



Summary of the Maryland AHEAD Model State Agreement

October 2024



AHEAD Model Overview

- The AHEAD Model is the multi-state CMMI model that builds upon the successes of the Maryland TCOC in reducing health care cost growth and improving statewide health care quality.
- AHEAD advances the State's vision of empowering all Marylanders to achieve optimal health and well-being.
- The AHEAD Model puts additional focus on statewide alignment for population health and health equity improvement.
- Maryland was awarded a cooperative agreement award in July 2024 to begin the Model pre-implementation period.



Maryland's Vision

Empower all Marylanders to achieve optimal health and well-being.

Ensure High-Value Care

Align public and private investments towards common population health outcomes

Enable innovative models across the care continuum

Constrain all-payer TCOC growth

Improve Access to Care

Expand and align all-payer advanced primary care

Support statewide efforts to strengthen the behavioral health care continuum

Increase all-payer primary care investment

Promote Health Equity

Elevate community decision-making

Identify, address, and measure HRSN

Invest in community capacity building

Accountability

Infrastructure: Data and analytics; Workforce; Health Information Technology; Administrative Simplification

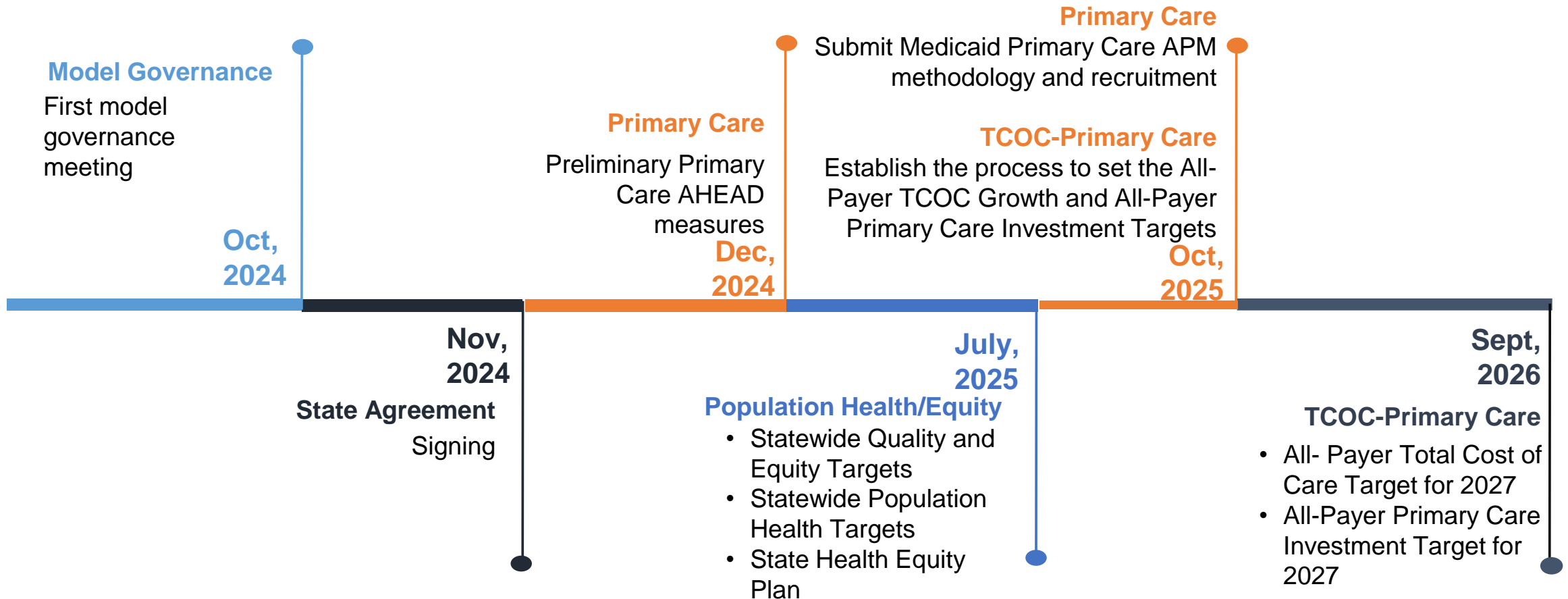
Maryland's Health Equity Plan will: Elevate community voice to define our shared commitment to health. Integrate and align resources across clinical and population health needs. Overcome systemic and structural racial and ethnic health inequities.

AHEAD Model Overview: State Agreement

The AHEAD Model State Agreement creates a framework for partnership between the State and CMMI during the AHEAD pre-implementation and implementation periods. The agreement-

- memorializes CMMI's commitment to Maryland's all-payer hospital rates; and
- Preserves the State's authority to set policy to manage hospital global budgets, population health, the MDPCP, and health equity.

