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F5 Key

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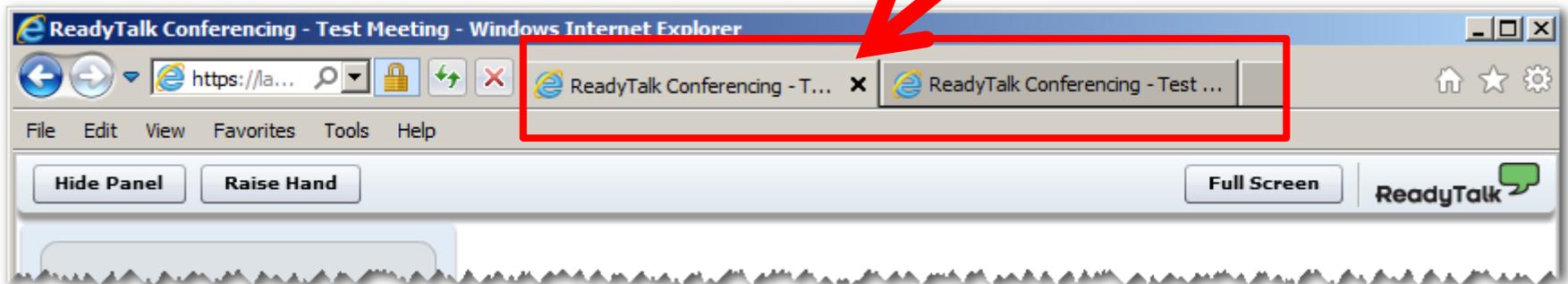


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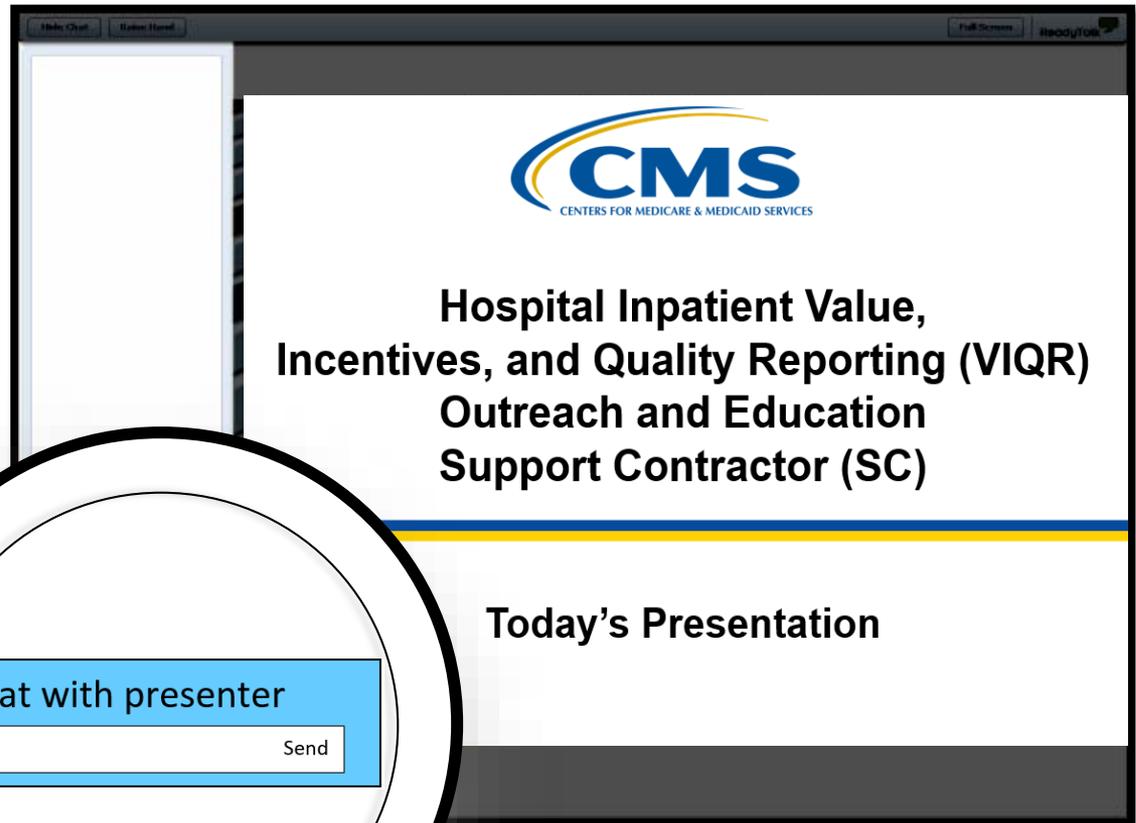
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Overview of the FY 2019 HAC Reduction Program and HRRP

July 25, 2018

Speakers

Angie Goubeaux

Program Lead, Hospital-Acquired Condition (HAC) Reduction Program
Hospital Quality Reporting Program Support Contractor (HQRPSC)

Kati Michael

Program Lead, Hospital Readmissions Reduction Program (HRRP)
HQRPSC

Kristin Maurer

Analytic Lead, HRRP, HQRPSC

Moderator

Bethany Wheeler-Bunch, MSHA

Hospital Value-Based Purchasing (VBP) Program Support Contract Lead
Hospital Inpatient Value, Incentives, and Quality Reporting
Outreach and Education Support Contractor

Purpose

This event will provide an overview of the Fiscal Year (FY) 2019 HAC Reduction Program and HRRP, including methodology, hospital-specific report (HSR) and program updates, and review and corrections process.

Objectives

Participants will be able to:

- Interpret the methodology used in both programs.
- Understand the hospital's program results in the HSR.
- Submit questions about a hospital's calculations during the HAC Reduction Program scoring calculations review and corrections period.
- Submit questions about a hospital's calculations during the HRRP review and corrections period.

Angie Goubeaux

Program Lead, HAC Reduction Program, HQRPS Contractor

FY 2019 HAC Reduction Program

HAC Reduction Program Background

- The HAC Reduction Program was established to incentivize hospitals to reduce the number of HACs.
- HACs include patient safety events, such as falls, and healthcare-associated infections (HAIs), such as surgical site infections (SSIs).
- Established under Section 1886(p) of the Social Security Act, CMS started applying payment adjustments with FY 2015 discharges (beginning October 1, 2014).
- Hospitals that rank in the worst-performing quartile (25 percent) of all subsection (d) hospitals receive a 1 percent payment adjustment.

Eligible Hospitals

- All subsection (d) hospitals are subject to the HAC Reduction Program. CMS exempts certain hospitals and hospital units from the HAC Reduction Program. Exempted hospitals and units include:
 - Critical access hospitals (CAHs)
 - Rehabilitation hospitals and units
 - Long-term care hospitals (LTCHs)
 - Psychiatric hospitals and units
 - Children's hospitals
 - Prospective payment system (PPS)-exempt cancer hospitals (PCHs)
 - Short-term acute care hospitals located in Guam, the U.S. Virgin Islands, the Northern Mariana Islands, and American Samoa
 - Religious nonmedical healthcare institutions (RNHCIs)
- Maryland hospitals are exempt from payment reductions under the HAC Reduction Program. These hospitals currently operate under a waiver agreement between CMS and the State of Maryland.

HAC Reduction Program Measures

Measure	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Recalibrated Patient Safety Indicator (PSI) 90: Patient Safety of Selected Indicators Composite	✓	✓	✓		
CMS PSI 90: Patient Safety and Adverse Events Composite (modified version)				✓	✓
Central Line-Associated Bloodstream Infection (CLABSI)	✓	✓	✓	✓	✓
Catheter-Associated Urinary Tract Infection (CAUTI)	✓	✓	✓	✓	✓
SSIs (Abdominal Hysterectomy and Colon Procedures)		✓	✓	✓	✓
Methicillin-resistant <i>Staphylococcus aureus</i> (MRSA) Bacteremia			✓	✓	✓
<i>Clostridium difficile</i> Infection (CDI)			✓	✓	✓

Performance Periods and Domain Weights

Fiscal Year	Measures Included	Performance Period	Domain Weighting
FY 2018	Domain 1: CMS PSI 90 Domain 2: CDC NHSN measures (CLABSI, CAUTI, SSI, MRSA, CDI)	Domain 1: 7/1/2014–9/30/2015* Domain 2: 1/1/2015–12/31/2016 *Shortened period using only ICD-9 data	Domain 1: 15% Domain 2: 85%
FY 2019	Domain 1: CMS PSI 90 Domain 2: CDC NHSN measures (CLABSI, CAUTI, SSI, MRSA, CDI)	Domain 1: 10/1/2015–06/30/2017* Domain 2: 1/1/2016–12/31/2017 *Shortened period using only ICD-10 data	Domain 1: 15% Domain 2: 85%

CDC = Centers for Disease Control and Prevention
 ICD = International Classification of Diseases
 NHSN = National Healthcare Safety Network

HAC Reduction Program

Scoring Methodology

- In FY 2018, CMS adopted the Winsorized z-score methodology, which replaced the decile-based methodology from previous years.
- The Winsorized z-score method uses a continuous measure score, rather than sorting measure results into ten deciles.
- Hospitals that perform **worse** than the mean will earn a **positive** Winsorized z-score.
- Hospitals that perform **better** than the mean will earn a **negative** Winsorized z-score.

