

# ALIGNING CLINICAL QUALITY AND PERFORMANCE-BASED PAYMENT

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GREATER NEW YORK HOSPITAL ASSOCIATION & UNITED HOSPITAL FUND  
**CLINICAL QUALITY FELLOWSHIP PROGRAM**

# Disclosure of Conflict(s) of Interest



- Amy Chin, MS, and John Gravina, MPH, PhD report no financial interest/relationships.

# Reviewing Open Windows



- Excel workbook

## Tips:

- Close all other windows
- We have multiple backup options, so don't stress

# Objectives



Interpret a hospital's performance in a value-based payment program



Develop hospital goals for improving performance in a value-based payment program



Forecast the potential impact of clinical improvements on performance in a value-based payment program

# Agenda



About the VBP Program (10 minutes)

Overview of the GNYHA VBP Calculator (10 minutes)

Exercise 1: Identifying opportunities for improvement (15 minutes)

Testing in the GNYHA VBP Calculator (10 minutes)

Exercise 2: Developing an improvement plan (20 minutes)

Report Out and Wrap Up (15 Minutes)

# About the Medicare Hospital Value-Based Purchasing (VBP) Program



One of three pay-for-performance programs introduced in the ACA

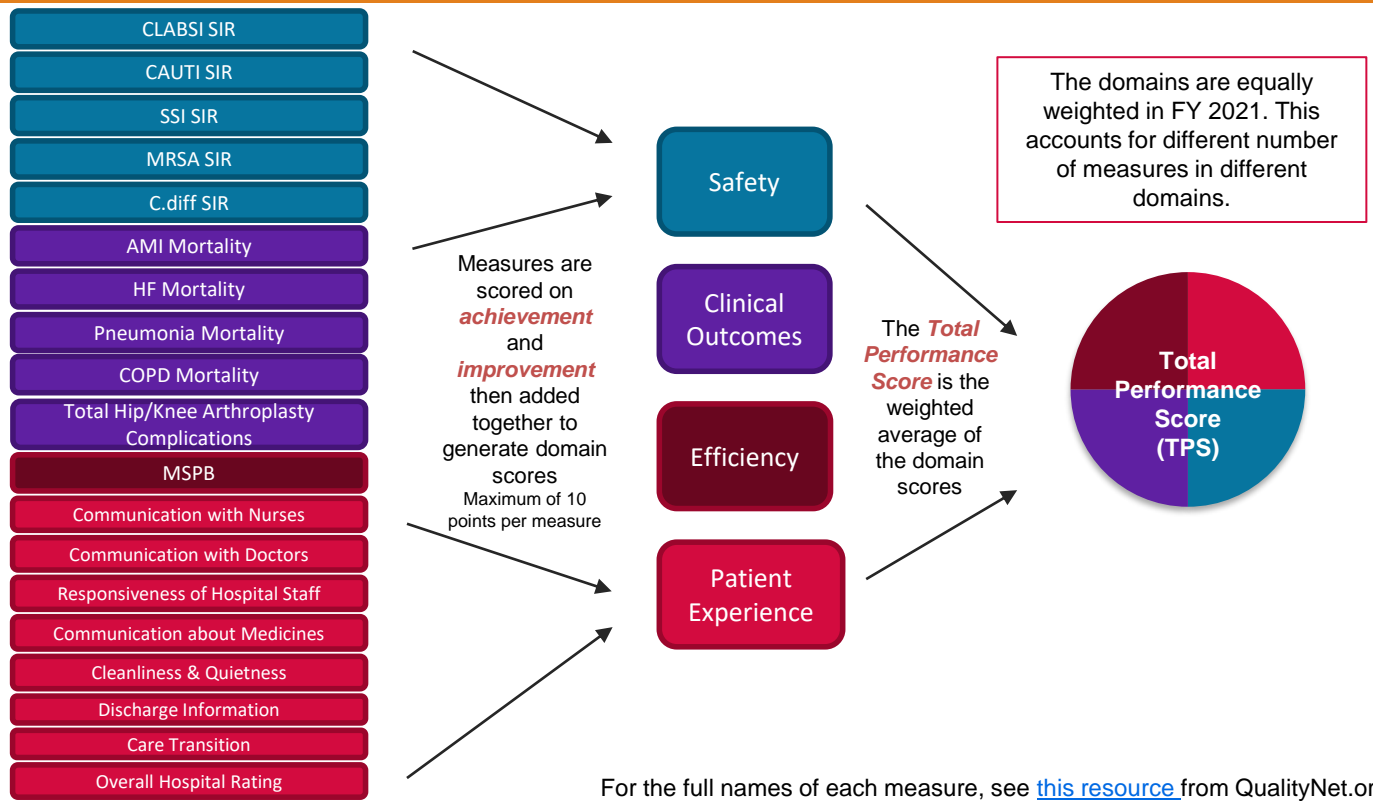
Impacts Medicare FFS payments to hospitals

