

# Medicare Value Based Purchasing Program Overview



Insights for Healthcare®



Tennessee Hospital Association

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# Today's Objectives

- Overview of Medicare Value Based Purchasing Program
- Review Methodology
- Review how Tennessee is performing in VBP
- Review VBP analysis

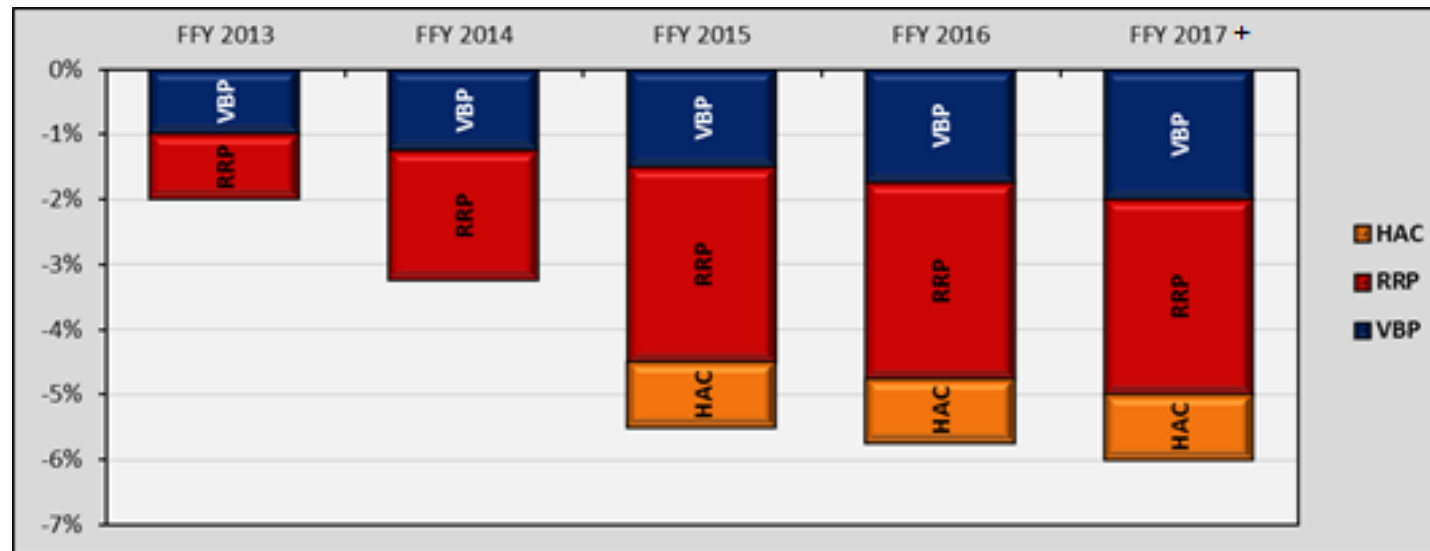
# Medicare Quality Based Payment Reform (QBPR) Programs

- Mandated by the ACA of 2010
  - VBP Program (redistributive w/ winners and losers)
  - Readmissions Reduction Program (remain whole or lose)
  - HAC Reduction Program (remain whole or lose)
- National pay-for-performance programs
- Most acute care hospitals must participate; CAHs excluded
- Program rules, measures, and methodologies adopted well in advance (through 2028)



# Medicare Quality Programs

- Payment adjustments based on facility-specific performance compared to national standards
- Performance metrics are determined using historical data
- Program components change every year



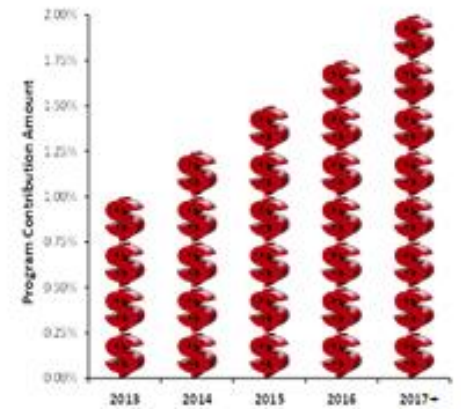
# FFY 2024 Quality Program Measure Populations

- **Value-Based Purchasing (VBP)**
  - All patients
    - Safety, Person and Community Engagement
  - Medicare FFS patients only
    - Clinical Outcomes, Efficiency and Cost Reduction
- **Readmissions Reduction Program (RRP)**
  - Medicare FFS patients only
- **Hospital Acquired Conditions (HAC)**
  - All patients
    - CAUTI, CLABSI, C-diff., MRSA, SSI Colon, SSI Abdominal Hysterectomy
  - Medicare FFS patients only
    - PSI-90