Updates for FY 2019 HAC Reduction Program

CMS implemented the following changes in the FY 2019 HAC Reduction Program:

- Calculated CMS PSI 90 using recalibrated version 8.0* of the CMS PSI software. CMS used recalibrated version 6.0.2 of the CMS PSI software in FY 2018.
- Excluded CLABSI and CAUTI measure results for hospitals that did not indicate in the NHSN that they had active intensive care unit locations, medical wards, surgical wards, and medical-surgical wards for at least one quarter during the reporting period (i.e., no mapped locations), in alignment with Hospital Inpatient Quality Reporting (IQR) Program quality reporting payment determination.
- CMS will publicly report FY 2019 HAC Reduction Program data on *Hospital Compare* in January 2019 instead of December 2018.

*The recalibrated version 8.0 of the CMS PSI software (SAS and Windows versions) is available from the *QualityNet* Help Desk by request.

How to Receive Your FY 2019 HSR

- How to know your report is available
 - A *QualityNet* notification is sent via email to those who are registered for the notifications regarding the program.
 - The notification indicated the reports are available.
- Who has access to the HSRs and User Guide
 - Hospital staff registered as *QualityNet Secure Portal* users with the following roles:
 - Hospital Reporting Feedback (Inpatient Role) – required to receive the report
 - File Exchange and Search Role – required to download the report from the secure portal
- How to access the report
 - For those with the correct access, the HSRs and User Guide will be in their Secure File Transfer Inbox.

HAC Reduction Program HSR Content

The HAC Reduction Program HSR provides hospitals the following information:

- Contact information for the program and additional resources
- Performance on Domain scores and Total HAC Score
- Measure results and Winsorized z-scores
- Performance on CMS PSI 90
- Discharge-level information for CMS PSI 90
- Performance on CDC HAI measures

FY 2019 HAC Reduction Program

HSR: Table 1

Table 1: Your Hospital's Performance on Total HAC Score for the FY 2019 HAC Reduction Program

HOSPITAL NAME

Domain 1: CMS PSI 90 Hospital Discharge Period: October 1, 2015 through June 30, 2017

Domain 2: CDC CLABSI, CAUTI, SSI, MRSA, and CDI Measures Hospital Discharge Period: January 1, 2016 through December 31, 2017

Domain 1 Score [a]	Weight of Domain 1 Score for Your Hospital [b]	Domain 1 Contribution to Total HAC Score [c]	Domain 2 Score [d]	Weight of Domain 2 Score for Your Hospital [e]	Domain 2 Contribution to Total HAC Score [f]	Your Hospital's Total HAC Score [g]	Payment Reduction Threshold (75th Percentile) [h]	Subject to Payment Reduction (Yes/No) [i]
-0.5851	0.15	-0.0878	-0.1486	0.85	-0.1263	-0.2140	0.3429	No

FY 2019 HAC Reduction Program

HSR: Table 2

Table 2: Your Hospital's Domain 1 and Domain 2 Performance for the FY 2019 HAC Reduction Program

HOSPITAL NAME

Domain 1: CMS PSI 90 Hospital Discharge Period: October 1, 2015 through June 30, 2017

Domain 2: CDC CLABSI, CAUTI, SSI, MRSA, and CDI Measures Hospital Discharge Period: January 1, 2016 through December 31, 2017

Domain [a]	Winsorized z-score [b]	Domain Score [c]
Domain 1 Score (CMS PSI 90)	-0.5851	-0.5851
Domain 2 Score	—	-0.1486
CLABSI	2.2018	—
CAUTI	-1.0021	—
SSI	-1.4966	—
MRSA	INS	—
CDI	-0.2973	—

INS = Insufficient. Measure results are not available because hospital did not have sufficient data to calculate results. This measure will not factor into hospital's Domain score or Total HAC Score.

FY 2019 HAC Reduction Program

HSR: Table 3

Table 3: Your Hospital's Measure Results and Winsorized z-scores for the FY 2019 HAC Reduction Program

HOSPITAL NAME

Domain 1: CMS PSI 90 Hospital Discharge Period: October 1, 2015 through June 30, 2017

Domain 2: CDC CLABSI, CAUTI, SSI, MRSA, and CDI Measures Hospital Discharge Period: January 1, 2016 through December 31, 2017

Measure [a]	Measure Result [b]	5th Percentile Measure Result [c]	95th Percentile Measure Result [d]	Winsorized Measure Result [e]	Mean Winsorized Measure Result [f]	Standard Deviation of Winsorized Measure Results [g]	Winsorized z-score [h]
CMS PSI 90	0.9094	0.7774	1.3073	0.9094	0.9888	0.1357	-0.5851
CLABSI	2.8020	0.0000	1.9980	1.9980	0.8057	0.5415	2.2018
CAUTI	0.2970	0.0000	2.1130	0.2970	0.8715	0.5732	-1.0021
SSI	0.0000	0.0000	1.9800	0.0000	0.8156	0.5450	-1.4966
MRSA	INS	0.0000	2.1750	INS	0.8616	0.5981	INS
CDI	0.7040	0.1150	1.5250	0.7040	0.8116	0.3619	-0.2973

FY 2019 HAC Reduction Program

HSR: Table 4

Table 4: Your Hospital's Performance on CMS PSI 90 (Domain 1) for the FY 2019 HAC Reduction Program

HOSPITAL NAME

Discharge Period: October 1, 2015 through June 30, 2017

Performance Information	CMS PSI 90 [a]	PSI 03 - Pressure Ulcer Rate	PSI 06 - Iatrogenic Pneumothorax Rate	PSI 08 - In-Hospital Fall with Hip Fracture Rate	PSI 09 - Perioperative Hemorrhage or Hematoma Rate	PSI 10 - Postoperative Acute Kidney Injury Requiring Dialysis Rate	PSI 11 - Postoperative Respiratory Failure Rate	PSI 12 - Perioperative Pulmonary Embolism or Deep Vein Thrombosis Rate	PSI 13 - Postoperative Sepsis Rate	PSI 14 - Postoperative Wound Dehiscence Rate	PSI 15 - Unrecognized Abdominopelvic Accidental Puncture/Laceration Rate
1. Composite Value*	0.9094	-	-	-	-	-	-	-	-	-	-
2. Total Number of Eligible** Discharges (Denominator) at Your Hospital [b]	-	1,607	2,330	2,155	722	590	572	810	587	301	694
3. Number of Outcomes (Numerator) [b]	-	1	0	0	1	0	1	6	1	0	0
4. Observed Rate per 1,000 Eligible** Discharges [b]	-	0.6223	0.0000	0.0000	1.3850	0.0000	1.7483	7.4074	1.7036	0.0000	0.0000
5. Expected Rate per 1,000 Eligible** Discharges [b]	-	0.5911	0.3158	0.1447	1.9299	0.3593	7.8695	3.9656	3.2272	0.5704	0.9442
6. Risk-Adjusted Rate per 1,000 Eligible** Discharges [b]	-	0.4289	0.0000	0.0000	1.8685	0.0000	1.7511	7.2182	2.7620	0.0000	0.0000
7. Smoothed Rate per 1,000 Eligible** Discharges [b][c]	-	0.4218	0.2557	0.1063	2.5134	1.2299	4.3152	4.9865	4.6749	0.7715	1.1408
8. National Composite Value [d]	1.0000	-	-	-	-	-	-	-	-	-	-
9. National Risk-Adjusted Rate per 1,000 Eligible** Discharges [b]	-	0.4074	0.2875	0.1105	2.6036	1.3153	7.8824	3.8643	5.2321	0.8567	1.2889
10. Measure's Weight in Composite [b]	-	0.1034	0.0428	0.0150	0.0430	0.0764	0.2304	0.1867	0.2569	0.0090	0.0364
11. Reliability Weight [b]	-	0.6693	0.1104	0.0378	0.1227	0.0650	0.5818	0.3346	0.2256	0.0995	0.1149

FY 2019 HAC Reduction Program

HSR: Table 5

Table 5: Your Hospital's Discharge-Level Information for CMS PSI 90 for the FY 2019 HAC Reduction Program

HOSPITAL NAME

Discharge Period: October 1, 2015 through June 30, 2017

This file contains MOCK data except for national results. In your hospital's own HSR file, the data contains PII. DO NOT EMAIL THE REAL HSR FILES OR ANY OF THEIR CONTENTS BECAUSE THEY CONTAIN PERSONALLY IDENTIFIABLE INFORMATION. When referring to these documents use ID Numbers.