Rolled out in federal fiscal year (FY) 2013

Incorporates a penalty or bonus based on achievement and improvement in quality

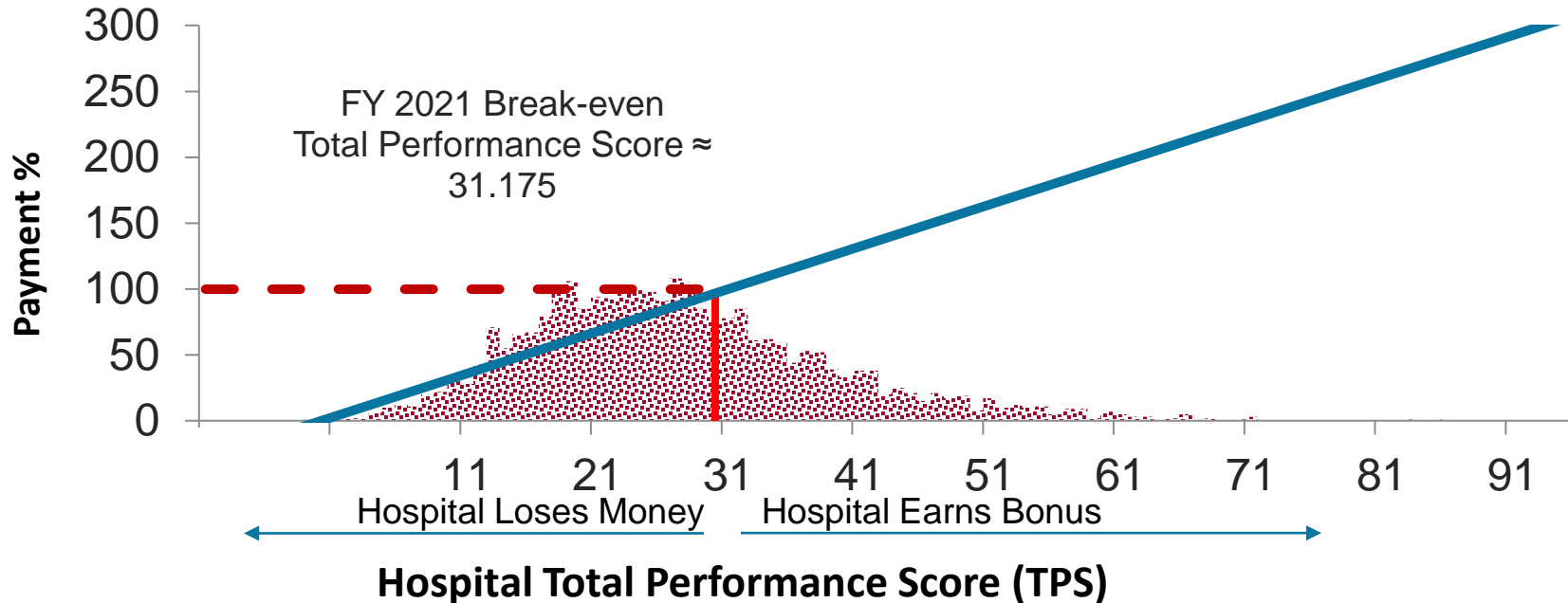
Maximum penalty of 2% of base operating payments

