



Performance Measurement Work Group

10/21/2016 Meeting

HSCRC

Health Services Cost
Review Commission

R
Y 2019 Maryland Hospital
Acquired Conditions (MHAC)



RY 2019 MHAC Update Considerations

- ▶ Update to PPC Grouper Version (currently assessing)
 - ▶ Revise base period to October 2015-September 2016
- ▶ PPC Measurement Changes
- ▶ Maximum at risk determination
- ▶ Statewide improvement target

PPC Measurement Changes

- ▶ See handout
- ▶ Based on clinical recommendations from 3M, HSCRC staff propose the following changes to PPCs included in payment program and tiers:
 - ▶ Move PPC 57 and 58 (obstetrical lacerations) to monitoring only status
 - ▶ PPC 21 (Clostridium Difficile) to tier 2

Ry2019 Max At-Risk & Improvement Target

- ▶ Continue with RY 2018 maximum at-risk levels
- ▶ Given continued annual improvements staff recommend keeping 6% improvement target for RY 2019

Potentially Preventable Complication (PPC) Rates in Maryland- State FY2013-FY2016								
	PPC RATES				Annual Change			Cumulative Improvement
	FY13	FY14	FY15	FY16	FY13-FY14	FY14-FY15	FY15-FY16	FY13-FY16
TOTAL NUMBER OF COMPLICATIONS	27,934	21,056	17,341	14,508	-24.6%	-17.6%	-16.3%	-48.1%
CASE-MIX ADJUSTED COMPLICATION RATE	1.39	1.08	0.90	0.73	-22.3%	-16.7%	-18.9%	-47.5%

RY 2019 Readmission Reduction Incentive Program (RRIP)

