



# Advisor Live<sup>®</sup> Inpatient Prospective Payment System FY 2017 Final Rule

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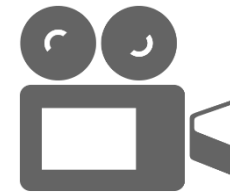
## Notes

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- 
- **Payment Updates**
  - **MS-DRGs**
  - **Documentation and Coding**
  - **Two-Midnights**
  - **New Technology**
  - **DSH Adjustment**
  - **Readmissions**
  - **Value-Based Purchasing**
  - **Hospital-Acquired Conditions**
  - **Quality Reporting Programs**



# FY 2017 Final Inpatient PPS Rule

- Released August 2, will appear in August 22 *Federal Register*
- Market basket increase of 2.7%, but 0.9% average payment increase
  - 0.3% *decrease* due to productivity cut from ACA
  - 0.75% market basket *reduction* due to ACA
  - 1.5% *reduction* due to documentation and coding offset
  - 0.8% *increase* due to two-midnights adjustment
- Delays move to new uncompensated care data source
- Finalizes Medicare Outpatient Observation Notice policies
- 61 total IQR measures for FY 19 payment, removes 15 measures, requires 15 eCQMs, and adds 4 measures
- Adds VBP measures for FYs 21 and 22
- Modifies HAC scoring, performance periods, and measures



# Payment Updates



# Operating Payment Impact

Contributing Factor	National % Change
Market Basket (for successful IQR/MU participation)	+2.7%
ACA MB cut	-0.75%
ACA Productivity cut	-0.30%
<b>SUBTOTAL: FY 2017 payment rate increase</b>	<b>1.65%</b>
Documentation and Coding Adjustment	-1.50%
Two-midnights adjustment reversed	+0.80%
<b>SUBTOTAL: net increase before budget neutrality adj</b>	<b>+0.95%</b>
Frontier hospital wage index floor and outmigration	+0.10%
Outliers, new tech, interactions and rounding	-0.15%
<b>TOTAL: average per case increase</b>	<b>+0.90%*</b>

- Update estimated to increase operating payments \$987 million, absent policy changes
- Total estimated increase in operating and capital of \$746 million
  - \$680 million increase in operating payments
  - \$66 million increase in capital payments



# Additional Payment Impacts

- Impact of several policies not included in analysis on operating payments:
  - **Medicare DSH and uncompensated care-** payments will be \$178 million lower than in FY 2016.
  - **Hospital Readmissions Reduction Program (HRRP)-** reduces FY 2017 payments by \$528 million – reduction is \$108 million more than FY 2016.
  - **HAC Reduction Program-** reduces payments by 1 percentage point to an estimated 771 hospitals.
  - **New technology add-on-** decreases payments in FY 2017 by \$20 million compared to FY 2016.
  - **IME/GME-** payments for rural training tracks at urban hospitals increase \$1 million over 10 years.
  - **Value-based purchasing-** is budget neutral but will redistribute \$1.8 billion based on hospital quality scores
  - **Other minor polices-** such as RCH program
  - **Net aggregate effect-** of these policies is a reduction of \$306 million compared to FY 2016.



# Updates based on MU and IQR

<b>FY 2017</b>	<b>Submit IQR and a MU</b>	<b>Submit IQR but Not a MU</b>	<b>MU but no IQR submitted</b>	<b>No IQR, Not a MU</b>
Market basket rate-of-increase	2.7	2.7	2.7	2.7
Adjustment for Failure to Submit Quality Data under Section 1886(b)(3)(B)(viii) of the Act	0.0	0.0	-0.675	-0.675
Adjustment for failure to be a meaningful EHR user under section 1886(b)(3)(B)(ix) of the Act	0.0	-2.025	0.0	-2.025
MFP adjustment under section 1886(b)(3)(B)(xi) of the Act	-0.3	-0.3	-0.3	-0.3
Statutory Adjustment under Section 1886(b)(3)(B)(xii) of the Act	-0.75	-0.75	-0.75	-0.75
Final applicable % increase applied to standardized amount	1.65	-0.375	0.975	-1.05

$\frac{1}{4}$  MB=0.675;  $\frac{3}{4}$  MB=2.025

# Capital Payment Update

<b>Capital Input Price Index*</b>	<b>1.2</b>
<b>Intensity</b>	<b>0.0</b>
<b>Net Case-Mix Adjustment</b>	<b>0.0</b>
<b>Subtotal</b>	<b>1.2</b>
<b>Effect of FY 2015 Reclassification and Recalibration</b>	<b>0.0</b>
<b>Forecast Error Correction</b>	<b>-0.3</b>
<b>Total Update</b>	<b>0.9</b>
<b>GAF/DRG Adjustment Factor</b>	<b>-0.09</b>
<b>Outlier Adjustment</b>	<b>0.22</b>
<b>Permanent 2-midnight Policy Adjustment Factor</b>	<b>0.2</b>
<b>One-time 2-midnight Policy Adjustment Factor</b>	<b>0.6</b>
<b>Total Net Rate</b>	<b>1.84</b>
<b>Total Average per Case Increase</b>	<b>0.8</b>

\*The capital input price index is based on the FY 2010-based CIPI

# Documentation and Coding

	ATRA				SGR Reform Offset					
Status	Final	Final	Final	Final	Final	Final	Final	Final	Final	Final
FY	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
CUT	-0.8%	-0.8%	-0.8%	-0.8%	+0.5%	+0.5%	+0.5%	+0.5%	+0.5%	+0.5%
		-0.8%	-0.8%	-0.8%		+0.5%	+0.5%	+0.5%	+0.5%	+0.5%
			-0.8%	-0.8%			+0.5%	+0.5%	+0.5%	+0.5%
				<b>-1.5%</b>				+0.5%	+0.5%	+0.5%
									+0.5%	+0.5%
										+0.5%
<b>TOTAL</b>	<b>-0.8%</b>	<b>-1.6%</b>	<b>-2.4%</b>	<b>-3.9%</b>	<b>-3.4%</b>	<b>-2.9%</b>	<b>-2.4%</b>	<b>-1.9%</b>	<b>-1.4%</b>	<b>-0.9%</b>

- ATRA requires \$11B cut between 2014-2017
- Expected 0.8% cut in 2017 will now be 1.5% to reach full \$11B cut
- Cuts would have been restored to base payments in 2018 in total, but under the SGR legislation (MACRA) instead a 3.0 percent increase is phased in over 6 years; the 0.2% cut that was expected to remain under MACRA will now be a 0.9% cut.
- **The phase-in results in a \$15.1B cut between 2018-2023**

# ▶ MS-DRGs changes

- Numerous proposed changes that will be detailed in written summary
- ▶ Of note, stakeholders concerned within the effect of DRGs on CJR and BPCI programs
  - Considered splitting ankle replacements out of DRGs 469 and 470, but CMS believes the volume is too low to warrant new DRG
  - Also considered splitting fractures out of DRGs 469 and 470, but will not do so as the costs are similar to other procedures included in the DRGs
- No additions to the replaced devices policy

# ▶ Two-midnights cut reversed

- In FY 2014, CMS created the “Two-Midnight” policy where a patient expected to stay across two consecutive midnights (or has an “inpatient only” service) will be presumed appropriate for Part A payment.
- CMS applied a -0.2 percent adjustment to IPPS rates to account for the estimated \$220 million in increased inpatient expenditures in FY 2014-2016.
- Now CMS agrees to pay back the cuts by adjusting payment rates by a one-time +0.6 percent for FY 2017 and by permanently restoring the 0.2 percent
  - 0.6% will address the effects of the 0.2 percent reduction to the rate for the 2-midnight policy in effect for FYs 2014, 2015, and 2016.
  - Combined 0.8% increase for FY 2017



