maryland
health services
cost review commission

Performance Measurement Workgroup

August 19, 2020

HSCRC Quality Team

Meeting Agenda

1. CMS quality programs exemption update
2. IPPS Final/OPPS Proposed Rules 2021 overview, implications
3. COVID-related updates RY 2022 and beyond
4. Health in all policies- FOCUS on disparities
5. Total Cost of Care (TCOC) Model update and SIHIS goals:
   a. PQI improvement goal
   b. Follow-up measure
   c. Disparities

6. Work Plan of anticipated updates for FY 2023 & beyond
   a. Quality Based Reimbursement (QBR) Program:
   b. Medicare Performance Adjustment (MPA)
   c. Readmission Reduction Incentive Program (RRIP);
   d. Maryland Hospital Acquired Conditions (MHAC) Program
   e. Potentially Avoidable Utilization (PAU) metrics
   f. Longer term strategy

7. Other topics and public comment

CMS IPPS and OPPS FY 2021 Rules

Quality Updates and Implications

Inpatient Prospective Payment System (IPPS) FY 2021 Rule

CMS Proposal

- Hospitals must progressively increase the number of quarters of eCQM data reported (an additional qtr per year over a 3-year period) to all 4 quarters by 2023.
- Hospitals must submit four eCQMs, but by 2022, hospitals must submit the Safe Use of Opioids eCQMs – Concurrent Prescribing as one of their four eCQMs (available for submission in 2021 and required in 2022).
- 2021 eCQM performance for the IQR and Promoting Interoperability programs will be reported publicly on Hospital Compare.
- The Hybrid Hospital-Wide Readmission measure will be replacing the READM-30-HWR claims measure starting with a voluntary reporting period in 2021.
- CMS is merging the chart-abstracted and eCQM audit process into one audit review for both measure types; by 2022, 400 hospitals will be chosen for an audit of both eCQMs and chart-abstracted measures.
    - CMS proposed electronic file submission only for next year. This means hospitals would not be allowed to send paper copies, CDs, DVDs or flash drives of medical records.

Outpatient Prospective Payment System (OPPS) and Ambulatory Surgery Center (ASC) and Physician Fee Schedule FY 2021 Rule

Proposed Rule

Payment Policies

- **Site Neutral**. Continue reduced reimbursement rates for hospital outpatient clinic visit services (HCPCS code G0463) when furnished in excepted off-campus provider-based departments.
- **Inpatient Only (IPO) List**. Eliminate the IPO list over three years beginning in CY 2021 with the removal of 266 musculoskeletal-related services.
- **Ambulatory Surgical Center (ASC) Covered Surgical Procedures**. Add 11 procedures to the ASC covered procedures list, including total hip arthroplasty.
- **Hospital Outpatient Department (HOPD) Prior Authorization**. Add two categories of services — cervical fusion with disc removal and implanted spinal neurostimulators — to the HOPD prior authorization process beginning for dates of service on or after July 1, 2021.

Outpatient Prospective Payment System (OPPS) and Ambulatory Surgery Center (ASC) and Physician Fee Schedule FY 2021 Rule

Proposed Rule

Quality Programs

- The Overall Hospital Quality Star Rating Methodology for Public Release in CY 2021 proposes to establish and codify the Star Ratings and its methodology at 42 CFR § 412.190.
- Changes to the program are intended to increase simplicity of the methodology, predictability of measure emphasis within the methodology over time, and comparability of ratings among hospitals:.
  - **Consolidating measures into five measure groups** (from seven): Mortality, Safety of Care, Readmission, Patient Experience, and Timely and Effective Care (which would combine process measures).
  - **Stratifying the readmission measure group** by the proportion of Medicare and Medicaid dually eligible patients served.
  - **Peer Grouping hospitals** by the number of measure groups a hospital has been scored on (three measure groups, four measure groups, and five measure groups).
  - A**pplying a minimum threshold for ratings**, requiring at least three measures in three measure groups, one of which must be Mortality or Safety of Care.
  - **Using a simple average of measure scores** to calculate measure group scores (instead of latent variable modeling).
  - **Using publicly reported data** from one of the four quarterly refreshes to the Hospital Compare data within the prior year — for the CY 2021 release, CMS could use data refreshed on Hospital Compare in July or October 2020.