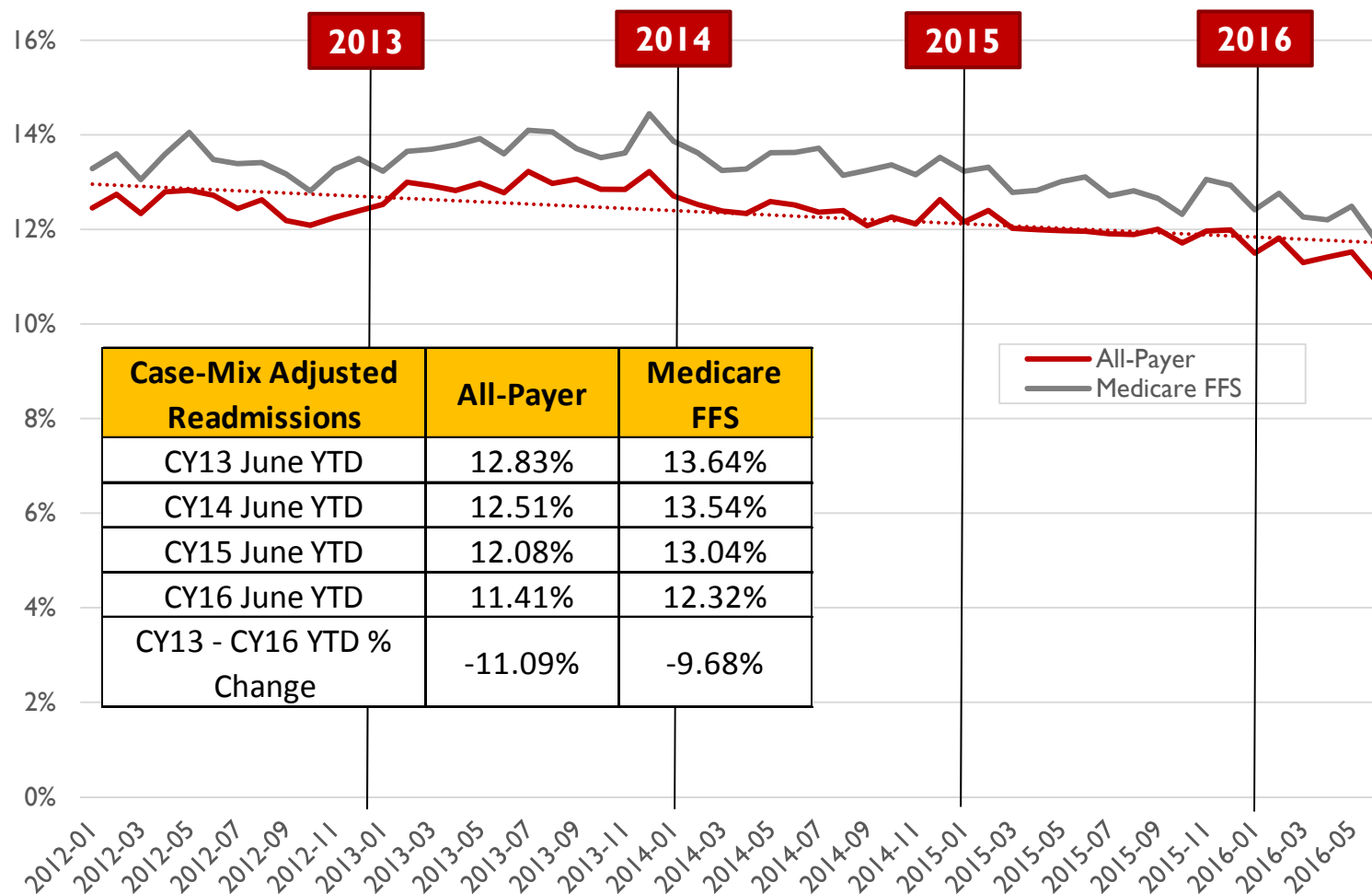


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Readmission Reduction Incentive Program

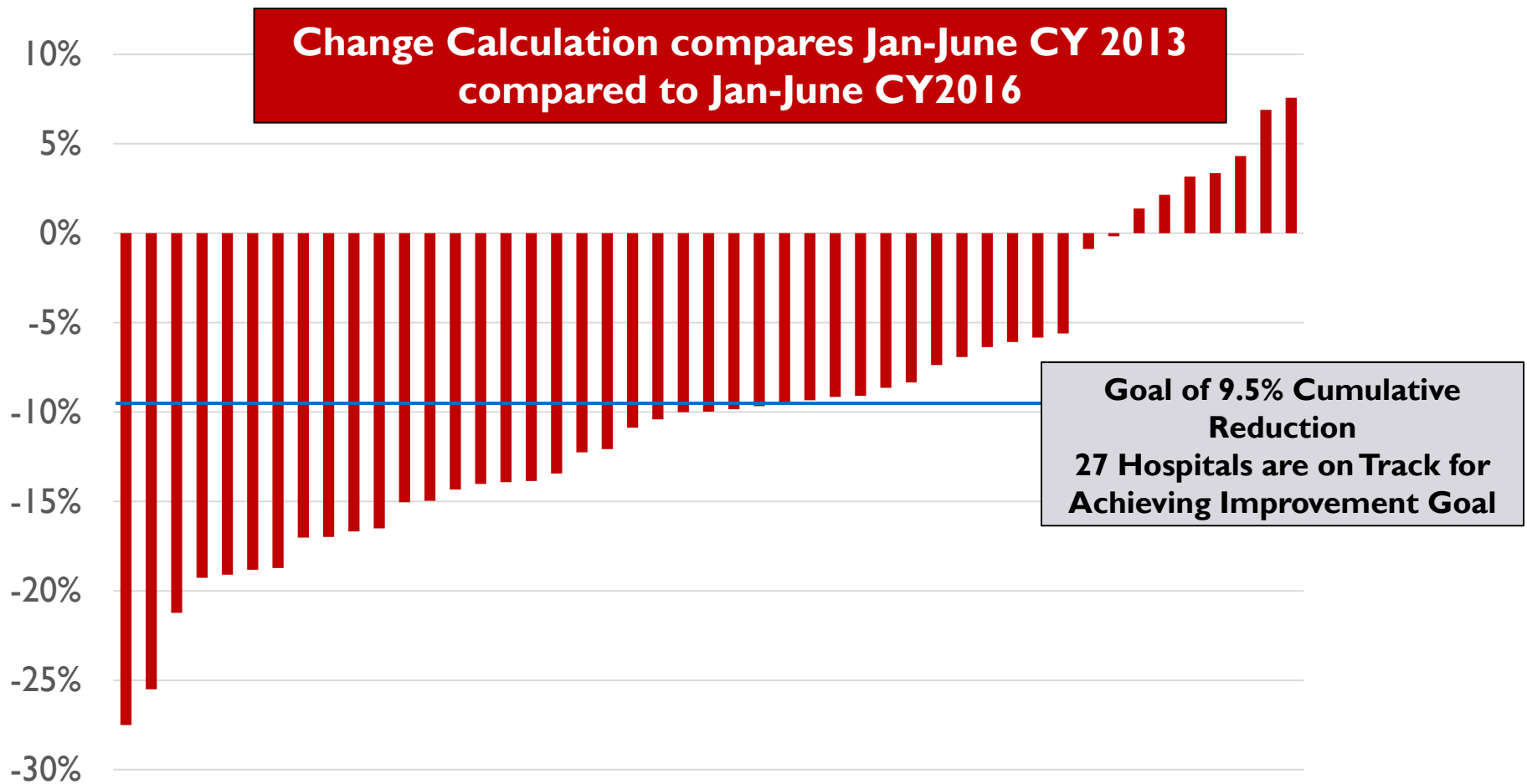
- ▶ Incentive program designed to support the waiver goal of reducing Medicare readmissions, but applied to all-payers.
- ▶ **RY 2018:** Revised payment adjustment structure to recognize the better of improvement or attainment
 - ▶ 9.5% minimum improvement target (CY 2013 compared to CY2015)
 - ▶ 11.85% attainment benchmark (readmission rate adjusted for out-of-state Medicare readmissions)
 - ▶ Scaled penalties up to 2% and rewards up to 1%.