# Notification Procedures for Outpatient Observation

- Delays implementation of the NOTICE Act from August 6, 2016 until 90 days after form is finalized
- Applies to all hospitals/CAHs as a condition of participation
- Standardized written notice called the Medicare Outpatient Observation Notice (MOON) explains:
  - the individual was an outpatient—not an inpatient
  - the reason for outpatient status (i.e., the individual doesn't currently need inpatient services but requires observation to decide whether to admit or discharge)
  - the implications of receiving observation services as an outpatient (i.e. cost-sharing and eligibility for skilled nursing facility care)
- Provides explanation in plain language (written and oral)
- Includes a blank for additional information including
  - This section may include mandated state language.
- Includes signature area to acknowledge receipt and understanding of the notice



# Notification Procedures for Outpatient Observation (cont'd)

- Guidance for oral notification forthcoming in Medicare manual
- Deliver to *all* Medicare beneficiaries receiving outpatient observation services for more than 24 hours.
  - Regardless of whether covered under Part B or in MA plans
  - Can voluntarily give the notice **prior to 24 hours** if, for example, state law requires notification earlier, but they may not deliver the notice to a broader population than those Medicare patients receiving observation services
- Given no later than 36 hours after observation services begin, but sooner if transferred, discharged or admitted
- English language version of MOON open for comment until Sept 1, and a Spanish language version in the works
- If claim denied as not medically necessary for inpatient services, no requirement to issue MOON.
- Law does not afford any new appeal rights to beneficiaries
- May choose to retain a signed notice as hard copy or electronically.





# New Technology Add-on Payments

- Code freeze over October 1, 2016
- New ICD-10 PCS codes, labeled Section “X” (CPT category III codes; analogous to outpatient C codes).
- Will be used to identify and describe new technologies and services (drugs, biologicals, and newer medical devices being tested in clinical trials).
- Section intended to assist in identifying and tracking new technologies and related inpatient services for add-ons.
- Component available October 1, 2015.
- Applications for “X” codes will be same as others through Coordination and Maintenance Committee.
- More information available on CMS Web site at:  
<https://www.cms.gov/Medicare/Coding/ICD9ProviderDiagnosticCodes/meetings.html>



## New Technology Add-on Payments—denied extensions

- ✘ **Kcentra™**, a replacement therapy for fresh frozen plasma for patients with an acquired coagulation factor deficiency due to warfarin and who are experiencing a severe bleed; (ICD-10 code: 30283B1)
- ✘ **Argus® II System**, an implantable device that provides electrical stimulation of the retina to induce visual perception in patients who are profoundly blind due to retinitis pigmentosa; (09H005Z or 08H105Z)
- ✘ **MitraClip® System**, a transcatheter mitral valve system designed to perform reconstruction of the insufficient mitral valve for high risk patients who are not candidates for conventional valve surgery; (02UG3JZ); and
- ✘ **Responsive Neurostimulator System (RNS®)**, an implantable device for treating persons with epilepsy whose partial onset seizures have not been adequately controlled with antiepileptic medications. (0NH00NZ, 00H00MZ)



## New Technology Add-on Payments— continuation

- ✓ **CardioMEMS™ HF System** is an implantable pulmonary artery hemodynamic monitoring system for the management of heart failure; (02HR30Z, 02HQ30Z)
- ✓ **BLINCYTO™** is a bi-specific T-cell engager used for treatment of Philadelphia chromosome-negative relapsed or refractory B-cell precursor acute-lymphoblastic leukemia; (XW03351 or XW04351)
- ✓ **LUTONIX® and IN.PACT™ Admiral™** Both of these technologies are drug coated balloon percutaneous transluminal angioplasty for patients with peripheral artery disease; (codes in the notes)



# New Technology Add-on Payments—approved new applications

- ✓ **MAGEC®** Spinal Bracing and Distraction System treats children with severe spinal deformities, such as scoliosis.
  - The maximum new technology add-on payment for a case involving the use of the MAGEC® Spinal Bracing Distraction system is \$15,750 for FY 2017
- ✓ **Idarucizumab** is a humanized fragment antigen-binding molecule, which specifically binds to PRADAXA® (an oral direct thrombin inhibitor) to deactivate the anticoagulant effect.
  - The maximum new technology add-on payment amount for a case involving the use of Idarucizumab is \$1,750 for FY 2017.
- ✓ **Defitelio®** a treatment for patients with hepatic veno-occlusive disease with evidence of multi-organ dysfunction
  - The maximum new technology add-on payment amount for a case involving the use of Defitelio® is \$75,900 for FY 2017.
- ✓ **GORE EXCLUDER® Iliac Branch Endoprosthesis** for the repair of common iliac or aortoiliac aneurysms.
  - The maximum new technology add-on payment for a case involving the use of the GORE IBE device is \$5,250 for FY 2017.
- ✓ **Vistoguard™** is an antidote to Fluorouracil toxicity in patients treated with the chemotherapeutic agent 5-fluorouracil for solid tumors.
  - The maximum new technology add-on payment for a case involving the use of the Vistogard™ device is \$ 37,500 for FY 2017



## New technology add-on payments— denied new applications

- ✘ **MICRODERM**, a non-crosslinked acellular wound matrix that is derived from the porcine liver and is processed and stored in a phosphate buffered aqueous solution(fail to meet newness criterion);
  - Fail to meet newness criterion; not eligible for new technology add-on payments
- ✘ **Titan Spine Endoskeleton ®** , an is a nanotechnology-based interbody medical device with a dual acid-etched titanium interbody system used to treat patients diagnosed with degenerative disc disease
  - Not approved: Meet cost criterion; fail to meet newness criterion; unable to determine the clinical improvement criteria due to lack of clinical data



# Wage Index

- Geographical “delineations” based on 2010 census data (OMB bulletin published July 15, 2015).
- Same labor market areas used in FY 2016 to calculate wage indexes and transition periods except:
  - Garfield County, OK, with principal city Enid, OK, which was a Micropolitan (geographically rural) area, now qualifies as an urban new CBSA 21420 called Enid, OK.
  - The county of Bedford City, VA, a component of the Lynchburg, VA CBSA 31340, changed to town status and is added to Bedford County. Therefore, the county of Bedford City (SSA State county code 49088, FIPS State County Code 51515) is now part of the county of Bedford, VA (SSA State county code 49090, FIPS State County Code 51019). However, the CBSA remains Lynchburg, VA, 31340.
  - The name of Macon, GA, CBSA 31420, as well as a principal city of the Macon-Warner Robins, GA combined statistical area, is now Macon-Bibb County, GA. The CBSA code remains as 31420.



