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**Health Services Cost Review Commission**

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To: Hospital CFOs  
Cc: Hospital Quality Liaisons  
Case Mix Liaisons  
From: HSCRC Quality/Performance Measurement Team  
Date: May 22, 2017 **Updated June 2, 2017**  
Re: Maryland Quality Based Reimbursement Program Measure Standards, Scaling  
Determination, and other Methodology Changes for Rate Year 2019

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This memo summarizes the changes to the Quality Based Reimbursement Program (QBR) that will impact hospital rates in Rate Year (RY) 2019. **Updates to the May 22<sup>nd</sup> memo, including specifications for the Mortality measures and the corrected Clostridium Difficile benchmark, are noted in red.**

## 1. **Scaling Methodology and Revenue At-Risk**

On February 8, 2017, the Commission approved the staff recommendations for revising the pre-set scaling methodology and maximum rewards and penalties. The preset scale for RY 2019 uses a full distribution of potential scores (scale of 0-80%), and a score cut point of 45% for rewards and penalties. With the shift to use of the full distribution of potential scores, the maximum reward will increase to 2%, while the maximum penalty will remain at 2%. The preset scale is included in Appendix A of this memorandum.

## 2. **Aligning the QBR program with the CMS Value Based Purchasing (VBP) Program**

### A. **VBP Exemption**

The Centers for Medicare & Medicaid Services (CMS) has granted Maryland's requests for exemptions for the Value-Based Purchasing (VBP) program for FY 2013 through FY 2017. A report containing our performance results to-date and an exemption request for FY 2018 was submitted to CMMI on February 28, 2017. The exemption request emphasized that the QBR policy continues to heavily weight the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) scores due to concerns regarding progress on patient experience.

### B. **RY 2019 Measure Changes and Updates**

For the QBR program, the HSCRC generally follows the VBP programs in terms of measures and calculation of measure scores. Below are the updates to the QBR program measures for RY 2019:

- 1) Hospitals will be assessed for mortality using two different mortality measures

based on the same APR-DRGs. This will be an interim policy so that hospitals can gain familiarity with a mortality measure that includes palliative care before it is implemented for both improvement and attainment. Specifically for RY 2019, HSCRC will calculate scores for improvement based on a measure that includes palliative care patients, and will calculate scores for attainment based on a measure that excludes palliative care patients. **In the mortality measure that includes palliative care cases, the regression model risk-adjusts for palliative care status; the other risk-adjustment variables in both mortality models include admission DRG risk of mortality, age, age-squared, sex, and transfer status.** As with other QBR measures, staff will continue to credit hospitals for the better of their improvement or attainment scores. For RY 2019, all designated acute care hospitals **with at least two domains in base period data** and chronic beds within acute care hospitals will be included in regression calculations.

- 2) The HSCRC will remove the HCAHPS pain management measure, consistent with the federal VBP.
- 3) The HSCRC will use the updated NHSN safety measures that have been rebased. For CLABSI and CAUTI, use the updated measures, which are for ICUs and select wards.
- 4) The HSCRC will maintain the suspension of the PSI-90 measure until a risk-adjusted ICD-10 version becomes available (anticipated in CY 2018).
- 5) While VBP has adopted the THA/TKA complication measure for FFY 2019, the HSCRC does not have access to the exact data used for VBP through Hospital Compare. HSCRC staff is exploring options for obtaining the VBP measure, and in the meantime encourages hospitals to monitor the Hospital Compare measure for future inclusion in the QBR program.
- 6) Hospitals should also be monitoring emergency department (ED) wait time measures from Hospital Compare; HSCRC may potentially include these ED wait time measures in the RY 2020 QBR program. Further information on ED wait time and diversion concerns is included in the [May Commission Update](#).

### 3. Domain Weights

The Final Measure Domain Weights for the QBR program compared with the VBP Program for RY 2019 are listed below in Figure 1.

**Figure 1. QBR Measure Domain Weights Compared with the VBP Program**

	Clinical Care	Patient experience of Care/ Care Coordination	Safety	Efficiency
<b>QBR</b>	15% (1 measure- inpatient all cause mortality)	50% (8 measures- HCAHPS + CTM)	35% (7 measures- Infection, PC -01)	N/A
<b>CMS VBP</b>	25% (4 measures- 3 condition specific 30-day mortality measures + 1 THA/TKA complication measure)	25% (8 measures- HCAHPS + CTM)	25% (8 measures- Infection, PSI, PC -01)	25%

#### 4. Measurement Periods

The base and performance measurement periods used for the QBR program for RY 2019 are illustrated below in figure 2.

**Figure 2. RY 2019 QBR Base and Performance Timeline**

Rate Year (Maryland Fiscal Year)		FY15		FY16				FY17				FY18				FY19								
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4					
Calendar Year		CY15				CY16				CY17				CY18				CY19						
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2					
QBR	Federal Standards	QBR PC-01, HCAHPS, NHSN Safety Base Period																Rate Year Impacted by QBR Results						
					Maryland Mortality Base Period***																			
									QBR PC-01, HCAHPS, NHSN Safety Performance Period															
										QBR Maryland Mortality Performance Period														

#### 5. QBR Data Sources, Score Calculations and Performance Standards for RY 2019

As stated previously, to the extent possible, HSCRC has aligned the QBR program data, scoring calculations, measures list and performance standards with the VBP program. Key points regarding this are outlined below.