Timeline of AHEAD Major Milestones



Section by Section Review

Sections 1-2: Agreement Term & Definitions



Pre-Implementation Period
7/1/2024 – 12/31/2025

There was no pre-implementation period under TCOC

Implementation Period
9 Performance Years,
1/1/2026 – 12/31/2034

This is longer than the 8-year TCOC performance period

Transition Period
After the Implementation Period Ends, up to 60 months (5 years):
1/1/2035-12/31/2039

This is longer than the 2-year transition period under TCOC





Post-Model Options:

- Make the Model permanent,
- test a new Model, or
- transition to national Medicare fee-for-service system

Agreement Term: Date of final signature – two years after the last day of the Transition Period.

Section 3: CMS Legal Authority

Like under TCOC, participation agreements are required. Some of agreements are new. The Model programs are covered in later sections.


| Participants involved | Participation Agreement | |
|--|---|--|
| CMS, the State, & Participant Hospitals | Hospital Participation Agreements |  Existed under TCOC |
| CMS & Participant Primary Care Practices | Primary Care AHEAD Participation Agreements |  NEW |
| CMS & MDPCP Participants | MDPCP AHEAD Participation Agreements |  Existed under TCOC |
| CMS & MDPCP Partner CTOs | MDPCP AHEAD Participation Agreements |  Existed under TCOC |

8 Global Budget Revenue Agreements between HSCRC and hospitals will continue.

Sections 5-7

5. Waivers and Safe Harbor Authority

- CMS is waiving certain statutory requirements to give Maryland flexibility re: national Medicare rules.
- MD may request additional Medicare payment waivers
- Fraud and Abuse Waiver compliance requirements
- Federal anti-kickback statute safe harbor is available

 Existed under TCOC

6. State's Participation in other Medicare Programs, Models, or Demonstrations

MD may simultaneously participate in other Medicare Programs, Models, or Demonstrations in existence on the effective date.



7. Cooperative Agreement

Acknowledges State must comply with AHEAD Cooperative Agreement.



Section 8: General Model Participation Requirements

The State must...

Hold commercial payers accountable through all-payer targets (section 10)



Continue to set global budgets for commercial payers & Medicaid

Same
under the
TCOC Model

Implement Medicaid Advanced Primary Care Program PCP pre-implementation, to continue each year in Model.



Ensure that **90%** of all Regulated Revenue for MD residents is paid under global budgets.

Similar
under TCOC
(**95%** under global budgets)



Section 9: Model Governance Structure

- Requires the State to develop a Model Governance Structure.
- The Maryland Commission on Health Equity will serve as this governing entity and provide advice to MDH and HSCRC on-

Statewide
Quality and
Equity Targets

Statewide
Health Equity
Plan

Review of
Hospital Health
Equity Plans

Use of
Cooperative
Agreement
funding (signed
7/24)

Section 10: Statewide Accountability Targets

The State is accountable for performance on **seven targets**.

Similar to the TCOC Model, CMS may consider **exogenous factors** when determining if the State met these targets.

Medicare FFS TCOC Target

All Payer TCOC Growth Target

Medicare FFS Primary Care Investment Target

All-Payer Primary Care Investment Target

Statewide Quality and Equity Targets

Statewide Population Health Targets

All-Payer Revenue Limit*

Targets existed in this area under TCOC



Targets existed in this area under TCOC

Section 10: Statewide Accountability Targets - Medicare (MC) Fee-For-Service (FSS) TCOC



The AHEAD Savings Target is lower than the TCOC Savings Target.

| AHEAD | TCOC |
|---|---------------------------------|
| 0.128% incremental reduction versus national trend in MC FFS spending each year, resulting in ~1.1% savings over the 10 years against a 2023 base | ~4% savings over prior 10 years |

The lower target will allow Maryland to accelerate investments in population health, health equity, quality, and access.

Section 10: Statewide Accountability Targets - Medicare FSS TCOC Methodology

Savings Target parameters provide greater predictability and flexibility, compared to TCOC.

No year-over-year guardrails in AHEAD

Current year target is based on estimated rather than actual national spending.

AHEAD includes a 2-year window to adjust if estimated and actual national spending differ.

CMS may increase primary care payments if the State is above target.

Outcome Based Credits

continue to provide credits towards the Medicare FSS savings target for performance on population health measures (e.g. diabetes).