COVID-19- Related Updates

Quality Implications

COVID-19- Related Updates

- In June 2020, CMS announced that MIPS clinicians may opt-out completely or partially from the 2020 MIPS Performance Year by completing a hardship exemption application.
- CMS might announce further flexibilities or delay the transition to the MVP framework in the CY 2021 PFS Proposed Rule.
- HSCRC will not use claims-based data to calculate revenue adjustments for the following quality programs/measures for the January-June 2020 timeframe, consistent with CMS:
  - Quality Based Reimbursement (QBR)- inpatient mortality
  - Readmission Reduction Incentive Program (RRIP)- readmission rates
  - Maryland Hospital Acquired Conditions (MHAC)- complication rates
  - Potentially Avoidable Utilization (PAU)- PQI and readmission rates
- For the QBR HCAHPS and NHSN Infection Measures:
  - Hospitals can choose to submit, or not, data to CMS for October 19-June 2020;
  - HSCRC will monitor the data submitted for Jan-Jun 2020 but will not use for QBR; per CMMI Maryland hospitals do not need to submit an Extraordinary Circumstances Exceptions request required by VBP.for hospitals that choose to submit
  - For more information: see HSCRC COVID page, HSCRC 4/10 COVID Quality Memo, and CMS-HSCRC Quality data correspondence.

Claims-based measures are still being monitored and monthly/quarterly reports are being made available.

COVID 19 RY 2022 Action Plan for Quality Programs

Beginning July 1 data will be used for quality programs in line with CMS

- HSCRC must adapt RY2022 quality programs, and will vet potential adjustments with PMWG
  - Decisions on RY 2022 programs will need to be vetted by Commission and final decisions will not be made until February 2021
- CMMI expects revenue adjustments for ALL quality programs
  - Concern over ability to implement QBR due to potentially 9 months of missing data; CMMI has confirmed that even if submitted Maryland does not need to use HCAHPS/NHSN data but staff are concerned on ability to get partial year data (especially for HCAHPS)
- MPR to assist staff with an analysis plan for assessing 6 months data or other solutions for missing data and baseline comparability
- Staff is running analytics on volume/utilization impact of COVID
- Alternative care sites run under current Medicare CCN must submit data for inclusion in our quality programs; new hospitals (convention center) must participate in CMS quality reporting.

RY 2022 Data and Revenue Adjustment Options by Quality Program

Quality Program	COVID Data Concerns	Options
QBR	• Mortality-only 6 months of data • HAI- May have 6 months of data in NHSN • HCAHPS-data available for rolling 12 months only	• Previous years revenue adjustments • Use shorter time periods, and work with CMS to obtain individual HCAHPS quarters (or update all data but HCAHPS)
MHAC	• Only 6 months data • Baseline comparability • PPC assignment to COVID patients	• Previous years revenue adjustments • Use only 6 months data, assess data for seasonality to determine whether base period performance standards need adjustment
RRIP	• Only 6 months data • Baseline comparability	• Use only 6 months data, given seasonality of the data potentially adjust base period
PAU	• Only 6 months data • PQI/readmission assignment to COVID patients	• Use only 6 months data

Health in All Policies

Focus on Disparities

Health in All Policies

- What is Health in All Policies?
  - Health in All Policies is a collaborative approach to improving the health of all people by incorporating health considerations into decision-making across sectors and policy areas[1]

Application of Health in All Policies Approach to Prioritize Equity

- Why We Need a Health in All Policies Approach
  - Long Term Model Success

- How We are Implementing a Health in All Policies Approach
  - Disparities Lens
    - Readmissions Reduction Incentive Program
    - Maternal Health
    - Uncompensated Care
    - All Payer Rate Setting System

Ethical Questions to Consider

- Analyze the Ethical Issues in the Situation
  - What are the health goals?
  - What are the relevant risks and harms?

- Evaluate the Ethical Dimensions of the Alternate Course of Action
  - Would the actions produce a balance of benefits over harm?
  - Would the resulting benefits and burdens be distributed evenly across stakeholders?
  - Does the action reflect a decisional process sensitive to vulnerable communities

- Provide Justification for a Particular Action
  - Can justification for the action be provided that stakeholders could find acceptable in principle?

