



maryland
health services
cost review commission

Performance Measurement Workgroup

October 21, 2020

HSCRC Quality Team

Meeting Agenda

1. Maryland exemption from CMS Quality Programs, feedback from CMS
2. Total Cost of Care (TCOC) Model update and SIHIS goals
PMWG Endorsement
3. Quality Based Reimbursement (QBR) Program RY 2023
4. Maryland Hospital Acquired Conditions (MHAC) Program RY 2023
5. Other topics and public comment

Exemption from CMS FY 2021 Quality Programs; Feedback from CMS

RY 2021 VBP Exemption Granted, Concerns Raised

- CMS “used their discretion” to grant the State of Maryland's exemption on the basis of expected QBR performance improvement, favorable performance improvement under MHAC, and consistent performance under RRIP that has exceeded national outcomes.
- For Quality Based Reimbursement (QBR):
 - Maryland's performance continues to lag behind the nation under the person and community engagement and safety measure domains.
 - CMS supports program redesign for implementation in RY 2024 using a focused subgroup.
 - In the interim, the State must integrate high level work plan to address CMS' concerns related to QBR and other program performance into the annual monitoring report (due December 2020), including
 - redesign subgroup objectives,
 - outline of the actionable strategies required to accomplish each objective, and
 - an associated project milestone timeline.

CMS Feedback on QBR Re-Design Subgroup

- CMS requests a comprehensive report detailing QBR redesign subgroup findings and formalized plans to improve quality performance (due June 2021).
 - Report and subsequent QBR policy changes will be heavily considered in evaluating the State's national hospital quality and P4P programs exemption request for FFY 2022.
 - CMS supports HSCRC's plans to consider ED Wait Time measure options as part of the QBR redesign during CY 2021 with potential re-adoption of measures; The State has had a longstanding issue with extended ED wait times compared to the nation.
 - CMS encourages the State to hold hospitals accountable for high quality obstetric care. The State may consider integrating maternal and child health clinical topic areas into the QBR program redesign to improve the patient care experience in Maryland hospitals.

PAU and MPA Feedback from CMS

- Potentially Avoidable Utilization (PAU) Savings:
 - CMS supports expanding the definition of avoidable utilization to include ED and additional categories of unplanned admissions or other types of unnecessary utilization,
 - With the PQI per-capita shift, CMS expects the State to set a concrete per capita PQI reduction target under SIHIS by December 31, 2020.
- Medicare Performance Adjustment (MPA):
 - CMS supports the State's initiative to transition to a pure geographic method of attribution as it simplifies the algorithm and provides predictability when assessing Total Cost of Care performance.
 - CMS believes the State should consider increasing the amount of revenue at risk under the MPA to progressively incentivize care coordination and alignment across providers.
 - It is critical that revenue at risk under the MPA continue to increase to account for expenditure growth beyond hospital walls.

CMS Feedback on Quality Programs' Mid-/Long-Term Strategy

- HSCRC Quality Strategic Plan:
 - CMS supports the HSCRC's approach to evaluate the efficacy of Maryland's hospital quality programs through ensuring key clinical topic areas, such as obstetric care and maternal/child health, are adequately addressed by current measures.
 - CMS supports State efforts to:
 - Achieve greater health equity through reducing disparities,
 - Assess how complications can be measured outside the inpatient setting,
 - Determine if expanding the quality adjustment under the MPA would continue to improve hospital pay-for-performance programs with the broader population health strategies of the model.
 - Ultimately, CMS expects the State to progressively align hospital pay-for-performance programs with the broader population health strategies of the model.
 - CMS recognizes that the COVID-19 pandemic has caused quality program delays, data concerns, and other unforeseen model challenges that need to be addressed.
 - CMS remains committed to our partnership with the State and supports efforts to collaboratively work through these challenges on an ongoing basis.

Statewide Integrated Healthcare Improvement Strategy (SIHIS)

Quality Improvement Goals Discussion

Summary for PMWG Endorsement

Domain 1: Hospital Quality Domain

Goal: Reduce Avoidable Admissions and Readmissions*

| <u>Measure</u> | <u>2018 Baseline</u> | <u>2021 Year 3 Milestone</u> | <u>2023 Year 5 Interim Target</u> | <u>2026 Year 8 Final Target</u> |
|---------------------------|---------------------------|---|-----------------------------------|---------------------------------|
| AHRQ Risk-Adjusted PQIs | 1335 admits per 100,000** | 8 percent improvement | 15 percent improvement | 25 percent improvement |
| Readmission Disparity Gap | TBD | Establish and monitor a measurement methodology and payment incentive for reducing within hospital readmission disparities and set a 2023 and 2026 target | TBD | TBD |

Domain 2: Care Transformation Domain

Goal: Improve care coordination for patients with chronic conditions

| <u>Measure</u> | <u>2018 Baseline</u> | <u>2021 Year 3 Milestone</u> | <u>2023 Year 5 Interim Target</u> | <u>2026 Year 8 Final Target</u> |
|---|----------------------|---|------------------------------------|--|
| Timely Follow-up After Acute Exacerbations of Chronic Conditions^ (NQF# 3455) | 71.59% | 72.85% 1.76 percent improvement | 73.70% 2.95 percent improvement | 75.00% 4.76 percent improvement or 0.50 percent better than the national rate |
| | | 72.43% Alternate → 1.17 percent improvement | 73.28% 2.35 percent improvement | |

*Maryland will pursue expanding the definition of avoidable inpatient stays to the emergency department and may set targets for reductions in avoid ED visits in the future.

