

Appendix D.4: NJ CCBHC Quality Incentive Payment Methodology

A. Key QIP Information

- **QIP Start:** January 2026
- **Measurement Year (MY):** January 1, 2026–December 31, 2026
- **QIP Data Due to DHS:** October 1, 2027
- **Estimated QIP Payment Date:** May 1, 2029
- **Projected Yearly Allotment:** 3% of Annual Monthly CCBHC Visits

B. Measure Table and Weights for MY1:

Quality Measure (QM)	Weight	Policy Manual Reference
QM1: Time to Services (I-SERV)	20%	9.2.1.
QM2: Depression Remission at Six Months (DEP-REM-6)	15%	9.2.1.
QM3: Follow-Up After Hospitalization for Mental Illness, ages 6 to 17 (child/adolescent) (FUH-CH)	15%	9.2.2.
QM4: Follow-Up After Hospitalization for Mental Illness, ages 18+ (adult) (FUH-AD)	15%	9.2.2.
QM5: Initiation and Engagement of Alcohol and Other Drug Dependence Treatment (IET-AD)	10%	9.2.2.
QM6: Glycemic Status Assessment for Patients with Diabetes (GSD-AD)	5%	9.2.2.
QM7: Plan All-Cause Readmissions Rate (PCR-AD)	20%	9.2.2.

C. Methodology:

The NJ CCBHC QIP is comprised of a select set of quality measures as defined by the State. For MY1, the measures, weights, and policy manual reference are illustrated in the table above. CCBHCs must report all required QIP quality measures to be eligible for payment. CCBHCs must also meet the minimum numerator and denominator requirements for the calculation of a QIP measure for it to be included in the determination of payment. The State will utilize the QIP funding pool to distribute payment to CCBHCs meeting quality benchmarks in accordance with the timeline and process cited in this appendix.

1. QIP Funding Pool

The QIP funding pool will be determined annually based on the availability of state resources. Each quality measure will be allocated a proportion of the QIP funding pool in relation to its weight. For example, if the QIP funding pool is \$5,000,000 and quality

measure 1 (I-SERV) is weighted at 20%, then that measure will be allocated \$1,000,000 (20% * \$5,000,000 = \$1,000,000). The QIP funding pool will be fully optimized each performance year. If a CCBHC does not attain performance on one or more quality measures or is otherwise not eligible to receive the QIP, those dollars will be redistributed to eligible CCBHCs meeting performance. If no CCBHCs meet the benchmark for a given quality measure, the funds originally allocated to that measure will be redistributed to other quality measures at the state’s discretion.

2. Quality Benchmarks

When available, DHS will utilize national benchmarks for each measure to determine performance. If a national benchmark is unavailable for a given quality measure, DHS will specify how it will determine performance (e.g., comparison to other CCBHCs, comparison to state mean/median, etc.). CCBHCs meeting or exceeding performance benchmarks for a given quality measure will be considered for payment. Each quality measure will be evaluated independently of other quality measures, thereby allowing a CCBHC to receive payment for achieving benchmark on one quality measure, but not meeting benchmark on a different quality measure.

3. Performance and Award Calculation

A CCBHC will receive a performance credit for each quality measure benchmark it meets or exceeds. A CCBHC’s award amount is determined by the proportion of annual monthly PPS visits to all QIP-qualifying CCBHC annual monthly visits for a given quality measure multiplied by the amount allocated to that quality measure from the QIP funding pool from the weights in part B above.

D. Example:

(This example is purely hypothetical and should be used for illustrative purposes only.) This example assumes a \$5,000,000 QIP funding pool with quality measures weighted as shown in the table in part B above. In this example, six of the seven CCBHCs submit data for all required quality measures. CCBHC 7 did not report data for QM4 and is therefore disqualified and removed from the award calculation process. The table below shows how the CCBHCs performed on each of the seven quality measures in addition to the breakdown of annual monthly PPS visits by CCBHC:

CCBHC	Quality Measures Met	Annual Monthly PPS Visits
CCBHC 1	1, 2, 3, 4, 5, 7	10,000
CCBHC 2	1, 2, 3, 7	20,000
CCBHC 3	1, 6, 7	15,000
CCBHC 4	2, 3, 6	30,000
CCBHC 5	1, 2, 3, 4, 5	25,000

CCBHC 6	3, 4, 5	5,000
CCBHC 7	DISQUALIFIED for Not Reporting QM4	DOES NOT QUALIFY

In light of the table above, each CCBHCs credit by QM denoted with an “X” in the table below (note that CCBHC 7 is omitted as they were disqualified for not reporting QM4):

Measure	QM1	QM2	QM3	QM4	QM5	QM6	QM7
CCBHC 1	X	X	X	X	X	-	X
CCBHC 2	X	X	X	-	-	-	X
CCBHC 3	X	-	-	-	-	X	X
CCBHC 4	-	X	X	-	-	X	-
CCBHC 5	X	X	X	X	X	-	-
CCBHC 6	-	-	X	X	X	-	-

Next, each CCBHCs proportion of annual monthly PPS visits to all QIP-qualifying CCBHC annual monthly PPS visits is calculated for a quality measure. This is then multiplied by the award amount allocated to a given quality measure based on its weight of the QIP funding pool; in turn, this product yields an award amount for that measure. For example, looking at CCBHC 1’s performance on QM1 specifically, the steps are as follows:

1. Award Credit Determination: CCBHC 1 met or exceeded the benchmark for QM1 and therefore receives a credit.
2. Monthly PPS Visit Proportion Calculation: CCBHC 1’s monthly PPS visit proportion is calculated by taking the proportion of CCBHC 1’s annual monthly PPS visits (10,000) to total annual monthly PPS visits for CCBHCs qualifying for QM1 (70,000, which is the sum of annual monthly PPS visits for CCBHCs 1, 2, 3, and 5); therefore CCBHC 1’s monthly PPS visit proportion is 14.3% ($10,000/70,000 = 0.143$).
3. Award Amount Calculation: CCBHC 1’s award amount for QM1 is calculated by multiplying their monthly PPS visit proportion (14.3%) by the QIP funding pool amount allocated to QM1, or \$1,000,000 (0.20 [QM1 weight] * \$5,000,000 = \$1,000,000); ergo, CCBHC 1’s awarded amount for QM1 is \$142,857.14 ($0.143 * \$1,000,000 = \$142,857.14$).

Following the steps above, the full \$5,000,000 QIP funding pool award breakdown for this example is shown in the table below:

CCBHC	QM1 Award	QM2 Award	QM3 Award	QM4 Award	QM5 Award	QM6 Award	QM7 Award
CCBHC 1	\$142,857	\$88,235	\$83,333	\$187,500	\$125,000	\$0	\$222,222
CCBHC 2	\$285,714	\$176,471	\$166,667	\$0	\$0	\$0	\$444,444
CCBHC 3	\$214,286	\$0	\$0	\$0	\$0	\$83,333	\$333,333
CCBHC 4	\$0	\$264,706	\$250,000	\$0	\$0	\$166,667	\$0
CCBHC 5	\$357,143	\$220,588	\$208,333	\$468,750	\$312,500	\$0	\$0
CCBHC 6	\$0	\$0	\$41,667	\$93,750	\$62,500	\$0	\$0
Total	\$1,000,000	\$750,000	\$750,000	\$750,000	\$500,000	\$250,000	\$1,000,000