



Hospital Value-Based Purchasing (VBP) Program
Inpatient Value, Incentives, and Quality Reporting (VIQR)
Outreach and Education Support Contractor

**Hospital VBP Program, HAC Reduction Program, and
Hospital Readmissions Reduction Program
FY 2023 Provider Data Catalog Refresh
Question and Answer Summary Document**

Speakers

Maria Gugliuzza, MBA

Lead, Hospital VBP Program
Inpatient VIQR Outreach and Education Support Contractor

Renee Mc Kain, MPA

Program Lead, Hospital-Acquired Condition (HAC) Reduction Program
Division of Value, Incentives, and Quality Reporting Program Support (DPS) Contractor

Kristanna Peris, MPH

Program Lead, Hospital Readmissions Reduction Program (HRRP)
DPS Contractor

Moderator

Brandi Bryant

Hospital VBP Program, Inpatient VIQR Outreach and Education Support Contractor

February 16, 2023
2:00 p.m. Eastern Time (ET)

DISCLAIMER: This presentation question-and-answer summary document was current at the time of publication and/or upload onto the Quality Reporting Center and QualityNet websites. Medicare policy changes frequently. Any links to Medicare online source documents are for reference use only. In the case that Medicare policy, requirements, or guidance related to these questions and answers change following the date of posting, these questions and answers will not necessarily reflect those changes; given that they will remain as an archived copy, they will not be updated.

The written responses to the questions asked during the presentation were prepared as a service to the public and are not intended to grant rights or impose obligations. Any references or links to statutes, regulations, and/or other policy materials included are provided as summary information. No material contained therein is intended to take the place of either written laws or regulations. In the event of any conflict between the information provided by the question-and-answer session and any information included in any Medicare rules and/or regulations, the rules and regulations shall govern. The specific statutes, regulations, and other interpretive materials should be reviewed independently for a full and accurate statement of their contents.

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

This document provides questions from webinar attendees and responses from subject-matter experts. Questions and answers were edited for grammar and clarity.

Question 1: When will we receive the fiscal year (FY) 2023 Hospital Value-Based Purchasing (VBP) Program reports?

CMS made the FY 2023 Hospital VBP Program Percentage Payment Summary Reports (PPSR) available in the *Hospital Quality Reporting (HQR) Secure Portal* in December of 2022.

Question 2: Will CMS publish a FY 2024 Quick Reference Guide?

The FY 2024 Hospital VBP Program Quick Reference Guide is available for download at this link:

<https://qualitynet.cms.gov/inpatient/hvbp/resources#tab2>

Question 3: When was the PC-01 measure removed from the Hospital VBP Program?

The PC-01 measure was removed from the Hospital VBP Program beginning in FY 2021, meaning the measure was included in FY 2020 and not FY 2021.

Question 4: What is the advantage of accessing the FY 2021 payment tables?

The FY 2021 payment datasets show the high-level impact of the Hospital VBP Program on hospital payments during the fiscal year. The information provided in these tables are at an aggregate level, not at the hospital level.

Question 5: Previously, we were able to compare our data to the state and national averages for Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS), but we no longer see those data points. Are they still available on Care Compare?

Yes, on [Care Compare](#), you can search for your hospital. On your hospital's page, select View Survey Details on the Patient Survey Rating section. For each dimension, you should see your hospital's HCAHPS rate, the national average, and your state's average.

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

Question 6: **Why does the FY 2023 Hospital Readmissions Reduction Program (HRRP) performance period stop in the middle, on December 1, 2019, instead of December 31, 2019?**

The FY 2023 performance period was impacted by the national Extraordinary Circumstance Exception, or ECE, granted by CMS in response to the COVID-19 Public Health Emergency (PHE). CMS did not use claims reflecting services provided January 1, 2020, through June 30, 2020 (Quarter 1 and Quarter 2 of 2020) in its HRRP calculations. The readmission measures used in the HRRP identify readmissions within 30 days of each index stay. Therefore, the HRRP performance period will also not use claims data representing the 30 days before January 1, 2020, so that no claims from Q1 and Q2 2020 are used in the measure or program calculations.