Statewide Integrated Healthcare Improvement Strategy (SIHIS)

Quality Improvement Goals Discussion

Background

- In December 2019, Maryland & CMS signed a Memorandum of Understanding (MOU) agreeing to establish a Statewide Integrated Health Improvement Strategy.
- This initiative is designed to engage more state agencies and private-sector partners than ever before to collaborate and invest in improving health, addressing disparities, and reducing costs for Marylanders.
- The MOU requires the State to propose goals, measures, milestone and targets in three domains by the end of 2020.
- CMMI insists that for the Maryland TCOC Model to be made permanent, the State must:
  - Sustain and improve high quality care under the hospital finance model
  - Achieve annual cost saving targets
  - Set targets/milestones and achieve progress on the Statewide Integrated Health Improvement Strategy

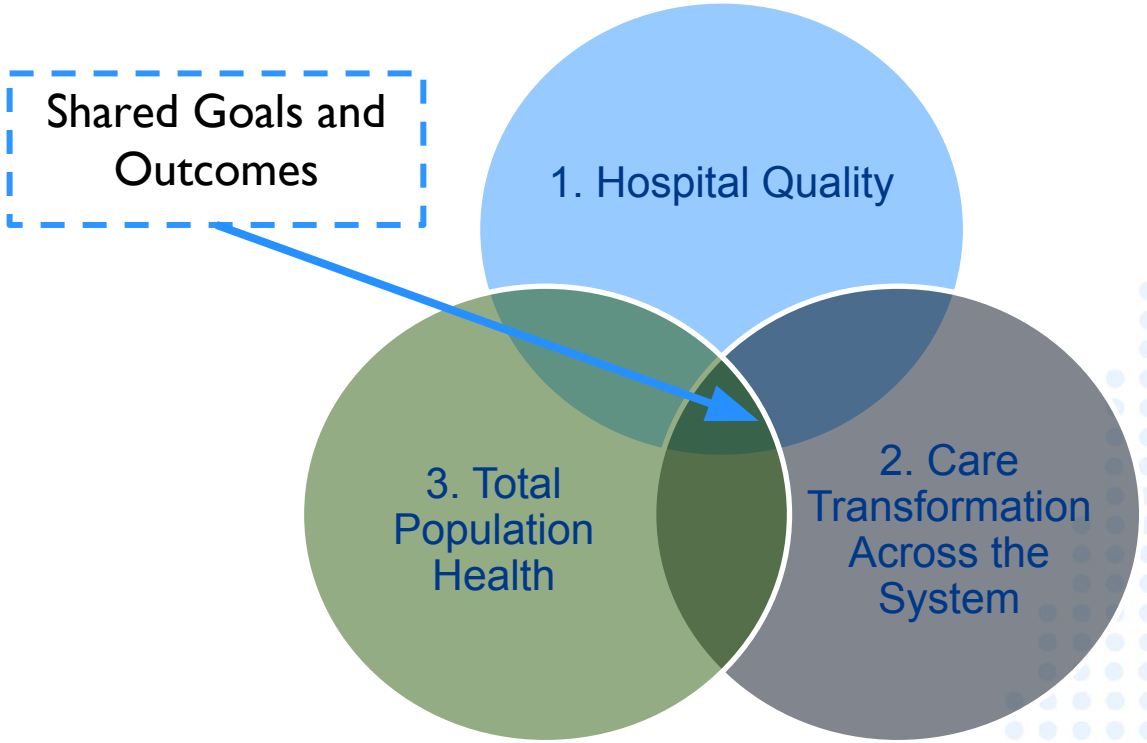
Guiding Principles for Maryland's Statewide Integrated Health Improvement Strategy

- Maryland's strategy should fully maximize the population health improvement opportunities made possible by the TCOC Model
- Goals, measures, and targets should be specific to Maryland and established through a collaborative public process
- Goals, measures and targets should reflect an all-payer perspective
- Goals, measures and targets should capture statewide improvements, including improved health equity
- Goals for the three domains of the integrated strategy should be synergistic and mutually reinforcing
- Measures should be focused on outcomes whenever possible; milestones, including process measures, may be used to signal progress toward the targets
- Maryland's strategy must promote public and private partnerships with shared resources and infrastructure

Domains of Maryland's Statewide Integrated Health Improvement Strategy

Stakeholder Engagement

- Domain 1
  - HSCRC's Performance Measurement Work Group
- Domain 2
  - HSCRC's Performance Measurement Work Group
  - HSCRC's Total Cost of Care Work Group
- Domain 3
  - Diabetes: Maryland Department of Health (MDH)
  - Opioids: Maryland Opioid Operational Command Center (OOCC)



Setting Targets

- The State must set targets and demonstrate progress in the 3 domains
- CMMI will start to review data through 2021 to make decisions about making the Model permanent
  - Although outcomes are preferred to show success, they are less likely to be obtained in 2021 data
  - Each goal/measure should have a baseline, measurement approach, 2021 milestone, a 2023 interim target, and a 2026 target

