

Guidance for Quality Measure Transition Planning for Existing Section 223 Demonstration States and Clinics – Effect of Transition to Calendar Year as Measurement Year on Existing Quality Bonus Payment (QBP) Programs

As indicated in our [guidance issued July 9, 2023](#), beginning with the Calendar Year of January 1, 2025-December 31, 2025, SAMHSA and its Federal Partners are shifting to using the Calendar Year, rather than the Section 223 Demonstration Year, as the Measurement Year for the Behavioral Health Clinic (BHC) measures. This change has implications for state Quality Bonus Payment (QBP) programs within the existing Section 223 Demonstration.

Effects on Existing Section 223 Demonstration State Quality Bonus Payment Programs.

Because states and CCBHCs participating in the existing Section 223 Demonstration presently use QBP programs that rely on a Measurement Year tied to the Demonstration Year, the transition in Calendar Year 2025 has implications for how states calculate and pay QBPs during the transition period of 2024. The effects will vary depending on the timing of individual participating states' Demonstration Years.

Options for States and Section 223 Quality Bonus Payment Programs in 2024.

After consulting with existing Section 223 Demonstration states, many of whom consulted in turn with their established CCBHCs, SAMHSA, CMS, and ASPE are providing two options for how existing Demonstration states may handle their QBPs in 2024. States will have the following choices:

Option 1: Hiatus. States would continue quality measure reporting, using the current specifications, through the Demonstration Year that ends in 2024. QBPs would be paid out as normal for that Demonstration Year. States (other than ones with a Demonstration Year that already coincides with the Calendar Year) would then take a reporting and QBP hiatus for the remainder of Calendar Year 2024 and resume QM reporting at the beginning of Calendar Year 2025. For the Measurement Year/Calendar Year ending in 2025, states would pay QBP based on that Measurement Year/Calendar Year 2025.

Option 2: No Hiatus. States would continue quality measure reporting, using the current specifications, through the Demonstration Year that ends in 2024. QBPs would be paid out as normal for that Demonstration Year. In addition to quality measure reporting on a Demonstration Year basis for the Demonstration Year that ends in 2024 using the existing measures, states selecting Option 2 would also start reporting on a Calendar Year basis with either the existing or new technical specifications for the period from January 1- December 31, 2024. QBPs would be paid pro rata for the portion of Calendar Year 2024 that follows the Demonstration Year ending in 2024.

September 28, 2023

For example, under Option 2, a state with a July 1 Demonstration Year start date will collect QM data from both the July 1, 2023- June 30, 2024 time period (with existing tech specs) AND the time period from January 1- December 31, 2024 (using the existing or new tech specs).¹ The state would make full QBPs for the Demonstration Year running from July 1, 2023- June 30, 2024 and a pro rata QBP for the six month period from July 1, 2024- December 31, with the pro rata payment based on the Calendar Year QM data reported from January 1- Dec 31, 2024. The new technical specifications would be used to report for all of Calendar Year 2025.

Existing Section 223 Demonstration states may select either option. SAMHSA, CMS, and ASPE, however, request that each existing Demonstration state please advise us, no later than December 1, 2023, which approach your state will take in 2024. You may do so at the SAMHSA CCBHC Resource Mailbox at ccbhc@samhsa.hhs.gov.

¹ Although, it would be desirable for Demonstration states and clinics to use the new specifications beginning with Calendar Year 2024, it seems unlikely that clinics, in particular, will be ready to do so at the beginning of the year.