# Wage Index

- Third year of transition to 2010-based OMB delineations
  - If going from urban to rural delineation:
    - Keep old CBSA in which physically located in FY 2014 until 2017, *if* not reclassified/redesignated (or closest labor market area if old area no longer exists)
    - Considered rural for all other policy purposes
  - For Lugar hospitals (designated as urban, but revert to rural)
    - Keep old CBSA in which physically located in FY 2014 until 2017, *if* not reclassified/redesignated (or closest labor market area if old area no longer exists)
- Budget neutrality adjustment applied for transition
- In 2018, they will move to the statewide rural wage index absent reclassifications or redesignations



# Wage Index

- April 28, 2016, CMS published interim final rule in response to court rulings
- Effective for applications on/after September 1, 2016, an urban hospital may have more than one reclassification
- An urban hospital redesignated as rural under §412.103 of the regulations may seek reclassification from the MGCRB and use the distance and average hourly wage criteria for rural hospitals
- The CBSA to which the hospital is reclassified under the MGCRB determines the area wage index that the hospital receives and the area to which it is classified by the MGCRB in calculating the wage index
- Effective on and after April 18, 2016, hospitals that already have an MGCRB reclassification can receive a §412.103 redesignation without losing their MGCRB reclassification





# Wage Index

- Outmigration- continue to use data from custom tabulation of the American Community Survey (ACS), 2008-2012 Microdata with no changes in methodology
- Frontier Floor- applies 1.0 floor in MT, ND, NV, SD, WY
- Imputed Floor- continues for 1 year the imputed rural floor for all-urban states (NJ, DE) and alternative method for RI
- Occupational Mix- will be surveyed in 2016 for 2019 AWI
- Urban to rural reclassification- finalizes a “lock in” date of the second Monday in June, meaning applications must be received 70 days in advance
  - If received before lock in, effective upon application
  - If after, it will not take effect until the fiscal year *following* the next fiscal year

# Other Payment Policies

- Puerto Rico now paid under national standardized amount and thus labor share.
- Low Volume Adjustment
  - ACA criteria extended by MACRA through Sept 30, 2017
    - At least 15 miles from another hospital
    - Less than 1,600 Medicare Part A discharges
    - Sliding scale payment between 25% for  $\leq 200$  and 0%  $\geq 1,600$  discharges
- Medicare Dependent Hospitals
  - MACRA extends through Sept 30, 2017
- Outliers
  - Increased fixed loss threshold from \$22,538 in FY 2016 to \$23,570 in 2017
    - CMS spent 4.68% in FY 2015



# Medicare DSH: Uncompensated Care DSH Payment

Total DSH Payments in FY 2017  
Absent ACA Provision

“Empirically  
Justified  
DSH Payments”

25%

Distributed in exactly the same way  
as current policy

“Uncompensated  
Care DSH  
Payments”

75%

Distributed based on three factors:

Factor 1: Total DSH payment pool in  
FY 2015

Factor 2: Change in the percentage of  
uninsured

Factor 3: Proportion of total  
uncompensated care each Medicare  
DSH hospital provides

# Finalized values of Factors 1 and 2

- **Factor 1 – Total DSH Payments**

- Total DSH pool June 2016 estimate (\$14.397 billion) which is based on the March 2016 update to HCRIS and FY 2016 final rule's impact file
- 75% of \$14.397 = **\$10.797 billion**

- **Factor 2 – Change in the Uninsured Percent**

- Required to use CBO estimate from March 20, 2010, which is 18%, as the baseline number of uninsured in 2013
- FY 2017 percent uninsured based on CBO's March 2016 estimate (10%)
- $(1 - \text{percent change in uninsured}) = 55.56\%$ , but available portion is **55.36%**
- The FY 2017 Final Uncompensated Care Amount is **\$5.977 billion**
  - $\$10,797,476,782.62 \times 0.5536 = \$5,977,483,146.86$



# Final Changes to Factor 3 Calculation

## • Factor 3 – Uncompensated Care Proportion

- CMS will continue to use proxy to calculate uncompensated care proportion for FY 2017, but will use a three-year rolling average instead of one year (FY 2011, FY 2012, and FY 2013 cost reports for Medicaid days and FY 2012, FY 2013, and FY 2014 for SSI days)

$$\frac{\text{Hospital's Medicare SSI Days + Medicaid Days}}{\text{Total DSH Hospitals' Medicare SSI Days + Medicaid Days}}$$

- For Puerto Rico hospitals, CMS will use 14 percent of Medicaid days as a proxy for SSI days in the calculation of Factor 3
- CMS does not finalize its proposal to begin phasing-in the Worksheet S-10 uncompensated care costs (defined as charity care + Medicare bad debt) in 2018 using FY 2014 cost report data
  - Instead, CMS notes its plan to incorporate S-10 into the calculation by 2021 at the latest
  - Cost reporting periods for 2017 would be the first years reflecting changes to a revised S-10
- See transmittal 1681 issues July 15, 2016 requiring amended or completed S-10 for 2014 cost reports.



# Hospital Pay-for-Performance Quality Programs Proposed Changes





# Hospital Readmissions Reduction Program (HRRP)

- Hospital-specific payment adjustment factors were applied to inpatient claims beginning Oct 1, 2012.

Up to: 1%

2%

3%

3%

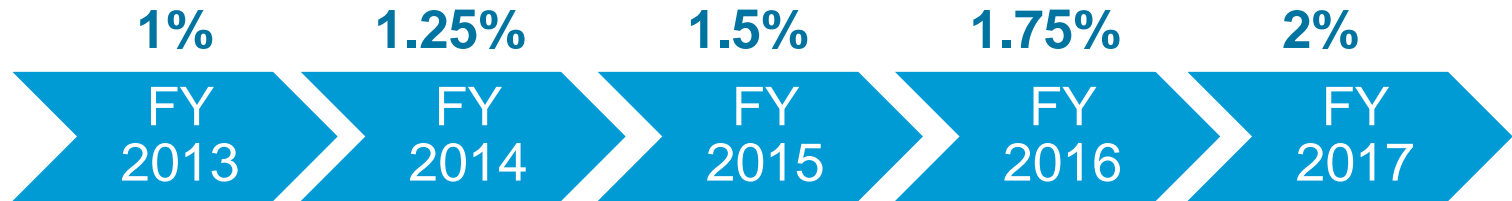
3%



- 30-day AMI, HF, expanded PN, COPD, THA/TKA (Hip/Knee), and CABG measures based on 3 years of data (July 1, 2012 - June 30, 2015) for FY 2017 payment. PN expansion and CABG finalized in earlier rules.
- Applies to wage-adjusted base operating DRG payment amount (includes new tech add-on payment only, no adjustments for DSH, IME, outlier, or low volume)
- For SCHs the adjustment will only apply to the national portion of the rates, not the additional payment due to the hospital-specific rates but for MDHs, applies also to the hospital specific add-on

# Inpatient Value-Based Purchasing (VBP)

- A percent of inpatient base operating payments are at risk based on quality and efficiency metric performance

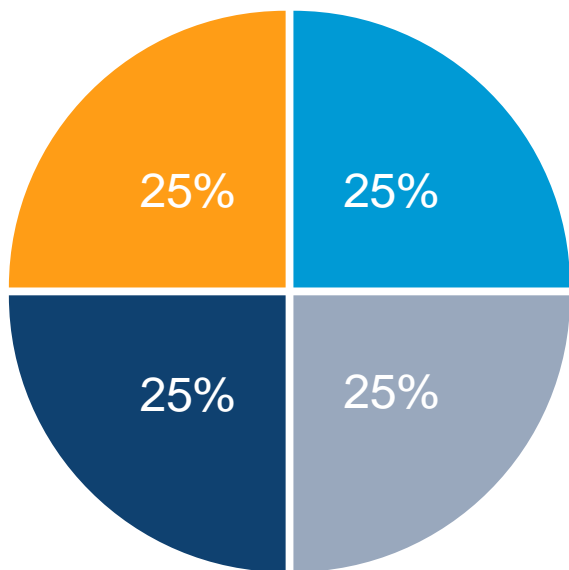






- A budget neutral policy (redistributes \$1.8B), where hospitals must fail to meet targets for bonuses to be generated for others. Rewards for achievement or improvement
- Quality measures from Hospital Compare measure set
  - 20 measures (12 process/8 HCAHPS dimensions) in FY 2013,
  - Adds 3 outcome measures (3 mortality) in FY 2014,
  - Adds 2 outcome measures and 1 efficiency measure in FY 2015,
  - Removes 5 process and adds 1 process, 2 outcome measures in FY 2016,
  - Removes 6 process and adds 1 process, 2 “safety” measures in FY 2017 and
  - Removes 2 process and adds 1 patient experience in FY 2018.
- Inpatient Quality Reporting measures are “on deck” for VBP.