ID Number	Measure	HICNO	Medical Record Number	Beneficiary DOB	Admission Date	Discharge Date	PSI Trigger Diagnoses or Procedures	DX1	POA1	DX2	POA2	DX3	POA3	DX4	POA
1	PRESSURE ULCER RATE (PSI03)	999999999A	99999A	99/99/9999	99/99/9999	99/99/9999	L89154	A419	Y	G9340	Y	L89154	N	N179	Y
2	PERIOPERATIVE HEMORRHAGE OR HEMATOMA RATE (PSI09)	999999999A	99999A	99/99/9999	99/99/9999	99/99/9999	M96830, 00NY0ZZ	M5116	Y	K567	N	M96830	N	M4806	Y
3	POSTOPERATIVE RESPIRATORY FAILURE RATE (PSI11)	999999999A	99999A	99/99/9999	99/99/9999	99/99/9999	J95821, 0BH17EZ	C642	Y	J95821	N	E871	Y	J449	Y
4	PERIOPERATIVE PULMONARY EMBOLISM OR DEEP VEIN THROMBOSIS RATE (PSI12)	999999999A	99999A	99/99/9999	99/99/9999	99/99/9999	I2699	M1712	Y	I2699	N	I4891	N	I868	Y
5	PERIOPERATIVE PULMONARY EMBOLISM OR DEEP VEIN THROMBOSIS RATE (PSI12)	999999999A	99999A	99/99/9999	99/99/9999	99/99/9999	I82432	S72141A	Y	J95821	N	I82432	N	E46	Y
6	PERIOPERATIVE PULMONARY EMBOLISM OR DEEP VEIN THROMBOSIS RATE (PSI12)	999999999A	99999A	99/99/9999	99/99/9999	99/99/9999	I2699, I82432	K3589	Y	I2699	N	I82432	N	N179	N
7	PERIOPERATIVE PULMONARY EMBOLISM OR DEEP VEIN THROMBOSIS RATE (PSI12)	999999999A	99999A	99/99/9999	99/99/9999	99/99/9999	I2699	M961	Y	I2699	N	M5136	Y	M4726	Y
8	PERIOPERATIVE PULMONARY EMBOLISM OR DEEP VEIN THROMBOSIS RATE (PSI12)	999999999A	99999A	99/99/9999	99/99/9999	99/99/9999	I2699	M5116	Y	G9340	N	I214	N	I2699	N
9	PERIOPERATIVE PULMONARY EMBOLISM OR DEEP VEIN THROMBOSIS RATE (PSI12)	999999999A	99999A	99/99/9999	99/99/9999	99/99/9999	I2699	A419	Y	J9692	Y	N170	N	E43	Y
10	POSTOPERATIVE SEPSIS RATE (PSI13)	999999999A	99999A	99/99/9999	99/99/9999	99/99/9999	A419, R6521	C20	Y	N186	Y	A419	N	K651	N

FY 2019 HAC Reduction Program

HSR: Table 6

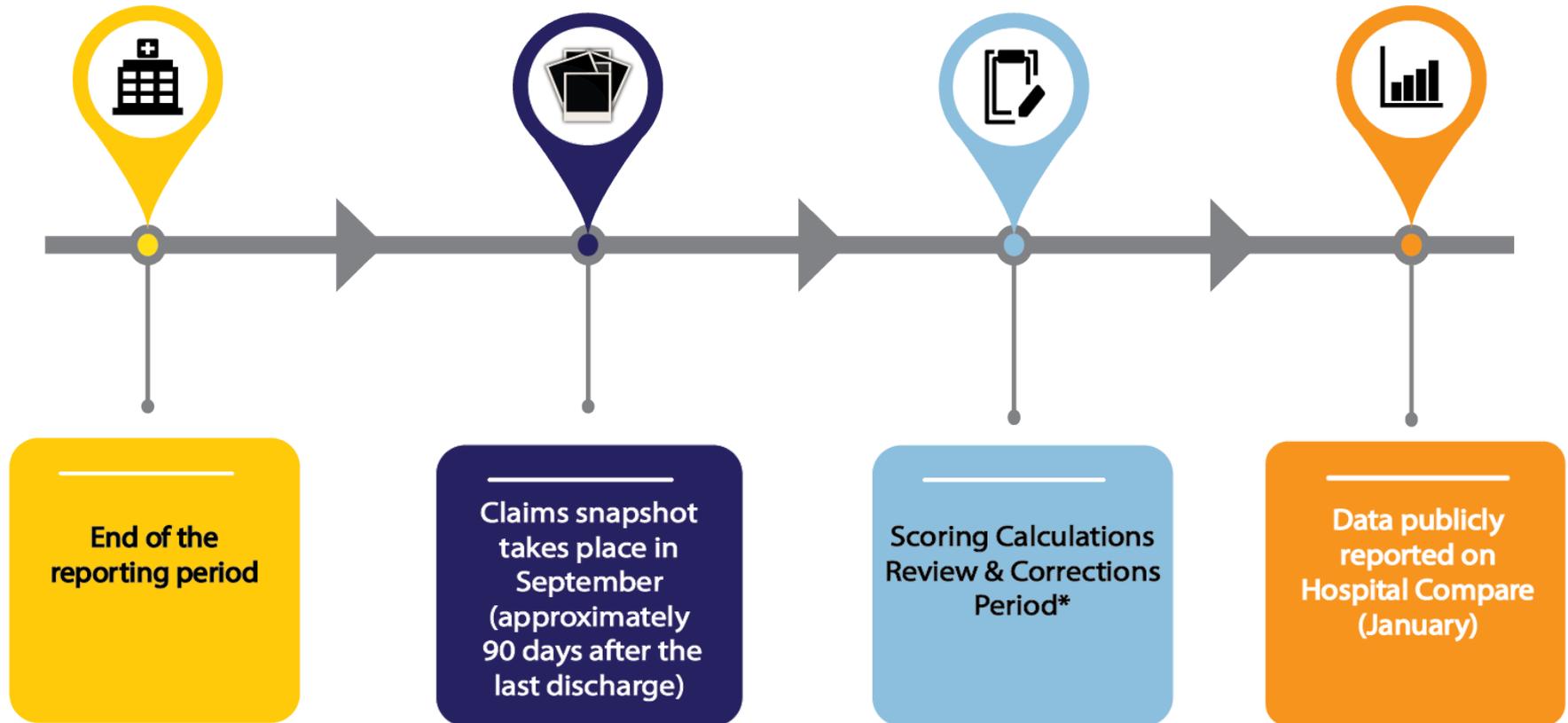
Table 6: Your Hospital's Performance on CDC CAUTI, CLABSI, SSI, MRSA, and CDI Measures (Domain 2) for the FY 2019 HAC Reduction Program
HOSPITAL NAME

Discharge Period: January 1, 2016 through December 31, 2017

Performance Information	CLABSI [a]	CAUTI [a]	SSI [a]	MRSA [a]	CDI [a]
1. Reported Number of HAIs [b]	7.000	1.000	0.000	5.000	14.000
2. Predicted Number of HAIs [c]	2.498	3.364	1.501	0.820	19.888
3. Reported Central-line Days or Urinary Catheter Days; Surgical Procedures Performed; MRSA Patient Days; CDI Patient Days [d]	3,407	4,672	67	25,730	25,730
4. SIR [e]	2.802	0.297	0.000	INS	0.704
5. National SIR [f]	0.852	0.907	0.907	0.909	0.864

