



Inpatient Value, Incentives, and Quality Reporting (VIQR)

Outreach and Education Support Contractor

What's My Payment? Understanding the Hospital VBP Program Calculations Step-By-Step in the Percentage Payment Summary Report

Questions and Answers

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The following document provides actual questions from audience participants. Webinar attendees submitted the following questions and subject-matter experts researched and answered the following questions after the live webinar. The questions may have been edited for grammar.

Question 1: Are Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) Surveys only from Medicare patients?

HCAHPS Surveys are not restricted to Medicare patients. HCAHPS Surveys are administered to a random sample of adult inpatients between 48 hours and six weeks after discharge. Patients admitted in the medical, surgical, and maternity care service lines are eligible for the survey.

Question 2: Can you give an example of withholding 2% for each Medicare claim?

On each claim, your hospital will have a withhold, or reduction, of 2% of the Diagnosis-Related Group (DRG) amount. Then, based on your hospital's performance in the program, your hospital will earn value-based incentive payments. Those payments can be less than, equal to, or more than 2% of the amount that was initially withheld. The graphic on slide 11 shows a hospital earning value-based incentive payments of 3%. If 2% is withheld, but 3% is gained, the hospital nets a positive adjustment of 1% on each claim. For example, if your hospital earned value-based incentive payments of 1.5%, you would have a net reduction of 0.5% on each claim.

Question 3: Will our hospital receive the value-based purchasing adjustment in fiscal year (FY) 2020? The files that went out with the final rule had a proxy adjustment that showed our hospital would not receive it. Were the value-based purchasing adjustments not published prior to the final rule? Will it be corrected?

To review your hospital's actual incentive payment adjustment factor for FY 2020, you may run your hospital's Percentage Payment Summary Report that is currently available via the *QualityNet Secure Portal*.

Each year, CMS posts three versions of payment adjustment factors for the Hospital Value-Based Purchasing Program in connection with the inpatient prospective payment system (IPPS) proposed and final rules:

- Table 16 (Proxy Adjustment Factors) lists *estimated* payment adjustment factors for hospitals based on Total Performance Scores (TPSSs) from FY 2019 and is posted with the FY 2020 IPPS/Long-

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Term Care Hospital Prospective Payment System
(LTCH PPS) Proposed Rule.

- Table 16A (Updated Proxy Adjustment Factors), listing *estimated* payment adjustment factors for hospitals, is updated in the FY 2020 IPPS/LTCH PPS Final Rule to reflect changes based on more updated MedPAR data, but the table still uses the FY 2019 TPSs.
- Table 16B (Actual Incentive Payment Adjustment Factors) lists *actual* payment adjustment factors for hospitals and is posted after hospitals have been given an opportunity to review and correct their actual TPSs for FY 2020. CMS intends to display Table 16B in the fall of 2019.

Question 4: If we are not eligible, will it say so on the first page?

If your hospital is excluded from the program, your report will state “Hospital VBP Ineligible” on the first page along with the exclusion reason(s). Excluded hospitals will not have their payments adjusted, which includes not being subject to the 2% withhold and the opportunity to receive incentive payments. Additionally, data for your hospital will not be publicly reported in the Hospital VBP Program tables on the *Hospital Compare* website.

Question 5: What is the baseline period rate?

The baseline period rate represents a hospital’s performance for each measure during a historical period prior to the performance period, referred to as the baseline period, which is used as input for scoring improvement points.

Question 6: How do you calculate the HCAHPS consistency score?

The HCAHPS consistency score is determined based on a hospital’s lowest dimension score from the performance used to calculate a hospital’s HCAHPS consistency score. The higher a hospital’s lowest dimension score is above the “floor” (i.e., the worst performing hospital’s dimension rate from the baseline period), the more consistency points the hospital will receive. A hospital can earn between 0 and 20 points towards its Person and Community Engagement Domain as follows:

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- Twenty points are awarded if all of a hospital's dimension rates during the performance period are greater than or equal to each dimension's respective achievement thresholds.
- Zero points are awarded if the hospital's lowest dimension rate during the performance period is less than or equal to the worst-performing hospital's dimension rate (floor) from the baseline period.
- Zero to 20 points are awarded if any of a hospital's dimension rates are greater than the worst performing hospital's rate (floor) but less than the achievement threshold from the baseline period based on the consistency point formula.

For more information on the HCAHPS consistency score calculation and determination of the lowest dimension score, reference the [Hospital VBP Program final rule](#) (76 FR 26519).

Question 7: **I am confused why example 3 was at or worse than baseline, when it was more?**

In this example, the CAUTI benchmark is 0.000; the hospital's baseline rate was 0.400; and the hospital's performance period rate was 1.010. The hospital's performance period rate was worse than the hospital's baseline period rate because lower rates indicate better results in the CAUTI measure.

Question 8: **What is more important, achievement or improvement points?**

Hospitals are awarded one score per measure, which is identified as the greater of achievement points and improvement points for each measure. Either improvement points or achievement points could be greater and become a hospital's measure score.

Question 9: **Is there a calculator/spreadsheet available to enter our numbers?**

A calculator is not available; however, a [scoring quick reference guide](#) is available on the QualityReportingCenter.com website for assistance in replicating your calculations. On the home page, click on Inpatient. Then, click on Hospital Inpatient Quality Reporting (IQR) Program and Resources and Tools. Under [Hospital Value-Based Purchasing \(VBP\) Resources](#), you'll find the scoring quick reference guide.