# VBP Program Scoring (FY 2021)



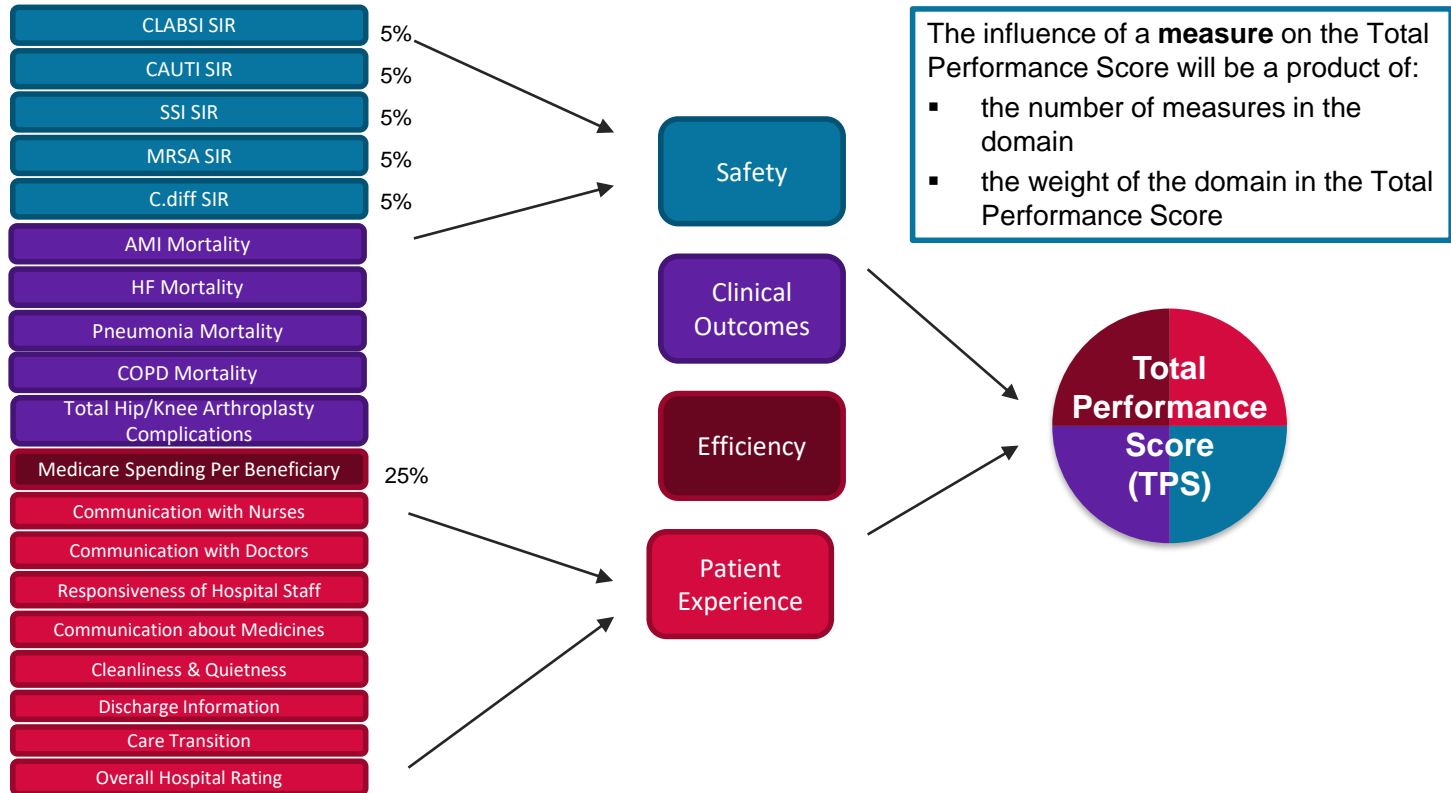
For the full names of each measure, see [this resource](#) from QualityNet.org

# VBP Program Exchange Function





# Implications of the VBP Program Scoring Algorithm



# VBP Measure Scoring Threshold Definitions



## Performance Rate

- Rate during the performance period
- Rule of thumb: performance period is 2 years before the FY although this varies.

## Benchmark

- Average of the top 10% of hospitals in the baseline period
- Rule of thumb: baseline period is 1 year before the start of the performance period.

## Achievement Threshold

- 50<sup>th</sup> percentile performance of all hospitals

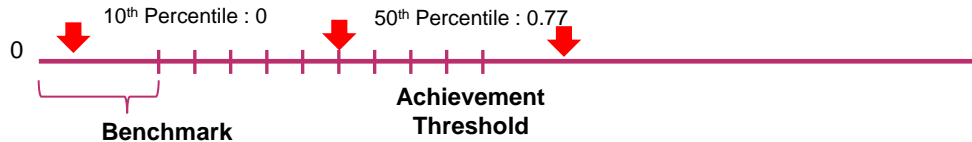
## Measure Score

- The final points assigned to a measure; the higher of the achievement and improvement points

