



Inpatient Quality Reporting Program

Support Contractor

Hospital Value-Based Purchasing Program: Overview of FY 2017 Presentation Transcript

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Speaker:

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February 17, 2015

2 p.m.

Operator:

Hello, everyone and welcome – welcome to the *Overview of the Hospital-Based Purchasing Fiscal Year 2017* call. My name is Oniel Delva and I will be your technical host for today's call, and before we get started, I just want to go over some housekeeping items, things to know.

I'll go over some of the WebEx features, as well. As you can see, we are currently streaming the audio for today's call over your computer speakers, so, there's no telephone line that's required. You can just turn up your speakers or plug in your headphones, if needed, so you can hear the presentation as we go on with today's event.

Additionally, we are currently answering questions using the WebEx or the chat feature. You can see at the bottom left of your screen, there's a Chat with Presenters, little area of this box where you can type in your questions. And we do ask that you submit them to us so that we can forward them to the proper individual to assist with answering your questions towards the end of today's event.

With that, I'll go ahead and turn over to Deb Price who will serve as your host for today's event.

Deb Price:

Hello and welcome to our monthly webinar. My name is Deb Price, and I will be the host for today's event. Before we begin, I'd like to make a few announcements. Number one, this program is being recorded. A transcript of the presentation, along with Qs&As, will be posted at our new Inpatient website, www.qualityreportingcenter.com within two days, and it will be posted to *QualityNet* at a later date. If you registered for the event, a reminder email, as well as the slides, were sent to your email two hours ago. If you didn't receive the email, you can now go to the website and

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download your slides. Again, our new website is www.qualityreportingcenter.com.

And now, I'd like to introduce our guest speaker, Bethany Wheeler. Excuse me. Bethany is lead of the Hospital Value-Based Purchasing Program. Prior to this role, Bethany served as the senior member of the Hospital Value-Based Purchasing Program team, a senior member of the Monitoring and Evaluation Contract, and a member of the Hospital Inpatient Quality Reporting Program Public Reporting Team. Bethany received her Bachelor's Science Degree in Accounting from AIB College of Business in Des Moines, Iowa.

Now, I'm handing the ball over to Bethany. Bethany?

Bethany Wheeler: Thank you, Deb, and I wanted to thank everyone for joining today. I know parts of the country are experiencing some pretty bad weather right now, so I want to thank everyone that could attend for attending today. And if you ever get into that spot where you can't attend, whether – whether you leave it or for something else, please note that these meetings are recorded and are available on qualityreportingcenter.com (www.qualityreportingcenter.com).

Next slide, please.

Today's agenda: I will address eligibility and exclusions to the Hospital Value-Based Purchasing Program; the domains, including the new measures for fiscal year 2017; the baseline and performance scoring within the program; the minimum requirements for each domain and measure; [and] the domain weighting or how to read your baseline measures report.

Next slide, please.

We have quite basic cover today, so let's get started.

Next slide.

The Hospital Value-Based Purchasing Program is required by Congress under Section 1886(o) of the Social Security Act as added by the Patient Protection and Affordable Care Act. The Hospital Value-Based Purchasing Program is the first national inpatient pay-for-performance program in which hospitals are paid for services based on the quality of care rather than the quantity of services provided. The program pays for care that rewards better value, improved patient outcomes, innovations, and cost efficiencies over volume of services. CMS used value-based purchasing as an important driver of change moving towards rewarding better value and improved patient outcomes, which in turn will lead to better care and healthier patients. The Hospital Value-Based Purchasing Program is a budget-neutral program and is funded to representative withhold from

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participating hospitals' DRG payments. Payment amounts will be redistributed based on the hospital's Total Performance Score in the Hospital Value-Based Purchasing Program, in comparison to the distribution of all hospitals' Total Performance Scores and Total Estimated DRG payments. It is important to note that withholds and incentive payments are not made in a lump sum, but for each eligible Medicare claim made at CMS. The funding from the FY 2017 program will come from a two percent withhold from participating hospitals' base-operating DRG payment amount.

Next slide, please.

Not every hospital is eligible for the Hospital Value-Based Purchasing Program. However, the program applies to more than 3,000 hospitals nationwide. The program applies to subsection (d) hospitals in the 50 states and the District of Columbia. Even though a hospital may be eligible for the program initially, they could be excluded from the program for one of the reasons listed on the slide. If a hospital is excluded, they will not, and I reiterate, *will not* have their base-operating DRG payment amounts withheld, nor will they receive incentive payments for that fiscal year.