Claims-Based Data Flow

CMS PSI 90

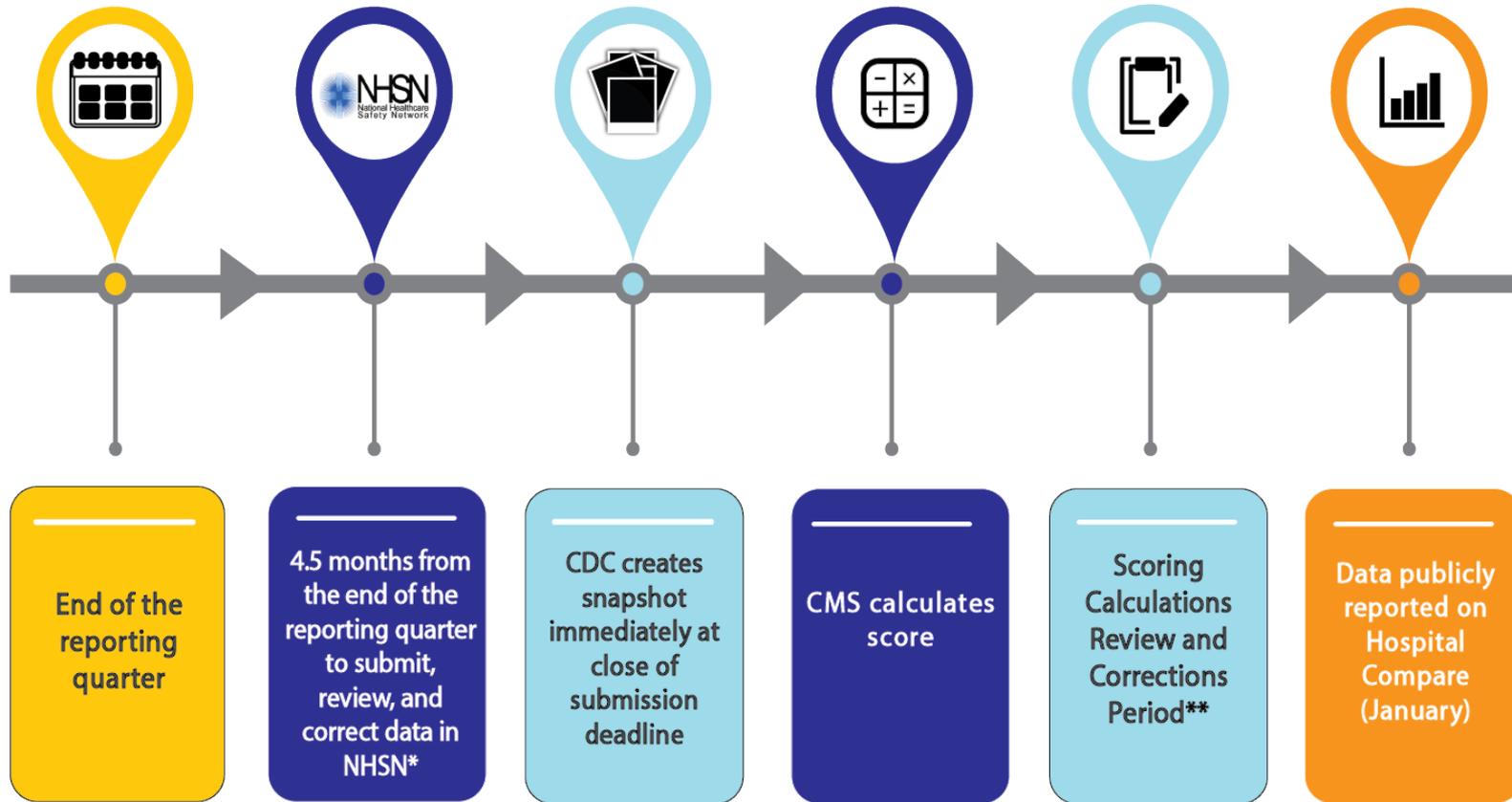


Hospitals may not change underlying data during this period.

CMS PSI 90

- Hospital's results will only reflect edits that comply with the time limits in the Medicare Claims Processing Manual.
- The snapshot of the data, which CMS used for FY 2019, was September 29, 2017.
- Only corrected claims processed by September 29, 2017, will be included for FY 2019. If a hospital submitted a corrected claim after the September 29, 2017 snapshot, the hospital's HSR results will not include the corrected claim data.

HAI Data Flow



*Eligible hospitals have until May 15 of each year to submit an HAI exception form for CLABSI, CAUTI, and SSI only.

**The review and corrections period does not allow hospitals to correct reported number of HAIs; standardized infection ratios (SIRs); and reported central-line days, urinary catheter days, surgical procedures performed, or patient days.

CDC NHSN Measures

- CMS calculates the CLABSI, CAUTI, SSI, MRSA, and CDI HAI measures using chart-abstracted data submitted by hospitals via the NHSN.
- Under the Hospital IQR Program, hospitals can submit, review, and correct the CDC NHSN HAI data for 4.5 months after the end of the reporting quarter.
- Immediately following the submission deadline, the CDC creates a snapshot of the data and sends this to CMS.
 - CMS does not receive or use data entered into the NHSN after the submission deadline.
- Hospitals are strongly encouraged to review and correct their data prior to the HAI submission deadline.

Scoring Calculations Review and Corrections Period

- The HAC Reduction Program scoring calculations review and corrections period begins July 27, 2018, and ends August 27, 2018. CMS distributes HSRs via the *QualityNet Secure Portal*.
- Review your HAC Reduction Program data. You have 30 days to review, submit questions about the calculation of your results, and request corrections of calculation errors.
- Submit questions to the HAC Reduction Program Support Team via email at hacrp@lantangroup.com or via the [QualityNet Questions and Answers \(Q&A\) tool](#) as soon as possible, but no later than 11:59 p.m. Pacific Time (PT) on August 27, 2018.

What Can Hospitals Correct?

Hospitals CAN:

- Review their HSR data.
- Submit questions about the calculation of their results for:
 - CMS PSI 90 measure score
 - CMS PSI 90 measure result and Winsorized measure result
 - Domain 1 score
 - CLABSI measure score
 - CAUTI measure score
 - SSI measure score
 - MRSA Bacteremia measure score
 - CDI measure score
 - Domain 2 score
 - Total HAC Score

Hospitals CANNOT:

- Submit additional corrections related to the underlying claims data for the CMS PSI 90.
- Add new claims to the data extract used to calculate the results.
- Correct reported number of HAIs, SIRs, or reported central-line days, urinary catheter days, surgical procedures performed, or patient days for the CDC NHSN measures.

More Information

- CMS releases a HAC Reduction Program HSR User Guide and a mock HSR on the *QualityNet* website.
- For more information, hospitals can:
 - Request a copy of the Example Replication Instructions from the HAC Reduction Program Support Team.
 - Visit the *QualityNet* scoring calculations review and corrections web page at <https://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic/Page/QnetTier3&cid=1228774298609>.
 - Request a copy of the recalibrated version 8.0 of the CMS PSI software from the HAC Reduction Program Support Team.
 - Refer to the FY 2019 Replication Instructions document on the *QualityNet* CMS PSI resources web page for instructions on how to use the CMS PSI software (SAS version only) to replicate their results:
<https://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetBasic&cid=1228695355425>.

Public Reporting on *Hospital Compare*

In January 2019, CMS will release the following FY 2019 HAC Reduction Program information on *Hospital Compare* at

<https://www.medicare.gov/hospitalcompare/HAC-reduction-program.html>:

- CMS PSI 90 Composite, CLABSI, CAUTI, SSI, MRSA Bacteremia, and CDI measure scores
- Domain 1 and Domain 2 scores
- Total HAC Score
- Payment Reduction Indicator

Resources

- HAC Reduction Program general information on *QualityNet*:
www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetTier2&cid=1228774189166
- HAC Reduction Program scoring methodology information on *QualityNet*:
<https://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetTier3&cid=1228774298601>
- HAC Reduction Program scoring calculations review and corrections information on *QualityNet*:
<https://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetTier3&cid=1228774298609>
- FY 2019 HSR User Guide and mock HSR on *QualityNet*:
<https://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetTier3&cid=1228774298662>
- CMS PSI resources on *QualityNet*:
<https://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetBasic&cid=1228695355425>
- Stakeholder questions can be directed to hacrp@lantanagroup.com or via the Q&A tool on *QualityNet*: <https://cms-ip.custhelp.com/app/homehacrp>

Kati Michael

Program Lead, HRRP, HQRPS Contractor

HRRP FY 2019 HSR

HRRP Background

- Section 3025 of the Affordable Care Act added section 1886(q) to the Social Security Act establishing the HRRP.
- The program supports CMS's national goal of improving healthcare by linking payment and the quality of hospital care.