# Medicare Value Based Purchasing (VBP) Program

- Program started in FFY 2013 (October 1, 2012)
- The only Medicare quality program that provides rewards and penalties (redistributive)
- The only Medicare quality program to recognize improvement as well as achievement
- Funded by IPPS payment “contribution” (increased by 0.25% per year with 2% in FFY 2017+ as the cap)
- \$1.9 Billion program (estimated for FFY 2023)



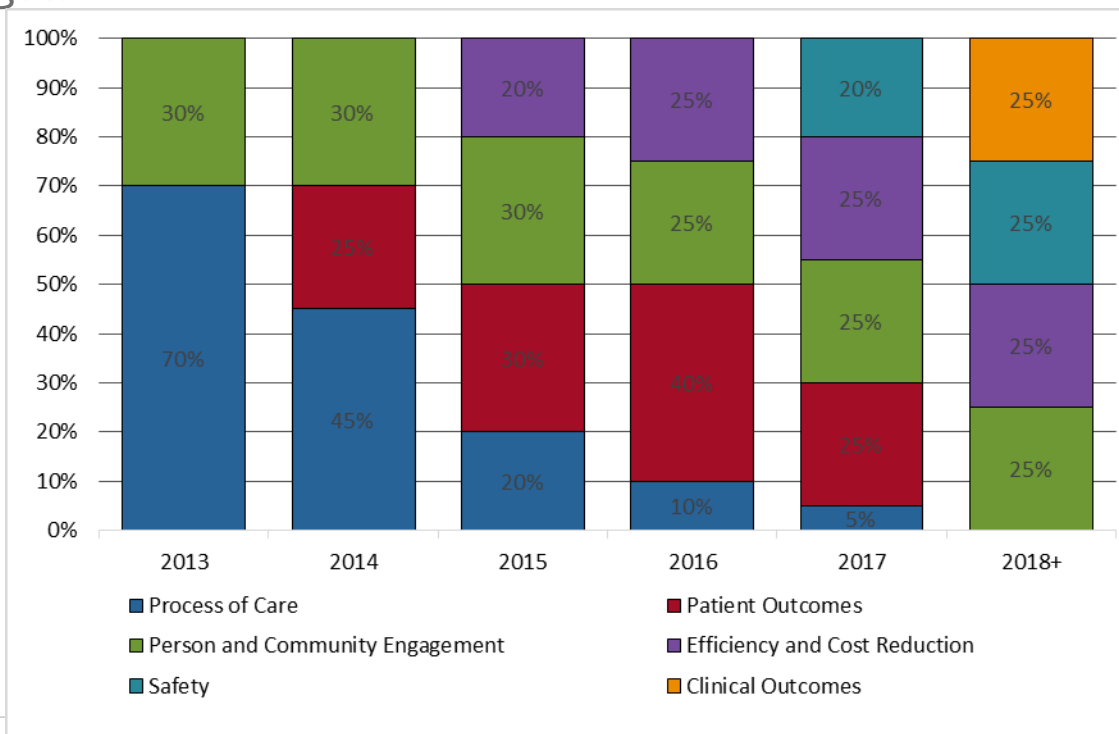
# Value Based Purchasing: Program Overview



- Performance is evaluated on a measure-by-measure basis
  - Quality achievement and improvement are both recognized
  - Hospital performance is compared to national performance standards
- **Measures are grouped into domains**
  - Person and Community Engagement
  - Clinical Outcomes
  - Safety
  - Efficiency and Cost Reduction
- Domain scores are combined to calculate a Total Performance Score (TPS)
- Total Performance Score is converted to an Adjustment Factor

# VBP Program Trends

- Continually evolving
  - Program rules established in advance
    - The final 2023 IPPS rule establishes parameters through 2028
- Moving targets





# VBP Program Timeframes

2014				2015				2016				2017				2018				2019				2020				2021				2022				2023				2024																															
J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D
																																				Person and Community Engagement: Baseline Period <sup>6</sup>																Person and Community Engagement: Performance Period <sup>7</sup>								FFY 2024 Payment Adjustment											
				Clinical Outcomes (Mortality): Baseline Period <sup>6</sup>																								Clinical Outcomes (Mortality): Performance Period <sup>7</sup>				Excluded <sup>8</sup>				Clinical Outcomes (Mortality): Performance Period <sup>7</sup>																																			
		Clinical Outcomes (COMP-HIP-KNEE): Baseline Period <sup>6</sup>																								Clinical Outcomes (COMP-HIP-KNEE): Performance Period <sup>7</sup>				Excluded <sup>8</sup>				Clinical Outcomes (COMP-HIP-KNEE): Performance Period <sup>7</sup>																																					
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																																				Efficiency and Cost Reduction: Baseline Period <sup>6</sup>																Efficiency and Cost Reduction: Performance Period <sup>7</sup>																			