The first exclusion reason: if a hospital is subject to payment reductions under the Hospital IQR Program, [it] is for hospitals that chose not to participate or did not meet one or more of the requirements of the hospital IQR program and is therefore receiving a payment reduction through that program. If a hospital is receiving a reduction through IQR, they will be excluded from the Hospital VBP Program and they will not incur the applicable withhold for the fiscal year. All hospitals that are eligible that meet the IQR Program requirements may still be excluded for the following four reasons:

First, hospitals which are sited for two or more deficiencies during the Performance Period that pose immediate jeopardy to the health or safety of patients will also be excluded from the program.

The second exclusion applies to a hospital [that] has less than three domain scores calculated. The hospital will be excluded and will not have their payments adjusted. When three domains are calculated instead of the possible four, the domain weights will be proportionately reweighted to have a total weight that equals 100 percent. This process will also be addressed later in this presentation.

The third criterion excludes a hospital that has an approved disaster/extraordinary circumstance exception.

The last exclusion from Hospital VBP excludes hospitals in Maryland. If a hospital is excluded from the program, it will state "Hospital VBP Ineligible" on the Percentage Payment Summary Report provided to hospitals prior to

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August 1st annually. Additionally, data for these hospitals will not be publically reported in the Hospital Value-Based Purchasing section on the Hospital Compare website. I would like to reiterate once again, that hospitals that are not eligible for the program or that are eligible and are later excluded from the program, will not have their base operating DRG withheld by two percent.

Deb Price: Excuse me, Bethany, this is Deb.

Bethany Wheeler: Yes?

Deb Price: We're having a lot of questions coming in about the audio and I was wondering if you could speak a little closer to the phone.

Bethany Wheeler: Yes, I will try.

Deb Price: Thank you.

Bethany Wheeler: The Hospital VBP Program has been evolving each fiscal year. In FY 2013, CMS only included two domains in the Total Performance Score – Clinical Process of Care weighted at 70% and the Patient Experience of Care domain weighted at 30%. In FY 2014, CMS adopted the Outcome domain, including the 30-Day Mortality Measures for AMI, HF, and PN, and weighted the domain at 25%. This decreased the Clinical Process of Care Domain to 45%. In FY 2015, CMS expanded the Outcome domain to include the AHRQ PSI-90 Composite and the CLABSI measure. CMS also adopted the Efficiency domain to measure Medicare Spending per Beneficiary. The domains were weighted at 20% for Clinical Process, 30% for Patient Experience, 30% for Outcome, and 20% for Efficiency. In FY 2016, CMS adopted additional outcome measures (CAUTI and Surgical Site Infection), a new clinical process measure (IMM-2), and revised the domain weighting.

CMS adopted their proposal to align the Hospital VBP's Quality Measurement domain with a National Quality Strategy. The Patient- and Caregiver-Centered Experience of Care/Care Coordination domain, containing the HCAHPS dimensions, is weighted at 25%. The Efficiency and Cost Reduction domain containing the Medicare spending for beneficiary measure is weighted at 25%. The Safety domain, containing the healthcare-associated infections listed on the slide and the AHRQ PSI-90 composite, is weighted at 20%. The clinical care domain has two subdomains, Outcomes and Process. The Clinical Care Outcome subdomain contains the three 30-day mortality measures and is weighted at 25%. The Clinical Care – Process subdomain containing AMI-7A, IMM-2, and PC-01 is weighted at 5% of the Total Performance Score.

When proposing and adopting the new measures listed on this slide, CMS considered which measures are eligible for adoption based on statutory

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requirements, including specification under the Hospital IQR Program posting date on the Hospital Compare website, and priorities for quality improvements as outlined in the National Quality Strategy. For the FY 2017 Hospital VBP Program, CMS finalized the adoption of three measures, MRSA, *C. diff*, and PC-01.

The MRSA measure is a risk-adjusted measure monitoring onset MRSA blood-streaming sections using the standardized infection ratio among all patients in the facility, and is reported by the CDC's National Healthcare Safety Network or NHSN. We remain concerned about the persistent public health threat presented by MRSA infection. According to a 2013 study available at the National Institute of Health website, MRSA results in longer hospitalization, increased expenses, and poor patient prognosis, and has been swiftly increasing worldwide over the past several decades. Invasive MRSA infections may cause about 18,000 deaths during a hospital stay per year.

C. diff is a risk-adjusted measure monitoring hospital onset of *C. difficile* infections using standardized infection ratio among all inpatients in the facility and has also been reported by the CDC's NHSN. According to a 2012 study, infection with *C. diff* is associated with poor outcomes for patients. Previous work has determined that regardless of the baseline risk of death, for every 10 patients that acquire *C. diff* in the hospital, one patient will die. *C. diff* is also associated with increased healthcare costs. One of the primary mechanisms by which *C. diff* increases costs is by increasing the length of time patients spend in the hospital.