Eligible Hospitals

- All subsection (d) hospitals are subject to the HRRP. CMS exempts certain hospitals and hospital units from HRRP. Exempted hospitals and units include:
 - CAHs
 - Rehabilitation hospitals and units
 - LTCHs
 - Psychiatric hospitals and units
 - Children's hospitals
 - PCHs
 - Short-term acute care hospitals located in Guam, the U.S. Virgin Islands, the Northern Mariana Islands, and American Samoa
 - RNHCIs
- Maryland hospitals are exempt from payment reductions under HRRP. These hospitals currently operate under a waiver agreement between CMS and the State of Maryland.

HRRP Measure Performance Period

Claims-Based Readmission Measures	National Quality Forum (NQF) Measure Number	FY 2019 Performance Period
Acute myocardial infarction (AMI)	NQF #0505	July 1, 2014–June 30, 2017
Heart failure (HF)	NQF #0330	July 1, 2014–June 30, 2017
Pneumonia	NQF #0506	July 1, 2014–June 30, 2017
Chronic obstructive pulmonary disease (COPD)	NQF #1891	July 1, 2014–June 30, 2017
Elective primary total hip and/or total knee arthroplasty (THA/TKA)	NQF #1551	July 1, 2014–June 30, 2017
Coronary artery bypass graft surgery (CABG)	NQF #2515	July 1, 2014–June 30, 2017

21st Century Cures Act Provisions for HRRP

- CMS assesses penalties based on performance relative to other hospitals with similar proportions of full-benefit dual-eligible patients.
- Budget neutrality: Estimated payments under the stratified methodology equals estimated payments under the non-stratified methodology.

Rationale for Stratification Approach

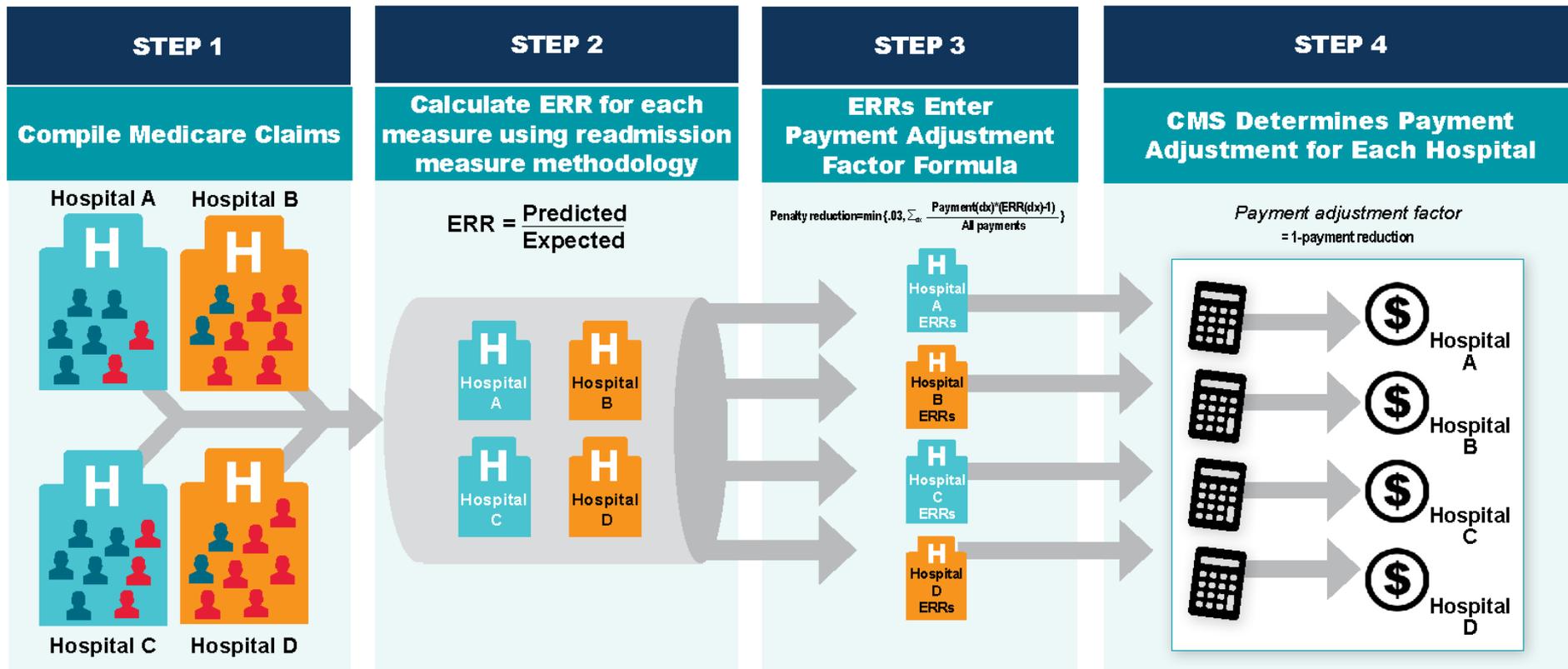
- In response to rule comments, the Office of the Assistant Secretary for Planning and Evaluation (ASPE) report, and the 21st Century Cures Act, CMS finalized policy which requires the Secretary to compare cohorts of hospitals to each other, based on their proportion of dual-eligible beneficiaries in determining the extent of excess readmissions.
- The finalized FY 2018 HRRP policy adjusts hospital performance scores by stratifying hospitals, based on the proportion of their patients who are dual-eligible, thereby accounting for social risk.

Kristin Maurer

Analyst, HRRP, HQRPS Contractor

HRRP FY 2019 Stratified Methodology

Overview of Non-Stratified HRRP Payment Methodology (FY 2018)

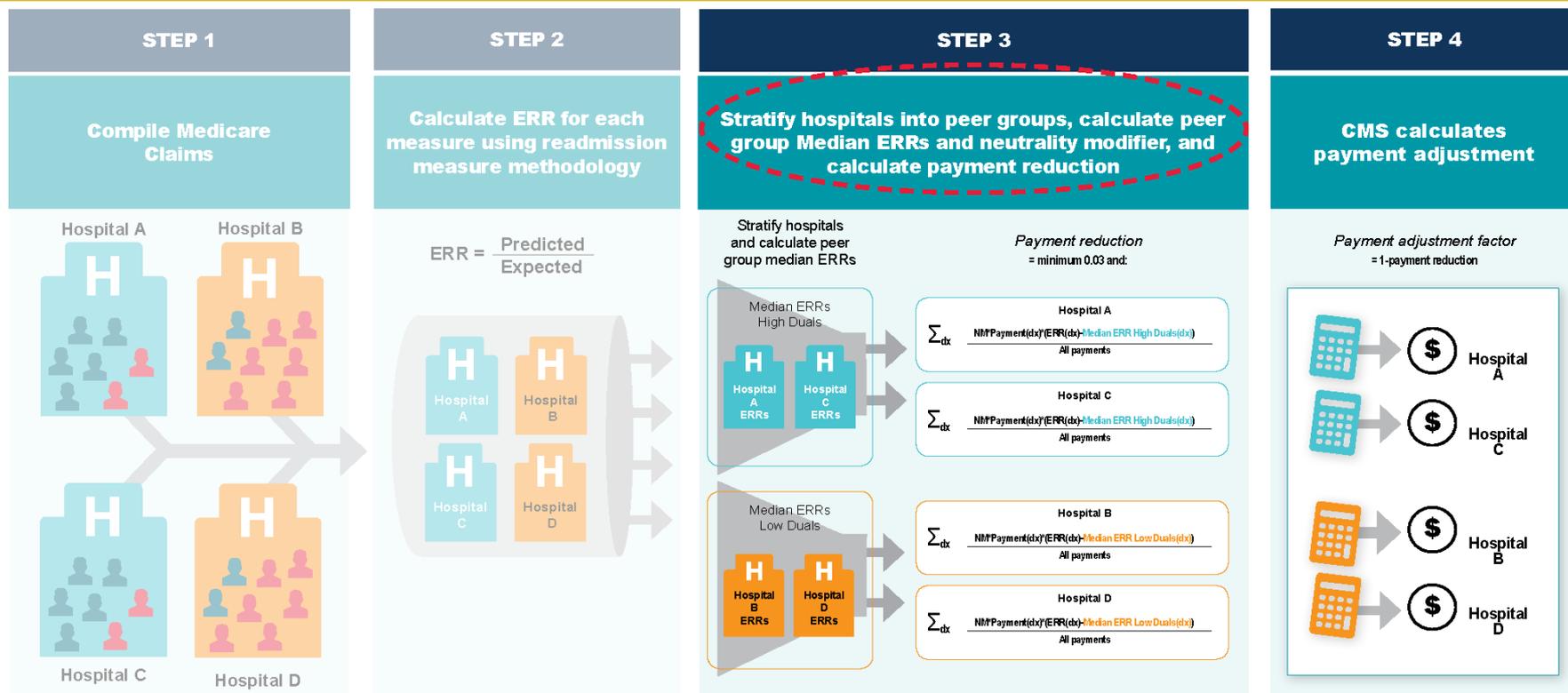


Blue = high proportion of dual-eligible beneficiaries
Blue person = dual-eligible beneficiary