Question 7: **Why are my readmission measure results in the HRRP dataset on the Provider Data Catalog different from the readmission measure results on Care Compare?**

Both metrics use the same readmission measure methodology and hospital performance period. However, the readmission measure results on the [Medicare Care Compare website](#), which are also in the Unplanned Hospital Visits dataset on the Provider Data Catalog, use a different set of hospitals for calculation than the HRRP. The HRRP includes subsection (d) hospitals, as well as hospitals in Maryland. By contrast, the measure results on Medicare Care Compare are calculated among a larger hospital population, including subsection (d) hospitals, Maryland hospitals, and non-subsection (d) hospitals, such as critical access hospitals and hospitals in U.S. territories. Most hospitals will have similar results for the HRRP and Medicare Care Compare, but they may not align exactly due to the different hospitals included in the calculations.

Additionally, Care Compare reports the rate of readmission after discharge; HRRP results report the excess readmission ratio (ERR). The rate of readmission is a risk-standardized readmission rate and is equal to the ERR multiplied by the national observed readmission rate. The ERR is equal to a hospital's predicted readmission rate divided by its expected readmission rate.

Question 8: **How do I determine if my hospital received a penalty from the HRRP in FY 2023?**

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

CMS published hospital payment reduction percentages in the FY 2023 Inpatient Prospective Payment System/Long-Term Care Hospital (IPPS/LTCH PPS) final rule Hospital Readmissions Reduction Program Supplemental Data File. This file is posted on the [FY 2023 IPPS Final Rule Home Page](#), as shown in the slides. This file includes hospitals subject to the HRRP that have measure results for at least one measure in the program. Hospitals with a payment reduction percentage greater than 0 percent are penalized in FY 2023. Hospitals with a payment reduction percentage equal to 0 percent are not penalized in FY 2023.

Question 9: **How can I figure out which hospitals are in the same peer group as my hospital?**

CMS publishes hospital-level peer group assignments and dual proportions – that is, the proportion of Medicare fee-for-service (FFS) and managed care stays where the patient was dually eligible for Medicare and full Medicaid benefits – in the FY 2023 IPPS/LTCH PPS Final Rule Hospital Readmissions Reduction Program Supplemental Data File. This file is posted on the FY 2023 [IPPS Final Rule Home Page](#), as shown in the slides. You can use filters in the Hospital Readmissions Reduction Program Supplemental Data File to show only hospitals in a specific peer group.

Question 10: **Are my pneumonia readmission measure results for FY 2023 reported on the Provider Data Catalog?**

Yes. Although CMS paused use of the pneumonia readmission measure in the FY 2023 HRRP payment reduction calculations, the pneumonia readmission measure results are still publicly reported to provide transparency to the public on readmission metrics during the COVID-19 PHE.

Question 11: **Are higher or lower ERRs better?**

The ERRs are a measure of a hospital’s relative performance, compared with all other hospitals in the HRRP, which are used in the payment reduction formula. CMS uses the ERRs to assess a hospital’s excess readmissions for each of the conditions or procedures included in the HRRP.

A higher ERR indicates a worse performance than a lower ERR. If a hospital performs better than the average hospital that admitted similar

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

patients, the ERR will be less than 1. If a hospital performs worse than the average hospital that admitted similar patients, the ERR will be greater than 1.

Question 12: Why does CMS use a multi-year performance period to calculate the ERR?

Although it might take longer for the ERR to reflect hospital improvements, CMS calculates the ERR using a rolling multi-year performance period. Using multiple years of data improves the reliability of the ERR. This enables CMS to better identify variations in hospital performance. In addition, using multiple years of data allows the program to include more hospitals by increasing the number of discharges for a given hospital during the performance period.

Question 13: What changes were implemented to the FY 2023 Hospital-Acquired Condition (HAC) Reduction Program in response to the COVID-19 PHE?