The PC-01 measure, elective delivery prior to 39 completed weeks' gestation, is a chart-abstracted measure. Although this is a chart-abstracted measure, CMS finalized their policy in FY 2013 IPPS final rule, indicating that this is a measure that would be collected in aggregated counts per hospital via a web-based tool. The Strong Start Initiative was launched to help reduce early elective births. At launch, the HHS secretary stated that more than half a million infants are born prematurely in America each year. Fortunately, the early elective birth rate has steadily decreased. In 2012, the number of early elective births had decreased to approximately 456,000, or 11.55% of the total number of births. Early elective births are a public health problem that has significant consequences for families well into a child's life.

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The Clinical Care – Process subdomain contains three measures: AMI-7a, IMM-2, and PC-01, and is weighted at five percent of the Total Performance Score. I would like to note these measures will only be recorded to chart abstraction or web entry in lieu of eCQM submission because the eCQM submissions would only include one-quarter, and there's not likely to be enough cases.

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Next slide, please.

If a hospital does not meet the minimum requirements for a measure or dimension during the Baseline Period, improvement points will not be calculated for the measure or dimension. The minimum cases surveys, underlying indicators, predicted number of infections, and episodes of care will be addressed in the next few slides. In order to receive improvement points from the Clinical Care – Process measures, at least 10 eligible cases must be submitted during the Baseline Period and the Performance Period.

If a hospital only meets the minimum requirements of 10 cases during the Performance Period and not the Baseline Period, only achievement points will be awarded. If a hospital did not submit eligible cases during the Baseline Period, a double asterisk symbol will be displayed next to the measure name on the baseline measures report. The Clinical Care – Process subdomain requires at least one of the three measures displayed on the slide to receive a domain score in order to be included in the Total Performance Score that will be displayed on the percentage payment summary report.

In this example, the hospital did not meet the minimum case requirement in the PC-01 measure. However, because the hospital met the minimum case requirement in at least one of the measures, the hospital will receive a subdomain score. Because the hospital will not receive a score in every measure, the domain will be normalized for only the measures [for which the] hospital met the minimum case requirement. This will be shown in detail later in the presentation.

Next slide, please.

The Clinical Care Outcome subdomain contains three measures: the mortality – 30-day mortality AMI; the 30-day mortality heart failure; and the 30-day mortality pneumonia measures. This subdomain is weighted at 25 percent. The results calculated and displayed on the Baseline Measures Report for these three measures are displayed as survival rates instead of mortality rate. This means that higher rates indicate better quality for this set of measures.

Next slide, please.

In order to receive improvement points for the Clinical Care Outcomes measure, at least 25 eligible cases must be submitted during the Baseline Period and the Performance Period. If a hospital only meets the minimum requirements, the 25 cases during the Performance Period and not the Baseline Period, only achievement points will be awarded. If a hospital did not submit eligible cases during the Baseline Period, once, again, a double asterisk will be displayed next to the measure name on the Baseline Measure Report.

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The Clinical Care Outcome subdomain requires at least two of the three measures displayed on the slide to receive a subdomain score in order to be included on the Total Performance Score. In this example, the hospital did not meet the minimum care requirements in the pneumonia measure. However, because the hospital met the minimum care requirements in the other two measures, the hospital will receive a subdomain score.

Next slide, please.

The clinical ...

Deb Price: Bethany? Bethany? This is Deb, again. We are on slide 13 for those of you that are having issues with streaming. We are on slide 13. Thank you.

Bethany Wheeler: Thank you. The Clinical Care domain is separated into two subdomains Process and Outcomes. Although there are two subdomains, the Clinical Care domain will only be counted once in the domain count when determining eligibility.

Next slide, please.

So, why does this matter? CMS requires scores from at least three of the four domains in FY 2017 to receive a Total Performance Score and to be eligible for the Hospital VBP Program. A hospital meeting the minimums for both subdomains will have met the minimums for the Clinical Care domain. In addition, if a hospital meets the minimum measure counts in at least one of the two subdomains, CMS is considering this outcome as meeting the Clinical Care domain. This means if a hospital does not meet the minimums in, for example, the Clinical Care Process subdomain, but they meet the minimum in the Outcomes subdomain, the Clinical Care domain will be counted towards the total domain count. Although, the subdomains make up one domain, CMS chose to not distribute the weight of the subdomains to each other when the minimums were not met. The weight of the subdomain that does not meet the minimum will be proportionately reweighted amongst all eligible domains.

Next slide, please.