**This all-payer baseline rate for MD residents was run using HSCRC case-mix data (IP + Obs >23 hrs) under PQI v2020. The baseline rate will be updated with new PQI versions to ensure measure accounts for new codes and changes in clinical logic overtime.

[^]Medicare Only based on CCLF data. Maryland will pursue adding and setting goals for additional payers (e.g., Medicaid) and expanding the condition evaluated (e.g., follow-up after mental health hospitalization).

Quality Based Reimbursement (QBR) Program

Quality Based Reimbursement (QBR) Program: Overview



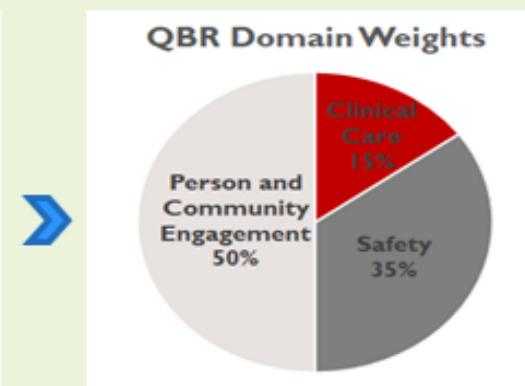
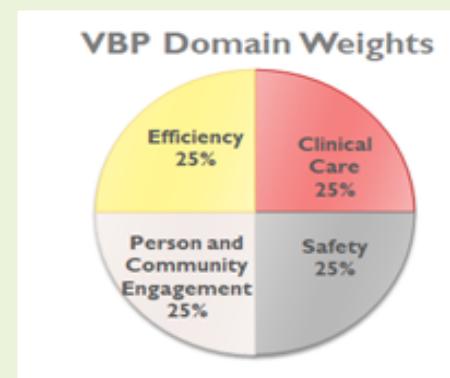
Purpose: Incentivize quality improvement across three patient-centered quality measurement domains:

1. **Person and Community Engagement (HCAHPS)** - 8 survey-based measures
2. **Clinical Care** - in-patient mortality rate + hip/knee replacement complication rate
3. **Safety** - 6 measures of in-patient Safety (National Healthcare Safety Network (NHSN) Healthcare Associated Infections).



The QBR program uses similar measures to the federal Medicare Value-Based Purchasing (VBP) program

Because Maryland's program is separate from the national program, it can use data from all payers and can adjust domain weights to focus on MD-specific improvements.



RY 2023 Proposed QBR Vs. VBP Measures

| | Maryland QBR Domain Weights and Measures | CMS VBP Domain Weights and Measures |
|--|---|--|
| Clinical Care | 15 percent -2 measures: all cause inpatient Mortality; THA/TKA complications measure ; Proposed for monitoring: new 30-day all-payer mortality measure. | 25 percent -5 measures: 4 condition-specific 30- Day Mortality measures; THA/TKA complications measure |
| Person and Community Engagement | 50 percent- 9 measures: 8 HCAHPS measures; Proposed new measure(s): follow up after discharge | 25 percent- 8 HCAHPS measures |
| Safety | 35 percent -6 measures: 5 CDC NHSN HAI measures; Proposed new measure(s): PSI 90 | 25 percent 6 measures: 5 CDC NHSN HAI measures; New: PSI 90 |
| Efficiency | N/A | 25 percent-Medicare Spending Per Beneficiary measure |

CMS FY 2023 VBP Minimum Hospital Case Numbers for Measures*

** Indicates QBR Current or Potential Measure

| FY 2023 VBP Program Previously Adopted Minimum Case Number Requirements | |
|--|---|
| Measure Short Name | Minimum Number of Cases |
| Person and Community Engagement Domain | |
| HCAHPS | 100 completed HCAHPS surveys.** |
| Clinical Outcomes Domain | |
| MORT-30-AMI | Hospitals must report a minimum number of 25 cases. |
| MORT-30-HF | Hospitals must report a minimum number of 25 cases. |
| MORT-30-PN (updated cohort) | Hospitals must report a minimum number of 25 cases. |
| MORT-30-COPD | Hospitals must report a minimum number of 25 cases. |
| MORT-30-CABG | Hospitals must report a minimum number of 25 cases. |
| COMP-HIP-KNEE | <i>Hospitals must report a minimum number of 25 cases.**</i> |
| Safety Domain | |
| CAUTI | 1.000 predicted infections as calculated by the CDC.** |
| CLABSI | 1.000 predicted infections as calculated by the CDC.** |
| Colon & Abdominal Hyster SSI | 1.000 predicted infections as calculated by the CDC.** |
| MRSA Bacteremia | 1.000 predicted infections as calculated by the CDC.** |
| CDI | 1.000 predicted infections as calculated by the CDC.** |
| CMS PSI90 | three eligible cases on any one underlying indicator.** |
| Efficiency and Cost Reduction Domain | |
| MSPB | Hospitals must report a minimum number of 25 cases. |

*Published in the CMS IPPS FY 2021 Final Rule.

