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

**Hospital VBP Program Knowledge Refresher:**  
**Fiscal Year 2025 Overview**  
**Question and Answer Summary Document**

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**Subject-matter experts researched and answered the following questions after the live webinar. The questions may have been edited for grammar.**

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**Question 1:                    When will the fiscal year (FY) 2025 baseline reports become available?**

The reports are currently available to run in the Hospital Quality Reporting (HQR) System. CMS made the reports available to hospitals in March 2023.

**Question 2:                    Will the baseline measures report go through the new Managed File Transfer inbox, or will we need to manually run the report in the HQR System?**

To access the report, users will need to have the Performance Reports permission for HVBP) Access and navigate to the *HQR Secure Portal* login page at <https://hqr.cms.gov/hqrng/login>. Enter your Health Care Quality Information Systems Access Roles and Profile (HARP) User ID and Password. Then, select Login. The Two-Factor Authorization page will appear. Select the device you would like to use to retrieve the verification code, and select Continue. Once you receive the code, enter it, and select Continue. Read the Terms and Conditions statement. Select Accept to proceed, and the HQR landing page will appear. (If you select Cancel, the program closes.) On the HQR landing page, select Program Reporting from the left-navigation menu to expand the menu options. From the expanded Program Reporting drop-down menu, select Performance Reports. Select HVBP from the Program selection menu. Select Baseline Measures from the Report selection menu. Select 2025 from the Fiscal Year selection menu. Select the hospital from the Provider menu. Then, select Display Results.

Hospitals can refer to the [How to Read Your FY 2025 Baseline Measures Report document](#) on the QualityNet website at [qualitynet.cms.gov](http://qualitynet.cms.gov). To access the document, select the Hospitals – Inpatient option. Then, select HVBP from the Hospital Inpatient Quality Program options. Select the Resources link on the menu bar. Then, select FY 2025 on the left navigation pane.

**Question 3:                    What happens if a facility does not meet the minimum number of 100 completed Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS®) surveys?**

If the hospital does not submit at least 100 surveys during the baseline period, the hospital would not have an opportunity to receive improvement points. If the hospital did not submit at least 100 surveys during the performance period, the hospital would not be eligible to receive achievement points or improvement points. Also, the hospital would not receive a Person and Community Engagement domain score.

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However, the hospital could still receive a Total Performance Score (TPS) if the hospital met the minimum measure requirements in the other three remaining domains.

**Question 4:                   When will the FY 2024 performance reports become available?**

We anticipate the FY 2024 Percentage Payment Summary Reports (PPSRs) to become available around August 1, 2023.

**Question 5:                   Our hospital opened in late 2021, and we will begin submitting data with Quarter (Q)1 2022 discharges. Will we be eligible for the FY 2025 Hospital VBP Program, assuming we met minimum case and measure requirements?**

A newly opened hospital that just has performance period data can still be included in the Hospital VBP Program if the hospital meets the minimum measure, domain criteria, and all Hospital Inpatient Quality Reporting (IQR) Program requirements. In this scenario, CMS would not score the hospital on improvement because the hospital only submitted performance period data. However, the hospital still could earn achievement points to calculate a TPS.

**Question 6:                   Which measurement periods are impacted by Extraordinary Circumstances Exceptions (ECEs)?**

In response to the COVID-19 Public Health Emergency, CMS is not using claims data reflecting services provided January 1, 2020–June 30, 2020 (Q1 and Q2 2020) in its calculations for the Medicare quality reporting programs. The reporting periods for readmission, mortality, complication, payment, and Excess Days in Acute Care measures have been updated to reflect this policy. This change was finalized in FY 2022 Hospital Inpatient Prospective Payment System (IPPS)/Long-Term Care Hospitals Prospective Payment System final rule. The baseline period dates in FY 2025 are not impacted by ECEs. Hospitals do not need to request an ECE for measures and submissions covered under the COVID-19 exception for Q1 and Q2 2020.

**Question 7:                   Are Critical Access Hospitals (CAHs) exempt from the Hospital VBP Program?**

Yes, only subsection (d) hospitals paid through the IPPS are included in the Hospital VBP Program. CAHs are not eligible to participate in the Hospital VBP Program.

