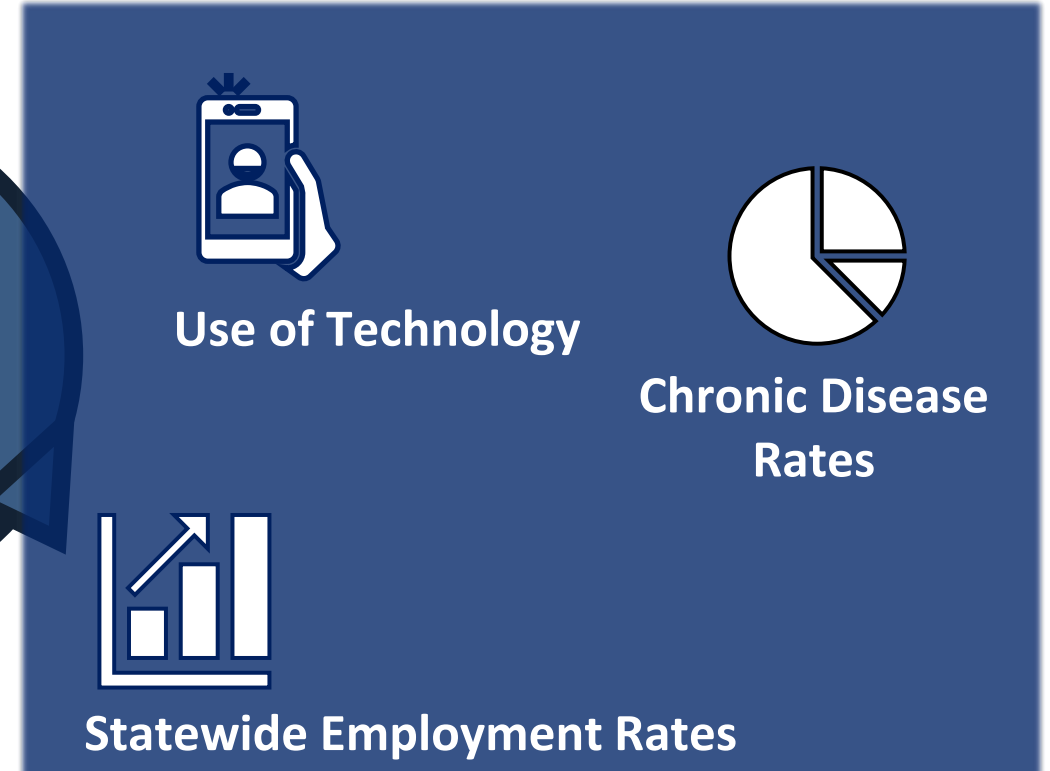
Changing Mindset:

The Relationship Between Person-Centered Planning and Population Health

Person-Centered Planning
(Individual Outcomes)



Population Health
(Systems Outcomes)



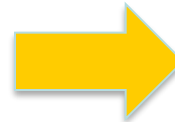
Changing Mindset:

Payment Model Impact on Outcomes

15 Minute Units

SCO reimbursed when SC completes
discrete process-oriented tasks

Quantity focused



Monthly Payment in PBC

SCOs must meet performance measures

Quality focused

Supporting Systems Change

- Stakeholder communications – webinars, one-pagers, notifications
- Dedicated webpage [PBC Resources](#) and resource account
- Performance Analysis Services - PBC Data Submission Portal
- Virtual Office Hours
- Preparatory Materials and Summits
- CQI - Quarterly Forums
 - Advisory Committee Provider Performance Review Subcommittee
 - Residential Provider Quarterly Forum
 - SCO Quarterly Forum