The HAC Reduction Program implemented several changes for FY 2023 in response to the COVID-19 PHE.

First, CMS abbreviated the performance period of all five healthcare-associated infection (HAI) measures by excluding calendar year 2020 data from the calculations. The performance period for the five HAI measures was January 1, 2021, to December 31, 2021. CMS finalized this policy in the FY 2022 IPPS/LTCH PPS final rule.

Second, CMS did not calculate the CMS Patient Safety Indicator (PSI) 90 measure for any hospital. CMS also did not calculate Winsorized z-scores for all six measures and did not calculate Total HAC Scores for any hospital. No hospital was ranked in the worst-performing quartile or subject to the 1-percent payment reduction for FY 2023. CMS finalized this policy in the FY 2023 IPPS/LTCH PPS final rule.

CMS continued to collect data, calculate hospital CMS PSI 90 results, and publicly reported those results on the [Care Compare website](#) to provide transparency to the public on important patient safety metrics during the COVID-19 PHE.

Question 14: What FY 2023 HAC Reduction Program results were publicly reported?

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

First, CMS did not calculate the CMS PSI 90 measure or Winsorized z-scores for any hospital, so all hospitals received a value of N/A for their CMS PSI 90 composite value and all six Winsorized z-scores.

Second, CMS did not calculate Total HAC Scores for any hospital. For this reason, all hospitals received a Total HAC Score of 0.

Third, no hospital was ranked in the worst-performing quartile or subject to the 1-percent payment reduction for FY 2023; all hospitals received a value of N/A for their payment reduction indicator.

Finally, for the first time in FY 2023, hospitals have their HAI measure results (standardized infection ratios [SIRs]) displayed for all five HAI measures. The HAI measure results are the only publicly reported calculations which are displayed for the FY 2023 program year.

Question 15: CMS said they would publicly report hospital PSI results. Where can I find them?

Although the FY 2023 HAC Reduction Program did not calculate the CMS PSI 90 measure, CMS still collected data, calculated hospital CMS PSI 90 results, and publicly reported those results to provide transparency to the public on important patient safety metrics during the COVID-19 PHE.

Hospital PSI 90 results are publicly available on [Care Compare](#). They are also available in the Complications and Deaths – Hospital dataset on the [Provider Data Catalog website](#). The current dataset displays PSI 90 results for an 18-month period: July 1, 2019, through December 31, 2019, and July 1, 2020, through June 30, 2021. Please see Question 24 for more details on the publicly reported version of the component PSI measures and CMS PSI 90 measure.

Question 16: When can my hospital review our HAC Reduction Program results?

Before publicly reporting HAC Reduction Program results on the Provider Data Catalog, CMS provides hospitals 30 days to review their data. This is known as the 30-day Scoring Calculation Review and Correction (R&C) period.

During the R&C period, hospitals may submit questions about the HAC Reduction Program calculations and request corrections to their Winsorized z-scores and Total HAC Scores.

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

Hospitals may not request corrections to any of the underlying data used to complete the program's calculations.

The R&C period for the FY 2023 HAC Reduction Program was from August 15, 2022, to September 13, 2022. The FY 2024 R&C period is expected to occur in summer 2023. CMS will notify hospitals of the exact dates of the FY 2024 R&C period via the QualityNet listserv. You can sign up for the email updates from the QualityNet listserv by clicking on Join Now at the bottom of the [QualityNet home page](#).

Question 17: What is the difference between a hospital's measure results and measure scores?

Measure results are the output of a measure's calculations and the first step of the scoring methodology. The HAC Reduction Program uses measure results from six measures. The five Centers for Disease Control and Prevention (CDC) National Healthcare Safety Network (NHSN) HAI measures report SIRs. The SIRs are calculated as the ratio of a hospital's observed HAIs to its predicted HAIs. The CMS PSI 90 measure reports a composite value, which is a weighted average of the risk- and reliability-adjusted rates of 10 component PSI measures. For the first time in January 2023, the HAC Reduction Program publicly reported measure results on the [Provider Data Catalog website](#).