# Inpatient VBP FY 2018 Recap

FY 2018 Final



-  Clinical Care (25%)
-  Patient and Caregiver Experience (25%)
-  Efficiency and Cost Reduction (25%)
-  Safety (25%)

<u>Measure ID</u>	<u>NQS-Based Domain</u>
PC-01	Safety
<b>MORT-30-AMI</b>	<b>Clinical Care</b>
<b>MORT-30-HF</b>	<b>Clinical Care</b>
<b>MORT-30-PN</b>	<b>Clinical Care</b>
<b>HCAHPS</b>	<b>Patient and Caregiver Centered Experience of Care / Care Coordination</b>
<b>CTM-3</b>	<b>Coordination</b>
<b>CAUTI</b>	<b>Safety</b>
<b>CLABSI</b>	<b>Safety</b>
<b>MRSA</b>	<b>Safety</b>
<b>C. Diff</b>	<b>Safety</b>
<b>PSI-90</b>	<b>Safety</b>
<b>SSI</b>	<b>Safety</b>
<b>MSPB-1</b>	<b>Efficiency and Cost Reduction</b>

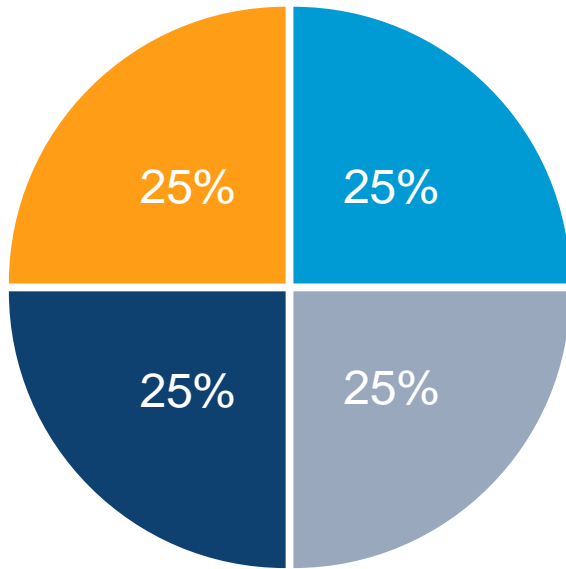
# Inpatient VBP FY 2018





Domain	Baseline Period	Performance Period
<b>Safety</b> <ul style="list-style-type: none"> <li><b>PSI-90</b></li> <li>PC-01 and NHSN (CAUTI, CLABSI, SSI, C. diff, MRSA)</li> </ul>	July 1, 2010 - June 30, 2012*  January 1, 2014 - December 31, 2014	<b>July 1, 2014 - September 30, 2015</b>  January 1, 2016 - December 31, 2016
Clinical Care – Mortality measures*	October 1, 2009 - June 30, 2012	October 1, 2013 – June 30, 2016
Efficiency and Cost Reduction (MSPB-1)	January 1, 2014 – December 31, 2014	January 1, 2016 – December 31, 2016
Patient and Caregiver – Centered Experience of Care/Care Coordination (HCAHPS, CTM-3)	January 1, 2014 – December 31, 2014	January 1, 2016 – December 31, 2016

\* Previously adopted baseline and performance periods

# Inpatient VBP FY 2019

FY 2019 Proposed



-  Clinical Care (25%)
-  *Person and Community Engagement (25%)*
-  Efficiency and Cost Reduction (25%)
-  Safety (25%)

<u>Measure ID</u>	<u>NQS-Based Domain</u>
PC-01	Safety
<b>MORT-30-AMI</b>	<b>Clinical Care</b>
<b>MORT-30-HF</b>	<b>Clinical Care</b>
<b>MORT-30-PN</b>	<b>Clinical Care</b>
<b>HCAHPS</b>	<b>Patient and Community Engagement</b>
<b>CTM-3</b>	<b>Patient and Community Engagement</b>
<b>CAUTI</b>	<b>Safety</b>
<b>CLABSI</b>	<b>Safety</b>
<b>MRSA</b>	<b>Safety</b>
<b>C. Diff</b>	<b>Safety</b>
<b>PSI-90</b>	<b>Safety Intend to propose modified PSI-90</b>
<b>SSI</b>	<b>Safety</b>
<b>MSPB-1</b>	<b>Efficiency and Cost Reduction</b>



# Inpatient VBP: Other Final

- FY 2019
  - Expand CAUTI and CLABSI measures to include non-ICU locations beginning with program year FY 2019
  - Domain name change to Person and Community Engagement
  - Immediate jeopardy citations
- FY 2021
  - Additional Efficiency and Cost Reduction Measures
    - Hospital-Level, Risk-Standardized Payment Associated With a 30-Day Episode-of-Care for Acute Myocardial Infarction (AMI) (NQF #2431)
    - Hospital-Level, Risk-Standardized Payment Associated With a 30-Day Episode-of-Care for Heart Failure (HF) (NQF #2436)
    - Use same scoring methodology as MSPB (alternatives discussed)
  - Update to Pneumonia Mortality
    - Expand to include patients with a principal discharge diagnosis of aspiration pneumonia and patients with a principal discharge diagnosis of sepsis (excluding severe sepsis) with a secondary diagnosis of pneumonia coded as present on admission
- FY 2022
  - Add Hospital 30-Day, All-Cause, Risk-Standardized Mortality Rate (RSMR) Following Coronary Artery Bypass Graft (CABG) Surgery (NQF #2558)



# Inpatient VBP

Measure	Baseline Period	Performance Period
<b>FY 2019 Hospital VBP Program</b>		
HCAHPS, CTM-3, PC-01, NHSN, MSPB	January 1- December 31 2015	January 1- December 31 2017
Mortality Measures*	July 1, 2009 – June 30, 2012	July 1, 2014 – June 30, 2017
THA/TKA*	July 1, 2010 – June 30, 2013	January 1, 2015 – June 30, 2017
AHQ PSI 90	July 1, 2011 – June 30, 2013	July 1, 2015 – June 30, 2017
<b>FY 2020 Hospital VBP Program</b>		
Mortality Measures*	July 1, 2010 – June 30, 2013	July 1, 2015 – June 30, 2018
THA/TKA*	July 1, 2010 – June 30, 2013	July 1, 2015 – June 30, 2018
AHRQ PSI 90*	July 1, 2012 – June 30, 2014	July 1, 2016 – June 30, 2018
<b>FY 2021 Hospital VBP Program</b>		
Mortality Measures (AMI, HF, and COPD)*	July 1, 2011 – June 30, 2014	July 1, 2016 – June 30, 2019
THA/TKA *	April 1, 2011 – March 31, 2014	April 1, 2016 – March 31, 2019
<b>MORT-30-PN (Updated Cohort)</b>	<b>July 1, 2012 – June 30, 2015</b>	<b>September 1, 2017 – June 30, 2019</b>
<b>Payment- AMI and HF</b>	<b>July 1, 2012- June 30, 2015</b>	<b>July 1, 2017- June 30, 2019</b>