In the FY [20]17 VBP program, the Patient- and Caregiver Centered-Experience of Care/Care Coordination domain will be weighted at 25 percent of the Total Performance Score. This domain is measured by using the Hospital Consumer Assessment of Health Care Providers and Systems (HCAHPS) survey dimensions, and they include communication with nurses, communication with doctors, responsiveness of hospital staff, pain management, communication about medicines, friendliness and quietness of hospital environment, discharge information, and overall rating of hospital.

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Next slide, please.

For the Patient- and Caregiver-Centered Experience of Care/Care Coordination domain, a hospital must have 100 complete HCAHPS surveys in the Baseline Period to have the opportunity to receive improvement points on the PPSR. In addition to the surveys required during the Baseline Period, a hospital must have 100 complete surveys in Performance Period to receive improvement points or achievement points on that PPSR. In order for a hospital to receive a domain score for this domain, a total of 100 complete HCAHPS surveys are required in the Performance Period. In this example on the slide, the hospital had 100 complete surveys. As a result, the hospital will receive a domain score.

Next slide, please.

In the FY 2017 VBP program, the Safety domain will be weighted at 20 percent of the Total Performance Score. This domain utilizes two measure sets. The first being the health care associated infections measures of CLABSI, CAUTI, SSI, MRSA, and CDI, and the second being the AHRQ PSI-90 Composite.

Next slide, please.

In order to receive improvement points for the measures of CLABSI, CAUTI, MRSA, and CDI, a hospital must have at least one predicted infection calculated by the CDC in the Baseline Period and the Performance Period to receive achievement points. The minimum of one predicted infection must be calculated in the Performance Period. Example, hospital received at least one predicted infection in the CLABSI and MRSA measures but not the CAUTI and CDI measures with 0.00 and 0.999 predicted infection.

Next slide, please.

The same criterion applies to the Surgical Site Infection measure. However, because the measure is stratified into two procedure types, there are additional regulations. In order to receive an SSI measure score, at least one predicted infection is required in at least one of the strata of abdominal hysterectomy or colon surgery. If only one of the strata meets the minimum, 100 percent of the measure's weight will be placed on the measure that's the minimum. If both strata meet the minimum predicted infection, the measure score will be weighted by the predicted number of infections.

Next slide, please.

CMS believes that the AHRQ PSI-90 Composite measure is a measure of patient safety, a critical topic for quality measurement improvement, and CMS feels strongly that utilizing this measure in Hospital VBP will ensure

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that a hospital's focus is on the topic of patients' safety when working towards quality improvement. The AHRQ PSI-90 Composite consists of eight underlying patient safety indicators listed on the slide.

This measure is also a claims-based measure, like the mortality measures, and utilizes claims from Medicare fee-for-service patient with complete present on admission data excluding data from patient's Medicare Advantage Plan. For the fiscal year 2017 Hospital VBP Program, CMS chose to use the AHRQ quality indicator software version 4.5a for the Baseline Period, Performance Period and performance standards. In addition, CMS will utilize nine diagnosis codes and six procedure codes in their calculations.

Next slide, please...

Deb Price: Bethany, may I interrupt one more time? This is Deb. The slide that everyone should be seeing right now, [the] title is Scoring Requirement Safety AHRQ PSI-90 Composite. Thank you.

Bethany Wheeler: Thank you, Deb. As we discussed earlier, PSI-90 is composed of eight underlying individual patient safety indicators or PSIs. In order for a hospital to receive improvement points on the PPSR, a hospital must have at least three eligible cases on any one underlying indicator in the Baseline Period and Performance Period. A hospital is eligible to receive achievement points when three eligible cases on any one underlying indicator are met in the Performance Period. On the slide, our hospital had four eligible cases in the PSI-3 measure. As a result, our example hospital will be eligible to receive a measure score for the PSI-90 Composite.

Next slide, please.

We have addressed the minimum measure requirements for all the safety measures in the previous slide. Our example hospital met the minimum measure requirements in all but the CAUTI and CDI measures. In order for a hospital to receive a Safety domain score, they must receive a measure score in at least three of the six total measures. As our hospital met at least three of the six measures, our example hospital will receive a Safety domain score. Similarly in the Clinical Care – as the Clinical Care domain – excuse me, our hospital did not receive a score in every measure in the domain. In order to compare hospital fairly, the Safety domain score will be normalized only for measures where the hospital met the minimum case requirements for the score.

Next slide, please.

The Medicare spending per beneficiary or MSPB measure is the sole measure of the efficiency in cost reduction domain in FY 2017. The domain is weighted at 25 percent. The MSPB measure is [a] claims-based measure

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that is assessed as Medicare Part A and Part B payments for services provided to a Medicare beneficiary during a spending for – spending per beneficiary episode that stands from three days prior to an inpatient hospital admission through 30 days after discharge. The payments included in this measure are price-standardized and risk-adjusted. Price standardization removes sources of variation that are due to geographic payment differences such as wage, index, and geographic practice cost differences, as well as indirect: medical education, IME, or disproportionate share hospital payment. Risk adjustment accounts for variation due to – due to patient health status. By measuring cost of care through this measure, CMS hopes to increase the transparency of care for consumers and recognize hospitals that are involved in the provision of high quality care at lower cost.