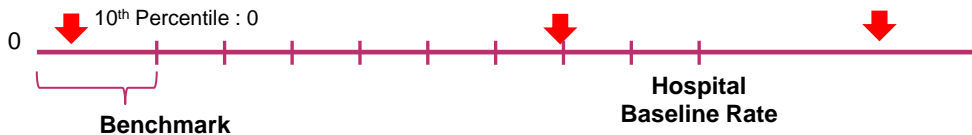
# VBP Achievement and Improvement Scoring Example: Catheter-Associated Urinary Tract Infection Standardized Infection Ratio (CAUTI SIR)



## Achievement Points: 0 - 10 points



## Improvement Points: 0 - 9 points



The measure score is the higher of these two scores.  
*A higher score is better*

# GNVHA VBP Calculator Overview



Open the excel workbook, click on the “Demo Overview” tab

2021 Results		Testing Results				
	Earned Points	Maximum Possible Points	% Contribution to TPS	VBP \$		Change in VBP \$ from Current
Safety	4	50	27%	\$ (309,502)		\$ -
Clinical Outcomes	16	40	18%	\$ (201,849)		\$ -
Efficiency & Cost	0	10	29%	\$ (336,415)		\$ -
Experience of Care	11	100	26%	\$ (299,410)		\$ -
<b>Total Performance Score (TPS)</b>	<b>14.75</b>	<b>Total</b>		<b>\$ (1,147,176)</b>		<b>\$ -</b>
<b>VBP Adjustment Factor</b>	<b>0.9895</b>					

<b>Find VBP data here:</b> <a href="https://data.cms.gov/provider-data/">https://data.cms.gov/provider-data/</a>		<b>Percent Improvement:</b> <b>0%</b>
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Prepared by Greater New York Hospital Association

March, 2021

## FY 2021 VBP Results

The Value-Based Purchasing Program (VBP) is a penalty program that adjusts Medicare base operating payments based on performance in four domains. Measures in each domain are scored on achievement and improvement. The domain scores are calculated as the percent of earned points of the maximum possible domain points. The Total Performance Score is the weighted average of the domain scores adjusted by a linear exchange function with VBP adjustments budget neutral across all hospitals.

Hospital Dropdown: 100135 - Tallahassee Memorial Hospital

### Domain Scores

# GNYHA VBP Calculator: Domain Score and TPS Summary



Prepared by Greater New York Hospital Association

March, 2021

## FY 2021 VBP Results

The Value-Based Purchasing Program (VBP) is a penalty program that adjusts Medicare base operating payments based on performance in four domains. Measures in each domain are scored on achievement and improvement. The domain scores are calculated as the percent of earned points of the maximum possible domain points. The Total Performance Score is the weighted average of the domain scores adjusted by a linear exchange function with VBP adjustments budget neutral across all hospitals.

Hospital Dropdown: 100135 - Tallahassee Memorial Hospital

Hospital Search type in search, then use dropdown to select :

## Domain Scores

2021 Results					Testing Results					
	Earned Points	Maximum Possible Points	% Contribution to TPS	VBP \$		Earned Points	Maximum Possible Points	% Contribution to TPS	VBP \$	Change in VBP \$ from Current
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Clinical Outcomes	16	40	18%	\$ (201,849)	Clinical Outcomes	16	40	18%	\$ (201,849)	\$ -
Efficiency & Cost	0	10	29%	\$ (336,415)	Efficiency & Cost	0	10	29%	\$ (336,415)	\$ -
Experience of Care	11	100	26%	\$ (299,410)	Experience of Care	11	100	26%	\$ (299,410)	\$ -
<b>Total Performance Score (TPS)</b>		<b>14.75</b>	<b>Total</b>	<b>\$(1,147,176)</b>	<b>Total Performance Score (TPS)</b>	<b>14.75</b>	<b>Total</b>		<b>\$ (1,147,176)</b>	<b>\$ -</b>
<b>VBP Adjustment Factor</b>		<b>0.9895</b>			<b>VBP Adjustment Factor</b>	<b>0.9895</b>				

# GNYHA VBP Calculator: Domain Score and TPS Summary



2021 Results				
	Earned Points	Maximum Possible Points	% Contribution to TPS	VBP \$
Safety	4	50	27%	\$ (309,502)
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<b>VBP Adjustment Factor</b>		<b>0.9895</b>		