\* Previously adopted measurement periods

# (HAC) Reduction Program

- HAC Reduction program reduces **total** payments by 1% for worst performing quartile of hospitals starting in FY 2015
- Two domains:
  1. Agency for Healthcare Research and Quality measure
  2. Centers for Disease Control and Prevention National Healthcare Safety Network (NHSN) measures
- FY 2017 reports released in late summer via QualityNet, hospitals have 30 days to review

[Note: No proposed changes to the ongoing policy where certain HACs can't qualify a case for a higher paying DRG tier]

# Overlapping Medicare HAC

Hospital-acquired conditions (HACs)	Not eligible higher payment (FY 08 ongoing)	IP VBP (FY 13 ongoing)	HAC Reduction Program (Starting FY 2015)
Catheter associated UTI	X	Finalized FY 16	Finalized FY 15
Surgical Site Infections	X*	Finalized FY 16	Finalized FY 16
Vascular cath-assoc. infections	X**	<u>PSI-90/ CLABSI</u>	<u>PSI-90/ CLABSI</u>
Foreign object retained after surgery	X		
Air embolism	X		
Blood incompatibility	X		
Pressure ulcer stages III or IV	X	<u>PSI-90 FY 2015</u>	<u>PSI-90 FY 2015</u>
Falls and trauma	X***	<u>PSI-90 FY 2015</u>	<u>PSI-90 FY 2015</u>
DVT/PE after hip/knee replacement	X	<u>PSI-90 FY 2015</u>	<u>PSI-90 FY 2015</u>
Manifestations of poor glycemic control	X		
Iatrogenic pneumothorax	X	<u>PSI-90 FY 2015</u>	<u>PSI-90 FY 2015</u>
Methicillin resistant Staph. aureus (MRSA)		Finalized FY 17	Finalized FY 17
Clostridium difficile (CDAD)		Finalized FY 17	Finalized FY 17

\*SSI includes different conditions. \*\* Vascular Catheter is broader than the CLABSI measure. Finalized adoption of revised PSI-90 would remove this indicator from HACRP for FY 2018 and beyond \*\*\* Hip Fracture in PSI-90

# HAC Reduction Program

- FY 2017 Finalized Changes/Clarifications
  - Must have 12 months or more of data to have complete data for PSI-90
  - Must submit CDC NHSN HAI data even when not required to do so for IQR
- FY 2018 to Adopt revised AHRQ PSI-90
  - Change name to Patient Safety and Adverse Events Composite
  - Removes PSI 07 Central Venous Catheter-related Blood Stream Infection Rate
  - Adds PSI 09 Postoperative Hemorrhage Or Hematoma Rate
  - Adds PSI 10 Physiologic And Metabolic Derangement Rate
  - Adds PSI 11 Postoperative Respiratory Failure Rate
  - Re-specifies PSI 12 Perioperative Pulmonary Embolism Or Deep Vein Thrombosis Rate
  - Re-specifies PSI 15 Accidental Puncture Or Laceration Rate
  - Weighting changed to account for harms associated with adverse events and number of adverse events
  - Uses a 15-month performance period (FY 2018 only) to account for ICD-10 conversion (July 1, 2014- September 30, 2015)
- FY 2018- Scoring
  - Replaces decile-based scoring with “Winsorized Z-Score Method”
  - New method creates continuous scores
  - Helps hospitals with only a PSI-90 score





# HAC Reduction Program

## Domain 1: AHRQ Patient Safety Indicators (PSI-90 Composite)

FY 2015 and onward	PSI-3 Pressure Ulcer Rate
FY 2015 and onward	PSI-6 Iatrogenic Pneumothorax Rate
FY 2015 and onward	PSI-7 Ctrl Venous Catheter-Related Blood Stream Infection Rate <i>Removal for FY 2018</i>
FY 2015 and onward	PSI-8 Postoperative Hip Fracture Rate
<i>Final FY 2018</i>	PSI 09 Postoperative Hemorrhage Or Hematoma Rate
<i>Final FY 2018</i>	PSI 10 Physiologic And Metabolic Derangement Rate
<i>Final FY 2018</i>	PSI 11 Postoperative Respiratory Failure Rate
FY 2015 and onward	PSI-12 Postoperative PE/DVT rate <i>Re-specified for FY 2018</i>
FY 2015 and onward	PSI-13 Postoperative Sepsis Rate
FY 2015 and onward	PSI-14 Wound Dehiscence Rate
FY 2015 and onward	PSI-15 Accidental puncture and laceration rate <i>Re-specified for FY 2018</i>

## Domain 2: CDC NHSN Measures

FY 2015 and onward	Central Line-associated Blood Stream Infection (CLABSI)
FY 2015 and onward	Catheter-associated Urinary Tract Infection (CAUTI)
FY 2016 and onward	Surgical Site Infection (SSI) following Colon Surgery or following Abdominal Hysterectomy
FY 2017 and onward	Methicillin-resistant Staphylococcus aureus (MRSA) Bacteremia
FY 2017 and onward	<i>Clostridium difficile</i>

# HAC Reduction Program VBP

## FY 2018 – 2019 Performance Periods

Domain	Performance Period
FY 2018	
Domain 1 (PSI-90)	July 1, 2014 – September 30, 2015
Domain 2 (NHSN)	January 1, 2015 – December 31, 2016
FY 2019	
Domain 1 (PSI-90)	October 1, 2015 – June 30, 2017
Domain 2 (NHSN)	January 1, 2016 – December 31, 2017



# Hospital Inpatient Quality Reporting (IQR) Changes





# Hospital Inpatient Quality Reporting Program Data Collection

Measure Category	CY 2016 Count	Changes	CY 2017 Count
Chart-Abstracted	8	Remove 2 chart abstracted	6
eCQMs	28 4 Required	Require eight from 15 Remove 13	8 Required
HAI / NHSN	6	No change	6
30 day Mortality	6	No change	6
30 day Readmission	8	No change	8
AHRQ	2	No change	2
Hip/Knee Complications	1	No change	1
Efficiency	7	Previously finalized to add 3 Add 4	14
Structural	4	Remove 2	2
HCAHPS	1	No change	1
<b>Totals</b>	43 (68)		54



# IQR FY 2019 Removal of Measures

Measure #	Measure Name
AMI-2	Aspirin Prescribed at Discharge for AMI (NQF #0142)
AMI-7a	Fibrinolytic Therapy Received Within 30 Minutes of Hospital Arrival
AMI-10	Statin Prescribed at Discharge
HTN	Healthy Term Newborn (NQF #0716)
PN-6	Initial Antibiotic Selection for Community-Acquired Pneumonia (CAP) in Immunocompetent Patients (NQF #0147)
SCIP-Inf-1a	Prophylactic Antibiotic Received within 1 Hour Prior to Surgical Incision (NQF #0527)
SCIP-Inf-2a	Prophylactic Antibiotic Selection for Surgical Patients (NQF #0528)
SCIP-Inf-9	Urinary Catheter Removed on Postoperative Day 1 (POD1) or Postoperative Day 2 (POD2) with Day of Surgery Being Day Zero
STK-4	Thrombolytic Therapy (NQF #0437) <i>(remove chart-abstracted and eCQM)</i>



# IQR FY 2019 Removal of Measures

Measure #	Measure Name
VTE-3	Venous Thromboembolism Patients with Anticoagulation Overlap Therapy (NQF #0373)
VTE-4	Venous Thromboembolism Patients Receiving Unfractionated Heparin (UFH) with Dosages/Platelet Count Monitoring by Protocol (or Nomogram)
VTE-5	Venous Thromboembolism Discharge Instructions <i>(remove chart-abstracted and eCQM)</i>
VTE-6	Incidence of Potentially Preventable VTE <i>(remove eCQM; retain chart-abstracted version)</i>
Structural Measure	Participation in a Systematic Clinical Database Registry for Nursing Sensitive Care
Structural Measures	Participation in a Systematic Clinical Database Registry for General Surgery