<sup>#</sup>These performance periods are impacted by the extraordinary circumstances exception granted by CMS in response to the PHE so no claims data or chart-abstracted data reflecting services provided January 1, 2020 - June 30, 2020 will be used in calculations for the VBP Program.

# FFY 2024 Domain Weights and Measures

## Safety:

1. C-Diff: Clostridium Difficile infection\*
2. CAUTI: Catheter-Associated Urinary Tract Infection\*
3. CLABSI: Central Line-Associated Bloodstream Infection\*
4. MRSA: Methicillin-resistant Staphylococcus aureus Bacteremia\*
5. SSI: Surgical Site Infection Colon Surgery and Abdominal Hysterectomy\*

## Clinical Outcomes:

1. MORT-30-AMI: Acute Myocardial Infarction (AMI) 30-Day Mortality Rate
2. MORT-30-HF: Heart Failure (HF) 30-Day Mortality Rate
3. MORT-30-PN: Pneumonia (PN) 30-Day Mortality Rate
4. MORT-30-COPD: Chronic Obstructive Pulmonary Disease (COPD) 30-Day Mortality Rate
5. MORT-30-CABG: Coronary Artery Bypass Graft (CABG) 30-Day Mortality Rate
6. COMP-HIP-KNEE: Complication Rate Following Elective Primary Total Hip Arthroplasty (THA) and Total Knee Arthroplasty (TKA)

## Domain Weights



## Efficiency and Cost Reduction:

1. MSPB: Medicare Spending per Beneficiary

## Person and Community Engagement:

Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) Survey Dimensions\*:

1. Communication with Nurses
2. Communication with Doctors
3. Responsiveness of Hospital Staff
4. Communication about Medicines
5. Cleanliness and Quietness of Hospital Environment
6. Discharge Information
7. Overall Rating of Hospital
8. 3-Item Care Transition Measure

\*measure population consists of all patients, not just Medicare FFS

# FFY 2024 Scoring Requirements

	Person and Community Engagement	Clinical Outcomes	Safety	Efficiency and Cost Reduction
Measure Criteria	N/A	At least <b>25</b> eligible cases	HAI: at least <b>1</b> predicted infection SSI: at least <b>1</b> predicted infection for at least <b>1</b> out of two strata	At least <b>25</b> eligible cases
Domain Eligibility Criteria	At least <b>100</b> completed HCAHPS surveys	Minimum of <b>2</b> out of <b>6</b> measures	Minimum of <b>2</b> out of <b>5</b> measures	Minimum of <b>1</b> out of <b>1</b> measure

A hospital must have scores in 3 out of 4 domains to be eligible for the FFY 2024 VBP program.

# VBP Performance Standards

- **National Benchmarks**
  - High achievement levels (average performance score for top 10% of hospitals nationwide)
- **National Achievement Thresholds**
  - Minimum achievement levels (median performance score for hospitals nationwide)
- **National Floors (HCAHPS only; lowest scores nationwide)**

Measure	Achievement		
	Floor	Threshold	Benchmark
Clean and Quiet	45.94%	65.63%	79.64%
Nurse Comm.	53.50%	79.42%	87.71%
Doctor Comm.	62.41%	79.83%	87.97%
Staff Response	40.40%	65.52%	81.22%
Rx Comm.	39.82%	63.11%	74.05%
Disch. Info	66.92%	87.23%	92.21%
Care Transitions	25.64%	51.84%	63.57%
Overall Rating	36.31%	71.66%	85.39%

# Measure Scoring Methodology

- **Achievement Points:**

- Max = 10 points
- Performance compared to:
  - National Achievement Threshold (minimum performance level)
  - National Benchmark (high attainment level)

Below threshold	Between threshold & benchmark	At or above benchmark
0 pts.	1-9 pts.	10 pts.

- **Improvement Points:**

- Max = 9 points
- Performance compared to:
  - Prior performance (from baseline period)
  - National Benchmark (high attainment level)

At or below baseline period score	Above baseline period score
0 pts.	1-9 pts.