## % Contribution to Total Performance Score (TPS)

- If a hospital gets a penalty, this will represent the contribution of a domain to the penalty
- If a hospital is getting a bonus, this will represent the contribution of a domain to the bonus

## VBP \$

- () is negative; i.e. a penalty

# GNYHA VBP Calculator: Domain Results by Measure



Safety									
* Combined SSI score cannot be calculated with publicly available data									
	Thresholds			Your Performance Rate	FY 2021 Results			VBP \$	
	Achievement	Benchmark	Baseline		Achievement	Improvement	Total Points		
CLABSI SIR: Central Line-Associated Bloodstream Infection	0.69	0.00	0.73	0.83	0	0	0	\$ (67,283)	
CAUTI SIR: Catheter-Associated Urinary Tract Infection	0.77	0.00	1.36	0.92	0	3	3	\$ (47,098)	
SSI SIR: Surgical Site Infection Colon Surgery and Abdominal Hysterectomy Combined Score							0	\$ (67,283)	
Colon Surgery	0.75	0.00	0.95	1.33	0	0	0		
Abdominal Hysterectomy	0.73	0.00	0.17	1.93	0	0	0		
MRSA SIR: Methicillin-resistant Staphylococcus aureus Bacter	0.76	0.00	0.83	1.17	0	0	0	\$ (67,283)	
CDI SIR: Clostridium difficile infection	0.75	0.07	0.85	0.74	1	1	1	\$ (60,555)	
<b>Total Domain Points</b>							<b>4</b>	\$ (309,502)	

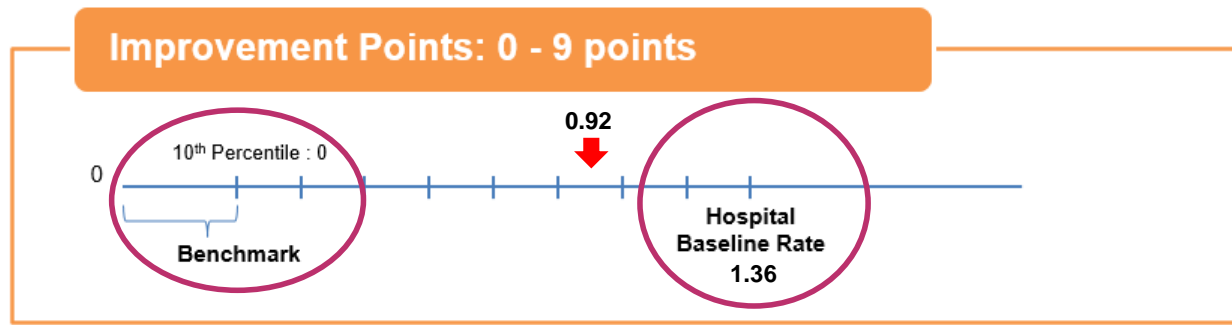
## Achievement Points: 0 - 10 points



# GNYHA VBP Calculator: Domain Results by Measure



Safety									
* Combined SSI score cannot be calculated with publicly available data									
	Thresholds				FY 2021 Results				
	Achievement	Benchmark	Baseline	Your Performance Rate	Achievement	Improvement	Total Points	VBP \$	
CLABSI SIR: Central Line-Associated Bloodstream Infection	0.69	0.00	0.73	0.83	0	0	0	\$ (67,283)	
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<b>Total Domain Points</b>							<b>4</b>	<b>\$ (309,502)</b>	





# Exercise 1: Identifying Opportunities for Improvement



- *You will be put into a team.*
- Select your hospital from the dropdown list in the “Exercise 1 Opportunities” tab.
- Spend 15 minutes identifying opportunities for improvement for your hospital.
- These can be tied to payment, your score, domains, or specific measures.

# Guiding Questions



What is the potential impact of improving a measure?

Are there domains that you may want to focus on (or avoid)?

Are there known barriers to improvement?

Is there room for improvement?

# TESTING SCENARIOS WITH THE GNYHA VBP CALCULATOR

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# Enter a rate into the testing column



We're on the "Demo Testing" tab in the workbook.