QBR RY 2023 Draft Recommendations

1. Continue **Domain Weighting** as follows for determining hospitals' overall performance scores: Person and Community Engagement (PCE) - 50 percent, Safety (NHSN measures) - 35 percent, Clinical Care - 15 percent.
2. Implement the following **measure updates**:
 - a. Add an academic small sample and complexity exclusion for the hip/knee complication measure.
 - b. Add follow-up after discharge measure to the PCE Domain.
 - c. Add PSI 90 measure to the Safety domain
3. Maintain the **pre-set scale** (0-80 percent with cut-point at 41 percent), and continue to hold 2 percent of inpatient revenue at-risk (rewards and penalties) for the QBR program.
4. Convene a QBR Redesign Work Group in the first half of CY 2021 that targets the CMS concerns and implements identified strategic priorities for quality.

RY 2023 Quality-Based Reimbursement Program Targeted Potential Update Areas

- Update measure specifications
- Need to Address COVID-19 impacts; base time period and comparability for PSI and mortality
- Addition of all-payer Patient Safety Index (PSI) 90 measure to the Safety domain
- Consider addition of SIHIS measure for follow up after discharge
- Discuss transition from inpatient mortality to 30-day mortality measure
- VBP RY 2021 exemption: CMMI Concerns
- Other stakeholder concerns?

THA-TKA Measure

Academic Small Sample and Complexity Exclusion

- Measure is for elective hip and knee surgeries
- Requires 25 cases to be evaluated in the measure
- Johns Hopkins currently does not meet minimum criteria; UMMS had 29 cases but several were miscoded and should have been excluded
 - In order to recognize that UMMS should have been excluded in the base and likely will be excluded in the performance period, staff propose to prospectively exclude them through an academic small sample and complexity exclusion

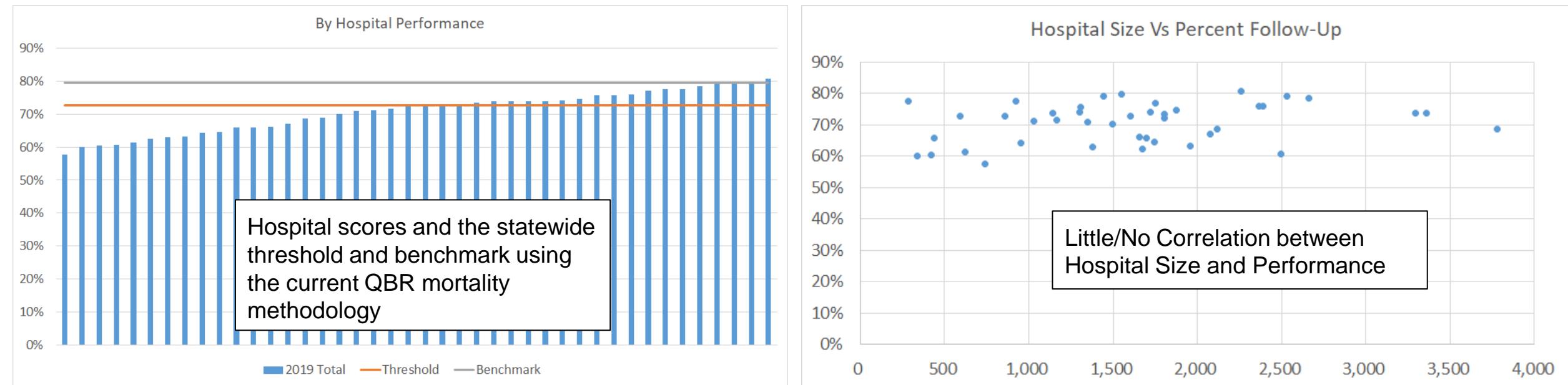
Follow up After Discharge Measure(s)

Follow-Up Measure Discussion

- First question is should HSCRC include follow-up measure in hospital pay for performance programs:
 - Need incentives to achieve SIHIS goal?
 - Is QBR right program for inclusion?
- Subsequent questions if we include:
 - Total chronic condition follow-up vs. individual measures chronic conditions?
 - What domain and weight?
 - Small hospital exclusion?
 - Base and performance periods?
 - How to establish benchmark and threshold?
 - Does preset revenue adjustment scale need to be updated?
 - How do we support hospitals with CRISP tools to track follow-up?

Follow-Up Measure* Analysis CY 2019 Medicare Only CCLF

*NQF endorsed health plan measure that looks at percentage of ED, observation stays, and inpatient admissions for one of the following six conditions, where a follow-up was received within time frame recommended by clinical practice: Hypertension (7 days), Asthma (14 days), Heart Failure (14 days), CAD (14 days), COPD (30 days), Diabetes (30 days)



Note: Statewide benchmark (79.6 %) and threshold (72.6%) values relative to the proposed SIHIS target for CY 2021 of 72.85% or 72.43%

| Question | Staff Proposal for Draft QBR |
|---|--|
| Include Follow-Up in QBR | Yes, to align with SIHIS goal |
| Total chronic condition follow-up vs. individual measures chronic conditions? | Total measure to align with SIHIS and ensure larger sample sizes |
| What domain and weight? | Patient experience, equally weighted with each HCAHPS measure |
| Small hospital exclusion? | Not needed |
| Base and performance periods? | CY 2019 Base, CY 2021 Performance |
| How to establish benchmark and threshold? | Use same scoring methodology as for other QBR measures |
| Does preset revenue adjustment scale need to be updated? | Conduct modeling for impact |
| How do we support hospitals with CRISP tools to track follow-up? | HSCRC is in discussion with CRISP on existing tools for tracking whether patient has had follow-up |