Section 10: Statewide Accountability Targets: TCOC Savings and Primary Care Investment

All-Payer TCOC Growth Target

- Maryland will establish this target before 2027.

NEW

Medicare FFS Primary Care Investment

- Maryland must maintain current levels of investment in Primary Care for Medicare FFS beneficiaries.

NEW

All-Payer Primary Care Investment Target

- Maryland will establish this target for years 2-5 before 2027.

NEW

All-Payer Revenue Limit

- Identical to TCOC: MD must limit the annual growth in all-payer hospital revenue to \leq 3.58 percent. The contract does not specifically attach enforcement actions to this target.

Similar to
TCOC

Section 10: Statewide Accountability Targets: Quality, Equity, and Population Health

Statewide Quality and Equity Targets

- Maryland will select Statewide quality and equity targets by 7/1/25.
- This is separate from the hospital quality program, which is part of the GBR methodology in section 11.

NEW

Statewide Population Health Targets

- Maryland will select population health measure(s) and set targets by 7/1/25.
- New **Population Health Trust** funds population health improvement using public/private funds. Funded activities will align with the Statewide Health Equity Plan and the State Health Improvement Plan (SHIP).

NEW

Section 11: Hospital Global Budget Methodology

For AHEAD, CMS approved Maryland's existing GBR methodology.

Maryland will maintain State, rather than national, GBR policies (with a similar process for CMS to review/approve new policies).

Key contractual elements-

Medicare Performance Adjustment:

This allows CMS to adjust Medicare payments. AHEAD maintains the current **MPA attribution methodology**, while allowing Maryland to propose an alternative.

Hospital Quality & Value-Based Pay for Performance Programs:

- Similar to the TCOC model, AHEAD will allow Maryland to **administer all-payer quality programs**; these programs must meet or exceed national programs in terms of measures, outcomes, and revenue at-risk.
- AHEAD requires Maryland to adjust hospital GBRs for all-payer quality, including **health equity** goals.

Section 12: Care Redesign Program

AHEAD continues the **Care Redesign Program** from the TCOC Model, including:

Episode Care Improvement Program (ECIP), which allows a hospital to link payments across providers during an episode of care;

and

Episode Quality Improvement Program (EQIP), which engages specialist physicians and suppliers in a Medicare episode-based payment program

Maryland may also propose new CRP tracks

Section 13 & 14: Primary Care

NEW

Primary Care AHEAD

- Starts in 2026
- Similar to MDPCP track 1, PC AHEAD will pay practices an Enhanced Primary Care Payment (EPCP) (statewide average of \$21 per beneficiary per month)
- All practices must participate in the Medicaid Advanced Primary Care Program starting in 2026

Maryland Primary Care Program (MDPCP)

- Continues from TCOC through 2028.
- In 2028, CMS and MD will either extend MDPCP or transition to Primary Care AHEAD.
- Track 2 payments continue
- All practices must participate in the Medicaid Advanced Primary Care Program starting in 2027

Other Contract Provisions (Sections 15-18)

AAPM & Quality Payment

CMS will determine the advanced alternative payment model status of Maryland's global budgets

Medicare FFS Beneficiary Protections

Maryland must ensure that the Model does not limit beneficiary access, choice of providers, or otherwise negatively impact beneficiary rights and protections.

Data Sharing

Expanded flexibility for CMS to share data with Maryland, with safeguards for beneficiaries. Maryland must share certain data with CMS.

Confidentiality

Maryland must maintain confidentiality of all beneficiary information.

Sections 19-21: Monitoring, Reporting, and Evaluation



Similar to TCOC, CMS and the State will monitor the Model, the State will report information to CMS, and CMS's will evaluate the model.



The information contained in the reports and evaluations will differ because the programs and targets in AHEAD are different than TCOC.

Section 22: Enforcement Action and Termination











Similar to TCOC, CMS will consider the totality of circumstances, including exogenous factors, when determining if a compliance event occurred.




Section 22: Compliance Events

The AHEAD and TCOC Agreements both divide compliance events into events that may not lead to termination of the Model, and events that may lead to termination of the Model. Under TCOC, these were categorized as “other events” and “triggering events”. Under AHEAD all compliance events are called “triggering events”. New events that could lead to termination under AHEAD are relatively controllable by the State, reducing risk.

Non-Termination Triggering Events

-  Unanticipated negative outcomes that are not otherwise enumerated in the list of compliance events.
-  Hospital quality program targets (miss in 2 out of 3 years).
-  Statewide quality and equity targets
-  All-Payer TCOC Growth Target
-  Statewide Population Health Target
-  All-Payer Primary Care Investment Target
-  Run a Medicaid Advanced Primary Care Program
-  Ensure MDPCP and AHEAD Primary Care participants are in the Medicaid Advanced PCP.

