

Advancing Clinical Quality in State Health Programs

Helping states define value, measure performance, and improve outcomes across complex delivery systems

Overview

Delivering high-quality, cost-effective healthcare remains a central priority for state Medicaid programs as they balance clinical outcomes, access, and long-term sustainability.

Providing care to populations with complex needs — in a coordinated and efficient manner — presents ongoing challenges. Medicaid agencies are often responsible for defining value, measuring clinical quality, and ensuring programs are achieving meaningful outcomes.

Fragmentation across delivery systems, gaps in care coordination, and limited integration across physical, behavioral, and long-term services and supports can impact outcomes. As a result, many states have transitioned to managed care models, increasing reliance on Managed Care Organizations (MCOs) to deliver high-quality, cost-effective care.

This shift has created a growing need for states to assess whether managed care programs are delivering value — and whether MCOs are effectively improving outcomes for members.

Key considerations for clinical quality

Managed care operations

- Though MCOs may meet compliance requirements, are they operating efficiently and effectively?
- Have implemented interventions resulted in measurable and sustained improvements in outcomes?
- Are MCOs effectively engaging community-based organizations to address social factors influencing health outcomes?
- Are observed improvements in quality meaningful and sustainable over time?

Value-Based Models of Care

- Are financial incentives and accountability mechanisms aligned to drive performance?
- Are MCOs fostering meaningful provider partnerships and supporting innovation?
- Do providers experience true collaboration with MCOs?
- Are value-based models designed to minimize provider burden?
- Are payment models targeting the primary drivers of healthcare quality?

Quality Strategy

- What outcomes should define success for the program?
- Are members receiving person-centered care that supports engagement and informed decision-making?
- Are state and MCO quality activities aligned with program goals?
- Is oversight structured to efficiently target areas of highest need and impact?

Performance measurement

- Are performance measures focused on meaningful outcomes?
- Do reporting processes provide actionable insights?
- Are measures aligned across quality strategy and value-based purchasing models?
- Are benchmarks and targets appropriate and consistently achieved?

How Mercer can help

Areas of support

States often require support across multiple dimensions of clinical quality and managed care program oversight. This may include strengthening preventive care strategies, enhancing chronic and disease-specific program design, improving access to services, and evaluating delivery system performance. Efforts may also focus on member and provider experience, utilization management, and the integration of services across physical, behavioral, and long-term care. In addition, states frequently assess compliance with federal and state requirements, the effectiveness of performance measurement approaches, and the use of evidence-based practices to drive meaningful improvement.

Targeted support activities

Support activities are typically tailored to a state's program structure and priorities. This may include technical assistance to strengthen quality strategies and evaluation frameworks, development and validation of performance measures, and design of value-based purchasing approaches. Additional efforts may involve managed care plan and program reviews, survey design and administration, and targeted studies to better understand program performance. States may also seek to enhance monitoring and oversight through improved reporting tools, provide training and technical assistance to staff and contractors, and align managed care contracts to support clinical quality objectives.

For More Information

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