All-Payer PSI-90 into QBR



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PSI 90 Component Measures with Weights

- PSI 90 combines the smoothed (empirical Bayes shrinkage) indirectly standardized morbidity (observed/expected) ratios from selected PSIs
- Component PSIs are weighted based on volume and harm calculations for each PSI

Composite Weights for PSI 90 v2019

(V2020 was released in July 2020 and HSCRC will use the latest version for RY 2023 QBR Program)

| INDICATOR | HARM WEIGHT | VOLUME WEIGHT | COMPONENT WEIGHT |
|--|----------------|------------------|---------------------|
| PSI 3 Pressure Ulcer | 0.0860 | 0.3080 | 0.1373 |
| PSI 6 Iatrogenic Pneumothorax | 0.1381 | 0.0538 | 0.0385 |
| PSI 8 In Hospital Fall With Hip Fracture | 0.1440 | 0.0172 | 0.0128 |
| PSI 9 Periop Hemorrhage or Hematoma | 0.0570 | 0.1598 | 0.0472 |
| PSI 10 Postop Acute Kidney Injury Requiring Dialysis | 0.3584 | 0.0280 | 0.0520 |
| PSI 11 Postoperative Respiratory Failure | 0.2219 | 0.1821 | 0.2094 |
| PSI 12 Periop PE or DVT | 0.1557 | 0.2543 | 0.2052 |
| PSI 13 Postoperative Sepsis Rate | 0.3102 | 0.1550 | 0.2491 |
| PSI 14 Postoperative Wound Dehiscence Rate | 0.1441 | 0.0138 | 0.0103 |
| PSI 15 Unrecognized Abdominopelvic Accidental Puncture or Laceration | 0.1474 | 0.0500 | 0.0382 |

PSI modeling

- RY2021 QBR re-modeled to include PSI-90
 - FY2018 Base Period, used to determine statewide threshold and benchmark
 - CY2019 Performance Period
 - PSI-90 composite measure falls under Safety Domain, for a total of six possible measures weighted at 35 percent of total QBR score
- 28 hospitals decreased QBR score (average -2.2%), 12 increased QBR score (average 1.5%), 2 hospitals remained the same
- Staff proposes to include PSI in the QBR program again, in compliance with federal VBP

RY 2023 QBR Revenue Adjustment Scale

Pending decision and modeling of follow-up measure

- Staff does not support lower cut point for rewards due to CMS concern regarding MD performance
- New VBP data not yet available for modeling national average score; may be released prior to final policy
- Addition of PSI has small impact on scores and thus does not necessitate change in scale
- Staff will model inclusion of follow-up depending on stakeholder feedback on its inclusion
- Draft policy will most likely propose the same revenue adjustment scale as RY 2022

Mortality Measurement: Potential Future Transition from Inpatient to 30-Day Mortality Measure

Monitor for RY 2023



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30-Day Mortality: Presentation of Analytic Findings

October 21, 2020

Overview

- **Goal: develop a 30-day all cause, all payer mortality measure**
 - Capture deaths that occur within 30 days of hospital admission, regardless of where death occurs
- **Use CMS 30-Day Hospital-Wide Mortality Measure as a guide**
 - Currently under development, and not used publicly yet
 - Make necessary adjustments to estimate model on Maryland all-payer data
- **Use Maryland Vital Statistics death data merged with Maryland inpatient records**
 - CY 2018 and CY 2019 data
- **Today's agenda:**
 - Present overview of analytic results
 - Facilitate group discussion and feedback to inform additional testing



Step 1: Apply inclusion/exclusion criteria

- Exclude APR-DRGs that do not contribute to the top 80 percent of 30-day deaths (similar exclusion applied to QBR inpatient measure)
- Apply exclusion criteria

| Cases Excluded from Sample | |
|--|---|
| Transferred in from another acute care facility | Inconsistent vital status (e.g. death date precedes admission date) |
| Enrolled in hospice during index admission | Left against medical advice |
| Metastatic cancer | Crush, spinal, brain, or burn injury |
| Limited ability for survival (based on ICD-10 codes) | Non-Maryland resident (Vital Statistics data not reliable for non-Maryland residents) |

- For patients with multiple admissions that qualify for measure inclusion, randomly select one admission for inclusion in sample



Distribution of stays by exclusion criteria (CY 2018)

| Initial Sample | Dropped Cases | Resulting Sample |
|---|----------------|------------------|
| 524,373 | | |
| Drop APR-DRGs that contribute to less than 80 percent of 30-day deaths | 318,346 | 206,027 |
| Exclusion Criteria | 40,098 | 165,929 |
| <i>Transferred in from another facility</i> | 5,020 | |
| <i>Age > 95</i> | 2,565 | |
| <i>Hospice enrollment at time of admission</i> | 1,042 | |
| <i>Metastatic cancer</i> | 16,723 | |
| <i>Limited ability to affect survival</i> | 282 | |
| <i>Inconsistent vital status</i> | 3 | |
| <i>AMA</i> | 3,514 | |
| <i>Crush, spinal, brain, or burn injury</i> | 1,622 | |
| <i>Non-Maryland resident</i> | 12,480 | |
| Random Case Exclusion for patients with more than one discharge | 43,478 | 122,451 |
| Additional Dropped Cases | 2,910 | 119,541 |
| Final Sample for Model | | 119,541 |