Orange = low proportion of dual-eligible beneficiaries
Red person = Medicare only beneficiary

ERR = excess readmission ratio (An ERR is calculated for each of the six HRRP readmission measures: AMI, HF, pneumonia, COPD, THA/TKA, and CABG.)

Examples of the Stratified Methodology with Two Peer Groups

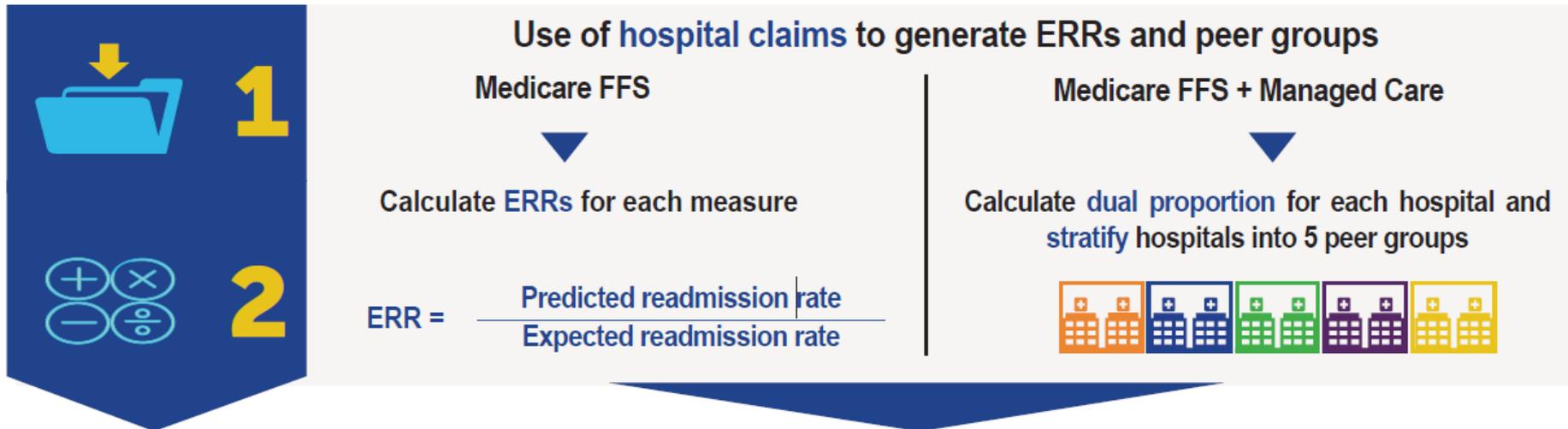


Blue = high proportion of dual-eligible beneficiaries
Blue person = dual-eligible beneficiary

Orange = low proportion of dual-eligible beneficiaries
Red person = Medicare only beneficiary

An ERR is calculated for each of the six HRRP readmission measures: AMI, HF, pneumonia, COPD, THA/TKA, and CABG. This figure includes two peer groups for illustrative purposes; however, in the FY 2018 Inpatient Prospective Payment System Final Rule, CMS finalized a policy to stratify hospitals into five peer groups.

Compile Claims Data, Calculate ERRs and Dual Proportions, and Stratify Hospitals into Peer Groups



FFS = fee for service

FY 2019: Determining Proportion of Dual-Eligible Patients

- **Dual proportion definition**
 - **Numerator** (i.e., full-benefit duals): Full-benefit dual, based on data from the state Medicare Modernization Act (MMA) file.
 - **Denominator** (i.e., total number of Medicare Patients): All Medicare FFS and Medicare Advantage accurately represent the proportion of dually-eligible patients the hospital served, particularly for hospitals in states with high managed care penetration rates.
- **Data period for dual proportion**
 - Three-year measure performance period that accounts for social risk factors in the ERR.

Establish Thresholds and Assess Performance



Determine **median ERRs** for each peer group

Median
ERRs

Median
ERRs

Median
ERRs

Median
ERRs

Median
ERRs



Determine which ERRs will enter the **payment adjustment formula**

ERR >
Peer Group Median ERR
Assessment of Performance

&

Eligible
discharges ≥ 25
Minimum Case Size Criteria



Payment
adjustment
formula

Determine the Medicare Budget Neutrality Modifier



Calculate neutrality modifier

Payments under the non-stratified methodology

\$\$\$\$\$

Neutrality
Modifier

\$\$\$\$

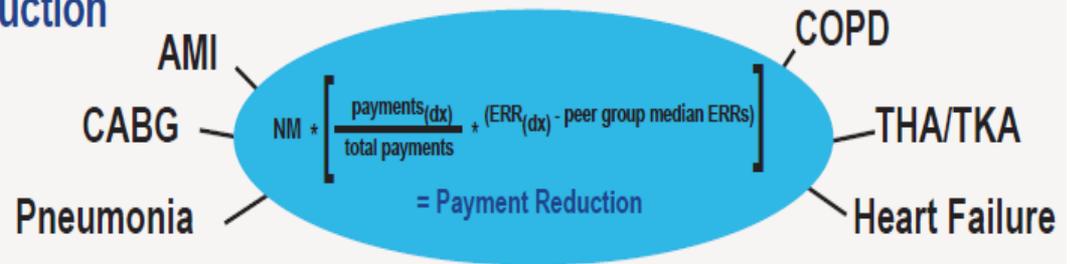
Payments under the stratified methodology

Section 15002 of the 21st Century Cures Act requires the new stratified methodology to produce a similar amount of Medicare savings as the non-stratified methodology.

Calculate Payment Reductions and Payment Adjustment Factors



Calculate **payment reduction**



Determine **payment adjustment factor**

IF Payment Reduction \leq 0.03 ► Adjustment factor = 1 - Payment Reduction

IF Payment Reduction $>$ 0.03 ► Adjustment factor = .9700

HRRP Payment Adjustment Formula

Non-Stratified Methodology:

$$P = 1 - \min \left\{ .03, \sum_{dx} \frac{\text{Payment}(dx) * \max\{(\text{ERR}(dx) - 1.0), 0\}}{\text{All payments}} \right\}$$

FY 2019 Stratified Methodology:

Median ERR plus a neutrality modifier

$$1 - \min \left\{ .03, \sum_{dx} \frac{NM * \text{Payment}(dx) * \max\{(\text{ERR}(dx) - \text{Median peer group ERR}(dx)), 0\}}{\text{All Payments}} \right\}$$