Next slide.

The last domain displayed on the Baseline Measures Report is the Efficiency in Cost Reduction domain which contains the MSPB measure. In order to receive improvement points for the measure, a hospital must have at least 25 eligible episodes of care during the Baseline Period and Performance Period. If a hospital only meets the minimum requirements during the Performance Period, only achievement points will be awarded. Our example: hospital had 25 eligible episodes of care during the Performance Period. As a result, our hospital will be eligible to receive a domain score.

Next slide, please.

This slide and the next slide are great reference slides for the time period used in the fiscal year 2017 program. In general, the Performance Period uses data from calendar year 2015 and the Baseline Period utilizes calendar year 2013 data. The exceptions to this generalization are the mortality measures and the AHRQ PSI-90 Composite. The mortality measures and AHRQ PSI-90 Composite are calculated on a Baseline Period from October 1, 2010 to June 30, 2012 and the Performance Period from October 1, 2013 to June 30, 2015.

Next slide, please.

Here's the calendar or timeline view of the same information that we just reviewed in the table. As you can observe, the mortality measures and the AHRQ PSI-90 Composite use [a] slightly longer time period than the other domains and measures, and the time periods used are also slightly older.

Next slide, please.

Hospitals receive improvement and achievement points from the percentage Payment Summary Report based upon their performance rates during the Baseline Period and Performance Period relative to the

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performance standard adopted for the Hospital VBP Program. The performance standards consist of the achievement threshold and benchmark for all measures, and the floor which is only applicable for the Patient Experience of Care domain.

The achievement threshold is calculated as the median or 50th percentile of all hospitals' rates for the measure during the Baseline Period. The benchmark is the mean of the top decile which is the average of the top 10 percent during the Baseline Period. The floor, which is used for calculating the HCAHPS consistency score, is the rate of the lowest performing hospital during the Baseline Period. These values will be displayed on the Baseline Measures Report.

Next slide, please.

The measures displayed on this slide will have a higher benchmark value than an achievement threshold because higher rates demonstrate better quality in the measure. The measures that this description is applicable for are the Clinical Process of Care measures in the AMI-7a and IMM-2, Patient- and Caregiver-Centered Experience of Care/Care Coordination dimensions, and the 30-day mortality measures in the Clinical Care Outcomes subdomain. As mentioned earlier, the results for the mortality measures are calculated and displayed on the Hospital VBP report as survival rates instead of mortality rates, meaning higher rates are better for these measures.

Next slide, please.

The measures displayed on this slide will have a higher achievement threshold than benchmark because lower rates demonstrate better quality in the measure. The measures that this description is applicable for are the PC-01 measure in the Clinical Care – Process subdomain, the AHRQ PSI-90 Composite, all the healthcare-associated infections in the Safety domain, and [the] MSPB measure in the Efficiency in Cost Reduction domain.

As indicated on the slide, it's important to note that the MSPB measure will not have a benchmark and achievement threshold displayed on the Baseline Measures Report because data from the Performance Period are used to calculate these performance standards instead of the Baseline Period.

Next slide, please.

The performance standards, the benchmark and achievement thresholds, and floor will be listed on this slide in the next. I would like to note that there are asterisks after the PSI-90 performance standards on the left row of the table on the slide. These values were recalculated performance standards

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following the technical updates that CMS announced due to the update to the QI software version to 4.5a. These values will display on the Baseline Measures Report instead of the values displayed on the IPPS Final Rule.

Next slide, please.

This slide displays the remaining performance standards. Please note that [the] Baseline Measures Report will not display an MSPB performance standard because the values are calculated based on the Performance Period instead of the Baseline Period.

Next slide, please.

Please note that achievement points and improvement points will not be calculated and displayed on the baseline measures report. However, it is important to address how a hospital will be scored using the data that is displayed on the Baseline Measures Report for hospital to be able to create an improvement plan for the Performance Period.

Achievement points are awarded by comparing an individual hospital's rate during the Performance Period with all hospital rates from the Baseline Period by using two performance standards, the achievement thresholds, and the benchmark. If a hospital has a Performance Period rate that is equal to or better than the benchmark, 10 achievement points will be awarded. If the rate is lower than the achievement threshold, the hospital will receive zero achievement points. If the Performance Period rate is equal to or better than the achievement threshold but it's still lower than the benchmark, one to 10 points will be awarded.