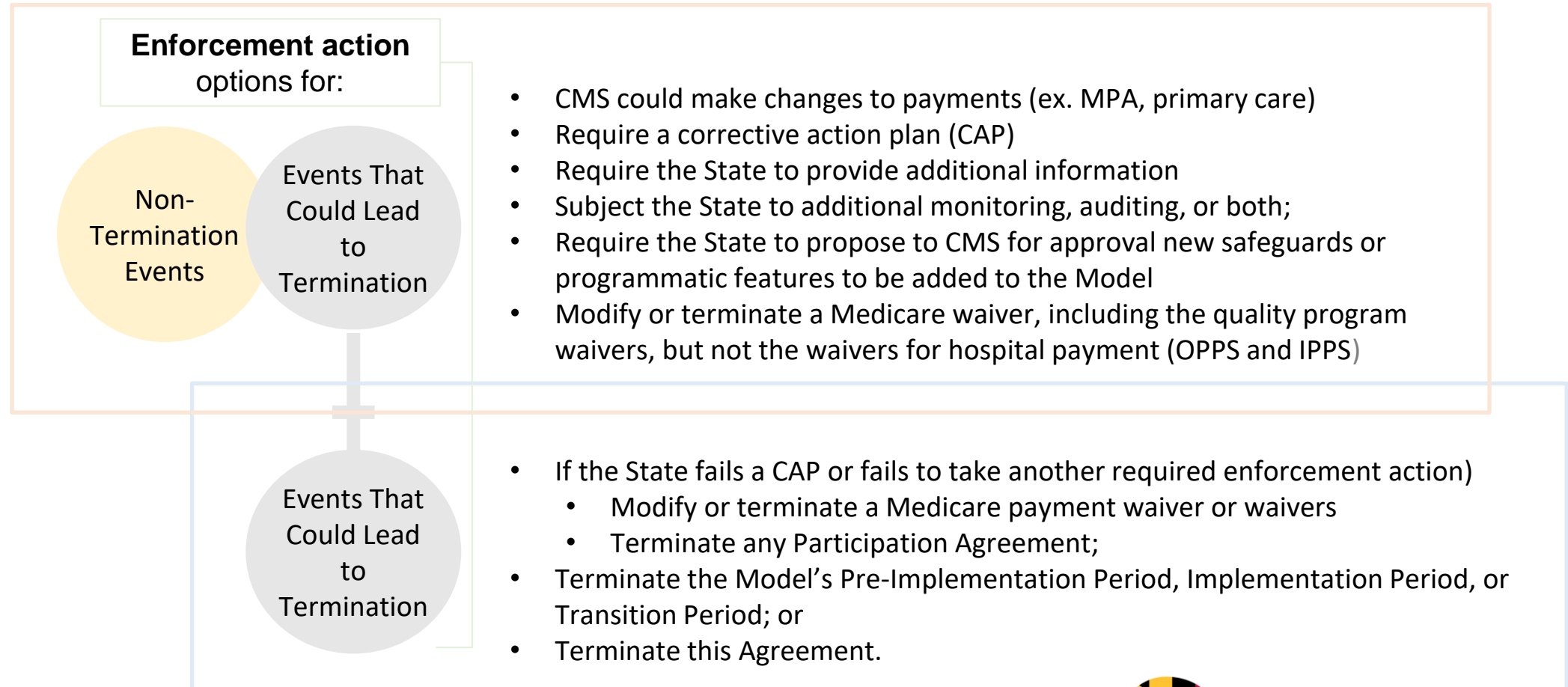
Section 22: Compliance Events (cont.)

| Triggering Events That May Lead to Termination | Comparison to TCOC | |
|--|---|----------------------------------|
| Global budgets include Medicaid and commercial payers |  | To list but assumed in TCOC. |
| Medicare FFS TCOC target. | Same - Could lead to termination under both | |
| MDH and/or HSCRC maintain status Health Oversight Agencies. |  | To list but assumed in TCOC. |
| 90% of regulated revenue must be paid through Hospital Global Budgets. |  | To list, TCOC threshold was 95%. |
| If the State enacts legislation, implements regulation, or takes any other action that inhibits the ability of the State and/or Maryland Payers to participate in the Model, and CMS determines that such changes and/or actions are not consistent with the requirements of this Agreement. | Broader than the equivalent provision in the TCOC Agreement. | |

Section 22: Compliance Events (cont.)