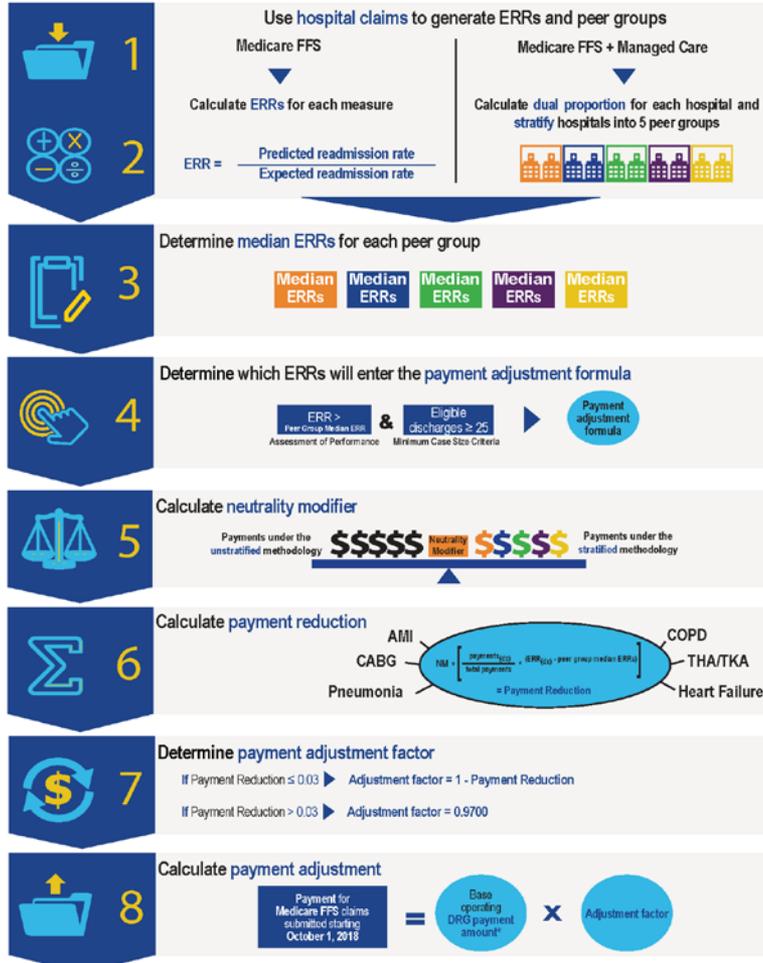
Apply Payment Adjustment



Medicare FFS base-operating DRG payments are the base Diagnosis Related Group (DRG) payment without any add-on payments such as disproportionate share hospital (DSH) and indirect medical education (IME) payments.

HRRP Stratified Payment Methodology

FY 2019 Hospital Readmissions Reduction Program Payment Adjustment Methodology



AMI=Acute Myocardial Infarction; CABG= Coronary Artery Bypass Graft; COPD=Chronic Obstructive Pulmonary Disease; DRG=Diagnosis-Related Group; ERR=Excess Readmission Ratio; FFS=Fee-for-Service; FY=Fiscal Year; HF=Heart Failure; NM=neutrality modifier; THA/TKA=Total Hip and/or Total Knee Arthroplasty

*In general, base operating DRG payments are the base DRG payment without any add-on payments (e.g. Disproportionate Share Hospital [DSH] and indirect medical education [IME] payments).

FY 2019 HRRP Updates

- New stratified methodology: Dual proportion, peer group assignment, and payment adjustment factor information now available in the HSR.
- CMS will publicly report FY 2019 HRRP data on *Hospital Compare* in January 2019 instead of December 2018.

HRRP HSR Content

The HRRP HSRs contains tabs that provide hospitals the following information:

- Contact information for the program and additional resources
- Payment Adjustment Factor
- Dual Stays
- Hospital Results
- Discharge Data for ERRs

Table 1

Payment Adjustment Factor Tab

Table 1: Your Hospital's Payment Adjustment Factor Information
 HOSPITAL NAME
 Hospital Discharge Period: July 1, 2014 through June 30, 2017

Number of Dual Eligible Stays (Numerator) [a]	Number of Eligible Stays (Denominator) [b]	Dual Proportion [c]	Peer Group Assignment [d]	Neutrality Modifier [e]	Payment Adjustment Factor
260	1,350	0.1926	3	0.9481	0.9963

Table 2

Dual Stays Tab

Table 2: Stay-Level Information for Dual Eligibles (numerator)

HOSPITAL NAME

Hospital Discharge Period: July 1, 2014 through June 30, 2017

Do NOT email the contents of this file. The file contains PII and PHI. Emailing this data is a security violation. If you have questions, please contact the QualityNet Help Desk and they will provide directions for transmitting data. When referring to the contents of this document, use the ID Number.

ID Number	HICNO	Beneficiary DOB	Admission Date	Discharge Date	Claim Type
--	--	--	--	--	--
1	999999999A	99/99/9999	99/99/9999	99/99/9999	Fee for Service
2	999999999A	99/99/9999	99/99/9999	99/99/9999	Managed Care
3	999999999A	99/99/9999	99/99/9999	99/99/9999	Fee for Service
4	999999999A	99/99/9999	99/99/9999	99/99/9999	Fee for Service
257	999999999A	99/99/9999	99/99/9999	99/99/9999	Managed Care
258	999999999A	99/99/9999	99/99/9999	99/99/9999	Managed Care
259	999999999A	99/99/9999	99/99/9999	99/99/9999	Managed Care
260	999999999A	99/99/9999	99/99/9999	99/99/9999	Managed Care

DOB = date of birth, HICNO = health insurance claim number, ID = identification, PHI = protected health information, PII = personally identifiable information

Table 3

Hospital Results Tab

Table 3: Your Hospital's Performance on 30-Day All-Cause Unplanned Risk-Standardized Readmission for AMI, COPD, HF, Pneumonia, CABG, and THA/TKA
 HOSPITAL NAME
 Hospital Discharge Period: July 1, 2014 through June 30, 2017

Measure [a]	Number of Eligible Discharges[b]*	Number of Readmissions Among Eligible Discharges [c]*	Predicted Readmission Rate [d]*	Expected Readmission Rate [e]*	Excess Readmission Ratio [f]*	Peer Group Median ERR [g]	Penalty Indicator [h]	Ratio of DRG payments per measure to total payments	National Observed Readmission Rate [i]
AMI	19	4	18.2451%	18.0970%	1.0082	0.9945	N	0.0071	16.0%
COPD	50	7	17.0348%	17.4068%	0.9786	0.9922	N	0.0455	19.8%
HF	68	14	19.3759%	19.1082%	1.0140	0.9903	Y	0.0269	21.6%
Pneumonia	149	18	14.4518%	15.4014%	0.9383	0.9886	N	0.0693	17.0%
CABG	NQ	NQ	NQ	NQ	NQ	0.9926	N	NQ	13.6%
THA/TKA	44	3	4.5140%	4.2763%	1.0556	0.9929	Y	0.0519	4.3%

Tables 4–9

Discharges Tabs

Table 4: Discharge-Level Information for the AMI Unplanned Readmission Measure

HOSPITAL NAME

Hospital Discharge Period: July 1, 2014 through June 30, 2017

Do NOT email the contents of this file. The file contains PII and PHI. Emailing this data is a security violation. If you have questions, please contact the QualityNet Help Desk and they will provide directions for transmitting data. When referring to the contents of this document, use the ID Number.

[Please note row 8 contains risk factor coefficients beginning at column R. Listing of the hospital discharges begins on row 9.]

ID Number	HICNO	Medical Record Number	Beneficiary DOB	Admission Date of Index Stay	Discharge Date of Index Stay [a]	Inclusion/Exclusion Indicator
--	--	--	--	--	--	--
1	1234567891	A001	02/18/1933	09/09/9999	09/09/9999	0
2	1234567892	A002	01/02/1931	09/09/9999	09/09/9999	0

Tables 4–9

Discharges Tabs (Cont.)

Index Stay	Principal Discharge Diagnosis of Index Stay	Discharge Destination	Unplanned Readmission within 30 Days (Yes/No)	Planned Readmission (Yes/No)
--	--	--	--	--
YES	41071	1	YES	NO
YES	41071	1	YES	NO

Tables 4–9

Discharges Tabs (Cont.)

Readmission Date	Discharge Date of Readmission	Principal Discharge Diagnosis of Readmission	Readmission to Same Hospital (Yes/No)	Provider ID of Readmitting Hospital [b]	HOSP_EFFECT	AVG_EFFECT
--	--	--	--	--	-2.214126337	-2.26036624643463
09/09/9999	09/09/9999	5789	YES	111111	N/A	N/A
09/09/9999	09/09/9999	41071	YES	111111	N/A	N/A

Review and Corrections Period

- The HRRP review and corrections period begins August 16, 2018, and ends September 14, 2018. CMS distributes HSRs via the *QualityNet Secure Portal*.
- Review your HRRP data. You have 30 days to review, submit questions about the calculation of their results, and request corrections of calculation errors.
- If you have concerns or questions about the calculation of your hospital's results, please email hrrp@lantanagroup.com no later than 11:59 p.m. PT on the final day of the review and corrections period with the subject line: HRRP Review and Corrections Inquiry.
- Review and corrections modification
 - HSRs will be modified to include dual proportion, peer group assignment, and payment adjustment factor information.
 - HSRs will be distributed in early August.

