



# Department of Health and Human Services National Quality Strategy and

## End-Stage Renal Disease (ESRD) Quality Incentive Program (QIP)

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## The Affordable Care Act (Public Law 111-148)

- **Secretary of the Department of Health and Human Services (HHS) to establish a national quality strategy, including:**
  - a comprehensive strategic plan - the “National Quality Strategy”
  - the identification of priorities to improve the delivery of health care services, patient health outcomes, and population health

(Background continued)

- **HHS welcomes comments and suggestions on all aspects of the proposed structure, principles, conceptualization, and specific details of National Quality Strategy**
- **Narrative version of briefing will**
  - be posted on HHS.gov to gather public comment
  - include questions to gather valuable feedback in specified areas

## National Quality Strategy – Context and Current Landscape

**Multiple provisions of the Affordable Care Act highlight federal programs that:**

- build on and expand existing efforts to assess and improve quality of care and population health
- seek to foster higher quality, more affordable care
- span hospitals, physicians, nursing homes, and various other providers

## National Quality Strategy – Context and Current Landscape

- A wide array of key efforts are underway in the private sector, states, and local communities
- The National Quality Strategy will seek to promote alignment and common focus across the public and private sectors at all levels

## Draft Framework for the National Quality Strategy

- **Better Care**
  - person-centered
  - addresses the quality, safety, access, and reliability of care delivery
  - actively engages patients and families
  - renders best possible care at all stages of health and disease
- **Affordable Care**
  - reins in unsustainable costs for families, government, and the private sector
- **Healthy People/Healthy Communities**
  - promotes health and wellness at all levels through strong partnerships between health care providers, individuals, and community resources

## Feedback Questions

- 1. Are the proposed principles for the National Quality Strategy appropriate?**
  - What is missing or how could the principles be better guides for the Framework, Priorities, and Goals?
  
- 2. Is the proposed framework for the National Quality Strategy sound and easily understood?**
  - Does the Framework set the right initial direction for the National Quality Strategy and Plan? How can it be improved?

## Criteria Guiding Selection of Priorities for National Quality Strategy

- Demonstrates the greatest potential for improving health outcomes, efficiency, and patient-centeredness of health care for all populations, including children and vulnerable populations
- Shows potential for rapid improvement in quality and efficiency
- Addresses gaps in quality, efficiency, comparative effectiveness information, health outcomes measures, and data aggregation techniques
- Improves federal payment policy to emphasize quality and efficiency
- Demonstrates the greatest potential for improving health outcomes, efficiency, and patient-centeredness of health care for all populations, including children and vulnerable populations
- Shows potential for rapid improvement in quality and efficiency

## Criteria Guiding Selection of Priorities for National Quality Strategy

- Addresses gaps in quality, efficiency, comparative effectiveness information, health outcomes measures, and data aggregation techniques
- Improves federal payment policy to emphasize quality and efficiency
- Enhances the use of health care data to improve quality, efficiency, transparency, and outcomes
- Addresses the health care provided to patients with high-cost chronic diseases
- Improves research and dissemination of strategies and best practices to improve patient safety and reduce medical errors, preventable admissions and readmissions, and healthcare- associated infections
- Reduces health disparities across health disparities populations and geographic areas

## Feedback Questions

- 3. Using the legislative criteria for establishing national priorities, what national priorities do you think should be addressed in the initial National Quality Strategy and Plan in each of the following areas:**
- a. Better Care: Person-centered care that works for patients and providers. Better care should expressly address the quality, safety, access, and reliability of how care is delivered and how patients rate their experience in receiving such care;
  - b. Affordable Care: Care that reins in unsustainable costs for families, government, and the private sector; and
  - c. Healthy People/Healthy Communities: The promotion of health and wellness at all levels?

