

Texas Incentives for Physicians and Professional Services



Proposed SFY 2027 Quality Metrics and Performance August 21, 2025

[Key Takeaways](#) | [Presentation](#) | [TIPPS SFY2027 Requirements](#)

Federal Context & Planning

- No major changes for **SFY 2027**; more significant updates expected in **SFY 2028–2030**.

SFY 2027 Program Direction

- What Stays the Same:
 - Quality goals remain aligned with advancing process and outcome measures.
 - Component 2 pay-for-performance (P4P) structure, scoring methodology, and achievement targets.
- Proposed Adjustments:
 - Measure specifications: Use SFY 2026 specs in SFY 2027 to reduce administrative burden.
 - Remove structure measures: HIE participation (T3-105) due to CMS preference for process/outcome measures.
 - Quality goals narrowed to **promoting optimal health** and **effective practices for chronic/complex conditions**.
 - **Reporting shift:** October → No measure reporting; providers will submit an Intent to Report certification confirming readiness; March → Providers will report all measures (structure, process, and outcomes) in one cycle.

Component 2 Pay-for-Performance (P4) measures:

- Same six measures as SFY 2026, with updated benchmarks:
 - Outcome: Diabetes A1C poor control (29.93%), blood pressure control (69.37%), prenatal depression screening (IOS).
 - Process: Adolescent immunizations, depression screening (IOS), food insecurity screening (IOS).

- Low volume providers (<10 cases) not penalized; points adjusted.

Reporting Timeline (Subject to CMS Approval)

- Baseline: Calendar Year (CY) 2025.
 - Continuing participants → submit baseline data March 2026.
 - New participants → submit baseline May 2026.
- Performance Period: CY 2026.
 - Providers report full year data in March 2027.
- Scorecards: SFY 2026 results will be published in August 2027, supporting August payments within the fiscal year.

Public Comment

- Payments: Reporting changes do not affect payment timing; August payments remain the norm.
- SFY 2028–2030 changes: Still under development; details forthcoming with opportunity for public comment.
- Adult Immunization Metric: (T1-177) will begin in SFY 2026, not delayed to 2027.

Public Comment Period: Closes September 7, 2025.

Final measures posted by October 1, 2025.

Overview of Proposed SFY2027 Changes | [Presentation](#)

[Kim Tucker](#), Medicaid and CHIP Delivery System Quality and Innovation (DSQI), HHSC

- Changes discussed are current plans, but may shift based on recent federal legislation.
- HHSC is awaiting further guidance from CMS regarding the manner in which CMS intends to implement recent federal legislation.
- HHSC will keep providers and managed care organizations updated concerning any programmatic changes as guidance is received from CMS.
- HHSC is not proposing major changes for SFY 2027, but plans to propose more changes for the three year period of SFY 2028-2030.

- Items that are the same for SFY 2027 include that the program must advance quality goals, process and outcome measures, and Component 2 pay for performance (P4) structure, including the score methodology and achievement targets.
- Proposed changes for SFY 2027 include that measure specifications from SFY 2026 will apply for the SFY 2027, structure measures are removed from the reporting template, changes to the October reporting period and updates to Component 2 benchmarks.
- Additionally, the quality strategy goals have been updated due to the removal of the structure measures. The goals are now to promote optimal health for Texans, and promote effective practices for people with chronic, complex and serious conditions.
- Proposing to use the SFY 2026 measure specifications for SFY 2027 to reduce the administrative burden of creating new reports.
 - The goal will be to use the same set of measure specifications for multiple years moving forward and to not have annual updates.
- HHSC is removing the structure measure T3-105, Health Information Exchange or HIE participation for SFY 2027 to reduce administrative burden and focus on process and outcome measures which are preferred by CMS.
- Reporting period changes:
 - October reporting period:
 - For SFY 2026, providers report structure measures during October reporting.
 - For SFY 2027, providers will instead submit an Intent to Report certification.
 - Providers will confirm they understand the reporting requirements and the measures they will report in March.
 - March reporting period:
 - For SFY 2026, providers report only process and outcome measures during March reporting.

- For SFY 2027, providers will report all measures, structure, process, and outcomes during the March reporting period.

Component 2 Measures

[Betty Marcos](#), DSQI, HHSC

- Component 2 is the Pay for Performance (P4P) component.
 - These are measures reported by physician groups owned or operated by a health-related institution (HRI) or physician groups contracted with, owned, or operated by a hospital receiving the indirect medical education add-on (IME)
 - All measures proposed for SFY 2027 are continuing from SFY 2026 and will use the same measure specifications used in SFY 2026.
 - There are six measures in the components, three outcome measures and three process measures.

Component 2		P4P outcome measures		
ID	TIPPS P4P Measures	Target Calculation	SFY 2026 Benchmark	SFY 2027 Benchmark
T1-102	Diabetes: Glycemic Status Assessment Greater Than 9%	Benchmark	NCQA Quality Compass National Medicaid CY 2022 (75 th Percentile - 33.45%)	NCQA Quality Compass National Medicaid CY 2023 (75 th Percentile - 29.93%)
T2-119	Controlling High Blood Pressure	Benchmark	NCQA Quality Compass National Medicaid CY 2022 (75 th Percentile - 67.27%)	NCQA Quality Compass National Medicaid CY 2023 (75 th Percentile - 69.37%)
T2-162	Prenatal Depression Screening and Follow-up*	Improvement over Self (IOS)	NA	NA

*If a provider has insufficient denominator volume (<10 STAR, STAR+PLUS, and STAR Kids deliveries in CY 2026), the total points available will be reduced by four points.