# IQR FY 2019 Changes

- Changes to Current Measures
  - Refinement to 30-Day Pneumonia Payment Measure
    - Add patients with a Principal Diagnosis of
      - Aspiration Pneumonia
      - Sepsis (excluding severe sepsis) with secondary diagnosis of Pneumonia present on admission
    - Previously changed for 30-Day Readmission and Mortality Pneumonia Measures
  - Adoption of Modified PSI 90: Patient Safety and Adverse Composite Measure
- New Efficiency Measures
  - Aortic Aneurysm Procedure Clinical Episode-Based Payment (AA Payment) Measure
  - Cholecystectomy and Common Duct Exploration Clinical Episode-Based Payment (Chole and CDE Payment) Measure
  - Spinal Fusion Clinical Episode-Based Payment (SFusion Payment) Measure
  - Excess Days in Acute Care after Hospitalization for Pneumonia

# Future Measure Considerations

- Changes to Stroke Mortality
  - Inclusion of stroke severity in risk adjustment
- Add NHSN Antimicrobial Use Measure (NQF #2720)
- Addressing Behavioral Health
  - Measures to add to IQR
  - Adoption of Inpatient Psychiatric Facility Measures
- Public Reporting Changes
  - Stratify measures by race, ethnicity, sex and disability





# Data Submission and Validation

- Require eight of 15 eCQMs

Discharge Reporting Period	Submission Deadline
Jan 1, 2017 – December 31, 2017	February 28, 2018

- CEHRT Editions
  - Hospitals can report using either 2014 or 2015 edition of CEHRT for CY 2017 reporting/FY 2019 payment
  - Must use 2015 edition of CEHRT for CY2018 reporting/FY2020 payment
- eCQM Validation (CY 2018 reporting/FY 3030 payment)
  - Continue to select 600 hospitals for validation of chart-abstracted measures
  - Select additional 200 hospitals for validation of eCQMs
    - Exclude hospitals selected for chart-abstracted measures
    - Exclude hospitals granted ECE exception for eCQMs
    - Validation score based on timely submission of at least 75% of sampled eCQMs, not accuracy
- Extraordinary Circumstances and Exemptions (ECE)
  - Extend non-eCQM request deadline from 30 days to 90 days following extraordinary circumstance
  - eCQM deadline April 1 of calendar year (e.g., April 1, 2018 for CY 2017 reporting)

# EHR Incentive Program

- Reporting Options
  - Attest to all eCQMs 16 measures through the EHR Registration & Attestation System
    - 15 overlap with IQR plus one that overlaps with OQR
  - Electronically report CQMs through QualityNet Portal
    - Submission due February 28, 2018
    - Submission portal will open in late spring 2017 to allow flexibility in submitting data
  - Attestation will not be an option for 2018 except in circumstances when electronic reporting is not feasible
- Alignment with IQR (measures, reporting periods, CEHRT version)
- Transition from quality data model (QDM) to clinical quality language (CQL)
  - CQL can be used in both clinical decision support and CQMs
  - CQL leverages best practices and lessons learned from quality data model, health-e decisions, electronic CQM and clinical decision support systems



- PPS-Exempt Cancer Hospital Quality Reporting (PCHQR) FY 2018
- Long-Term Care Hospital Quality Reporting Program (LTCH QRP) FY 2018
- Inpatient Psychiatric Facilities Quality Reporting (IPFQR) FY 2018



# PCHQR Measures for FY 2019

Measure	Public Display
NHSN CLABSI (NQF #0139)	No Later
NHSN CAUTI (NQF #0138)	Than 2017
NHSN SSI (NQF #0753)	
NHSN CDI (NQF #1717)	
NHSN MRSA bacteremia (NQF #1716)	
NHSN Influenza vaccination coverage among health care personnel (NQF #0431)	
Adjuvant chemotherapy is considered or administered within 4 months of surgery for certain colon cancer patients (NQF #0223)*	2014
Combination chemotherapy is considered or administered within 4 mos. of diagnosis to certain breast cancer patients (NQF #0559)***	2014
Adjuvant hormonal therapy for certain breast cancer patients (NQF #0220)	2015
Oncology: Radiation Dose Limits to Normal Tissues (NQF #0382)	2016
Oncology: Pain Intensity Quantified (NQF #0384)	2016
Oncology: Plan of Care for Pain (NQF #0383)	2016
Prostate Cancer-Adjuvant Hormonal Therapy for High-Risk Patients (NQF #0390)	2016
Prostate Cancer: Avoidance of Overuse of Bone Scan for Staging Low Risk Prostate Cancer Patients (NQF #0389)	2016
HCAHPS	2016
External Beam Radiotherapy for Bone Metastases (NQF#1822)	2017
Admissions and Emergency Department (ED) Visits for Patients Receiving Outpatient Chemotherapy**	

# PCHQR Changes for FY 2019

<b>Current Measures- Changes to Public Reporting Timeline</b>	<b>Public Display</b>
NHSN CLABSI (NQF #0139)	2017 defer
NHSN CAUTI (NQF #0138)	2017 defer
External Beam Radiotherapy for Bone Metastases (NQF#1822)	2017

<b>Measure Changes and Additions</b>	<b>Public Display</b>
<b>Oncology-Radiation Dose Limits to Normal Tissues (NQF #0382)</b> Update to recently NQF-endorsed version; cohort expanded to include patients undergoing 3D conformal radiation therapy for breast or rectal cancer	2016
<b>Admissions and ED Visits for Patients Receiving Outpatient Chemotherapy</b> Assesses inpatient admissions and ED visits within 30 days of each outpatient chemotherapy encounter for certain qualifying diagnoses: anemia, dehydration, diarrhea, emesis, fever, nausea neutropenia, pain, pneumonia, or sepsis	



# LTCHQR Measures for FY 2018

Measure Title	FY 2017	FY 2018	Public Reporting
NHSN Catheter-associated Urinary Tract Infection (CAUTI) Outcome Measure (NQF #0138)	X	X	X
NHSN Central line-associated Blood Stream Infection (CLABSI) Outcome Measure (NQF #0139)	X	X	X
Percent of Residents or Patients with Pressure Ulcers that are New or Worsened (Short-Stay) (NQF #0678)	X	X	X
Percent of Residents or Patients Who Were Assessed and Appropriately Given the Seasonal Influenza Vaccine (Short-Stay) (NQF #0680)	X	X	P
Influenza Vaccination Coverage among Healthcare Personnel (NQF #0431)	X	X	P
NHSN Facility-Wide Inpatient Hospital-onset Methicillin-resistant Staphylococcus aureus (MRSA) Bacteremia Outcome Measure (NQF #1716)	X	X	P
NHSN Facility-Wide Inpatient Hospital-onset Clostridium Difficile Infection (CDI) Outcome Measure (NQF #1717)	X	X	P
All-Cause Unplanned Readmissions for 30 Days Post Discharge from LTCHs (NQF #2512)		X	X
Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay) (Application of NQF #0674)		X	
Application of Percent of Long-Term Care Hospital Patients with an Admission and Discharge Functional Assessment and a Care Plan that Addresses Function (NQF #2631)		X	
Change in Mobility among Long-Term Care Hospital Patients Requiring Ventilator Support (NQF #2632)		X	
NHSN Ventilator Associated Event Outcome Measure		X	