Next slide, please.

On this slide is an example of achievement point score. In this example, the hospital had a Performance Period rate that fell in between the achievement threshold in the benchmark based on the formula as – on the bottom of the slide, so [the] hospital receives five achievement points. The achievement point formula is nine multiplied by the quotient of the Performance Period rate minus the achievement threshold over the benchmark minus the achievement threshold plus 0.5. In order to calculate the achievement points, substitute the achievement threshold and benchmarks from the table of performance standard and input your hospital's Performance Period rate.

Next slide, please.

Improvement points are unique to the Hospital VBP Program in relation to CMS's other Inpatient pay-for-performance programs. Not only can hospitals be evaluated based on their current performance in comparison to all other hospitals, but they can earn points by improving from the Baseline

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Period. CMS may award hospitals improvement points if the hospitals' Performance Period rate is better than their Baseline Period rate. The maximum point value for improvement points is 9 points. If a hospital has a rate equal to or worse than their Baseline Period rate, zero improvement points will be awarded.

Next slide, please.

On the side is an example of improvement point scoring. In this example, the hospital had a Performance Period rate that fell in between their Baseline Period rate and the benchmark. Based on the formula on the bottom of the slide, the hospital received five improvement points. The improvement point formula is 10 multiplied by the quotient of the Performance Period rate minus the Baseline Period rate over the benchmark minus the Baseline Period rate minus 0.5. Like the achievement points, in order to calculate the improvement points, substitute the benchmark from the table of performance standard and input your hospital Performance Period rate and Baseline Period rate.

Next slide, please.

Hospitals are only awarded once per measure, which is identified as the greater of achievement points and improvement points for each measure. This slide displays the fiscal year 2017 VBP Clinical Care – Process Measure with example achievement and improvement point values. The measure score is populated by selecting [the] larger of the two values. For example, the AMI-7 measure score received 10 achievement points and nine improvement points. The measure score is the greater of the two numbers which is 10. The example list also includes a measure that is listed as N/A for all the values. This display indicates the hospital did not meet the minimum measure requirements to receive a measure score. This designation will be important in the next step of our calculation.

Next slide, please.

Now that each measure has a measure score calculated, the unweighted domain score is calculated. The unweighted domain score for all domains are normalized to account for only the measures [for which] the hospitals met the minimum requirement score. As I stated on the previous slide, the minimum requirement for the Clinical Care – Process measures is 10 cases in the denominator during the Performance Period.

To normalize the domain, you sum the measure scores in the domain. In our example, the sum of the measure scores is 15 points. The 10 from the AMI-7a measure added to the five from the IMM-2 measure. You then multiply the eligible measures by the maximum point value per measure. In our example, the hospital did not meet the minimum requirements in the PC-01 measure. So instead of three total measures, this hospital was only

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scored on two. We then multiply that number of two by 10 points possible for each measure for a total of 20. To create a percent of score a hospital earned in relation to point possible, we divide the sum of the measure scores of 15 by the maximum point possible of 20 which is equal to approximately 0.75. Lastly, we multiply the result by 100 equal 75.

Next slide, please.

The weighted domain score is the last calculation completed for the Total Performance Score. You multiply the unweighted domain score values by the domain weight for the fiscal year. In FY 2017, the Clinical Care – Process domain is weighted at five percent because the clinical weighted clinical domain score will equal 3.750 points which is the product of the unweighted domain score that we just calculated of 75 multiplied by five percent. To compute the Total Performance Score, we sum the weighted domain scores. The maximum total performance for that can be calculated is 100 points.

In FY 2015, CMS adopted a policy that allows hospitals to be allowed to receive a Total Performance Score based on the hospital only receiving scores in two of the four domains. CMS continued this policy in FY 2016 and modified the policy in FY 2017 to require three of the four domains. If less than four domains are scored in these fiscal years, the remaining domain weights are proportionately reweighted to equal 100%.

Next slide, please.

In this example, the hospital received scores in three of the four domains. Remember that CMS counts a subdomain score in at least one of the Clinical Care subdomains as being sufficient to be counted as one total domain. This slide shows the steps in determining the proportionate reweighted values used for a hospital with less than the maximum of four domains.

This hospital had unweighted domain scores calculated in the Clinical Care Domain, Safety Domain, and the Efficiency and Cost Reduction Domain. To determine the proportionate reweighted values, you first sum the original weights of the eligible domains. This result is 50% for our example which is composed of 5% of Clinical Care – Process added to 20% of Safety and 25% of Efficiency and Cost Reduction.