1. Hospital Quality	**Goal:**				
	Baseline	Measure(s)	2021 Milestone	2023 Interim Target	2026 Milestone
2. Care Transformation Across the System	**Goal:**				
	Baseline	Measure(s)	2021 Milestone	2023 Interim Target	2026 Milestone
3. Total Population Health a) Diabetes	**Goal:**				
	Baseline	Measure(s)	2021 Milestone	2023 Interim Target	2026 Milestone
Total Population Health – b) Opioids	**Goal:**				
	Baseline	Measure(s)	2021 Milestone	2023 Interim Target	2026 Milestone

Deliverables

- Timeline
  - July – September – Goals, Baseline, Milestones, Targets, & Measures developed
  - October 14th – Update on Progress to Commissioners--Preliminary Goals and Targets
  - October 15th – December 1st – Drafting of Proposal
  - December 9th – Presentation of Proposal to Commissioners
  - December 31st – SIHIS Proposal is due to CMS

Performance Measurement Workgroup

Proposed SIHIS Measures

Hospital Quality

- Goal: Reduce Avoidable Admissions and Readmissions
  - Measures:
    - Avoidable Admissions (PQI-90)
    - Disparities in Within Hospital Readmissions

Care Transformation

- Goal: Improve care coordination for patients with chronic conditions
  - Measure:
    - Timely Follow-up After Acute Exacerbations of Chronic Conditions

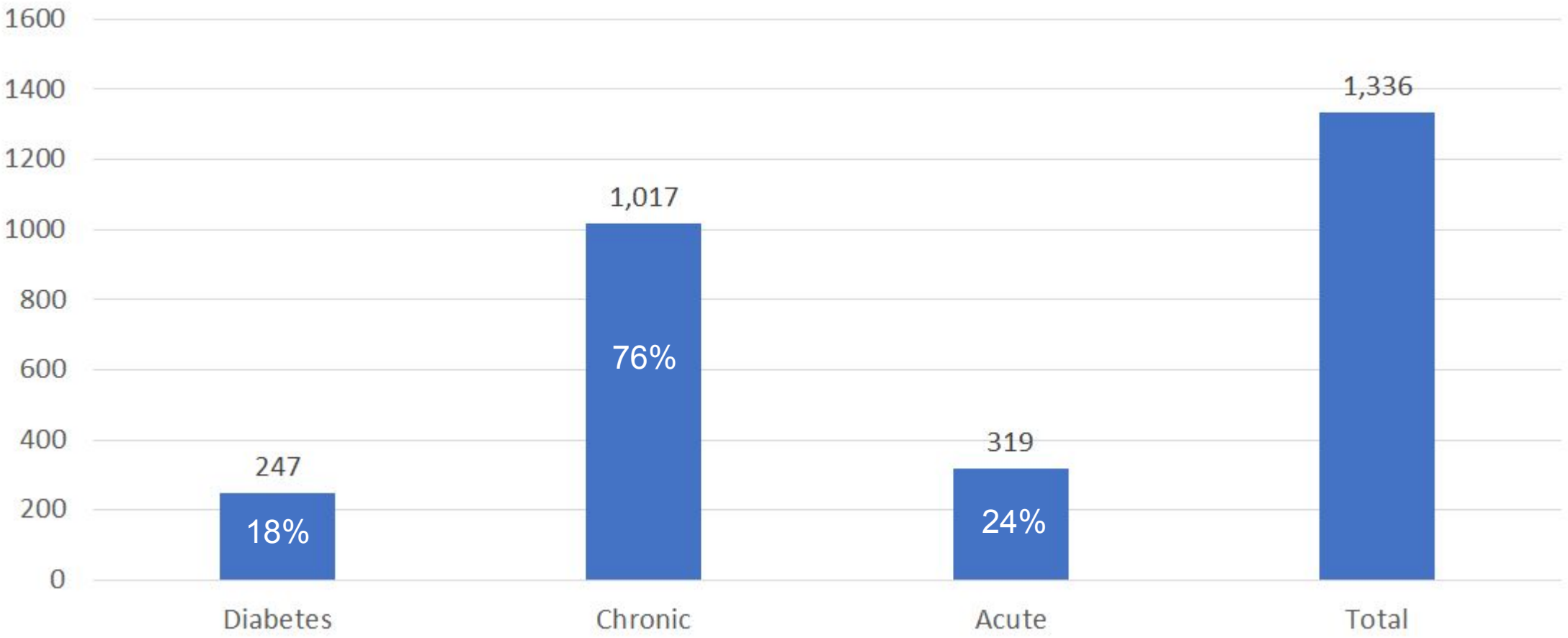
Hospital Quality Goal #1: Avoidable Admissions