Monthly Case-Mix Adjusted Readmission Rates



8 Note: Based on final data for January 2012 – March 2016, and preliminary data through July 2016.

Change in All-Payer Case-Mix Adjusted Readmission Rates by Hospital



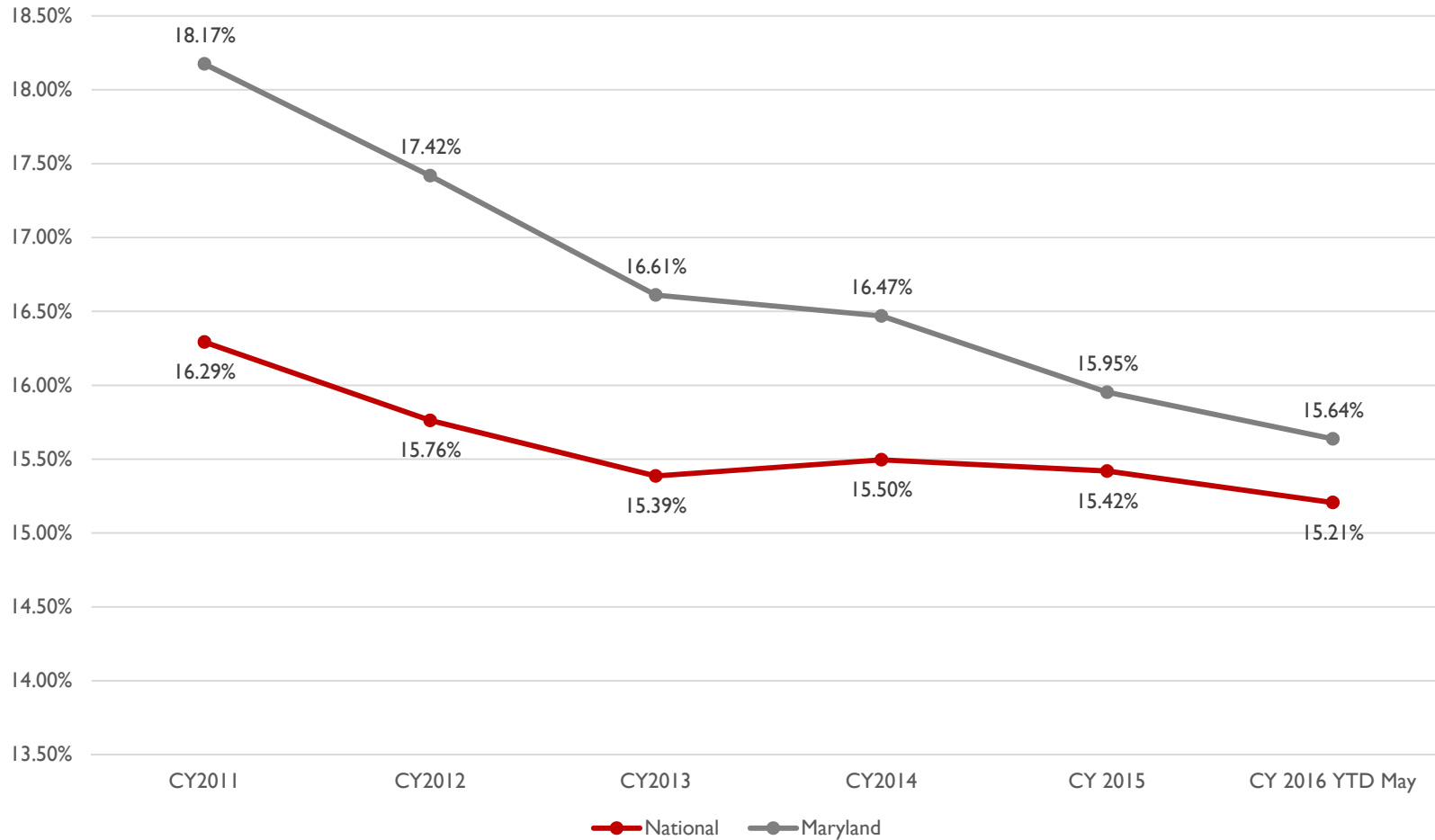
9 Note: Based on final data for January 2012 – March 2016, and preliminary data through July 2016.