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**Question 8:**           **How are the achievement threshold and benchmark threshold communicated to the hospitals?**

The quick reference guide contains the performance standards for the FY 2025 Hospital VBP Program and is available on the QualityNet and Quality Reporting Center websites. The performance standards are published in the IPPS rules and on the QualityNet website at <https://qualitynet.cms.gov/inpatient/hvbp/performance>. In addition, if the performance standards for any measure need a technical update, a QualityNet news article will be posted. Also, a Hospital VBP Program Listserve will be sent. The performance standards will also be listed on your hospital's baseline measures report.

**Question 9:**           **I did not receive an email stating baseline reports were available, but I saw a notice for them on the QualityNet website home page.**

CMS sends notifications and reminders for the Hospital VBP Program through the two QualityNet Listserve notification groups: the Hospital Inpatient Value-Based Purchasing and Improvement notification group and the Hospital Inpatient Quality Reporting and Improvement notification group. If you aren't signed up for those notification groups, you can register on the QualityNet website: <https://qualitynet.cms.gov/listserv-signup>

**Question 10:**       **How can we calculate mortality survival rates to calculate Hospital VBP Program points?**

The survival rate equals 1 minus the mortality rate:  
Survival Rate = 1 - mortality rate.

For example, if your mortality rate was 0.10 or 10 percent, your survival rate would be 0.9 or 90 percent (1 - 0.1). Visit QualityNet for details: <https://qualitynet.cms.gov/inpatient/measures/mortality/methodology>

**Question 11:**       **Could you please review improvement points?**

CMS may award a hospital improvement points if the hospital's performance period rate is better than its own baseline period rate. The maximum point value for improvement points is 9 points. If a hospital's performance period rate is at or better than the benchmark and better than its own baseline period rate, it will receive a maximum 9 improvement points. For more information on calculations, please refer to the [What's My Payment? webinar](#).

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**Question 12:**           **What criteria are used for scoring Healthcare-Associated Infection (HAI) measures in the Safety domain?**

For the Centers for Disease Control and Prevention (CDC) to calculate a standardized infection ratio (SIR), a hospital must be predicted to have at least one infection for the reporting period. To be scored, an HAI measure must have a SIR for the performance period. To receive a score for the HAI measures in the Safety domain, hospitals need at least one predicted infection as calculated by the CDC to calculate a SIR. Note that the minimum is based on predicted infections based on the data hospitals submitted into the CDC's National Healthcare Safety Network (NHSN). The CDC uses those data in its calculations. The CDC does not use the actual number of infections to determine if the minimum threshold was met to calculate the SIR. For further questions regarding the SIR calculation or a hospital's specific HAI data submitted in the NHSN, contact the NHSN Help Desk at [NHSN@cdc.gov](mailto:NHSN@cdc.gov).

**Question 13:**           **Are the HAI measures in the Hospital VBP Program calculated by NHSN criteria in the same way as HAI measures in the Hospital-Acquired Condition (HAC) Reduction Program are calculated?**

Yes, the same HAI measures are used in the Hospital VBP Program and the HAC Reduction Program. For more information regarding the HAI measures in the HAC Reduction Program, visit this QualityNet page: <https://qualitynet.cms.gov/inpatient/hac/measures>

**Question 14:**           **How do I receive the benchmark and threshold values for the Medicare Spending per Beneficiary (MSPB) measure?**

The benchmark and achievement threshold values are calculated for the MSPB measure using performance period data instead of baseline period data. As a result, these values will be available when the PPSR is added to the user interface.

**Question 15:**           **What is the payment year that corresponds to FY 2025?**

The payment adjustment is effective for discharges from October 1, 2024, to September 30, 2025.

**Question 16:**           **What is the time frame that CMS uses to calculate minimum requirements?**

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The minimum requirements must be met during the baseline and performance periods to receive improvement and/or achievement points.

**Question 17:           What is floor value?**

For the HCAHPS measure, the “floor” is the performance rate for the worst performing hospital during the baseline period, which defines the 0 percentile for this dimension. To calculate consistency points, a hospital’s performance on its lowest dimension is compared to the “floor.”

