

APA-1

TRANSMITTAL SHEET FOR NOTICE  
OF INTENDED ACTION

Control: 560

Department or Agency: Alabama Medicaid Agency

Rule No.: 560-X-37-.10

Rule Title: Payments To Primary Care Physicians And Delivering  
Healthcare Professionals Participating With The  
Alabama Coordinated Health Network

Intended Action Amend

Would the absence of the proposed rule significantly harm or  
endanger the public health, welfare, or safety? No

Is there a reasonable relationship between the state's police  
power and the protection of the public health, safety, or welfare? Yes

Is there another, less restrictive method of regulation available  
that could adequately protect the public? No

Does the proposed rule have the effect of directly or indirectly  
increasing the costs of any goods or services involved? No

To what degree?: N/A

Is the increase in cost more harmful to the public than the harm  
that might result from the absence of the proposed rule? No

Are all facets of the rule-making process designed solely for the  
purpose of, and so they have, as their primary effect, the  
protection of the public? Yes

Does the proposed action relate to or affect in any manner any  
litigation which the agency is a party to concerning the subject  
matter of the proposed rule? No

Does the proposed rule have an economic impact? No

If the proposed rule has an economic impact, the proposed rule is required to be  
accompanied by a fiscal note prepared in accordance with subsection (f) of Section  
41-22-23, Code of Alabama 1975.

Certification of Authorized Official

I certify that the attached proposed rule has been proposed in full compliance  
with the requirements of Chapter 22, Title 41, Code of Alabama 1975, and that it  
conforms to all applicable filing requirements of the Administrative Procedure  
Division of the Legislative Services Agency.

Signature of certifying officer

Stephanie McGee Azar  
Stephanie McGee Azar

Date

Friday, January 17, 2025

REC'D & FILED  
JAN 17, 2025  
LEGISLATIVE SVC AGENCY

**ALABAMA MEDICAID AGENCY**

**NOTICE OF INTENDED ACTION**

**AGENCY NAME:** Alabama Medicaid Agency

**RULE NO. & TITLE:** 560-X-37-.10 Payments To Primary Care Physicians  
And Delivering Healthcare Professionals Participating  
With The Alabama Coordinated Health Network

**INTENDED ACTION:** Amend

**SUBSTANCE OF PROPOSED ACTION:**

The above referenced rule is being amended to update the name change from Delivering Healthcare Professionals (DHCP) to Maternity Care Providers (MCP), update the number of Alabama Coordinated Health Network (ACHN) Participation codes, Quality Performance Bonus Payments, and Quarterly cost effectiveness payments to align with the verbiage in the new FY 2025 RFP which was approved in the SPA AL-24-0006 by CMS effective October 1, 2024.

**TIME, PLACE AND MANNER OF PRESENTING VIEWS:**

Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:**

Friday, March 7, 2025

**CONTACT PERSON AT AGENCY:**

Stephanie Lindsay,  
Administrative Secretary  
Alabama Medicaid Agency  
501 Dexter Avenue  
Post Office Box 5624  
Montgomery, Alabama 36103-5624  
Phone: (334) 353-3781

*Stephanie McGee Azar*

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Stephanie Lindsay

(Signature of officer authorized  
to promulgate and adopt  
rules or his or her deputy)

**Payments To Primary Care Physicians And**  
**~~Delivering Healthcare Professionals~~Maternity**  
**Care Providers Participating With The Alabama**  
**Coordinated Health Network.**

- (1) Primary Care Physician (PCP) Groups.
- (a) To participate with an Alabama Coordinated Health Network (ACHN), a PCP Group must engage with the ACHN as follows:
1. PCP Groups must sign two agreements beyond their Medicaid enrollment:
    - (i) A PCP Group Agreement with Alabama Medicaid; and
    - (ii) One agreement with an ACHN entity.
  2. Over a twelve (12) month period, attend in person at least (2) quarterly Medical Management Meetings and one webinar/facilitation exercise with the ACHN's Medical Director. Attendance requirements can be met by having one PCP or Nurse Practitioner/Physician Assistant from the group attend;
  3. Engage in ACHN initiatives centered around quality measures;
  4. Review data provided by the ACHN to help achieve Alabama Medicaid and ACHN quality goals; and
  5. Engage, as appropriate, in the ACHN's Multidisciplinary Care Team and the development of an individualized and comprehensive care plan.
- (b) Participation requirements will be monitored on a monthly basis by the ACHNs and Alabama Medicaid. If an ACHN indicates a PCP group is not attending meetings or engaging as described above with the ACHN, Alabama Medicaid and the ACHN will make the determination to end the PCP's Group Agreement to participate in the ACHN Program.
- (c) PCP groups who participate with an ACHN will be eligible for the following payments:
1. ACHN Participation Rate: PCP Groups are eligible to earn higher payments for 153 Evaluation and Management codes if they participate with the ACHNs. For a list of these E&M codes, see State Plan Attachment 4.19-B, page 2c.1. Rates are published on the Agency's website at [www.medicaid.alabama.gov](http://www.medicaid.alabama.gov). The following provider groups are not eligible to receive ACHN Participation Rates: Federally Qualified Health Centers (FQHCs), Rural Health Centers (RHCs), OB/GYNs and nurse midwives, and nursing facilities.
  2. Performance Bonus Payments: A performance payment pool has been established in the amount of \$15 million annually to fund three (3) performance payments for participating PCP groups. The performance payments pool is allotted as follows: 50% for quality, 45% for cost effectiveness, and 5% for Patient Centered Medical Home

(PCMH) Recognition. This bonus pool includes payments to FQHCs and RHCs.