RY 2019 RRIP Preliminary Models



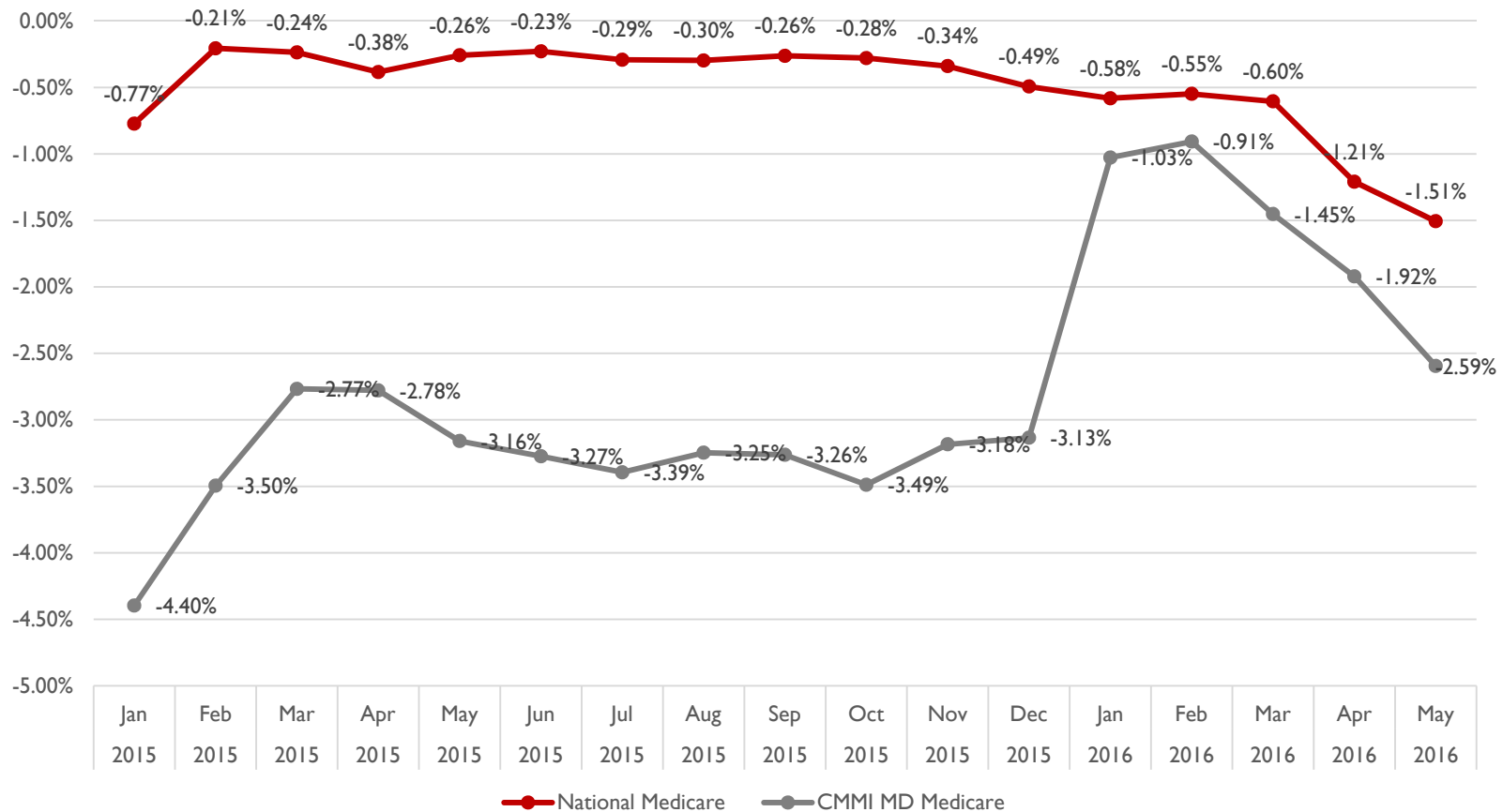
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Maryland is reducing readmission rate but only slightly faster than the nation