Step 2: Assign stays to a service line

- **First, determine if a major surgical procedure was performed**
 - If yes, then assign stay to the “surgical” cohort
 - If no, then assign stay to the “non-surgical” cohort
- **Second, assign stays to a service line within surgical and non-surgical cohorts**
 - Non-surgical cohort: assignment based on principle diagnosis
 - Surgical cohort: assignment based on principle procedure

Non-surgical service lines

| | |
|--------------------|------------------|
| Cancer | Orthopedics |
| Cardiac | Pulmonary |
| Gastrointestinal | Renal |
| Infectious disease | Other conditions |
| Neurology | |

Surgical service lines

| |
|----------------|
| Cancer |
| Cardiothoracic |
| General |
| Neurosurgery |
| Orthopedic |



Distribution of stays by service line (CY 2018)

| Non-Surgical | # of Stays | # of Deaths | MD All-Payer Unadjusted Mortality Rate | CMS Unadjusted Mortality Rate* |
|--------------------|----------------|--------------|--|--------------------------------|
| Cancer | 573 | 68 | 11.87% | 14.60% |
| Cardiac | 15,010 | 664 | 4.42% | 6.50% |
| Gastrointestinal | 10,067 | 336 | 3.34% | 4.90% |
| Infectious Disease | 25,242 | 2,815 | 11.15% | 13.00% |
| Neurology | 12,031 | 873 | 7.26% | 8.00% |
| Orthopedics | 239 | 11 | 4.60% | 4.90% |
| Pulmonary | 21,021 | 1,380 | 6.56% | 9.50% |
| Renal | 17,351 | 900 | 5.19% | 8.80% |
| Other Conditions | 12,269 | 645 | 5.26% | 5.60% |
| Subtotal | 113,803 | 7,692 | 6.76% | 8.28% |
| | | | | |
| Surgical | # of Stays | # of Deaths | Unadjusted Mortality Rate | CMS Unadjusted Mortality Rate |
| Cancer | 52 | 0 | 0.00% | 2.30% |
| Cardiothoracic | 447 | 81 | 18.12% | 6.40% |
| General | 1,095 | 126 | 11.51% | 6.60% |
| Neurosurgery | 898 | 84 | 9.35% | 3.00% |
| Orthopedic | 3,246 | 107 | 3.30% | 1.50% |
| Subtotal | 5,738 | 398 | 6.94% | 3.10% |
| | | | | |
| GRAND TOTAL | 119,541 | 8,090 | 6.77% | 6.87% |

Overview of statistical properties of 30-day mortality measure

Measure Assessment: Three Categories of Criteria



Feasibility Criteria

Evidence that data needed for measurement is available

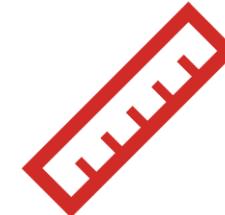
- Not a focus of today's presentation, but we expect measure to pass this step



Validity Criteria

Evidence that the measure is measuring what it is supposed to measure

- Multiple steps/checks, but today's presentation will focus on **convergent validity** and **predictive validity**



Reliability Criteria

Evidence that the measure consistently produces the same result, versus measure results being a product of statistical noise

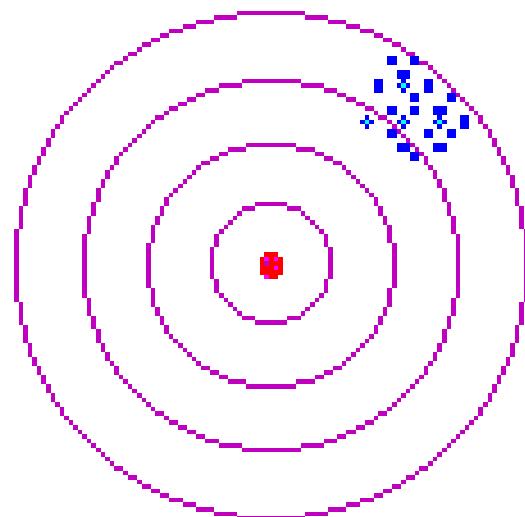
- Implemented a **signal-to-noise test** for the 30-day measure

Validity and Reliability Analyses

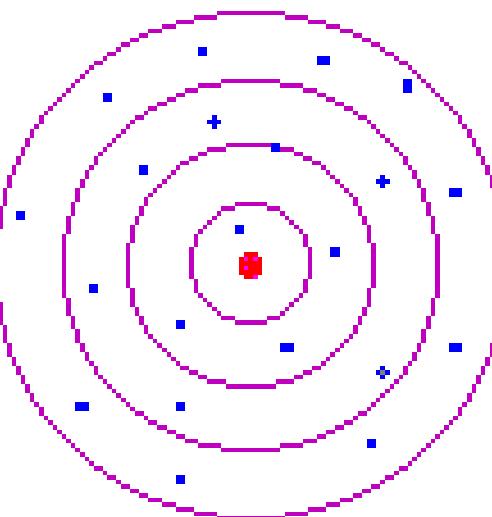
- **Convergent validity: correlate 30-day measure results with other existing measures of quality**
 - CMS overall star rating
 - CMS diagnosis and procedure-specific 30-day mortality results (July 2015 – June 2018 results)
 - HSCRC Inpatient mortality results from QBR (FY19 Base results; Q32018 – Q22019)
 - Use rank correlations when comparing mortality measure results
- **Predictive validity: correlate 30-day measure results from 2018 with results from 2019**
- **Reliability analysis: calculate signal-to-noise test**
 - Calculated for overall measure reliability, and by hospital