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- Diabetes Glycemic status assessment greater than 9%
 - A1C poor control measure - the measure steward changed its name for SFY 2026.
 - The updated benchmark for SFY 2027 will be 29.93%.
- Controlling High Blood Pressure measure
 - Updated benchmark for SFY 2027 is 69.37%.

- Prenatal Depression Screening and Follow Up Plan measure
 - This is an 'Improvement over Self' (IOS) measure.
 - Providers with insufficient denominator volume (less than 10 STAR, STAR+PLUS and STARKids deliveries in calendar year 2026) will have total points available reduced by 4 points.
 - If providers don't have 10 or more eligible cases, the measure does not count for or against them when calculating achievements.

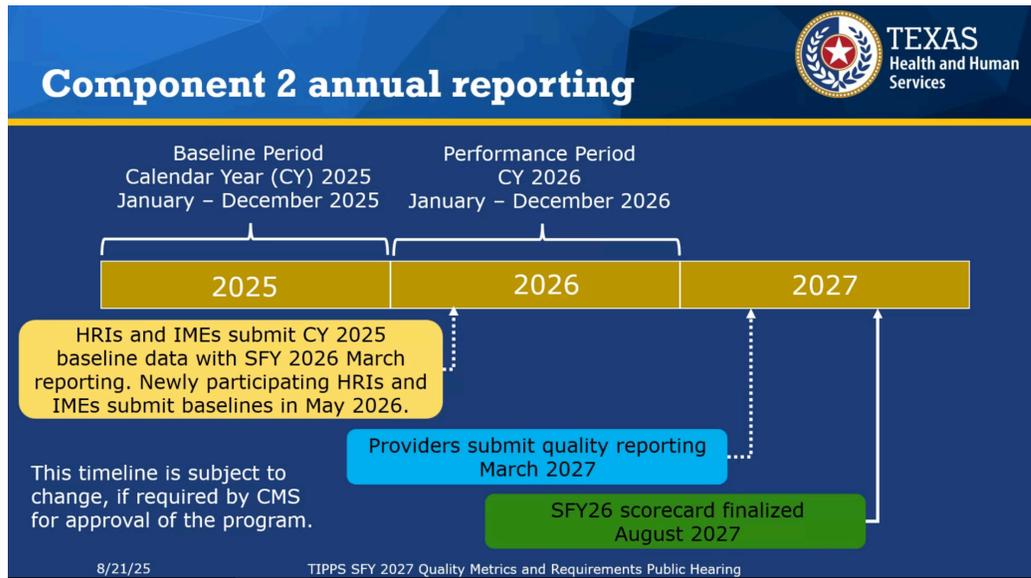
Component 2 P4P process measures				
ID	TIPPS P4P Measures	Target Calculation	SFY 2026 Benchmark	SFY 2027 Benchmark
T2-114	Immunization for Adolescents	Benchmark	NCQA Quality Compass National Medicaid CY 2022 (75 th Percentile - 40.88%)	NCQA Quality Compass National Medicaid CY 2023 (75 th Percentile - 41.61%)
T2-115	Preventive Care and Screening: Screening for Depression and Follow-up Plan	IOS	NA	NA
T2-161	Food Insecurity Screening and Follow-up Plan	IOS	NA	NA

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- Continuing process measures are:
 - T2-114: Immunization for Adolescents: benchmark was updated for SFY 2027.
 - T2-115: Preventive care and Screening, Screening for Depression and Follow Up Plan (IOS measure).
 - T2-161: Food insecurity screening and Follow Up Plan (IOS measure).

Component 2 Annual Reporting Timeline

Betty Marcos, DSQI, HHSC



- The timeline is subject to change, pending CMS approval.
- The baseline period for SFY 2027 will be CY 2025.
 - HRIs and IMEs participating in SFY 2026 will submit their CY 2025 baseline data to HHSC in March of 2026.
 - Newly enrolled HRIs and IMEs for SFY 2027 will submit their baselines in May of 2026.
- The performance period for SFY 2027 is CY 2026. Participating providers will report those 12 months of data in March of 2027.
- The scorecard for SFY 2026 would be published in August of 2027.

Public Comment | Questions

- Andrew: How does the change in reporting for SFY27 impact the timing of any payments related to Component 2?
 - Linda Huynh (DSQI): For SFY 26 reporting will be in March of 2026 and for SFY 27 it will be March of 2027.

- Payment timing should still be the same. Scorecards are published in August for August payments so that those payments are processed within the state fiscal year.
- Marisa: Can you provide additional details about the multiple changes for the next three years, SFY 28 - 30?
 - DSQI is still researching options for SFY 2028 and there is no information to share at this point. More information will be shared in the future and will be open to public comments.
- Oscar: Can you provide information about the Adult Immunization Combined Metric discussed for TIPPS in past meetings?
 - DSQI: The T1-177 adult immunization status metric will be reported beginning in SFY 2026, not just in SFY 2027.
- Kelly: If our EHR vendor updates our ECQM measures annually, can we use those updated reports even though you are not proposing to update the measure specifications annually?
 - DSQI: It would be helpful to know what measures are being referred to, to be aware of possible changes by the measure steward, and to make a decision based on specific information.

Public Comment remains open until September 7, 2025.