Safety												
* Combined SSI score cannot be calculated with publicly available data				FY 2021 Results								
				Thresholds			Your Performance	Points			VBP \$	Enter Rate Estimates
				Achievement	Benchmark	Baseline	Rate	Achievement	Improvement	Total Points		
<b>CLABSI SIR: Central Line-Associated Bloodstream Infection</b>				0.69	0.00	0.73	0.83	0	0	0	\$ (72,158)	
<b>CAUTI SIR: Catheter-Associated Urinary Tract Infection</b>				0.77	0.00	1.36	0.92	0	3	3	\$ (50,511)	
<b>SSI SIR: Surgical Site Infection Colon Surgery and Abdominal Hysterectomy Combined Score</b>										0	\$ (72,158)	n.a.
Colon Surgery				0.75	0.00	0.95	1.33	0	0	0		
Abdominal Hysterectomy				0.73	0.00	0.17	1.93	0	0	0		
<b>MRSA SIR: Methicillin-resistant Staphylococcus aureus Bacteremia</b>				0.76	0.00	0.83	1.17	0	0	0	\$ (72,158)	
<b>CDI SIR: Clostridium difficile infection</b>				0.75	0.07	0.85	0.74	1	1	1	\$ (64,942)	
<b>Total Domain Points</b>										<b>4</b>	\$ (331,927)	

Due to data limitations, you cannot test changes to the SSI measure rates.

# Evaluating test results



Example: We set the CLABSI SIR to 0.

Safety												
* Combined SSI score cannot be calculated with publicly available data				FY 2021 Results								
				Thresholds			Your Performance	Points			VBP \$	Enter Rate Estimates
				Achievement	Benchmark	Baseline	Rate	Achievement	Improvement	Total Points		
<b>CLABSI SIR: Central Line-Associated Bloodstream Infection</b>				0.69	0.00	0.73	0.83	0	0	0	\$ (72,158)	0.00
<b>CAUTI SIR: Catheter-Associated Urinary Tract Infection</b>				0.77	0.00	1.36	0.92	0	3	3	\$ (50,511)	
<b>SSI SIR: Surgical Site Infection Colon Surgery and Abdominal Hysterectomy Combined Score</b>										0	\$ (72,158)	n.a.
Colon Surgery				0.75	0.00	0.95	1.33	0	0	0		
Abdominal Hysterectomy				0.73	0.00	0.17	1.93	0	0	0		
<b>MRSA SIR: Methicillin-resistant Staphylococcus aureus Bacteremia</b>				0.76	0.00	0.83	1.17	0	0	0	\$ (72,158)	
<b>CDI SIR: Clostridium difficile infection</b>				0.75	0.07	0.85	0.74	1	1	1	\$ (64,942)	
<b>Total Domain Points</b>										<b>4</b>	\$ (331,927)	

# Evaluating test results



Safety													
* Combined SSI score cannot be calculated with publicly available data													
FY 2021 Results										Testing			
	Thresholds			Your Performance Rate	Points			VBP \$	Enter Rate Estimates	Points			Change in VBP \$ from Current
	Achievement	Benchmark	Baseline		Achievement	Improvement	Total Points			Achievement	Improvement	Total Points	
CLABSI SIR: Central Line-Associated Bloodstream Infection	0.69	0.00	0.73	0.83	0	10	0	\$ (72,158)	0.00	10	9	10	\$ (72,158)
CAUTI SIR: Catheter-Associated Urinary Tract Infection	0.77	0.00	1.36	0.92	0	3	3	\$ (50,511)		0	3	3	\$ (11,862)
SSI SIR: Surgical Site Infection Colon Surgery and Abdominal Hysterectomy Combined Score						0	0	\$ (72,158)	n.a.			0	\$ (16,945)
Colon Surgery	0.75	0.00	0.95	1.33	0	0	0			0	0	0	
Abdominal Hysterectomy	0.73	0.00	0.17	1.93	0	0	0			0	0	0	
MRSA SIR: Methicillin-resistant Staphylococcus aureus Bacteremia	0.76	0.00	0.83	1.17	0	0	0	\$ (72,158)		0	0	0	\$ (16,945)
CDI SIR: Clostridium difficile infection	0.75	0.07	0.85	0.74	1	1	1	\$ (64,942)		1	1	1	\$ (15,251)
<b>Total Domain Points</b>						<b>4</b>	<b>4</b>	\$ (331,927)				<b>14</b>	\$ (133,161)

1. Points increased from 0 point to 10 points.
2. There was improvement in the penalty (green = good).
3. The overall penalty for the safety domain is lower. *This reduction is distributed across the measures.*