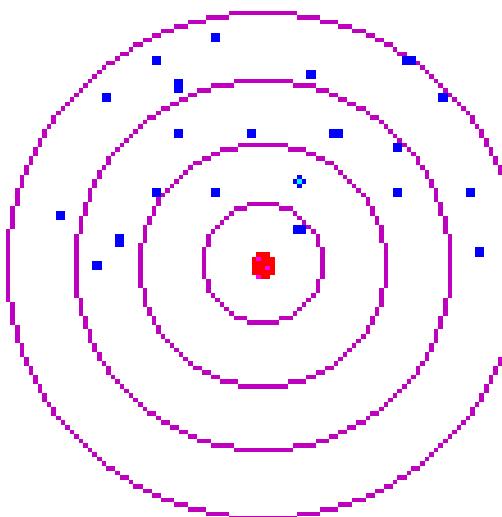
More on Validity and Reliability Analyses



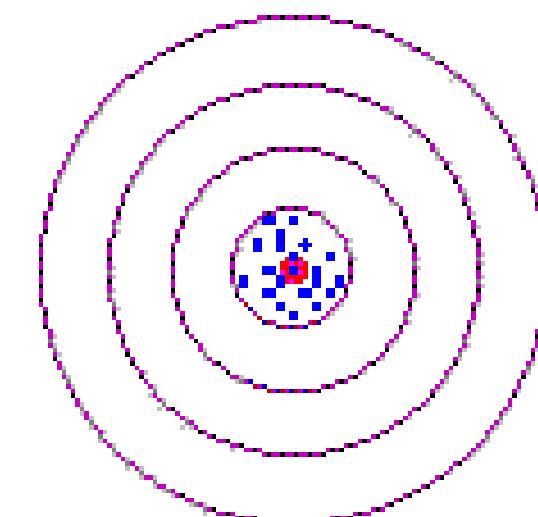
**Reliable
Not Valid**



**Valid
Not Reliable**

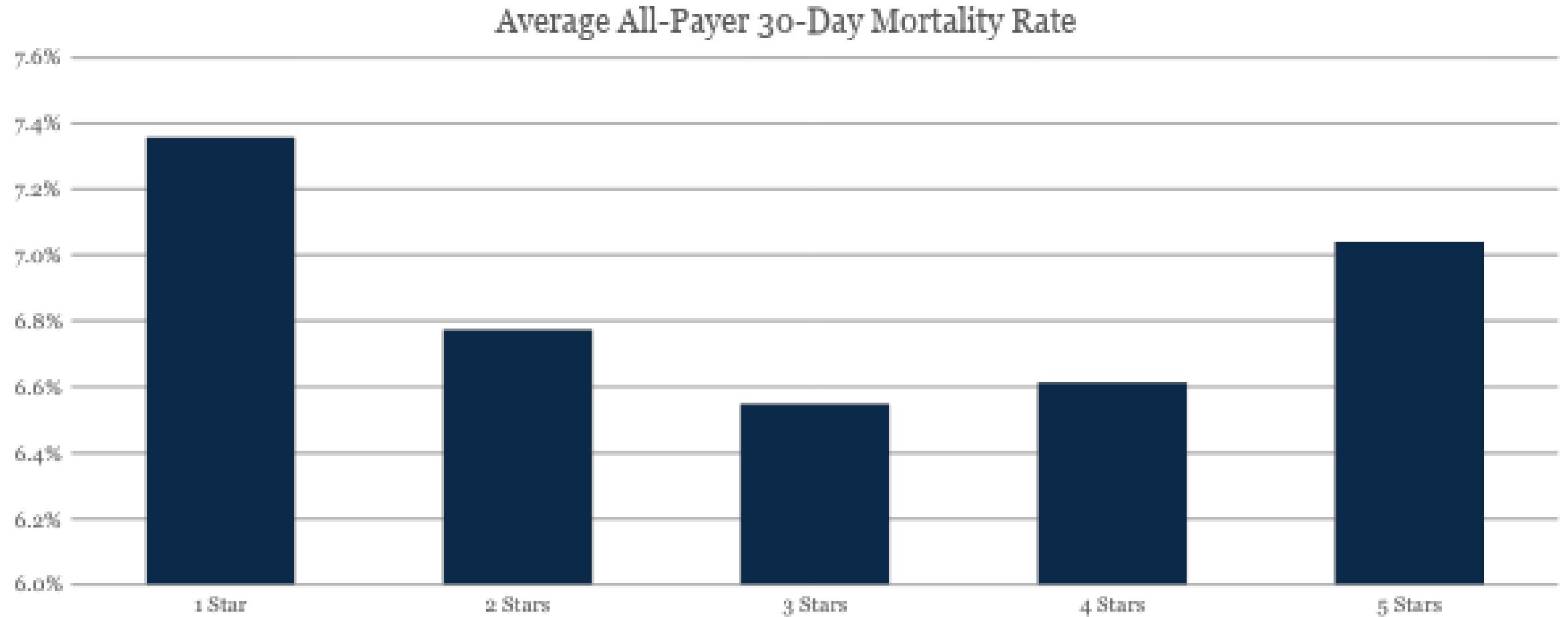


**Neither Reliable
Nor Valid**



**Both Reliable
And Valid**

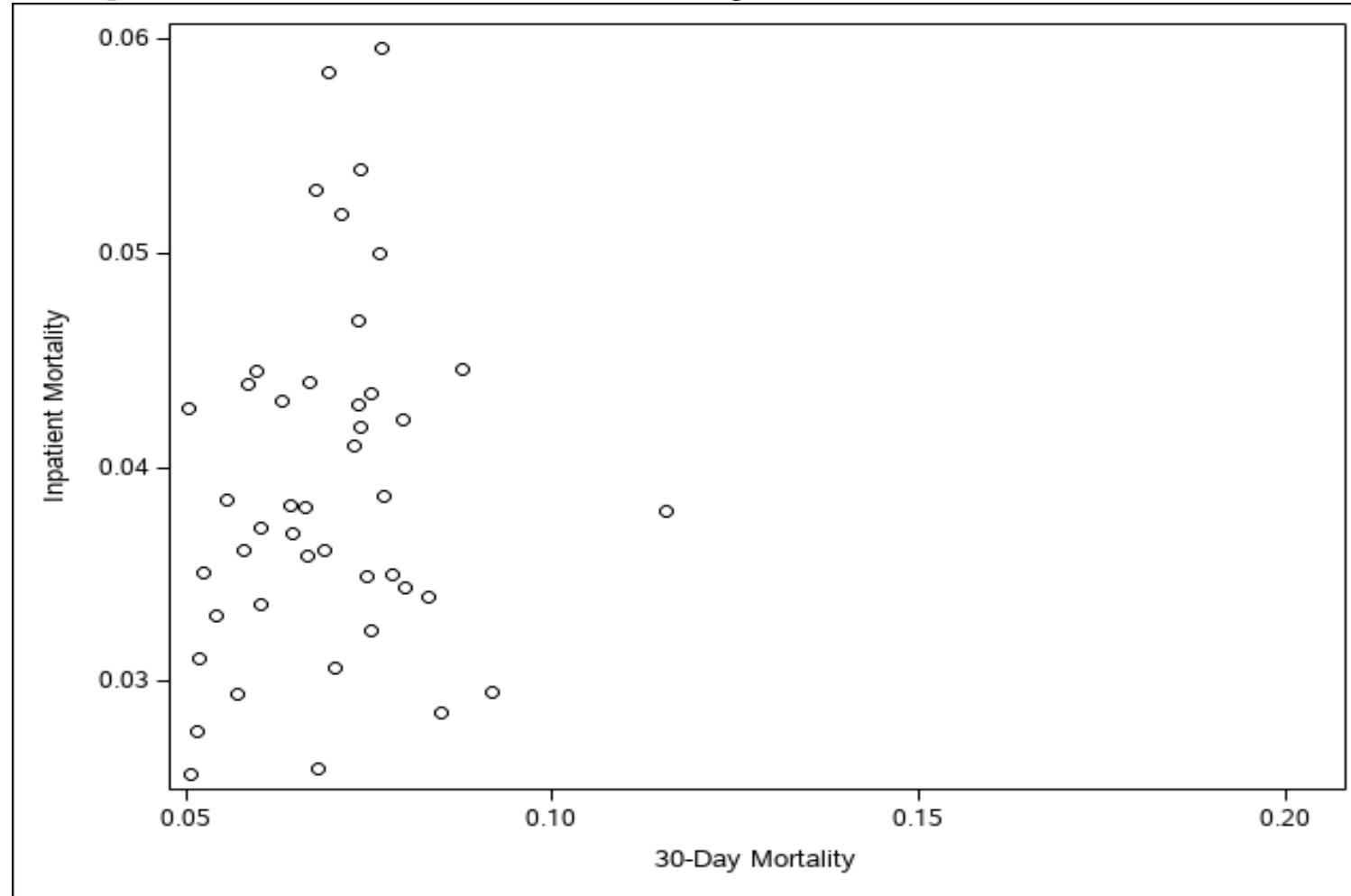
Convergent validity: comparison to CMS Star Ratings



Convergent validity: comparison to CMS 30-day mortality results

| CMS 30-Day Mortality Rate for... | Correlation Statistic | p-value |
|----------------------------------|-----------------------|---------|
| AMI | 0.36 | 0.03 |
| CABG | -0.30 | 0.40 |
| COPD | -0.07 | 0.65 |
| Heart Failure | 0.42 | 0.00 |
| Pneumonia | 0.30 | 0.04 |
| Stroke | 0.07 | 0.66 |

Convergent validity: comparison to HSCRC inpatient mortality results



- Low/moderate rank correlation between All-Payer 30-day Mortality results and QBR Inpatient Mortality results
- 2018 correlation = .18 and 2019 correlation = .36

Predictive validity results

- CY 2018 and CY 2019 All-Payer 30-Day Mortality results are positively correlated
 - Correlation coefficient = 0.70 with p-value <.01