3. Quality Performance Bonus Payments: All Participating PCP groups that meet or exceed annual quality benchmarks determined by Alabama Medicaid are eligible to receive a quarterly quality performance bonus payment.

(i) Quality payments for the period between October 1, 2019, and September 30, 2021, 2024, and March 31, 2026, will be distributed to each PCP group based on the number of Medicaid recipients attributed to the PCP group, as determined in accordance with Rule 560-X-37-.09, for the prior quarterly period.

(ii) The Agency's quarterly payments beginning with the April 2026 payment will be based on actual quality measure performance calculated for the services rendered for the previous 12 months with a 9-month time lag on a rolling basis. For example, the quarterly payments made during April 2026, will be based on the actual quality measure performance calculated for the period between July 1, 2024, and June 30, 2025. Similarly, the quality measure payments made during July 2026, will be based on the quality measure performance calculated for the period between October 1, 2024, and September 30, 2025 ~~Quarterly payments after October 1, 2021, will be based on actual quality measure performance as soon as the previous calendar year's performance has been calculated. These payments will be distributed to each PCP group based on the number of Medicaid recipients attributed to the PCP group, as determined in accordance with Rule 560-X-37-.09, for the prior quarterly period.~~

4. Cost Effectiveness Performance Payments: All Participating PCP groups that meet or exceed cost effectiveness criteria established by the Agency are eligible to receive a quality cost effectiveness bonus payment.

(i) ~~Quarterly cost effectiveness payments for the period between October 1, 2019, and December 31, 2020, will be distributed to each PCP group based on the number of Medicaid recipients attributed to the PCP group, as determined in accordance with Rule 560-X-37-.09, for the prior quarterly period.~~

~~(ii) Quarterly cost effectiveness payments after January 1, 2021,~~ will be based on actual performance. The cost effectiveness performance calculation compares a 12-month per member per month (PMPM) to a risk-adjusted expected PMPM based on the costs of similar PCP groups that treat Medicaid

recipients. Groups will be ranked by an efficiency score that is derived from actual PMPM versus the expected PMPM. All Participating PCP groups that meet a cost effectiveness score of less than 1.0000 are eligible to receive a cost effectiveness bonus payment. The cost effectiveness score calculation methodology is outlined in Chapter 40 of the Provider Billing Manual on the Alabama Medicaid website. This calculation will occur as soon as the previous calendar year's performance has been calculated. These payments will be distributed to each PCP group based on the number of Medicaid recipients attributed to the PCP group, as determined in accordance with Rule 560-X-37-.09, for the prior quarterly period.

5. PCMH Recognition Performance Payments: The purpose of the PCMH Recognition performance payment is to incentivize providers to attain PCMH Recognition thereby ensuring Medicaid recipients are receiving care through a nationally recognized medical home model. All PCP groups who receive PCMH recognition will receive a quarterly bonus payment. The PCP group can obtain PCMH Recognition or certification through a nationally recognized entity such as National Committee for Quality Assurance (NCQA).

(i) Payments made for the period between October 1, 2019, and September 30, 2020, will be made based on the number of Medicaid Recipients attributed to the PCP group, as determined in accordance with Rule 560-X-37-.09, for the prior quarterly period.

(ii) Payments made after October 1, 2020, will be based on the PCP groups attestation of PCMH Recognition. The amount of the bonus payment will be distributed based on the number of Medicaid Recipients attributed to the PCP group, as determined in accordance with Rule 560-X-37-.09, for the prior quarterly period. Beginning October 1, 2020, if a PCP group does not meet PCMH Recognition, the Agency will not pay the PCMH bonus payment to the PCP group.

(2) ~~Delivering Healthcare Professionals (DHCPs)~~ Maternity Care Providers (MCPs)

(a) To participate with an ACHN, a ~~DHCP~~MCP group must engage with an ACHN as follows:

1. A ~~DHCP must sign a Delivering Healthcare Professional~~MCP must sign a Maternity Care Provider Group Agreement with an ACHN;
2. Provide data to the ACHN;

3. Engage in the development of the Medicaid recipient's care plan; and
  4. Engage in the ~~DHCP~~MCP selection and referral process.
- (b) Participation requirements will be monitored on a monthly basis by ACHNs and Alabama Medicaid. If the ACHN indicates a ~~DHCP~~MCP group is not providing data to the ACHNs, engaging in the development of the care plan, or engaging in the selection and referral process, Alabama Medicaid and the ACHN will make the determination to end the ~~DHCP's contract. DHCPs~~MCP's contract. MCPs who fail to meet these requirements will neither be referred Medicaid recipients by the ACHN nor will be able to provide maternity services to the ACHN population.
- (c) ~~DHCPs~~MCPs participating with the ACHN are eligible to receive a bonus payment for providing the following services:
1. an initial prenatal visit in the first trimester and/or
  2. a post-partum visit.

**Author:** ~~Patricia Toston, Program Manager, Network Provider Assistance Unit~~Keisha Hawkins, Unit Manager, Network Provider Assistance Division, Managed Care Operations

**Statutory Authority:** Social Security Act, Title XIX, State Plan, Attachment 4.19-B.

**History: New Rule:** Published February 28, 2020; effective April 13, 2020. **Amended:** Published September 30, 2021; effective November 14, 2021. **Amended:** Published November 30, 2022; effective January 14, 2023. **Amended:** Published ; effective .