Objective

- Identify methodology for setting 3-, 5- and 8-year goals for PQI improvement
  - Include observation stays due to high use in Maryland
  - National norms include only inpatient stays and lag by 2 or more years
    - Observation stay adjusted norms would increase by a constant factor per analysis of Maryland's data – no effect on performance distribution
- Goals are statewide but account for variation within the state
- Goals are attainable and promote high quality care

Composite Rates per 100,000

Maryland 2018



Denominator is 2017 population count

Diabetes is included in the Chronic count, but percent is of total

Two Approaches for Goal Setting

1. Trends-based Approach
   - Calculate annualized change in the event count during the base period
     - Calculated the 2016-2019 and the 2018-2019 trends
   - Target for a given year is annualized change compounded by the number of years in the performance period

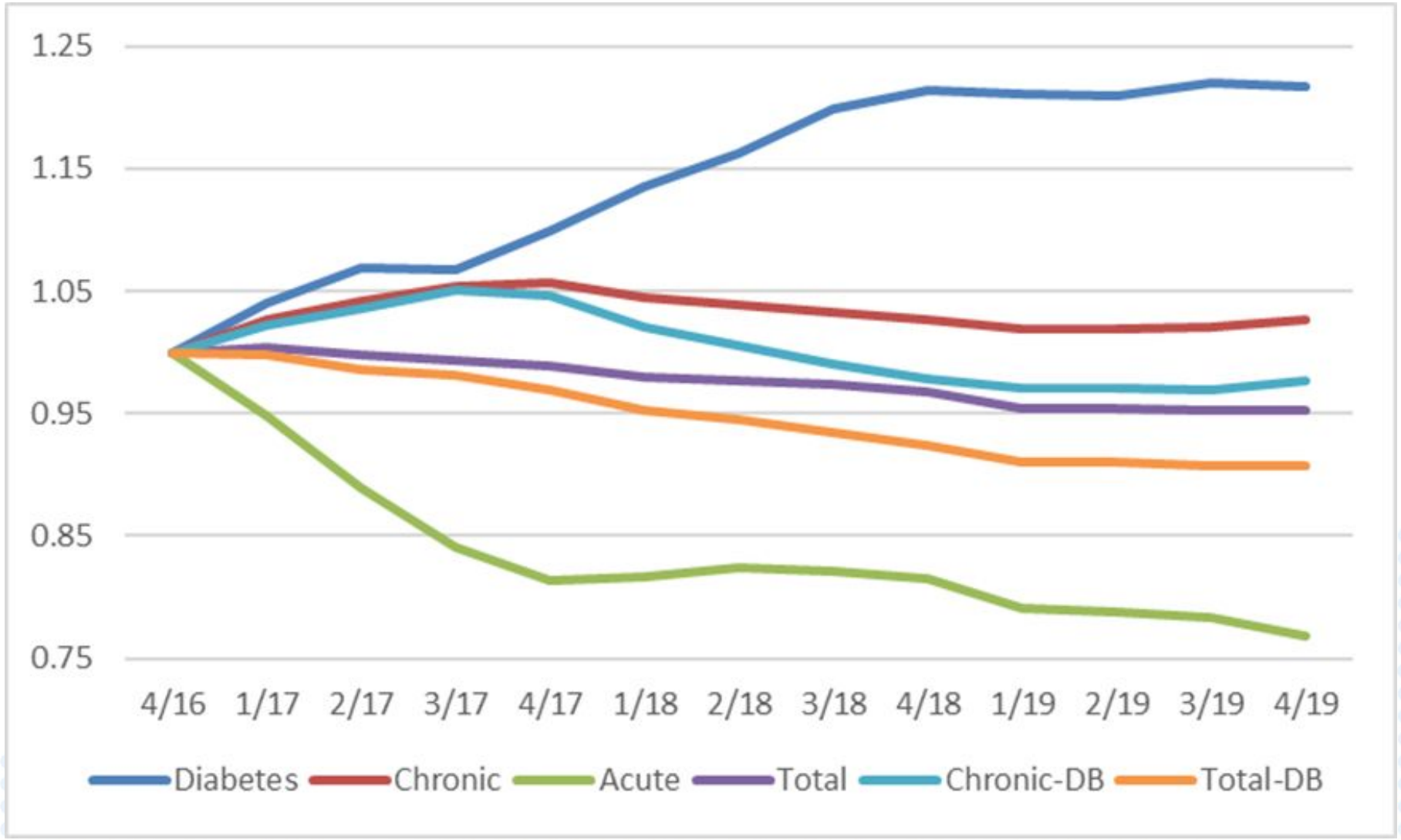
2. Performance-based Approach
   - Examined Variation in performance within Maryland and calculated improvement needed to have the median county performance rate improve to the top quartile rate