What Can Hospitals Correct?

Hospitals CAN:

- Dual stays (numerator)
- Dual proportion
- Peer group assignment
- ERR
- Peer group median ERR
- Payment adjustment factor

Hospitals CANNOT:

- Submit additional corrections related to the underlying claims data.
- Add new claims to the data extract used to calculate the rates as results cannot be recalculated due to the use of finalized claims.

Public Reporting on *Hospital Compare*

- For applicable hospitals with at least 25 eligible discharges, CMS is reporting the following data elements for each of the six HRRP readmission measures on *Hospital Compare*:
 - Number of eligible discharges
 - Number of readmissions (only if the hospital has 11 or more readmissions)
 - Predicted readmissions (also known as the adjusted actual readmissions)
 - Expected readmissions
 - Excess readmission ratio
- The FY 2019 HRRP measure results will be updated on the CMS *Hospital Compare* website January 2019.

HRRP Resources

- HRRP general information
<https://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetTier2&cid=1228772412458>
- HRRP and payment adjustment factor inquiries
hrrp@lantanagroup.com
- *QualityNet* Q&A tool
<https://cms-ip.custhelp.com/app/homehrrp/p/843>
- HRRP measure methodology inquiries
cmsreadmissionmeasures@yale.edu
- More program and payment adjustment information
<https://www.cms.gov/medicare/medicare-fee-for-service-payment/acuteinpatientpps/readmissions-reduction-program.html>
- Readmission measures
<https://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetTier3&cid=1219069855273>

Questions

Continuing Education

Continuing Education Approval

This program has been approved for 1.0 continuing education (CE) units for the following professional boards:

- Florida Board of Clinical Social Work, Marriage & Family Therapy and Mental Health Counseling
- Florida Board of Nursing Home Administrators
- Florida Council of Dietetics
- Florida Board of Pharmacy
- Board of Registered Nursing (Provider #16578)
 - It is your responsibility to submit this form to your accrediting body for credit.

CE Credit Process

- Complete the ReadyTalk[®] survey that will pop up after the webinar, or wait for the survey that will be sent to all registrants within the next 48 hours.
- After completion of the survey, click “Done” at the bottom of the screen.
- Another page will open that asks you to register in the HSAG Learning Management Center.
 - This is a separate registration from ReadyTalk[®].
 - Please use your **personal** email so you can receive your certificate.
 - Healthcare facilities have firewalls up that block our certificates.

CE Certificate Problems

- If you do not **immediately** receive a response to the email that you signed up with in the Learning Management Center, you have a firewall up that is blocking the link that was sent.
- Please go back to the **New User** link and register your personal email account.
 - Personal emails do not have firewalls.

CE Credit Process: Survey

No

Please provide any additional comments

10. What is your overall level of satisfaction with this presentation?

Very satisfied

Somewhat satisfied

Neutral

Somewhat dissatisfied

Very dissatisfied

If you answered "very dissatisfied", please explain

11. What topics would be of interest to you for future presentations?

12. If you have questions or concerns, please feel free to leave your name and phone number or email address and we will contact you.

Done

Powered by [SurveyMonkey](#)
Check out our [sample surveys](#) and create your own now!

CE Credit Process: Certificate

Thank you for completing our survey!

Please click on one of the links below to obtain your certificate for your state licensure.

You must be registered with the learning management site.

New User Link:
<https://lmc.hshapps.com/register/default.aspx?ID=da0a12bc-db39-408f-b429-d6f6b9ccb1ae>

Existing User Link:
<https://lmc.hshapps.com/test/adduser.aspx?ID=da0a12bc-db39-408f-b429-d6f6b9ccb1ae>

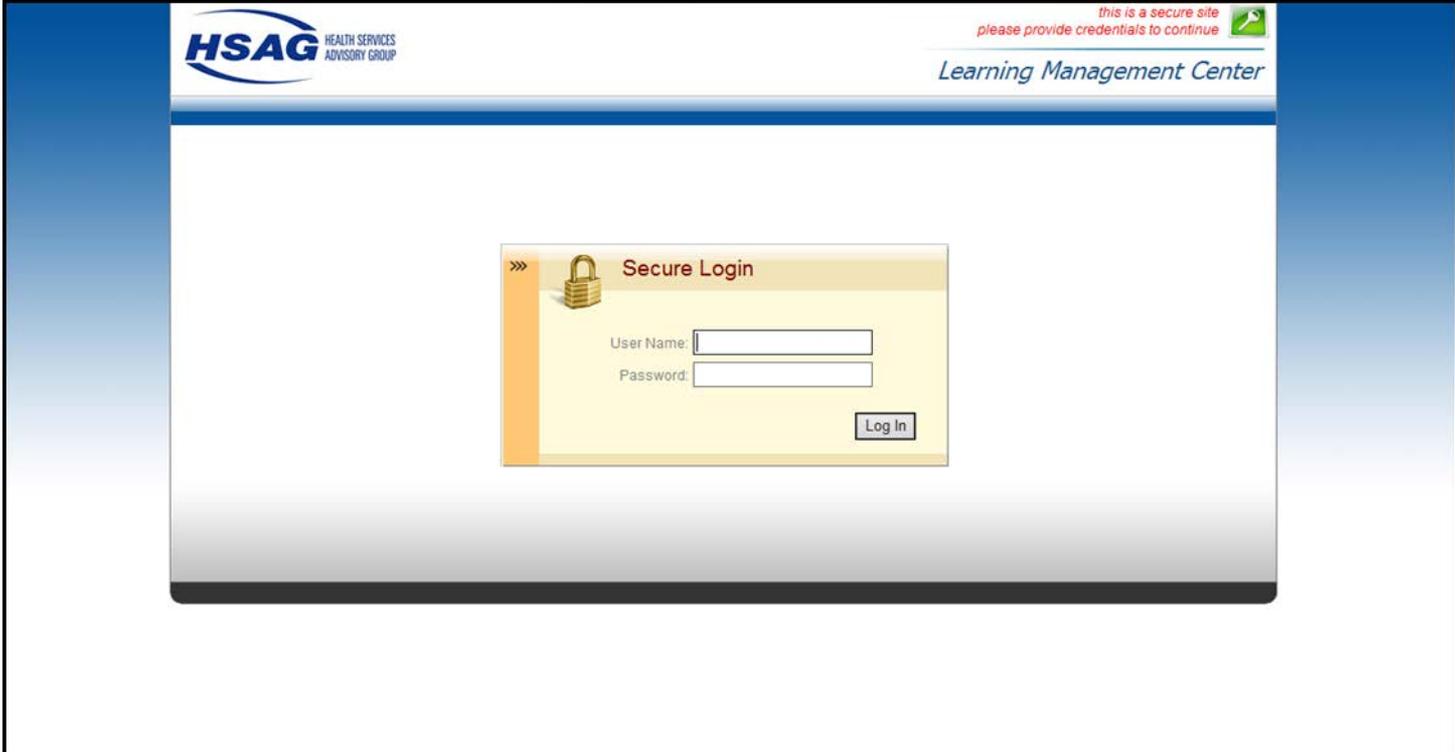
Note: If you click the 'Done' button below, you will not have the opportunity to receive your certificate without participating in a longer survey.

Done

CE Credit Process: New User

The screenshot shows a web browser window displaying the registration page for a new user. The page header includes the HSAG logo (Health Services Advisory Group) on the left and a security notice on the right: "this is a secure site please provide credentials to continue" with a lock icon. Below the header, the text "Learning Management Center" is displayed. The main content area is titled "Learning Center Registration: OQR: 2015 Specifications Manual Update - 1-21-2015". The registration form contains four input fields: "First Name:", "Last Name:", "Email:", and "Phone:". The "Phone:" field has a small icon of a telephone handset. Below the input fields is a "Register" button. The entire form is set against a light blue gradient background.

CE Credit Process: Existing User



The screenshot displays the login interface for the HSAG Learning Management Center. At the top left is the HSAG logo (Health Services Advisory Group). At the top right, a security notice reads "this is a secure site please provide credentials to continue" with a lock icon. Below this is the text "Learning Management Center". The central focus is a "Secure Login" box containing a padlock icon, a "User Name:" label with an input field, a "Password:" label with an input field, and a "Log In" button.

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