**National Quality Strategy information and additional feedback questions can be found at:**

**<http://www.hhs.gov/news/reports/quality/nhcqsap.html>**

# History of Quality Improvement Initiatives

*Evolutionary steps toward improving quality care have involved a myriad of progressive changes*



- **Contemporary Quality Improvement**
  - Public Reporting
- **Regulatory Vehicles**
  - End-Stage Renal Disease Facilities Conditions for Coverage (CfC)
  - Survey and Certification
  - Numerous policy decisions: benefit categories, fraud and abuse, etc.
- **Role of ESRD Networks**
- **Demonstrations, Pilots, Research**
- **Incentives**
  - Financial: Value-Based Purchasing (VBP). ESRD QIP is the first legislatively mandated VBP Program.

# Brief Overview of MIPPA Section 153 (c)



- **Medicare Improvements for Patients and Providers Act (MIPPA), Section 153(c) requires the Secretary to create an ESRD QIP that will:**
  - Select measures;
  - Establish performance standards that apply to individual measures;
  - Specify performance period with respect to a year;
  - Develop methodology for assessing total performance of each provider/facility based on performance standards with respect to measures for a performance period;
  - Apply an appropriate payment reduction to providers and facilities that do not meet or exceed established total performance score; and
  - Publicly report results through websites and facility posting.

# Brief Overview of QIP Development



- **ESRD QIP Conceptual Model was included in the ESRD Proposed Payment System (PPS) Notice of Proposed Rulemaking (NPRM)**
  - Published for public comment on September 29, 2009
- **Measures for ESRD QIP were proposed in the ESRD PPS NPRM and were finalized in the ESRD PPS final rule on July 26, 2010**
- **In developing the ESRD QIP, CMS considered the following inputs:**
  - Hospital VBP Report to Congress;
    - ❖ Included Reporting Hospital Quality for Annual Payment Update (RHQDAPU), Physician Quality Reporting Initiative (PQRI), and Premier Demonstration inputs;
  - Environmental Scan; and
  - MIPPA.

# Quality Performance Measures

*Three proposed measures assess the core clinical management needs of ESRD patients*



- **Three claims-based measures selected**
  - Anemia management:
    - ❖ Percentage of patients whose hemoglobin levels are less than 10 g/dL; and
    - ❖ Percentage of patients whose hemoglobin levels are greater than 12 g/dL.
  - Hemodialysis adequacy
    - ❖ Percentage of patients with Urea Reduction Ratio (URR) greater than 65%.
- **Measures have been used in the industry and publicly reported since 2001**
  - Stakeholders understand their significance
- **Proposed weighting of total performance score for each provider/facility:**
  - Hemoglobin <10g/dL: 50%;
  - Hemoglobin >12g/dL: 25% ; and
  - URR > 65%: 25%.
- **Additional measures are being developed for future payment years**
  - Will be added annually as they are developed, tested, and endorsed.

# Performance Standards

## National Performance Rate

**National Performance Rate for Each of the 3 Measures in 2008**

OR

## Facility Performance in Base Utilization Year

**The Actual Facility Performance in 2007**

- **Congress allowed for a “Special Rule” in the first year (PY 2012) for a phase-in period**
- **Section 1881(h)(4)(E) of the Act requires that CMS use the lesser of 2 performance standards:**
  - A provider/facility’s performance standard will be the lower of the national performance rate or the actual facility performance in the base utilization year.

# Scoring Methodology

*The performance score is calculated using three measures*



**Proposed calculation for individual total performance scores will range from 0-30 points for providers/facilities based on 3 measures.**

## Measure performance scores

- 10 total possible points awarded per measure
- Subtract 2 points for every 1.0% below the Performance Standard

## Total Weighted Performance Score

- Apply weights to measure performance total scores:
  - Hgb <10 g/dL: 50%
  - Hgb >12 g/dL: 25%
  - URR >65%: 25%
- Sum to create total performance score

Points Awarded	Proposed Model
10	Performance Standard
8	-1%
6	-2%
4	-3%
2	-4%
0	-5% or greater

# Payment Reduction Methodology

- Providers/facilities that do not meet or exceed a certain total performance score would have payment reduced from between 0.5% to 2.0%
- Percentage of reductions would map back to total performance score here →