Trends in composite numerators

2016-2019 Maryland IP + observation stays

Rolling 4-quarter composite rate

Current quarter/2016



PQI Performance-Based Goal

- Performance measure is percentage reduction in event count over 2017 norm, compared to base period
- Though numerators include observation stays, norms do not
  - Observation stay adjusted norms would increase by a constant factor per analysis of Maryland's data – no effect on distribution (i.e., nearly perfect correlation between norms with without observation)
- Median county rate of change ~-2% with diabetes, ~-4% without
- Weighted median is ~-1% with diabetes, ~-2% without
- Improvement from 2016 weakly correlated with 2016 performance
- Baltimore City is performance outlier unless SES adjusted; overall goals were not significantly different statewide when SES adjusted
- **Proposed performance-based goal:** Rate of improvement that would match the most recent median rate to best quartile rate in 8 years (based on 2018 performance)

Trends in Overall Composite: Stratified

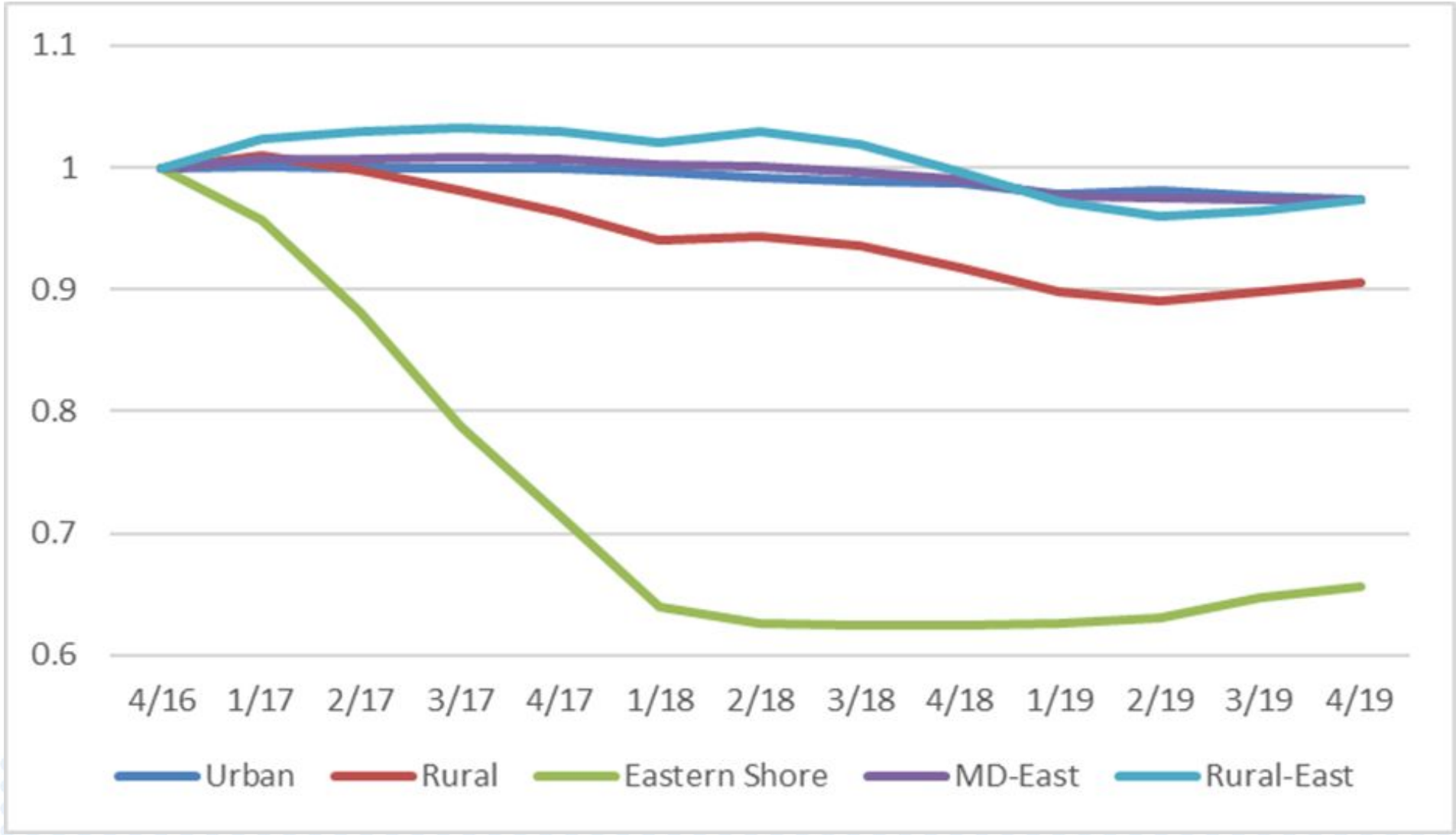
2016-2019 Maryland IP + observation stays by Region