Cumulative Readmission Rate Change by Month (year over year): Maryland vs Nation

Reduction in the National Readmission Rate has increased in CY 2016



CMMI Test Calculation as of May 2016

CY 2013 National Medicare Readmission Rate	A	15.39%						
CY 2013 MD Medicare Readmission Rate	B	16.61%						
MD vs National Difference	C=B-A	1.23%						
Annual Requirement to close the gap	D=C/5	0.25%						
	National % Annual Change	National Rate	MD-National Difference Required	MD Target Rate	MD Actual Rate	MD-National Difference	MD % Annual Target	MD % Actual Change
A	B	C	D=1.23 % (-0.25%*2)	E	F	G=F-C	H	I
CY 13 Base Year		15.39%	1.23%	16.61%	16.61%			-4.64%
CY14	0.71%	15.50%	0.98%	16.48%	16.47%	0.97%	-0.82%	-0.85%
CY 15	-0.49%	15.42%	0.74%	16.15%	15.95%	0.53%	-1.91%	-3.13%
CY16 YTD May	-1.51%	15.21%	0.49%		15.64%	0.43%	-1.73%	-2.59%

RRIP Medicare Target Calculation for CY 2017

Based on CMMI test, CY 2017 MD-National Gap needs to be at 0.25 %, HSCRC staff is proposing to closed the remaining gap by half (remaining gap is 0.35% / 2 = 0.18% .

	National % Annual Change	National Rate	MD-National Difference	MD Medicare Rate	MD % Annual Change
A	B	C	D	E	H=E/15.54%-1
CY16- Estimated based on May	-1.51%	15.19%	0.35%	15.54%	-1.73%
CY17 - Projection A	-1.51%	14.96%	0.18%	15.13%	-2.61%
CY17 - Projection B	-2.00%	14.88%	0.18%	15.06%	-3.09%
CY18			0.00%		

All- Payer vs Medicare Trends

	MD Medicare Rate	MD Medicare % Annual Change	All Payer Casemix Adjusted Rate	% Annual Change	Medicare – All Payer Trend Variance
A	F	I	J	K	L=J-J
CY 13 Base Year	16.61%	-4.64%	12.93%	-2.36%	-2.28%
CY14	16.47%	-0.85%	12.41%	-4.03%	3.18%
CY 15	15.95%	-3.13%	12.00%	-3.29%	0.16%
CY16 YTD May	15.64%	-2.59%	11.42%	-4.79%	2.20%
	Average	-2.80%		-3.62%	0.82%

RRIP Calculation of All-Payer Target

All Payer to Medicare Adjustment For CY16			
Medicare Readmission Change CY13-CY16 (projected)	N	-6.5%	
All Payer Readmission Change CY13- CY16 (projected)	O	-11.6%	
All Payer Adjustment Factor	P = N-O	5.19%	
		Projection A (-1.51% National Trend)	Projection B (-2% National Trend)
CY 17 Medicare Readmission Rate Reduction Target from CY 13	Q	-8.89%	-9.34%
CY17 All Payer Readmission Rate Annual Reduction Target	R = Q - P	-14.08%	-14.53%

Next Steps

- ▶ Data update from CMMI for more recent period
- ▶ Modeling for RRIP All-Payer Improvement Target
- ▶ Setting Attainment Benchmark
- ▶ ICD-10 impact and potential revisions for expected rates (normative values for risk adjustment)