Second, individually divide the original weight for the domains that are eligible by the result of step one or 50%. The Clinical Care – Process domain is calculated as 10% by dividing the original weight of 5% by the sum of 50%. The Safety domain is reweighted to 40% by dividing the original weight of 20% by the sum of 50%, and finally, the Efficiency and Cost Reduction domain is reweighted to 50% which is the original weight of 25% divided by the sum of 50%.

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Next slide, please.

The Baseline Measures Reports for fiscal year 2017 will contain four pages, one for each domain. The first page will display the Clinical Care domain with the three Clinical Care – Process measures and the three Clinical Care Outcomes measures. Each process measure will have a field for the numerator, denominator, and Baseline Period rate specific to the individual hospital. The achievement threshold and benchmarks will also display for each measure. As we defined earlier, the benchmark and achievement threshold of performance standard calculated by using data for all the hospitals during the Baseline Period.

The Outcomes measures will have similar field of the number of eligible discharges as Baseline Period rate achievement threshold and benchmark. If your hospital did not meet the minimum number of measures to have improvement points calculated on the Percentage Payment Summary Report, masters will be displayed behind the measure name. This can be observed after the AMI-7a measure name on the slide.

Next slide, please.

The second page will display the Patient and Caregiver Experience of Care/Care Coordination Detail Report with eight dimensions included in the domain. This page will display the eight dimension details, including: floor values benchmarks; achievement threshold; hospital Baseline Period rate; and the number of completed surveys during the Baseline Period.

Next slide, please.

The third page of the report will display the Safety domain with two sets of measures included in the domain. The AHRQ PSI-90 section will display the index value of the composite in the healthcare-associated infections will display the number of actual infection – excuse me, the number of actual infections, the number of predicted infections, and standard infection ratio. Each measure will also have the performance standards, including the achievement threshold and benchmark. It's important to note that although the SSI measures are reported as stratified on the Baseline Measures Report, there's only opportunity to receive one measure score, as I described earlier in this – in the presentation.

Next slide, please.

The fourth page of the report will display the Efficiency and Cost Reduction domain with the MSPB Measure. This page will provide information on the individual hospital's MSPB Amount, the Median MSPB Amount of all eligible hospitals, the ratio between these two values, and the number of episodes for the hospital during the Baseline Period. Unlike all other domains, the MSPB measure will not have performance standards displayed on the

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Baseline Measures Report. The performance standards are calculated using data from the Performance Period instead of the Baseline Period and will instead display solely on the Percentage Payment Summary Report.

Next slide, please.

The Baseline Measures Report is anticipated to be released in the near future. Notifications and communications will be sent out when the reports have been enabled on the Secure Portal on *QualityNet*.

Next slide, please.

If you have any questions or issues related to accessing the reports, please contact the *QualityNet* help desk. Their contact information is listed on the slide.

Next slide, please.

We are excited to announce that we have a new Hospital Value-Based Purchasing resource available to you. This resource is a one-page quick reference guide that contains the domain, domain weight measures, Performance Period, performance standards and withhold amount for the FY 2017 program. This resource is available on www.qualityreportingcenter.com or you may use the direct link listed on the slide.

Next slide, please.

If you have any questions related to the Hospital VBP Program, please do not hesitate to contact us. We monitor the Hospital Value-Based Purchasing Program questions submitted through the Q&A tool. You may email us, call our help desk, chat with us on our qualityreportingcenter.com website, or securely fax us. In addition, we provide monthly web conferences similar to [the] one you are attending now for an array of quality reporting programs and we provide announcements through Hospital VBP Program and Hospital IQR Program Listserves available for sign up on *QualityNet*.

At this time, I will turn the presentation back over to Deb while we prepare to discuss some of the questions and answers that were entered during the presentation. Thank you, everyone.

Deb Price:

Thank you, Bethany, for the information you shared with us today.

Before we have our subject matter expert, read questions that were sent in, I want to remind you that today's webinar has been approved for one continuing education credit by the boards that are listed on this page. We now have an online CE certificate process. If you registered for the webinar

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through ReadyTalk[®], a survey will automatically pop-up when the webinar closes. After you complete the survey, another page will display for you to register as either a new register – a new user, or if you have attended any of our other webinars, as an existing user. A one-time registration to this site is required. Your complete email address is your user ID. If you did not register for through ReadyTalk[®], don't worry because we will be sending out a survey link to all participants within the next 48 hours. It probably won't arrive today, though. If there are others listening to the event and they're in your room, you can forward the survey to them.

And now, we're going to pass the phone line to one of our subject matter expert, Donna. Donna, will you begin going over some of the Q's and A's that have come in?

Donna Bullock: Hi, Deb. Yes, I'll be happy to do that. We got lots and lots of questions, and we will be able to answer a few of them at this time, but the questions will be answered later if I don't get to them. The first and most popular question was, and I think Bethany covered this, but was, "When will the baseline reports be released and that is in the near future?"