Rolling 4-quarter composite rate

Current quarter/2016

Eastern Shore is outlier with known coding issues

Trends without Eastern Shore fairly consistent across urban/rural



Potential Improvement Goals

Based on improvement from 2018

- Staff believe that improvement goal should be set excluding diabetes and Eastern Shore, although they will be included in performance
- 2018-2019 improvement was 1.4 percent (891 fewer PQI admissions); this currently includes diabetes and Eastern Shore

	3 Years CY 2021	5 Years CY 2023	8 Years CY 2026
Trend-based goal using based on CY 2016-CY2019 improvement (diabetes and ES removed)	-7.1%	-11.6%	-17.9%
Trend-based goal using based on CY 2018-CY2019 improvement (with diabetes and ES)	-4.2%	-6.9%	-10.9%
Performance-based goal of moving median to top quartile (diabetes and ES removed)	-8.1%	-13.2%	-20.2%

Hospital Goal #2: Hospital Disparities in Readmissions

Aligns with Guiding Principles

- RRIP incentive is tied to a 25-50 percent reduction in within hospital disparities over 8 year model
- SIHIS Proposal:
  - 2021 Milestone: Establish and monitor a measurement methodology and payment incentive for reducing within hospital readmission disparities and set a 2023 and 2026 improvement targets
  - 2023 Interim Target: TBD or base on RRIP target
  - 2026 Final Target: TBD of base on RRIP target

Care Transformation Goal #1:

Timely Follow-up After Acute Exacerbations of Chronic Conditions

- NQF endorsed health plan measure that looks at percentage of ED, observation stays, or 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)
- Important link between hospitals and primary care, overlaps with many of the PQIs, expect that TCOC model evaluation will examine follow-up

PMWG Work Plan

Planning for RY 2023 and Beyond

Quality Based Reimbursement (QBR) Program

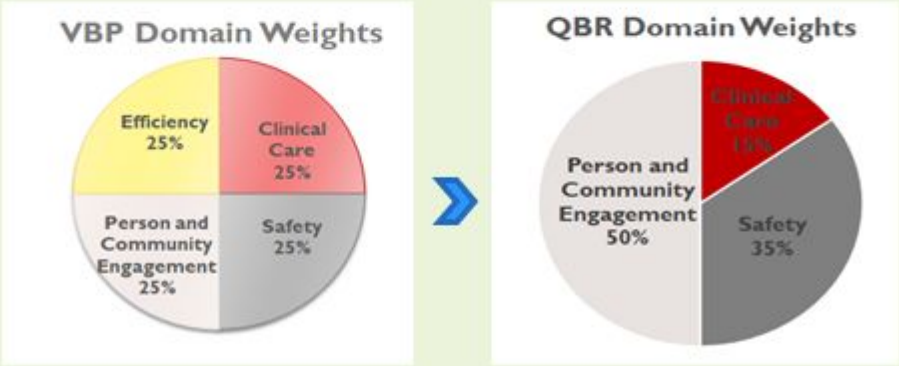
Quality Based Reimbursement (QBR) Program: Overview

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 Quality-Based Reimbursement Program

- QBR redesign delayed: consider convening redesign subgroup in CY 2021 which will impact FY 2024.
- RY 2023 considerations:
  - Addition of all-payer Patient Safety Index 90 measure to the safety domain
  - Discuss transition from inpatient mortality to 30-day mortality measure
  - Consider addition of SIHIS measure for follow up after discharge
  - Other stakeholder concerns?
  - COVID-19 impacts; base time period and comparability for PSI and mortality
  - Other?

Maryland Hospital Acquired Conditions (MHAC) Program

Maryland Hospital Acquired Conditions (MHAC) Program: Overview

Purpose: Improve patient care and hospital decision-making by adjusting GBR based on 14 identified potentially preventable complications (PPCs), complications acquired during a hospital stay that were not present on admission

Examples of PPCs: An accidental laceration during a procedure, hospital acquired venous thrombosis, hospital-acquired pneumonia

PPC Significance: These complications can lead to poor patient outcomes, including longer hospital stays, permanent harm, and death, and they also lead to increased costs.