| Triggering Events That May Lead to Termination | Comparison to TCOC |
|--|--------------------|
| State must establish All-Payer TCOC Growth Targets and All-Payer Primary Care Investment Targets on time | NEW |
| Meet the Medicare Primary Care Investment targets | NEW |
| Comply with the Cooperative Agreement | NEW |
| Medicare FFS beneficiaries is less than 10,000 | NEW |
| Minimum revenue-at-risk for hospital quality pay for performance programs Material compliance with the Agreement The State action threatens the health or safety of a patient or that compromises the integrity of the Model or the Medicare Trust Funds The quality of care provided to Medicare, Medicaid, or CHIP beneficiaries deteriorates The State submits false data or information to CMS | Same as TCOC |

Section 22: Enforcement Action and Termination (cont.)



Other Contract Provisions (Sections 23-32)

Similar to TCOC, the AHEAD contract contains standard contract provisions.

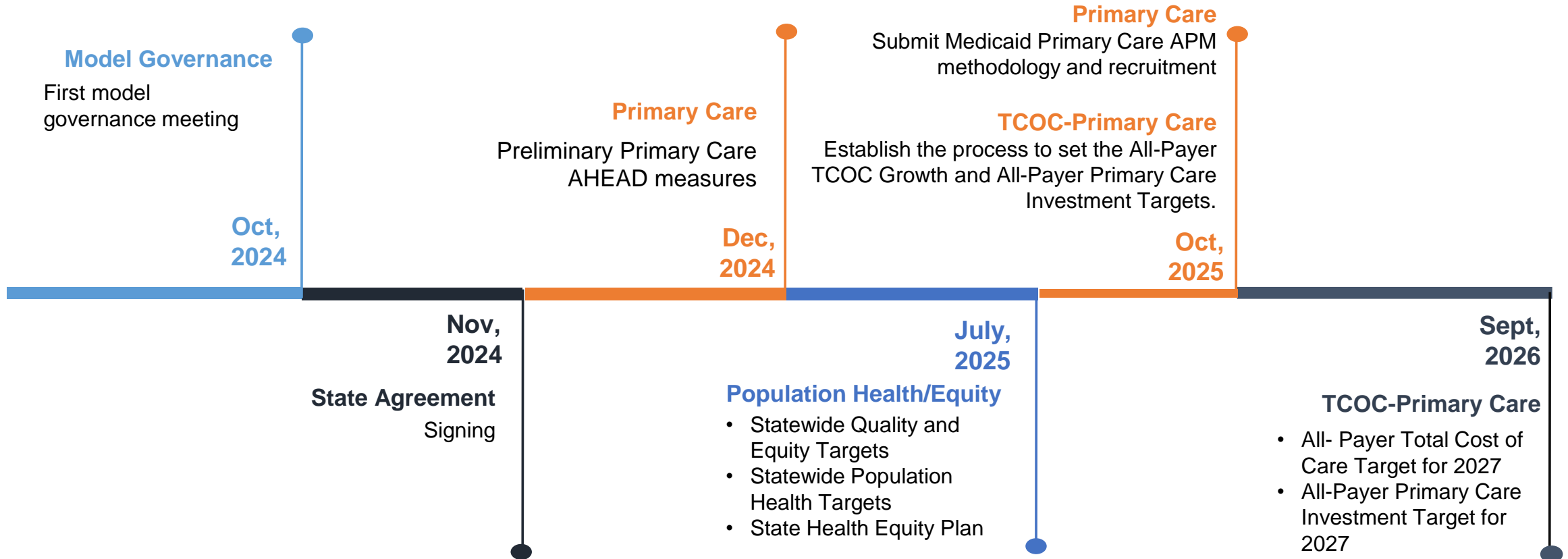
Maryland must **maintain records** and provide access to federal agencies

Dispute resolution

The contractual requirements related to monitoring, Model evaluation, data sharing, and maintenance of records **survive the termination of the agreement**

This contract does not limit the Federal Government's authority to take **enforcement** action for violations of laws

Timeline of AHEAD Major Milestones



List of Appendices

- A. Calculation Methodology for the Medicare FFS TCOC Target
- B. Medicare FFS Primary Care Investment Target
- C. Calculation Methodology Requirements for Hospital Global Budgets
- D. Primary Care AHEAD Quality Measures: CMS Menu of Required Measures and Choices for Measures
- E. Medicare Payment Waivers and Benefit Enhancement Waivers
- F. All Payer Revenue Limit and Specifications for Calculation
- G. MDH Attestation and Data Specification Worksheet
- H. HSCRC Attestation and Data Specification Worksheet
- I. Statewide Quality Measures: CMS Menu of Statewide Core and Optional Measures