As soon as they are released, notifications will be sent to providers through email notification and the IQR and VBP Listservs that are available to sign up [for] on *QualityNet*. If you have not signed up on – for the IQR or VBP Listserv, you can do that by going to a *QualityNet*. – I'm sorry. Yes, QualityNet.org (www.qualitynet.org) and on the home page there, there's a link that will get you to where you can sign up for the Listservs.

Next question is, "Will readmissions become part of VBP and the Hospital Readmissions Reduction Program will not be merged with the VBP Program?" The two programs are independent and each provides a different emphasis for improvement.

"When will the FY 2015 data be published on Hospital Compare?"

And the answer is, it already has been. The FY 2015 Hospital VBP Program data was published to Hospital Compare in December 2014 in the linking quality to payment section.

And the next question is, "Where can I find the FY 2016 benchmark and threshold – benchmark and threshold values?" The benchmark and achievement threshold values can be found in the FY 2015 IPPS Final Rule. You can find the rule by searching the federal register. CMS also provides a link and the link is called the Final Rule. It's on the CMS website. You can find the rules also by searching IPPS Final Rule and applicable fiscal year in the CMS search field.

Okay. "So, if my hospital's rate dropped from Baseline to Performance Period as far as rates go but we still have a rate in the Performance Period

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that was higher than the achievement threshold, would we receive achievement points?”

And the answer to that question is, yes. As long as your Performance Period rate is still higher than the achievement threshold, you will receive achievement points. However, since your rate dropped from the Baseline Period, you would not be eligible to receive the improvement points.

“When will the Percentage Payment Summary Reports for fiscal year ‘16 and ‘17 be released?”

The PPSR for FY 2016 is anticipated to be released by August 1, 2015 and the FY 2017 report will be released by August 1, 2016.

Okay, how are doing on time, Deb?

Deb Price: We have about six minutes left, Donna.

Donna Bullock: Okay, we should be able to cover another couple of questions, anyway. Okay, a question from a hospital that is concerned they might be excluded from the fiscal year 2017 VBP Program. They said that they were recently found to have one immediate jeopardy citation or an IJ.

An answer to that is, no, as long as your hospital does not receive another IJ citation within the Performance Period which are displayed on the slide deck, then your hospital will still be eligible for the VBP Program. If your hospital received two or more IJ citations during the Performance Period, however, your hospital will be excluded.

“Where can I find updates and announcements regarding the VBP Program?”

That – for the updates on VBP and all what of other updates, you can sign up for the Listservs, again, on Hospital IQR and Hospital VBP out of *QualityNet*.

And “How many measures are required to meet the minimum of the Clinical Care – Process domain?”

One of three measures receiving 10 cases in the denominator required four score in the Clinical Care – Process domain – subdomain.

Okay, “We are set at two percent for FY 2017. If our VBP overall score is outstanding, do we still have the potential to earn back more than our facility’s two percent?”

And that answer is yes. If your hospital received a Total Performance Score that has positive net change in the base-operating DRG payment percentage, your hospital will earn back the two percent withhold plus an

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additional percentage displayed on your percentage payment summary report.

Still got time for another question?

Deb Price: Yes, we do.

Donna Bullock: Okay, a question about Critical Access Hospitals. “Are Critical Access Hospitals included in VBP?”

And that answer is, Critical Access Hospitals are not included in the Hospital Value-Based Program and currently there hasn’t been any rule publication to state that our VBP program will begin for Critical Access Hospitals.

“What does MSPB stand for?”

MSPB is the acronym for Medicare Spending Per Beneficiary. It is the measure in the Efficiency and Cost Reduction domain.

“What software version will be used for the AHRQ PSI-90 Composite?”

For the FY 2017 program, CMS chose to utilize software version 4.5a for all PSI-90 calculations. The FY 2015 and FY 2016 programs will utilize software version 4.4.

Deb Price: Donna, do you have any more questions for us?

Donna Bullock: I am scrolling through now. I think perhaps the rest of the questions we can address after the – after the presentation since we’re running for long time.

Deb Price: Okay, that’s fine. Bethany, are we good to go?

Bethany Wheeler: We are. I think we can adjourn for today, and if your question was not answered, please check back at the qualityreportingcenter.com website in the next few weeks and we should have your answer posted.

Deb Price: Okay and thank you very much. We’d like to thank our speaker and our subject matter expert today for all the information they shared. Enjoy the rest of your day, everybody, and we hope to see you back next month.

Operator: Thank you, ladies and gentlemen. This concludes today’s conference call. You may now disconnect your lines. Presenters, please hold.

END