# LTCHQR Measure Additions

- FY 2018
  - Medicare Spending Per Beneficiary MSPB-PAC LTCH
    - Similar to MSPB measure used for hospitals (except some services excluded)
    - Standard and site-neutral episodes are compared separately
    - Episode is admission- 30 days after discharge
    - Score calculated as comparison to national average
  - Discharge to Community PAC LTCH
    - Assesses “successful” discharge to the community from an LTCH
    - Success defined as no unplanned hospitalizations in an acute hospital or LTCH and no death in the 31 days following discharge
    - Community is defined as home or self-care, with or without home health services
  - Preventable Readmissions 30 Days Post LTCH Discharge
    - Risk-standardized readmission rate of potentially preventable readmissions for Medicare beneficiaries within 30 days of discharge from an LTCH
- FY 2020
  - Drug Regimen Review Conducted With Follow-Up
    - The percentage of patient stays in which a drug regimen review was conducted at the time of admission and timely follow-up with a physician occurred each time potentially clinically significant medication issues were identified during the stay
    - Derived from LTCH CARE data set



# LTCHQR: Future Topics

- Transfer of health information and care preferences when an individual transitions
- Patient Experience of Care
- Percent of Patients with Moderate to Severe Pain
- Advance Care Plan
- Ventilator Weaning (Liberation) Rate
- Compliance with Spontaneous Breathing Trial (SBT) (including Tracheostomy Collar Trial (TCT) or Continuous Positive Airway Pressure (CPAP) Breathing Trial) by Day 2 of the LTCH Stay
- Patients Who Received an Antipsychotic Medication
- Venous Thromboembolism Prophylaxis





# IPFQR Measures for FY 2019

Measure ID	Measure Name
HBIPS-2	Hours of Physical Restraint Use (NQF #0640)
HBIPS-3	Hours of Seclusion Use (NQF #0641)
HBIPS-5	Patients Discharged on Multiple Antipsychotic Medications with Appropriate Justification (NQF #0560)
FUH	Follow-Up After Hospitalization for Mental Illness (NQF #0576)
SUB-1	Alcohol Use Screening (NQF #1661)
SUB-2 and SUB-2a	Alcohol Use Brief Intervention Provided or Offered and the subset, Alcohol Use Brief Intervention (NQF #1663)
TOB-1	Tobacco Use Screening (NQF #0651)
TOB-2 and TOB-2a	Tobacco Use Treatment Provided or Offered and the subset, Tobacco Use Treatment (during the hospital stay) (NQF #1654)
TOB-3 and TOB-3a	Tobacco Use Treatment Provided or Offered at Discharge and the subset, Tobacco Use Treatment at Discharge (NQF #1656)
IMM-2	Influenza Immunization (NQF #1659)
N/A	Transition Record with Specified Elements Received and Discharged Patients (NQF #0647)
N/A	Timely Transmission of Transition Record (NQF #0648)
N/A	Screening for Metabolic Disorders
N/A	Influenza Vaccination Coverage Among Healthcare Personnel
N/A	Assessment of Patient Experience of Care
N/A	Use of an Electronic Health Record (EHR)

# ▶ IPFQR Changes for 2019

- Changes to Existing Measures
  - Screening for Metabolic Disorders
    - Exclude patients with a length of stay over less than 3 days or more than a year
    - Begin data collection with January 1, 2017 discharges
- New Measures
  - Alcohol & Other Drug Use Disorder Treatment Provided or Offered at Discharge (SUB-3) /Measure Alcohol & Other Drug Use Disorder Treatment at Discharge (SUB-3a) (NQF #1664)
  - 30-Day All Cause Readmission Following Psychiatric Hospitalization in an IPF.

# Your questions

## Questions and Answers

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# Appendix



# New Technology Add-on Payments: Three criterion

- **Three criteria** for a new medical service or technology to receive the additional payment:
  - (1) ***Newness Criterion*** - the medical service or technology must be new
  - (2) ***Cost Criterion*** - the medical service or technology must be costly such that the DRG rate otherwise applicable to discharges involving the medical service or technology is determined to be inadequate;
  - (3) ***Substantial Clinical Improvement Criterion*** - the service or technology must demonstrate a substantial clinical improvement over existing services or technologies. Created new component within ICD-10 PCS codes, labeled Section “X” (analogous to outpatient C codes).



# Medicare DSH: “Empirically Justified” DSH Payment Adjustment

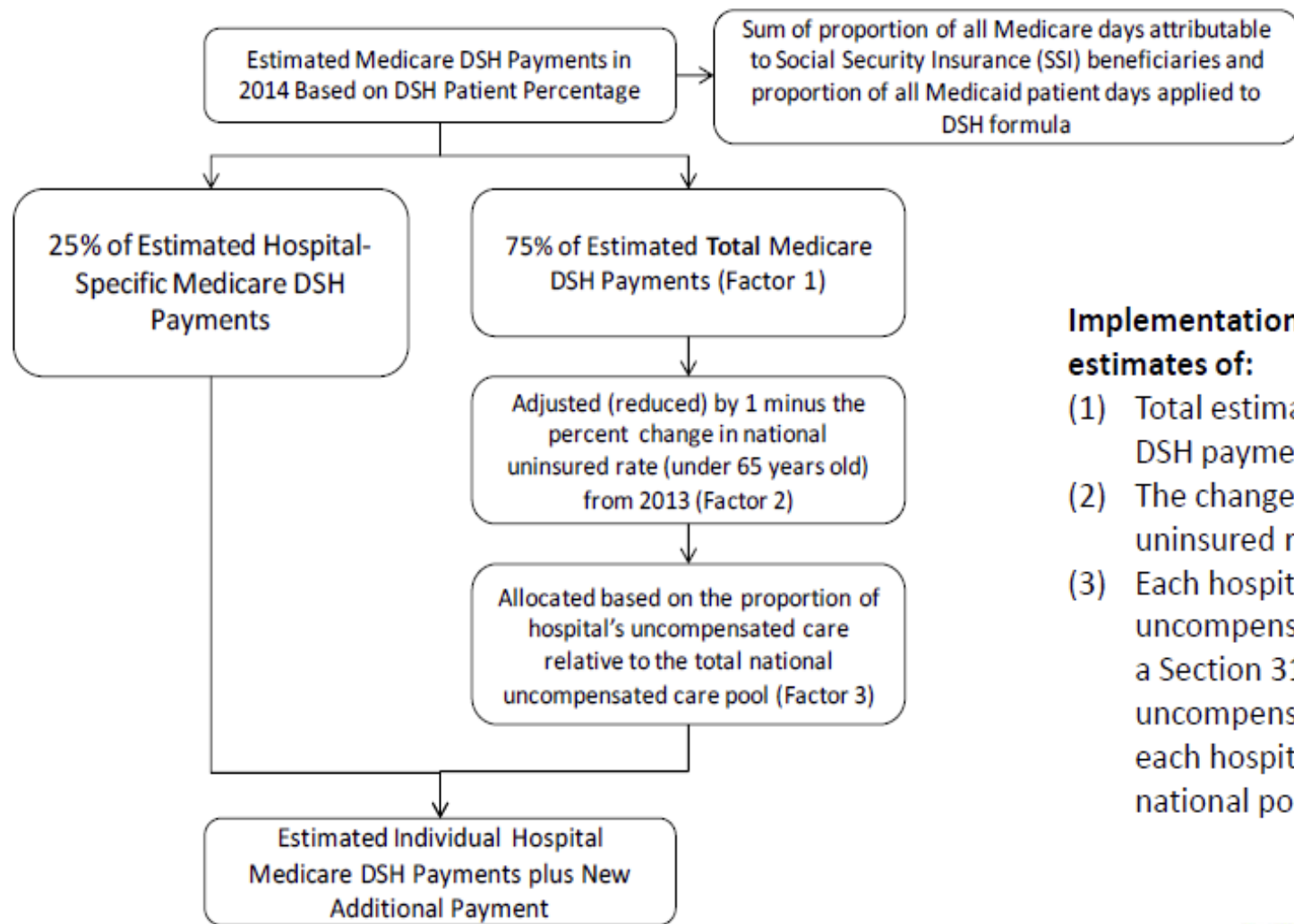
- Primary method for qualifying for DSH adjustment: Disproportionate Patient Percentage (DPP)

$$\frac{\text{Medicare SSI Days}}{\text{Total Medicare Days}} + \frac{\text{Medicaid Days}}{\text{Total Patient Days}}$$