Reliability results

- **Strong reliability for All-Payer 30-Day Mortality Measure**
- **Overall reliability = 0.85**
- **Variation in hospital-level reliability estimates**
 - Minimum = .05; Maximum = .95
- **79% of hospitals have reliability of at least 0.70**
- **Hospitals with lower reliability estimates have smaller case sizes**



Questions and discussion



Maryland Hospital Acquired Conditions (MHAC) Program

RY 2023 Draft Recommendations (Slide 1)

1. Continue to use 3M Potentially Preventable Complications (PPCs) to assess hospital acquired complications.
 - a. Maintain a focused list of PPCs in the payment program that are clinically recommended and that generally have higher statewide rates and variation across hospitals.
 - b. Monitor all PPCs and provide reports for hospitals and other stakeholders.
 - i. Evaluate PPCs in “Monitoring” status that worsen and consider inclusion back into the MHAC program for RY 2024 or future policies.
2. Use more than one year of performance data for small hospitals (i.e., less than 20,000 at-risk discharges and/or 20 expected PPCs). The performance period for small hospitals will be CY 2021 plus the to be determined performance period for RY 2022 (i.e., January-June 2020 data will not be used).
3. Continue to assess hospital performance on attainment only.
4. Continue to weigh the PPCs in the payment program by 3M cost weights as a proxy for patient harm.
5. Maintain a prospective revenue adjustment scale with a maximum penalty at 2 percent and maximum reward at 2 percent and continuous linear scaling with a hold harmless zone between 60 and 70 percent.

RY 2023 Draft Recommendations (Slide 2)

61. Adjust the MHAC pay-for-performance program methodology as needed due to COVID-19 Public Health Emergency and report to Commissioners as follows:
 - a. For RY 2022 (CY 2020 performance period)
 - I. Exclude COVID-19 positive cases from the program.
 - II. Exclude the data for January to June 2020 and evaluate the reliability and validity of the data for July-December 2020 to determine feasibility of its use for the RY 2022 payment adjustments.
 - b. For RY 2023 (CY 2021 performance period)
 - I. Update PPC Grouper to v38 and include COVID-19 positive cases consistent with the clinical updates to the grouper.
 - II. Retrospectively evaluate impact of inclusion of COVID-19 patients on case-mix adjustment.

Small Hospital Exclusion

Extended performance period not yet determined

- Based on CY18/CY19 data there are 8 hospitals (up from 5 in RY 2022) that meet criteria of less than 20,000 at-risk and/or 20 expected PPCs (under version 37)

| HOSPITAL ID | HOSPITAL NAME | AT RISK | Expected PPCs | RY2022 | New RY2023 |
|-------------|----------------------|---------|---------------|--------|------------|
| 210010 | UM-Dorchester | 1759 | 1.7464 | Y | |
| 210017 | Garrett | 6208 | 9.0034 | Y | |
| 210064 | Levindale | 6564 | 9.4115 | Y | |
| 210060 | Ft. Washington | 6988 | 8.9067 | Y | |
| 210061 | Atlantic General | 14863 | 18.5646 | | Y |
| 210013 | Grace Medical center | 16150 | 12.1046 | Y | |
| 210058 | UMROI | 17188 | 23.775 | | Y |
| 210006 | UM-Harford | 19974 | 16.9894 | | Y |

Prospective Revenue Adjustment Scale

Given half the hospitals scored more than 73 percent, should cut point be raised?

- RY 2022 modeling had median of 60 percent, and said we would consider raising in the future
- If increased, shift or widen hold harmless zone?
 - Staff proposes for final policy to widen hold harmless zone to 60-75 percent (in RY 2021 this would move 7 out of 27 hospitals rewarded into hold harmless zone)

Additional RY 2021 Statistics:

- Score where O/E = 1 for all PPCs is 56%
- Score where O/E = hospital median is 80%
- Score where O/E = 0.75 is 74%

| RY 2022 Prospective Revenue Adjustment Scale | |
|--|--------------------|
| MHAC Score | Revenue Adjustment |
| 0% | -2.00% |
| 10% | -1.67% |
| 20% | -1.33% |
| 30% | -1.00% |
| 40% | -0.67% |
| 50% | -0.33% |
| 60% to 70% Hold Harmless | 0.00% |
| 80% | 0.67% |
| 90% | 1.33% |
| 100% | 2.00% |

Figure 6. RY 2021 Hospital Scores

| RY 2021 Hospital Scores | CY 2019 Performance |
|-------------------------|---------------------|
| Median | 73% |
| Average | 74% |
| Min | 46% |
| Max | 100% |
| 25th Percentile | 64% |
| 75th Percentile | 86% |

PPC Assignment for COVID-19 Patients

RY 2022:

- Continue to use v37 and exclude COVID-19 positive patients from the program
- Exclude Jan-June 2020 data and evaluate reliability and validity of July-Dec data or other adjusted performance periods

RY 2023:

- Update to v38 that excludes 8 out 14 of the PPCs for COVID-19 patients and include COVID patients
- Will need to retrospectively evaluate inclusion of COVID-19 patients on case-mix adjustment
- Will need to determine the longer performance period for small hospitals

PPCs assigned to COVID-19 patients under v38:

- In-hospital trauma or fracture, post-operative infection and deep wound disruption without procedure, accidental puncture/laceration during invasive procedure, iatrogenic pneumothorax, obstetrical complications

Other Thoughts or Questions?

Next PMWG Meeting: November 18, 9:30 AM-12:00 PM