**Minutes**
**Initiation Work Group, HSCRC**
**Friday, April 13, 2007**
**9:00 – 11:00 am**
**Room 100, 4160 Patterson Avenue**
**Baltimore, MD 21215**

**IWG Members Present:** Dr. Trudy Hall, Chair**;** Ms. Joan Gelrud, St. Mary's Hospital; Dr. Beverly Collins, CareFirst BlueCross BlueShield; Ms. Renee Webster, OHQ; Dr. Charles Reuland, Johns Hopkins Medicine; Ms. Barbara Epke, LifeBridge Health; Ms. Kathy Talbot, Lifebridge Health; Dr. Vahe Kazandjian, Dr. Nikolas Matthes and Mr. Frank Pipesh, Center for Performance Sciences; Dr. Grant Ritter, Brandeis University; Mr. Robert Murray, Mr. Steve Ports, Mr. Oscar Iberra, and Ms. Marva West Tan, HSCRC.
**On Conference Call:** Mr. Gerry Macks, MedStar Health; Ms. Sylvia Daniels, (There may have been other unannounced callers).
**Interested Parties Present:** Ms. Ing-Jye Cheng and Dr. Sam Ogunbo, MHA; Ms. Carol Christmyer and Ms. Deborah Rajca, Maryland Health Care Commission; Mr. Hal Cohen, HCI; Dr. Luis Mispireta, UMH, Ms. Mary Whittaker, GBMC, Ms. Cindy Hancock, FWMC.
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**I.** **Welcome and Introductions:** Dr. Hall welcomed the work group and asked telephone participants to introduce themselves. The minutes of the March 9, 2007 meeting were approved.

II. **Modeling of Maryland Data from Hospital Compare Using the Brandeis model-** Dr**.** Kazandjian stated that the model that Dr. Ritter would be presenting was not necessarily the model that would be recommended. Dr. Ritter presented his analysis, From Hospital Performance to Reward- Results for Maryland Hospitals, April 2007, which used the Brandeis model to analyze the Maryland Hospital Compare data. (Refer to attachment for content.)

Following the presentation, there was a discussion about setting benchmark scores for attainment and improvement, whether benchmarks should be 0 or 100%, whether there should be some additional reward for scoring above the attainment benchmark, and whether topped out measures should be kept in the set and tracked.

Dr. Ritter noted that CMS is considering dropping several current performance measures either because the measure has topped out, there are measure redundancies, changing clinical practice or clinical disagreement about the measure. He said that all current performance measures are on a short time frame for continued use by CMS.

Dr. Ritter noted that CMS wants to encourage rural hospitals to participate in quality-based reimbursement but that over time there might be less points for improvement. Dr. Ritter said that CMS is using a sample size of 25 per measure for reporting, and 10-25 for rewards. He noted that small sample sizes could be overcome by calculating the sample size by condition rather than by individual measure. Dr. Ritter said that CMS is changing its public reporting format as well as creating a reward system. A composite score plus mortality data will be used for reporting. Ms. Epke asked when will use of HCAHPs data be added. Dr. Ritter

responded that CMS is just beginning to look at these data. The Premier/CMS demonstration model averages the HCAHPS data and mortality data into the composite as other variables. The Brandeis consulting team believes that patient safety, mortality, HCAHPs, and satisfaction measures should be handled differently than clinical performance measures in composite score construction. Dr. Ritter then discussed translating performance into financial rewards and described the concave versus straight line reward curve. Dr. Reuland noted that because the rate-setting authority drives hospital behavior that there is a need for public reporting of the scores. Mr. Cohen noted that CMS is proceeding with a revenue neutral reward plan. In response to Dr. Ritter's comment that the Maryland approach might include new money, Mr. Ports noted that while Mr. Murray had indicated that he would like to include new money for the Quality Initiative, that any such recommendation to the Commission was highly dependent on the current update factor and status of the waiver. Dr. Kazandjian noted that what to report and when to report were two separate items for consideration. Ms. Epke stated than any public reporting should be coordinated with the MHCC public reporting of hospital data. Mr. Machs pointed out that the format for HSCRC reporting of Maryland data should not create confusion when compared with the Hospital Compare format.

In conclusion, Dr. Kazandjian noted that older data were used in today's presentation and that the figures may not represent what is happening today at hospitals. The next data analysis will be based on the full Maryland data set from the QIO Clinical Data Warehouse and the work group can begin to look at the payment logic. Dr. Kazandjian said that HSCRC can learn from the work that CMS and others are doing and select the best of what is available and what is appropriate for Maryland. The first step is to evaluate the Maryland data, and then consider rewards and incentives. He requested that if the work group had any suggestions about other variables or issues that the Center for Performance Sciences should be considering in model development to please provide feedback to Ms. Tan at mtan@hascrc.state.md.us. Dr. Mispireta said the presentation was very helpful and that the work group needed a clearer vision and consensus on a methodology that would "raise all boats" rather than a "winner takes all approach." Dr. Hall agreed that fairness is a key principle in the methodology selected. Dr. Collins asked if there is a deadline set for the methodology development. Dr. Kazandjian answered that there was no specific date but it was expected that the methodology would be complete by the conclusion of the Beta Pilot. He added that there may be a need for additional expertise and an advisory function prior to completion.

**III.** **Update on Data Request:** Ms. Tan noted that HSCRC continues to work with the Delmarva Foundation to resolve questioned language in one section of the draft Data Use Agreement (DUA) for access and use of performance measurement data in the QIO Clinical Data Warehouse. Delmarva Foundation staff has been helpful and HSCRC hopes to finalize the DUA soon.

**Next Meeting:** After discussion it was agreed that the next meeting of the Initiation Work Group would be scheduled for May 18, 2007 from 9 am to 11 am at HSCRC. Dr. Hall then adjourned the meeting. (Subsequently, the May 18 meeting was postponed until the full Maryland data set is available for analysis.)