RX 2019 Quality Based Reimbursement (QBR)



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RY 2019 QBR- Staff Assessment Basis for Draft Recommendations

- ▶ Maryland's performance over time
- ▶ Maryland's performance compared to the nation
- ▶ Range of scores across hospitals
- ▶ Hospitals' scores by domain
- ▶ Measure-specific scores

RY 2017 QBR Performance Results: Statewide Final Score Distribution by Domain

- HCAHPS (weighted 45%)- Scores are lowest for this domain with an average score of 0.24 and maximum score of 0.54.
- Safety (weighted 35%)- Next lowest scores, also the second highest weighted domain.

Domains	HCAHPS Score	Clinical/Process Score	Mortality Score	Safety Score	QBR Score
Weights	45%	15%	5%	35%	100%
Minimum Score	0.03	0.00	0.00	0.00	0.07
25th percentile	0.16	0.40	0.33	0.25	0.31
Median	0.23	0.60	0.60	0.39	0.38
Average	0.24	0.56	0.60	0.40	0.37
75th Percentile	0.30	0.80	0.88	0.54	0.43
Maximum Score	0.54	1.00	1.00	1.00	0.72
Coefficient of Variation	46%	59%	48%	54%	30%

R.Y. 2017 QBR Performance Results Dashboard

Worse than the National Rate	Worsened	Worse Than Base
Better than the National Rate	Improved	Better Than Base
National Average	No Change	No Change

Measure	Most Recent Rate	Improvement from the Base Year	Difference from the National Rate
Responsiveness	59%	-1%	-9%
Overall Rating	65%	0%	-7%
Clean/Quiet	62%	0%	-7%
Explained Medications	60%	0%	-5%
Nurse Communication	76%	0%	-4%
Pain Management	68%	1%	-3%
Doctor Communication	79%	1%	-3%
Discharge Info	86%	0%	-1%
NEW MEASURE			
Three-Part Care Transitions Measure	48%	0	-4%

RY 2017 QBR Performance Results Dashboard

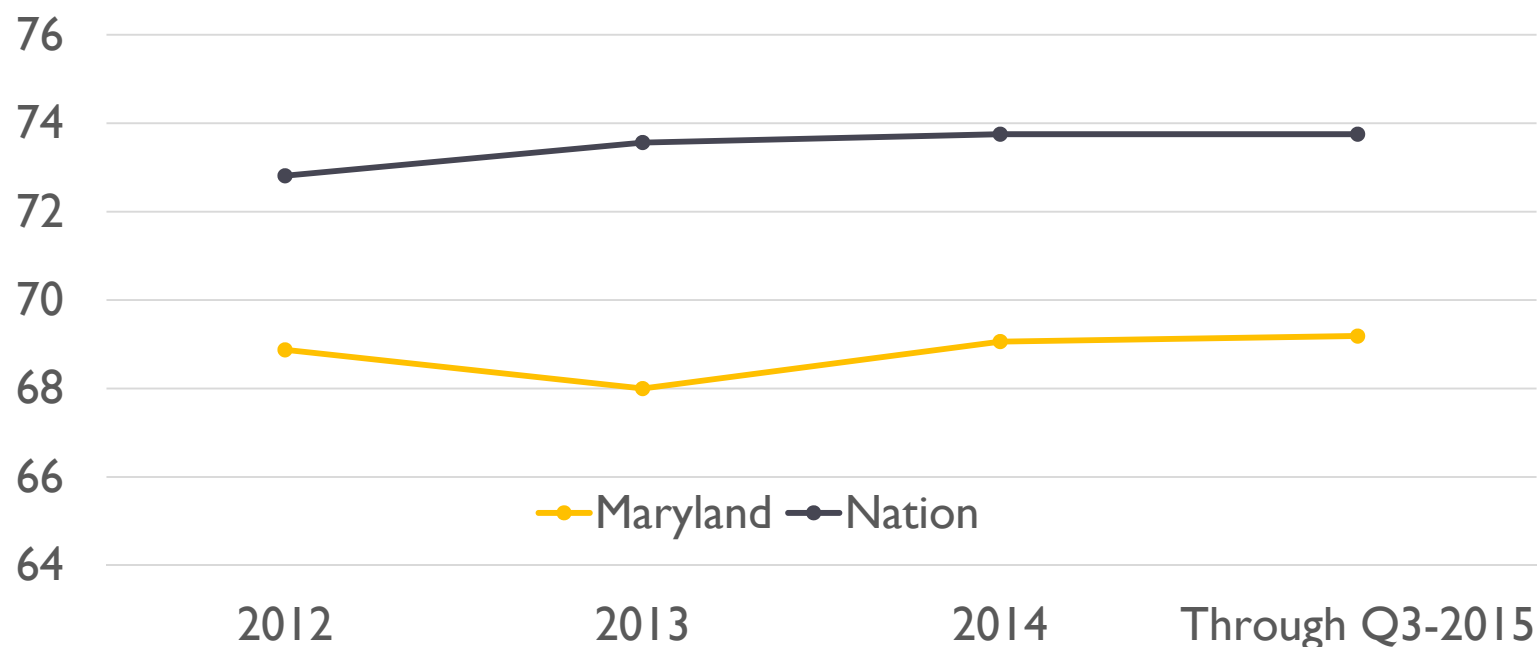
	Worse than the National Rate	Worsened	Worse Compared to Base
	Better than the National Rate	Improved	Better Compared to Base
			Not Available
Mortality Measures			
30-day AMI	14.06%	-0.44%	-0.14%
30-day Heart Failure	10.86%	-0.04%	-0.74%
30-day Pneumonia	10.64%	-0.21%	-0.86%
Safety Measures			
PC-01 Early Elective Delivery	5%	2%	2%
CLABSI	0.50	-5.12%	-0.50%
CAUTI	0.86	-48.04%	-0.14%
SSI - Colon	1.19	12.32%	0.19%
SSI - Abdominal Hysterectomy	0.92	-28.49%	-0.08%
MRSA	1.20	-10.71%	0.20%
C.diff.	1.15	-0.26%	0.15%