Similar to the federal Medicare HAC program

Maryland's program uses a different and targeted list of PPC measures, and does not relatively rank hospitals in assigning financial rewards and penalties.

RY 2023 Maryland Hospital Acquired Conditions Program

- Discussion Topics:
  - Review 2019 performance results, including performance on payment versus monitoring PPCs
  - Standard annual updates (grouper version, performance standards, normative values, cost weights)
  - COVID-19 impacts:
    - PPC clinical logic
    - Base time period and comparability
  - Other stakeholder concerns?

Readmission Reduction Incentive (RRIP) Program

Readmissions Reduction Incentive Program (RRIP): Overview

Purpose: Incentivize hospitals to reduce avoidable readmissions by linking payment to (1) improvements in readmissions rates, and (2) attainment of relatively low readmission rates.

What is a readmission? A readmission occurs when a patient is discharged from a hospital and is subsequently re-admitted to any hospital within 30 days of the discharge.

Why focus on readmissions? Preventable hospitals readmissions may result from index admission quality of care or inadequate care coordination following discharge, and can result in substandard care quality for patients and unnecessary costs.

The RRIP is similar to the Medicare Hospital Readmissions Reduction Program (HRRP), but has an All-Payer focus, and a newly approved focus on within-hospital disparities.

RY2023 RRIP Considerations

- Continued progress toward -7.5% reduction in case-mix adjusted readmissions over the five year period 2018-2023 (measuring performance year 2021)
- PAI evaluation
- EDAC measurement?

Potentially Avoidable Utilization (PAU) Program

Potentially Avoidable Utilization Program Overview

Purpose: Encourage hospitals to focus on improved care coordination and enhanced community-based care by holding hospitals accountable for potentially avoidable utilization.

What is PAU?: "Potentially avoidable utilization" is defined as hospital care that is unplanned and may be prevented through improved care, care coordination, or effective community based care

This program encourages hospitals to look at upstream, community-based factors that influence utilization

PAU Savings Program Methodology 101

The HSCRC examines the following measures in its PAU calculations:

- 30 day readmissions (uses similar logic as RRIP)
  - All Hospital All Cause 30 Day Readmissions with adjustment for planned admissions
- Avoidable admissions
  - Ambulatory-care sensitive conditions identified with AHRQ Prevention Quality Indicators (PQIs) and Pediatric Quality Indicators (PDIs)
    - Examples: admissions for diabetes complications, admissions for urinary tract infections

RY 2022 Potentially Avoidable Utilization Savings Adjustment

- Discussion Topics:
  - Current measures
    - Per capita PQIs
    - Readmission revenue
  - New topics:
    - Avoidable emergency department visits
    - Evaluation of volume dissipation and growth during and after COVID
  - Other areas of stakeholder interest?

Quality Program Strategic Planning and Updating

Quality Strategic Plan Interrelated Steps or Choices*

1. What is our guiding aspiration?

- To lead Maryland toward a comprehensive, holistic approach to hospital-driven quality

2. Where should we work?

- Broaden quality to include access to and appropriate utilization of hospitals' services
- Incentivize quality in hospitals' inpatient and outpatient departments and eventually other care settings in which hospitals have accountability through partnerships

3. How should we work?

- Focus on developing program policies and methods
- Create capacity by outsourcing technical or technology-based activities

4. What capabilities must be in place?

- An understanding of hospitals' outpatient operations, data, and stakeholders that is as deep as the team's current understanding of inpatient operations, data, and stakeholders

5. What management systems do we need?

- Leaders explicitly support the team's aspirations and create capacity for expanded focus
- HSCRC teams collaborate from a stance of assertive inquiry

*Adapted from *Playing to Win* (Lafley and Martin 2013)

Other Thoughts or Questions?

Next PMWG Meeting: September 16, 9:30 AM-12:00 PM

APPENDIX

Prevention Quality Indicators: 2018 Maryland Admits and Rates per 100,000 (Include Observation Stays)

Measure	Inpatient + Observation Stays	Rate per 100,000
Community Acquired Pneumonia	7709	164.7
Urinary Tract Infection	7201	153.9
Acute Composite	**14910**	**318.6**
Short-term Diabetes Complications	3549	75.8
Long-term Diabetes Complications	5076	108.5
Uncontrolled Diabetes	2326	49.7
Diabetic Amputation	1322	28.2
Diabetes Composite	**11570**	**247.2**
Chronic Obstructive Pulmonary Disease	13485	463.0
Hypertension	3528	75.4
Heart Failure	18099	386.7
Asthma in Young Adults	921	52.1
Chronic Composite	**47598**	**1017.1**