**Question 18:           Where can we enter our current or projected performance for measures? Where can we see what our achievement points and other values will be?**

The formulas are available in the *How to Read your Percentage Payment Summary Report* document on [QualityNet](#).

**Question 19:           Who can access QualityNet? Who gives permission to access?**

CMS retired the *QualityNet Secure Portal* and replaced it with [hqr.cms.gov](http://hqr.cms.gov) for [HQR](#). The HARP system provides a single user ID and password to sign into several CMS applications.

For questions related to QualityNet, please contact the Center for Clinical Standards and Quality (CCSQ) Service Center at [QNetSupport@cms.hhs.gov](mailto:QNetSupport@cms.hhs.gov) or call (866) 288.8912 (TTY: 877.715.6222) weekdays 8 a.m.–8 p.m. ET.

**Question 20:           Will hospitals be penalized in FY 2025 if they don’t meet either benchmark or achievement points ?**

The FY 2025 Hospital VBP Program applies to subsection (d) hospitals in 50 states and the District of Columbia. If your hospital is a subsection (d) hospital, your payments will be adjusted unless one of the exclusion reasons listed below applies.

- Hospitals and hospital units excluded from the IPPS
- Hospitals subject to payment reductions under the Hospital IQR Program
- Hospitals cited for deficiencies during the performance period that pose immediate jeopardy to the health or safety of patients
- Hospitals with less than the minimum number of domains calculated

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- Hospitals with an approved disaster/extraordinary circumstance exception specific to the Hospital VBP Program
- Short-term acute care hospitals in Maryland

Note: Hospitals excluded from the Hospital VBP Program will not have 2.00 percent withheld from their base operating Medicare Severity Diagnosis Related Group (MS-DRG) payments and will not be eligible to receive incentive payments in FY 2025.

**Question 21:           What if we don't have My Tasks on our landing page?**

For questions related to the HQR System, please contact the CCSQ Service Center at [QNetSupport@cms.hhs.gov](mailto:QNetSupport@cms.hhs.gov) or call (866) 288.8912 (TTY: 877.715.6222) weekdays from 8 a.m. to 8 p.m. ET.

**Question 22:           What happens to a hospital when they are bought out by another health system?**

The Hospital VBP Program awards or penalizes according to the CMS Certification Number (CCN). If the CCN number hasn't changed, the payment adjustment factor is multiplied against the MS-DRG payment amount. For more specific information, we recommend contacting your Medicare Administrative Contractor.

**Question 23:           For data requirements, do those standards apply to the baseline period, the performance period, or both? For example, do you need to have at least one predicted infection in the baseline and performance period to receive a score?**

Data requirements apply to both the baseline and performance period. Hospitals not meeting the minimum number of eligible discharges, surveys, predicted infections, underlying cases, or episodes of care for a measure during the baseline period will not be scored improvement points for that measure and will be indicated with a double asterisk (\*\*). Only achievement points can be earned for such measures, if the minimums are met during the performance period. Achievement points will be displayed on the PPSR.

**Question 24:           If a hospital is under Hospital IQR Program payment reduction, does ineligibility for the Hospital VBP Program payment adjustment last only as long as the Hospital IQR Program payment reduction?**

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That is correct. For each year, Hospital IQR Program eligibility relates directly to Hospital VBP Program eligibility. Excluded or ineligible hospitals will not have their payments adjusted, includes the 2-percent withhold to payments and the opportunity to receive incentive payments for each fiscal year.

**Question 25:           What is the difference between the performance period and the baseline period?**

In the Hospital VBP Program, for any given fiscal year, we have a baseline period and a performance period. The baseline period is an earlier time period than the performance period, so a comparison of improvement can be made at the individual hospital. CMS provides hospitals with a baseline measures report that contains a hospital's baseline period rates and the performance standards calculated by CMS that will be used to calculate improvement and achievement points.

**Question 26:           Does having a COVID-19 diagnosis on admission still affect the evaluation of HAIs?**

CMS updated the specifications for the readmission measures to exclude from the measure cohort and outcome Medicare beneficiaries with a principal or secondary diagnosis of COVID-19. Additionally, each measure was updated to risk-adjust for patients with a clinical history of COVID-19 in the 12 months prior to the index admission.