Total Performance Score	Percent of Payment Reduction
26 to 30 points	0.00
21 to 25 points	0.50
16 to 20 points	1.00
11 to 15 points	1.50
0 to 10 points	2.00

# Scoring Example



Measure	2007 Facility Performance Rate	2008 National Performance Standard	2010 Facility Performance Rate	Performance Standard Applied	Performance Scores	Weight	Weighted Score
Hgb <10 g/dL	2%	2%	5%	Facility	4	50%	6
Hgb >12 g/dL	44%	26%	40%	Facility	2	25%	1.5
URR >65%	97%	96%	97%	National	10	25%	7.5
<b>Total Performance Score</b>							<b>15</b>
<b>Payment Reduction</b>							<b>1.50%</b>

# Proposed Performance Period

*The performance period was selected to ensure sufficient data collection and validation*



- **Performance period proposed = Entire calendar year 2010**
- **To apply a payment percentage reduction on January 1, 2012, the following must occur:**
  - Claims submission and processing period – 2010;
  - Claims adjudication period – 1/1/2011 – 6/30/2011;
  - Claims analysis, preview and adjustment period – 7/1/2011 – 9/30/2011; and
  - Payment implementation period – 10/2011 – 1/2012.

# Public Reporting Requirements

*MIPPA Section 153(c) requires the Secretary provide certificates to dialysis facilities about their total performance scores*



- **Facility-posted certificates**
- **Inform the public through Medicare’s website**
- **Facilities/providers will be able to preview their scores**
  - CMS is developing a performance score inquiry process for facilities to ask questions about their scores; however,
  - MIPPA Section 153(c) does not call for a formal appeals process.

# How to Read the Rule

*Online reading and commenting on the rule is easy!*



Read and comment on the rule online at <http://www.regulations.gov>.  
Search for “CMS-3206-P.”

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Begin a search by choosing a task or entering a keyword

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new forum

- » BOEMRE's Director Bromwich kicks off a series of forums on offshore drilling.
- » Forums are designed to collect information about deepwater drilling safety.

Select Document Type: Search All

Enter Keyword or ID: CMS-3206

Search

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# How to Submit Comments

*Reading and commenting on the rule is easy!*



- **Details about submitting comments are in the rule**
- **2 ways to submit**
  - Via mail: See the rule for our addresses; or
  - Online: Click “Submit a Comment” next to the regulation link.
- **Please include file code “CMS-3206-P” in your comments.**

The screenshot shows the regulations.gov website interface. At the top, the logo reads "regulations.gov Your Voice in Federal Decision-Making". Below the logo is a search bar with "Search Results" and a magnifying glass icon. A search filter indicates "3 results for keyword 'CMS-3206'". The results are displayed in a table with columns: Title, Document Type, Agency, ID, Posted Date, and Actions. The first row is highlighted, and the "Submit a Comment" link in the Actions column is circled in red. The second row is also visible, and the third row is partially visible. The page footer shows "Page 1 of 1" and "Displaying 1 - 3 of 3".

Title	Document Type	Agency	ID	Posted Date	Actions
Medicare Program: End-Stage Renal Disease Quality Incentive Program <i>Comments Due 09/24/10 11:59 PM ET</i>	PROPOSED RULES	CMS	CMS-2010-0219-0002	08/12/10	<a href="#">Submit a Comment</a> <a href="#">Open Docket Folder</a>
Quality Incentives in the End Stage Renal Disease (ESRD) Program <i>Comments Due 08/12/10 11:59 PM ET</i>	PROPOSED RULES	CMS	CMS-2010-0219-0001	07/28/10	<a href="#">Open Docket Folder</a>
Semiannual Regulatory Agenda - Spring 2010	OTHER	HHS	HHS-ASAM-2010-0008-0001	04/26/10	<a href="#">Open Docket Folder</a>

**Comments are due on Friday, September 24, 2010  
(by 5:00 pm EST via mail and by 11:59 pm EST online).**

# Q&A Session

