

Hospital Safety Net Assessment Quality Incentive

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Washington State Hospital Association

Presenters



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History: House Bill 2956



- ✓ Introduced at WSHA request
- ✓ Safety Net Assessment increases hospital rates – using dollars from hospitals (assessments) and federal match
- ✓ Amended by Representative Cody to include a quality incentive
 - July 2012: one percent increase in Medicaid inpatient rates for non-critical access hospitals as “pay-for-performance”
- ✓ Passed in the 2010 legislative session





Timeline

- **January 2011**
Hospitals begin collecting performance data
- **January 2012**
Medicaid Purchasing Administration uses 2011 scores to determine which hospitals qualify for payment
- **Winter 2012**
Medicaid Purchasing Administration recalculates assessment rates for July 1, 2012 to support state share of increase
- **July 1, 2012:** Medicaid Purchasing Administration increases payments to qualifying hospitals



Legislative Principles

- Measures must be:
 - ✓ Evidence-based
 - ✓ Consistent with national measures where possible
- Methodology for earning incentive:
 - ✓ Recognize that some measures may not be appropriate to specialty pediatric, psychiatric, or rehabilitation hospitals
 - ✓ Represent real improvements in quality
 - ✓ Designed so all hospitals can earn incentive payments if performance is at or above the benchmark



Additional Framework

- Measures need to be of value to Medicaid patients.
 - ✓ Medicare's Hospital Compare, with heart attack and pneumonia emphasis, applies to older population.
- WSHA requested measures be consistent with what hospitals are working to improve.
 - ✓ Minimal additional data collection is desired.



Medicaid Incentive: No Good Models

New process



Breaking new ground

Collaboration between the State and clinical experts was essential!



Quality Incentive Workgroup

- Developed by the Medicaid Purchasing Administration
- Input from working group, which included:
 - ✓ David Fisher, MD, Seattle Children's
 - ✓ Gene Peterson, MD, University of Washington Medical Center
 - ✓ Lawrence Schechter, MD, Providence Regional Medical Center Everett
 - ✓ Carol Wagner, RN, Claudia Sanders, Andrew Busz, WSHA staff
 - ✓ Thuy Hua-Ly, Jeff Thompson, MD, Mary Ann Lindeblad, RN, Bev Court, MPA staff



Payment Increases

- One percent inpatient Medicaid increase to:
 - ✓ APDRG Conversion Factor
 - ✓ Per Diems
 - ✓ Case Rates
- Acute general and pediatric hospitals
 - ✓ Receive increase across all services based on overall hospital performance
 - ✓ **Except** for those with psych units, where psych increases based on behavioral health measures
- Behavioral health hospitals and units
 - ✓ Increase based on separate measures



Funding for increases

- Assessments increased uniformly for non-critical access hospitals to support the payment increases
- Payment increases provided to all qualifying hospitals
- No partial increases
 - ✓ Hospitals receive either zero or one percent increase



Process for Selecting Measures



- Clinical experts were consulted on which measures the group should consider
- Potential measures selected by Quality Incentive Workgroup
- Additional vetting with experts in setting definitions



Selected Measures: Adult, Rehab, and Pediatric Acute Care

Reduce Hospital Acquired Infections

1. Healthcare Worker Influenza Immunization

Safe Discharges (Reduce Rehospitalizations) – adult only

2. Patient Discharge Information

Safe Deliveries (if provide service)

3. Elective Delivery Prior to 39 Weeks

Reducing Emergency Department Cost

4. Reducing Preventable Emergency Room Visits



Selected Measures: Behavioral Health Services

Reduce Hospital Acquired Infections

1. Healthcare Worker Influenza Immunization

Safe Medications

2. Patients Discharged on Multiple Antipsychotic Medications with Appropriate Justification



Incentive Methodology

- Current results used to set improvement goals
- Points awarded based on performance in 2011
 - ✓ Depending on results, for each measure hospitals can earn 10, 5, 3, or 0 points
 - ✓ Points averaged across all applicable measures.
- Hospitals receiving an average score of 5 or above receive the increase.
- Additional recognition for hospitals that score 10 on all measures
- All hospitals have the opportunity to earn the one percent incentive based on their results



Benchmark Thresholds

Measure	Threshold	Points
Immunization	80% or more	10
	71-79%	5
	61-70%	3
	0-60%	0
Discharge Info	86% or more	10
	84-85%	5
	82-83%	3
	0-81%	0
Elective Delivery	7% or less	10
	8-17%	5
	18-30%	3
	31-100%	0