Measure scores, or Winsorized z-scores, are the second step of the scoring methodology. The HAC Reduction Program completes Winsorization to limit the impact of outlier measure results, then calculates Winsorized z-scores. The z-scores indicate how different a hospital's measure result is from the average measure result across all hospitals in the HAC Reduction Program.

The weighted sum of a hospital's measure scores is then used to calculate the Total HAC Score.

More information about the HAC Reduction Program's methodology can be found on the [QualityNet website](#).

Question 18: Will we still receive reports via Managed File Transfer (MFT) that drill down our public reporting information, or does the information on the Provider Data Catalog replace those reports?

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

Publicly reported data on the [Provider Data Catalog website](#) do NOT replace the Hospital-Specific Reports (HSRs) that CMS sends hospitals annually via the [HQR system](#).

Eligible hospitals will continue to receive their HRRP and HAC Reduction Program HSRs annually in the summer prior to the release of results on the [Provider Data Catalog website](#).

Question 19: **Does a readmission apply if it is to the same hospital or any hospital? For instance, what if the original admission was in Colorado, and the patient was admitted 10 days later in California?**

In the CMS readmission measures, a patient who had an eligible index admission is considered “readmitted” if they have one or more unplanned, all-cause (for any reason) inpatient admission(s) at a short-term acute care hospital within 30 days of discharge from the original index admission. The admission is counted regardless of whether the readmission occurred at the same or a different hospital.

Question 20: **Do we need to use the Provider Data Catalog to download our reports from now on?**

No, publicly reported data on the [Provider Data Catalog website](#) do NOT replace the HSRs delivered annually to hospitals via the [HQR system](#). Eligible hospitals will continue to receive their HRRP and HAC Reduction Program HSRs annually in the summer prior to the release of results on the [Provider Data Catalog website](#).

Question 21: **For the HRRP results, are the discharges for all payors or for dually-eligible patients only?**

CMS includes only Medicare FFS stays for eligible discharges in all components of the payment reduction calculations under the HRRP.

CMS includes Medicare FFS and Medicare managed care stays in the calculation of a hospital’s dual proportion, which is the proportion of Medicare FFS and managed care stays where the patient was dually eligible for Medicare and full Medicaid benefits.

Question 22: **When will CMS add SEP-01 to the Hospital VBP Program? What quarters are included for performance/ baseline data? Will it**

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

follow other measures in the same category, or will it be different because it is new?

Any measure adoptions or removals to the Hospital VBP Program will be proposed through notice-and-comment rulemaking via the IPPS/LTCH PPS proposed and final rules. We suggest signing up for the listserv notifications to learn when the proposed and final rules are published. You can sign up [here](#).

Question 23: How do we submit a correction related to the 30-day review period noted on slides 22 and 23?

Hospitals may submit any questions or concerns about their HAC Reduction Program or HRRP results as reflected in their HSR to the [QualityNet Question and Answer Tool](#). Hospitals can submit questions about their results to this tool at any time, but a hospital is only allowed to review and correct the accuracy of the results in their HSR during the R&C period. (Please see Question 28 below for details on corrections to the HAC Reduction Program or HRRP results during the R&C period.)

The HAC Reduction Program Scoring Calculations R&C Period extended from August 15, 2022, to September 13, 2022. The HRRP R&C Period extended from August 8, 2022, to September 7, 2022.

To submit a question or concern about the HAC Reduction Program calculations in the [QualityNet Question and Answer Tool](#), select Ask a Question. Then, select HACRP—Hospital-Acquired Conditions Reduction Program in the Program list. Choose HACRP Review & Correction Requests in the topic list, and enter HACRP: Scoring Calculations Review and Correction Inquiry on the subject line.

