

Chapter 29

Addendum B

The Performance-Based Maternity Payments (P-BMP) Incentive Calculations Methodology

Revision: C-35, September 12, 2018

1. The P-BMP incentive calculations shall be performed by the Defense Health Agency's (DHA's) Decision Support Office for three incentive cycles as shown in [Figure 29.B-1](#).

FIGURE 29.B-1 INCENTIVE CYCLE

Incentive Cycle	Rating (as of date)	Date of Service (Hospital Admission)
1	August 1, 2019	September 1, 2018 through December 31, 2018*
2	August 1, 2020	January 1, 2019 through December 31, 2019*
3	August 1, 2021	January 1, 2020 through December 31, 2020*
* Or last day of health care delivery under the contract, whichever comes first.		

2. The data for the incentive calculation are extracted from the TRICARE Encounter Data (TED) Institutional claims, TED-I, using the following criteria.
 - a. Including TED-I claims:
 - i. For network hospitals that are eligible for the P-BMP incentive as indicated by the DHA Program Integrity (PI) Office.
 - ii. With admission dates in the applicable incentive cycle described in [Figure 29.B-1](#).
 - iii. For TRICARE deliveries based on the Medicare Severity-Diagnosis Related Group (MS-DRG) as follows: 765-768, 774, and 775. See [Addendum C](#) for MS-DRG value descriptions.
 - iv. For **High-Risk** TRICARE deliveries based on the 2018 International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10-CM) diagnosis code series O09.XX.
 - b. Excluding TED-I claims:
 - i. For hospitals that are located outside the 50 United States and the District of Columbia (DC).
 - ii. For hospitals that are located in the State of Maryland.
 - iii. For Critical Access Hospitals (CAH).
 - iv. With any Other Health Insurance (OHI).
 - v. For Uniformed Services Family Health Plan (USFHP) beneficiaries.

3. The total allowed charges for TRICARE maternity care services for each hospital will be calculated by the Government as follows:
 - a. Total allowed charges for TRICARE deliveries equal to the sum of allowed charges on all maternity care claims with MS-DRG 765-768, 774, 775 (or their successors if the MS-DRGs are restructured and/or renumbered) and admission dates in the applicable incentive cycle described in [Figure 29.B-1](#).
 - b. Total allowed charges for **High-Risk** TRICARE deliveries equal to the sum of allowed charges on all maternity care claims with 2018 ICD-10-CM diagnosis code series O09.XX and admission dates in the applicable incentive cycle described in [Figure 29.B-1](#), performed at facilities with the **High-Risk Delivery** tier designation.
4. Based on the hospital's values in the data field named **Maternity Care Value Indicator** and **High-Risk Delivery Indicator** published in the P-BMP report, and input provided by DHA Program Integrity Office, the incentive payment for each hospital will be calculated by the DHA Decision Support Office as the percentage of total allowed charges for TRICARE maternity care claims generated in Step 3 for each incentive cycle using the following logic and formulas.
 - a. Base incentive payment calculations:
 - i. For hospitals with a **Maternity Care Value Indicator** of 1, the incentive payment will be 1% of total allowed charges for TRICARE deliveries generated in Step 3.
 - ii. For hospitals with a **Maternity Care Value Indicator** of 2, the incentive payment will be 2% of total allowed charges for TRICARE deliveries generated in Step 3.
 - iii. For hospitals with a **Maternity Care Value Indicator** less than 1, the incentive payment will be 0% of total allowed charges (no incentive payment) for TRICARE deliveries generated in Step 3.
 - b. Additional incentive payment calculations:
 - i. For hospitals with a **High-Risk Delivery Indicator** of 1, additional incentive payment will be 1% of allowed charges on High-Risk TRICARE deliveries generated in Step 3.
 - ii. For hospitals with a **High-Risk Delivery Indicator** less than 1, incentive payment equals 0% of allowed charges (no additional incentive payment) on **High-Risk** TRICARE deliveries generated in Step 3.
 - c. Total incentive payment calculations:

The total incentive payment for each hospital is equal to the total sum of base incentive payment and additional incentive payment.

Note that in [Addendum A](#):

- A **Maternity Care Value Indicator** of 1 represents **Value** tier which indicates that the hospital met the target for any three of the four core metrics (as stated in [Section 4, paragraph 4.2](#)).
- A **Maternity Care Value Indicator** of 2 represents **High Value** tier which indicates that the hospital met the target for all four core metrics (as stated in [Section 4, paragraph 4.2](#)).
- A **High-Risk Delivery Indicator** of 1 represents **High-Risk Delivery** tier which indicates that the hospital was **Value** or **High Value** tier and also met the Leapfrog target for **High-Risk Deliveries** with at least 50 very-low birth weight (VLBW) babies per year.

TRICARE Operations Manual 6010.59-M, April 1, 2015

Chapter 29, Addendum B

The Performance-Based Maternity Payments (P-BMP) Incentive Calculations Methodology

- No incentive payments will be made to hospitals who met two, one, or zero core metrics, or who chose not to participate in the Leapfrog Hospital Survey (or who are rated “not applicable” by Leapfrog), regardless of whether they met the Leapfrog target for **High-Risk Deliveries**.

- END -