Benchmark Thresholds

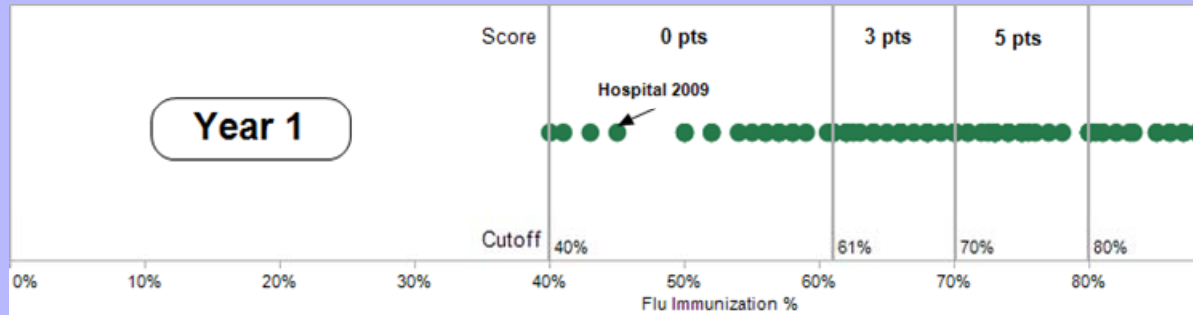
Measure	Threshold	Points
Justification on Antipsychotics	31% or more	10
	21-30	5
	11-20	3
	0-10	0
ER Visits– Plan Development	5 sections	10
	4 sections	5
	3 sections	3
	0-2 sections	0



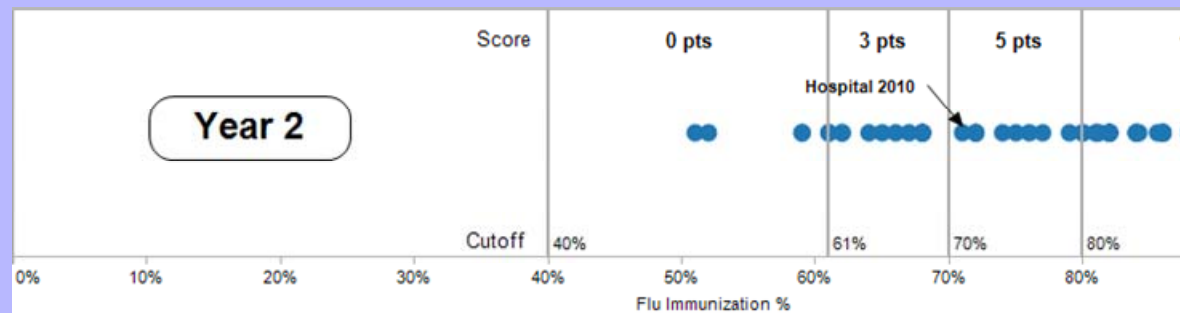
Development of Benchmarks

Example: Flu Immunization

Baseline:



Data is measured based on the 2011 period and more hospitals can move into the higher threshold categories.



Ranges were set based on current baseline data.

Same limits are used for the “award year” allowing all hospitals opportunity to improve scores and earn maximum points.



Example: Flu Immunization

Threshold	0-60%	61-69 %	70-79%	80 % or more
Point Award	0	3	5	10



Measure Reporting

- Depending on the measure, data will be reported to WSHA through:
 - ✓ WSHA's Quality Benchmarking System
 - ✓ Email
- The ER plan will be submitted directly to MPA
- The data needs to be submitted:
 - ✓ Quarterly for Quality Benchmarking System measures
 - ✓ As a one-time submission for emailed measures



Measure Reporting

Measure	Submission Method	Reporting Frequency
Healthcare Worker Flu Immunization	Emailed to WSHA	Annually (May 1, 2011)
Patient Discharge Information	Emailed to WSHA (by vendor or hospital)	Quarterly
Elective Delivery Prior to 39 Weeks	WSHA Quality Benchmarking System	Quarterly
Reducing Preventable Emergency Room Visits	Emailed to Medicaid Purchasing Administration	Annually (September 1, 2011)
Patients Discharged on Multiple Antipsychotic Medications with Appropriate Justification	WSHA Quality Benchmarking System	Quarterly





Hospitals will be asked to attest to the accuracy of their data.



Measure Definitions

- Based on Joint Commission, National Quality Forum, and CMS Measures
- Detailed definitions available on WSHA's website: <http://bit.ly/g7FzCZ>
- Detailed information on the payment methodology is available: <http://bit.ly/gpFDqj>



Preventable Emergency Room Visits

- Key issue for Medicaid Purchasing Administration
 - ✓ 16 percent of Medicaid ER visits may be for preventable diagnoses
- Asking for hospitals to develop a plan by Sept. 1
 - ✓ Section 1: Community Partnerships
 - ✓ Section 2: Data Reporting
 - ✓ Section 3: Strategies to Prevent Unnecessary Visits
 - ✓ Section 4: Strategies to Educate Patients
 - ✓ Section 5: Attend educational programs



WSHA and MPA Collaboration

- MPA will fund emergency room education summit
 - ✓ Working with WSHA to develop program
- WSHA will be issuing ER report
 - ✓ Health Information Program report on preventable visits, with key facts
 - ✓ Educational brochure for patients



The Future



- Assessment sunsets on July 1, 2013
 - ✓ But expect it will be renewed
- If so, measures will be updated and revisited
 - ✓ Revised measures?
 - ✓ New benchmarks based on 2011 performance?
 - ✓ ER plan likely to become measure based on percent of preventable visits
 - ✓ Commitment to use measure based on cesarean section rate rather than simply elective delivery





Questions and Comments

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