- HSCRC will use the data submitted to CMS for the Inpatient Quality Reporting program and posted to Hospital Compare for calculating hospital performance scores for all measures with exception of in-hospital mortality measure and PSI 90 (when available), which are calculated using HSCRC case mix data.
- CMS rules will be used when possible for minimum measure requirements for scoring a domain and for readjusting domain weighting if a measurement domain is missing for a hospital. Hospitals must be eligible for a score in the HCAHPS domain to be included in the program.
- For hospitals with measures that have no data in the base period, attainment only scores will be used to measure performance on those measures, since HSCRC will be unable to calculate improvement scores.
- For hospitals that have measures with data missing for the base and performance periods, hospitals will receive scores of zero for these measures. **It is imperative, therefore, that hospitals review their data as soon as it is available and contact CMS with any concerns related to preview data or issues with posting data to Hospital Compare,** and to alert HSCRC staff in a timely manner if issues cannot be resolved.
- The performance thresholds and benchmarks for each of the safety, clinical care outcome, and patient and caregiver-centered experience of care/care coordination

HCAHPS measures for RY 2019 are listed below in Figure 3. **Please note that there are two benchmarks and thresholds for mortality.**

An excel workbook with base year data accompanies this memo and will be posted to the HSCRC website. HSCRC has also developed and is providing a score calculation workbook containing a worksheet for each domain for hospitals to use to calculate and monitor their scores; the workbook will also be posted to the HSCRC website.

**Figure 3. Thresholds and Benchmarks for RY 2019**

Measure ID	Description	Achievement threshold	Benchmark
<b>Safety</b>			
CAUTI	National Healthcare Safety Network Catheter-associated Urinary Tract Infection Outcome Measure.	0.822	0
CLABSI	National Healthcare Safety Network Central Line-associated Bloodstream Infection Outcome Measure.	0.860	0
CDI	National Healthcare Safety Network Facility-wide Inpatient Hospital-onset <i>Clostridium difficile</i> Infection Outcome Measure.	0.924	0.113
MRSA bacteremia	National Healthcare Safety Network Facility-wide Inpatient Hospital-onset Methicillin-resistant <i>Staphylococcus aureus</i> Bacteremia Outcome Measure.	0.854	0
PSI-90- SUSPENDED in Maryland	Patient safety for selected indicators-composite (AHRQ)	TBD	TBD
Surgical Site Infection (SSI)-Colon	Colon	0.783	0
SSI - Hysterectomy	Abdominal Hysterectomy	0.762	0
PC-01	Elective Delivery before 39 weeks	0.010038	0
<b>Clinical Care Outcome Measures</b>			
Mortality with Palliative Care Excluded	Inpatient All-Payer, All Cause for attainment score	98.1949	99.2436
Mortality with Palliative Care Included	Inpatient All-Payer, All Cause for improvement score	95.5074	97.1680
<b>Efficiency and Cost Reduction Measure</b>			
MSPB-1 (VBP ONLY; not included in QBR)	N/A	N/A	N/A
<b>Patient and Caregiver-Centered Experience of Care/Care Coordination</b>			
Floor (percent)			
Communication with Nurses	28.10	78.69	86.97
Communication with Doctors	33.46	80.32	88.62
Responsiveness of Hospital Staff	32.72	65.16	80.15

<b>Measure ID</b>	<b>Description</b>	<b>Achievement threshold</b>	<b>Benchmark</b>
Communication about Medicines	11.38	63.26	73.53
Hospital Cleanliness & Quietness	22.85	65.58	79.06
Discharge Information	61.96	87.05	91.87
3-Item Care Transition (CTM)	11.30	51.42	62.77
Overall Rating of Hospital	28.39	70.85	84.83

If you have any questions, please email [hscrc.quality@maryland.gov](mailto:hscrc.quality@maryland.gov) or call Dianne Feeney (410-764-2582) or Alyson Schuster at (410-764-2673).

Attachments: Excel file entitled "QBR RY2019 Base Period Results".

Appendix A: RY 2019 QBR Abbreviated Preset Payment Scale

Final QBR Score		QBR Preset Scale
Scores less than or equal to	<b>0.00</b>	<b>-2.00%</b>
	0.05	-1.78%
	0.10	-1.56%
	0.15	-1.33%
	0.20	-1.11%
	0.25	-0.89%
	0.30	-0.67%
	0.35	-0.44%
	0.40	-0.22%
	<b>0.45</b>	<b>0.00%</b>
	0.50	0.29%
	0.55	0.57%
	0.60	0.86%
	0.65	1.14%
	0.70	1.43%
	0.75	1.71%
	0.80	2.00%
Scores greater than or equal to	<b>0.80</b>	<b>2.00%</b>

\*For RY 2019, hospitals receiving a score from 0.00 to 0.44 will receive a penalty, and hospitals receiving 0.46 and above will receive a reward. Any hospital receiving a score of 0.80 or higher will receive the maximum reward.