To submit a question or concern about the HRRP calculations in the [QualityNet Question and Answer Tool](#), select Ask a Question. Then, select HRRP – Hospital Readmissions Reduction Program under the Program list. Choose HRRP Review & Correction Request from the topic list, and enter HRRP Review and Correction Inquiry on the subject line.

For both HAC Reduction Program and HRRP inquiries, please include your hospital's CMS Certification Number (CCN); your hospital's name; and the measure, component, or ID number in question.

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

Question 24: **What does the footnote on slide 23 mean? (The footnote stated: The publicly reported version of the component PSI measures and CMS PSI 90 measure on the Care Compare website differ in reference population, data, and code provisions to the version typically used in the HAC Reduction Program.)**

CMS did not calculate the CMS PSI 90 measure for any hospital for the FY 2023 HAC Reduction Program.

However, for the CMS PSI 90 measure results publicly reported on the [Care Compare website](#), CMS used Version 12.0 of the CMS PSI 90 software and a performance period of July 1, 2019–December 31, 2019, and July 1, 2020–June 30, 2021. The results included data from VA hospitals and excluded patients with a diagnosis of COVID-19. CMS refreshes this data set annually, with the performance period advanced by one year.

The version of the CMS PSI 90 measure typically used for HAC Reduction Program scoring only includes data from subsection (d) hospitals (general acute care hospitals paid under the IPPS, as well as Maryland hospitals) and does not use data from VA hospitals. Although the versions are similar, the differences in the population underlying the two different versions may lead to slight differences in results for an individual hospital.

Question 25: **How will CMS incorporate the social determinants of health measures into payment programs in the future?**

CMS is continuing to evaluate and consider how social risk factors affect health outcomes and how its payment programs can address these issues and achieve its goal of health equity for all patients. Any changes to these programs would be adopted through notice and comment rulemaking. Additional information on the CMS framework for health equity is available on the CMS website:

<https://www.cms.gov/about-cms/agency-information/omh/health-equity-programs/cms-framework-for-health-equity>

Question 26: **Were there any COVID-19 adjustments made to the Medicare Spending per Beneficiary (MSPB) measure data in the Hospital VBP Program?**

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

On slide 11, you will see the changes CMS made to the Hospital VBP Program in FY 2023. CMS made no changes to the MSPB measure for FY 2023.

Question 27: Can you explain the difference between baseline period and performance period?

The Hospital VBP Program is unique in that it allows hospitals to earn improvement points. Hospitals earn improvement points based on how it improved its own performance from the baseline period to the performance period.

Hospitals can also earn achievement points. CMS awards these points to a hospital by comparing performance on a measure during the performance period with all hospitals' performance during the baseline period.

The Hospital VBP Program uses two time periods, the baseline and performance periods, to calculate improvement scores. The baseline period rate represents a hospital's performance for each measure during the baseline period. The performance period rate is compared to the baseline period to score improvement points.

The HCAHPS Survey, HAI measures, and MSPB measure are calendar year measures that use a performance period of calendar year 2021 and a baseline period of calendar year 2019. The mortality measures and complication measure use multi-year baseline and performance periods that are listed on slide 10.

Question 28: What type of corrections can we submit during the preview period?

The HRRP R&C Period only allows for corrections related to the calculation of a hospital's payment reduction percentage and component results.

The R&C Period does not allow a hospital to submit additional corrections to the underlying claims data or add new claims to the data extract; CMS cannot recalculate results based on updated claims.

The Scoring Calculations R&C Period for the HAC Reduction Program allows hospitals to review and request corrections to the measure result for the CMS PSI 90 measure; to measure scores for all measures in the program; to the Total HAC Score; and to the payment reduction status.

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

During the Scoring Calculations R&C Period for the HAC Reduction Program, hospitals **cannot** request corrections to the underlying claims data for the CMS PSI 90 measure. (This includes adding new claims to the data extract CMS used to calculate the results). Hospitals also cannot request corrections to the reported number of HAIs, SIRs, and the reported central-line days, urinary catheter days, surgical procedures performed, or patient days for the CDC NHSN HAI measures.