HCAHPS Performance- Q4-2013 to Q3-2014 and Q4-2014 to Q3-2015

- ▶ For the eight measures in aggregate, Maryland statewide performance lags behind the nation for both periods and the gap slightly widened between Maryland and the nation across the two time periods with Maryland 6.19% lower than the nation for Q4-2013 to Q3-2014 and 6.49% lower for Q4-2014 to Q3-2015.
- ▶ The nation remained static on 5 measures and improved slightly on 3 measures across the two time periods while Maryland declined on 1 measure, improved slightly on 2 measures and remained static on 5 measures.
- ▶ On the three-part care transitions measure added to the HCAHPS survey and adopted for the FY 2018 VBP and QBR programs, Maryland performs significantly below the nation for the data periods Q4-2013 to Q3-2014 and Q4-2014 to Q3-2015, and performance for both Maryland and the nation remains static for the two time periods.

HCAHPS Performance Trends- Maryland Compared to Nation from 2012 to 2015.

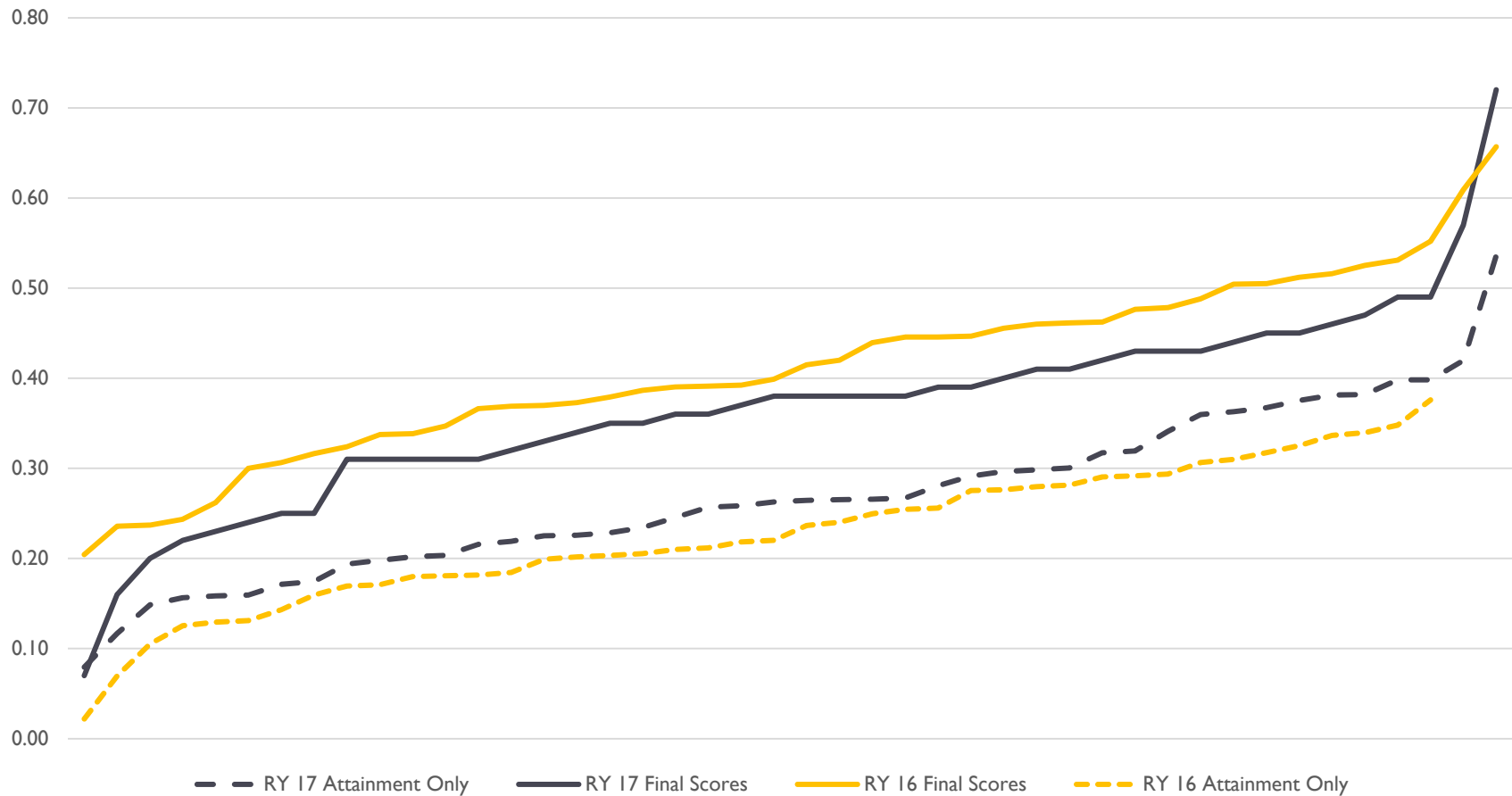
Maryland vs. Nation HCAHPS 2012-2-015



Maryland's performance declined in 2013 compared to 2012, and then improved slightly in 2014 and 2015, but the nation has had only modest improvement year over year from 2012 to 2015.

QBR RY 2016 and Ry 2017 Score Comparison

RY 2016 and RY 2017 QBR Score Distribution
Attainment Only vs. Final Scores



Proposed RY17, RY18, & RY19 Scale

- ▶ See Excel Handout
- ▶ Proposed preset scale based on RY17 final scores
 - ▶ Maximum penalty set at lowest score (0.07); Maximum reward set at second highest score (0.57) due to highest score being an outlier
 - ▶ Penalty/reward threshold set at average score (0.37)

Staff QBR Draft Recommendations

- ▶ Adjust retrospectively the RY 2017 and RY 2018 QBR preset scale for determining rewards and penalties such that the scale takes into account attainment and improvement trends.
- ▶ For RY 2019, use the preset scale based on RY 2017 final scores.
- ▶ Continue to use the same domain weights: the clinical care measure at 15 percent of the final score, the safety measures at 35 percent, and the Patient and Community Engagement measures at 50 percent.
- ▶ Continue to set the maximum penalty at two percent and the maximum reward at one percent of approved hospital inpatient revenue.

QBR Mortality and Palliative Care

Calendar Year	Total Discharges	Discharges with Palliative Care Dx	Total Deaths	Total Deaths w/ PC Dx	Percent Total Discharges w/PC	Percent Deaths w/PC	Percent Live Discharges w/PC
2013	664849	14038	13105	5625	2.11%	42.92%	1.29%
2014	642139	17464	12670	6802	2.72%	53.69%	1.69%
2015	624202	19447	12114	7401	3.12%	61.09%	1.97%

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