# Evaluating test results



Domain Scores										
2021 Results					Testing Results					
	Earned Points	Maximum Possible Points	% Contribution to TPS	VBP \$		Earned Points	Maximum Possible Points	% Contribution to TPS	VBP \$	Change in VBP \$ from Current
Safety	4	50	27%	\$ (331,927)	Safety	14	50	22%	\$ (198,765)	\$ (133,161)
Clinical Outcomes	17	50	19%	\$ (238,121)	Clinical Outcomes	17	50	20%	\$ (182,201)	\$ (55,920)
Efficiency & Cost	0	10	29%	\$ (360,790)	Efficiency & Cost	0	10	31%	\$ (276,063)	\$ (84,727)
Experience of Care	11	100	26%	\$ (321,103)	Experience of Care	11	100	27%	\$ (245,696)	\$ (75,407)
<b>Total Performance Score (TPS)</b>	<b>13.25</b>	<b>Total</b>	<b>2</b>	<b>(1,251,941)</b>	<b>Total Performance Score (TPS)</b>	<b>18.25</b>	<b>Total</b>	<b>1</b>	<b>\$ (902,725)</b>	<b>\$ (349,215)</b>
<b>VBP Adjustment Factor</b>	0.9885				<b>VBP Adjustment Factor</b>	0.9917				
Find VBP data here: <a href="https://data.cms.gov/provider-data/">https://data.cms.gov/provider-data/</a>					<b>Percent Improvement: 28%</b>					

1. Overall, there was a 28% improvement in the penalty.
2. There was improvement (reduction) in the penalty.

# Evaluating test results



Domain Scores										
2021 Results					Testing Results					
	Earned Points	Maximum Possible Points	% Contribution to TPS	VBP \$		Earned Points	Maximum Possible Points	% Contribution to TPS	VBP \$	Change in VBP \$ from Current
1	Safety	4	27%	\$ (331,927)	Safety	14	50	22%	\$ (198,765)	\$ (133,161)
	Clinical Outcomes	17	19%	\$ (238,121)	Clinical Outcomes	17	50	20%	\$ (182,201)	\$ (55,920)
	Efficiency & Cost	0	29%	\$ (360,790)	Efficiency & Cost	0	10	31%	\$ (276,063)	\$ (84,727)
3	Experience of Care	11	26%	\$ (321,103)	Experience of Care	11	100	27%	\$ (245,696)	\$ (75,407)
	<b>Total Performance Score (TPS)</b>	<b>13.25</b>	<b>Total</b>	<b>\$ (1,251,941)</b>	<b>Total Performance Score (TPS)</b>	<b>18.25</b>	<b>Total</b>		<b>\$ (902,725)</b>	<b>\$ (349,215)</b>
	VBP Adjustment Factor	0.9885			VBP Adjustment Factor	0.9917				
Find VBP data here: <a href="https://data.cms.gov/provider-data/">https://data.cms.gov/provider-data/</a>									<b>Percent Improvement:</b>	<b>28%</b>

1. The safety domain increased its points.
2. There is a decrease in the safety domain contribution to the penalty.
3. There is an increase in the total performance score. (Break-even score is a little over 31 points.)



# Exercise 2: Developing an Improvement Plan



- Pick a “reporter” to take notes, and report out after the exercise
- Starting with the gaps you identified in Exercise 1, you will create a scenario to improve VBP performance.
- Use the “Exercise 2 Testing Sheet”. Scroll down to the assigned hospital and use this sheet to test different scenarios.
- The plan should include:
  - Identifying the gap and the supporting data
  - For each gap you will address:
    - A rationale for addressing this gap (ex. feasibility, ease, clinical relevance)
    - Include information from the calculator on expected impact of each portion of the plan

# Share Your Results – Report Out



## What to Report

Hospital % Change and total change in VBP

Original penalty/bonus (VBP\$)

Targeted opportunities:

- Rate estimates vs. Current performance rate
- Financial impact

Rationale for targeted opportunities

# Takeaways



- Addressing value-based payment programs is a team sport.
- This is just one program but you can apply this thought process to other value-based payment programs.

# Resources on Quality-Related Programs and Measures



- Care Compare
  - Federal public reporting program data is published here
- QualityNet.org
  - Includes resources on CMS quality-related programs, measure resources, and hospital-specific reports
  - [www.qualitynet.org](http://www.qualitynet.org)
- GNYHA CMS Quality Measures by Program
  - Document that shows measures across quality-related programs
  - Available to GNYHA members through [www.gnyha.org](http://www.gnyha.org)