- Hospital’s DPP must equal or exceed a specified threshold amount
- Varies by hospital size, urban/rural designation, and Rural Referral Center designation
- Alternative method (“Pickle” hospitals)
  - Hospitals located in an urban area and have 100 or more beds
  - Have 30 percent of their total net inpatient care revenues come from State and local government sources for indigent care (other than Medicare or Medicaid)
  - Receive a 35 percent DSH adjustment



# Medicare DSH: Review of Section 3133 of ACA



## Implementation requires estimates of:

- (1) Total estimated Medicare DSH payments
- (2) The change in the uninsured rates
- (3) Each hospital's share of uncompensated care using a Section 3133 definition of uncompensated care for each hospital and a national pool





# Medicare DSH: Uncompensated Care Payment Eligibility

- No proposed changes in eligibility from FY 2014
- Only affects *operating* DSH, not *capital* DSH
- Only IPPS hospitals receiving a DSH payment adjustment can receive an “uncompensated care payment”
- Hospitals in Puerto Rico and those participating in the Bundled Payments for Care Improvement Initiative are *included*
- Maryland hospitals and hospitals participating in the Rural Community Hospital Program are *excluded*
- Sole Community Hospitals (SCHs) paid under their hospital-specific rates will be *excluded*
- All Medicare Dependent Hospitals (MDHs) are *included*, payments will be pro-rated based on current expiration of this status



# Medicare DSH: Uncompensated Care Payment Operations

- **Payments for uncompensated care will be made on a per discharge basis**
  - Uncompensated care payments will be determined in final rule each year and will not be updated with newer data
  - “Empirically justified” DSH paid on a per discharge basis (same as today)
  - Final determination for eligibility will be at cost report settlement – but Factor 3 will not be recalculated
  - “Empirically justified DSH payments” (25% portion) and uncompensated care payments may then be recouped if not eligible or paid out if eligible/under paid because of lower than expected volume
  - Uncompensated care payments will begin with Federal FY not hospital FY, but will be reported in hospital FY
- Estimate of Uncompensated Care DSH Payment
  - Multiply Factor 3 by total estimated pool amount (i.e., Factor 2) to calculate estimated uncompensated care DSH payment amount for your hospital. Appears on IPPS Impact file and supplemental table as well as merger data



# HRRP: Adjustment Calculation for FY 2017

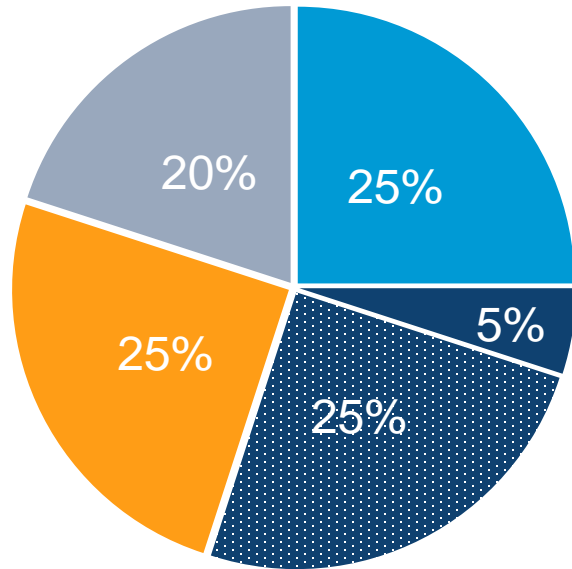
- **Aggregate payments for excess readmissions** = [Sum of DRG payments for AMI \* (Excess Readmission Ratio for AMI – 1)] + [Sum of DRG payments for HF \* (Excess Readmission Ratio for HF – 1)] + [Sum of DRG payments for PN \* (Excess Readmission Ratio for PN – 1)] + [Sum of DRG payments for COPD \* (Excess Readmission Ratio for COPD – 1)] + [Sum of DRG payments for Hip/Knee \* (Excess Readmission Ratio for Hip/Knee – 1)]
- **Aggregate payments for all discharges** = sum of DRG payments for all discharges
- **Ratio** = 1-(Aggregate payments for excess readmissions/Aggregate payments for all discharges)
- **Readmissions Adjustment Factor** for FY 2016 proposed as the greater of the **ratio** or 0.97 (floor adjustment factor for FY 2016)

***The most DRG base operating payment can be reduced on a claim due to the Readmission Adjustment Factor in FY 2016 is 3 percent***



# Inpatient VBP FY 2017 Recap

## FY 2017 Finalized Revision



- Clinical Care
- Process (5%)
- Outcomes (25%)
- Patient and Caregiver Experience
- Efficiency and Cost Reduction
- Safety (20%)

<u>Measure ID</u>	<u>NQS-Based Domain</u>
AMI-7a	Clinical Care – Process
IMM-2	Clinical Care – Process
PC-01 *NEW*	Clinical Care – Process
MORT-30-AMI	Clinical Care – Outcomes
MORT-30-HF	Clinical Care – Outcomes
MORT-30-PN	Clinical Care – Outcomes
HCAHPS	Patient and Caregiver Centered Experience of Care / Care Coordination
CAUTI	Safety
CLABSI	Safety
MRSA *NEW*	Safety
C. Diff *NEW*	Safety
PSI-90	Safety
SSI	Safety
MSPB-1	Efficiency and Cost Reduction

# Excess Day Measures

- Excess Days in Acute Care after Hospitalization for AMI, HF, PN
  - Risk-standardized outcome comparing the number of days that patients are predicted to spend in acute care (hospital readmissions, observation stays, and ED visits) after discharge from a hospital, compared to the days expected based on their degree of illness
- Days per 100 discharges during first 30 days after discharge, compared to the of days at an average hospital
- Days calculation
  - Readmissions- Discharge date minus admission date, capped at 30 days, excludes planned readmissions
  - Observation days- hours rounded up to nearest half day
  - ED visits- treat and release is a half day
- 3 years of Part A & B claims data



# PCHQR: Removal/Retention

- Removal Criteria
  - “Topped-Out” Measure performance among PCHs is so high and unvarying that meaningful distinctions and improvements in performance can no longer be made
  - Measure does not align with current clinical guidelines or practice
  - Availability of a more broadly applicable measure (across settings/populations) or the availability of a measure that is more proximal in time to desired patient outcomes for the particular topic
  - Performance or improvement on a measure does not result in better patient outcomes
  - Availability of a measure that is more strongly associated with desired patient outcomes for the particular topic
  - Collection or public reporting of a measure leads to negative unintended consequences other than patient harm
  - It is not feasible to implement the measure specifications
- Retention Criteria
  - Measure aligns with other CMS and HHS policy goals;
  - Measure aligns with other CMS programs, including other quality reporting Programs
  - Measure supports efforts to move PCHs towards reporting electronic measures.

Removal and Retention criteria aligns with other quality reporting programs