# VBP Measure Scoring: Achievement Points

Measure	Perf. Period Analyzed	Perf. Cases	Base Period Analyzed	Base Cases	Floor	Achievement Threshold	Benchmark	Consistency Points	Achievement Points	Improvement Points	Final Points
AMI Mort.	87.5%	142	86.5%	306	N/A	86.9247%	88.7868%	N/A	3	4	4

$$\text{Achievement Points (all program measures)} = \left[ 9 \times \frac{\text{Performance Period Score} - \text{Achievement Threshold}}{\text{Benchmark} - \text{Achievement Threshold}} \right] + 0.5$$

$$\text{Achievement Points (all program measures)} = \left[ 9 \times \frac{87.5\% - 86.9247\%}{88.7868\% - 86.9247\%} \right] + 0.5$$

3 = Achievement Points

# VBP Measure Scoring: Improvement Points

Measure	Perf. Period Analyzed	Perf. Cases	Base Period Analyzed	Base Cases	Floor	Achievement Threshold	Benchmark	Consistency Points	Achievement Points	Improvement Points	Final Points
AMI Mort.	87.5%	142	86.5%	306	N/A	86.9247%	88.7868%	N/A	3	4	4

$$\text{Improvement Points (all program measures)} = \left[ 10 \times \frac{\text{Performance Period Score} - \text{Baseline Period Score}}{\text{Benchmark} - \text{Baseline Period Score}} \right] - 0.5$$

$$\text{Improvement Points (all program measures)} = \left[ 10 \times \frac{87.5\% - 86.5\%}{88.7868\% - 86.5\%} \right] - 0.5$$

4= Improvement Points

*For each individual measure, the hospital receives the higher point value of achievement or improvement. In this example, a score of 4 is assigned to the MORT\_30\_AMI measure.*

# Domain Score Calculation

Measure	Score
MORT-30-AMI	4
MORT-30-HF	0
MORT_30_PN	0
MORT-30-COPD	0
MORT-30-CABG	0
COMP-HIP-KNEE	0

A	Total Final Points	4
B	Max. Possible Points	60
C	Clinical Outcomes Domain Score [A/B]:	15%

$$\text{Overall Domain Score} = \left[ \frac{\text{Sum of Final Points Earned on Each Scored Measure}}{\text{Maximum Possible Points on Each Scored Measure}} \right]$$

Maximum Points = number of scored measures x 10 points



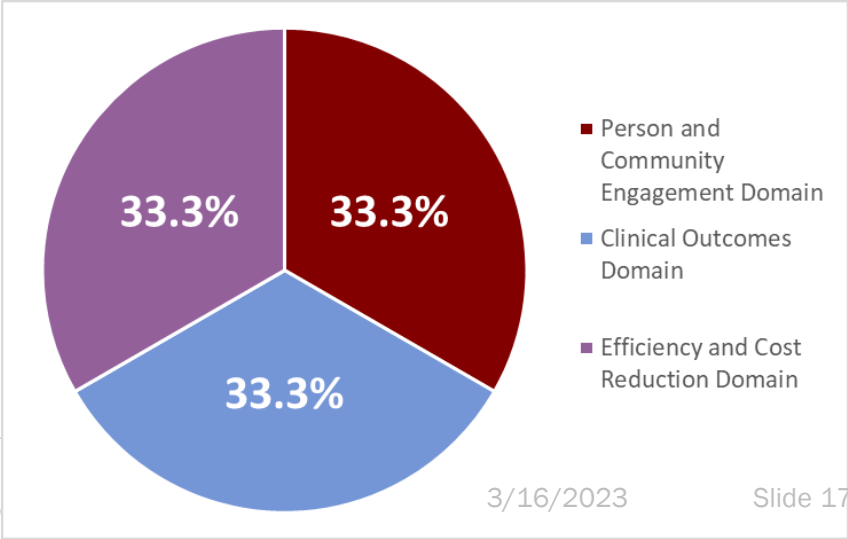
# Domain Score Calculation (con't)

- Proportional Reweighting
  - Impacts program eligibility

Proportionally Reweighted Domain Weight =  $\frac{\text{Original Weight of Domain}}{\text{Sum of Original Weights for all Scored Domains}}$

Clinical Outcomes Domain Proportionally Reweighted =  $\frac{25\%}{(25\%+25\%+25\%)} = 33.3\%$

	Unweighted Domain Score	Original Domain Weight	Proportionally Reweighted Domain Weight
Person and Community Engagement Domain	97.0%	25.0%	33.3%
Clinical Outcomes Domain	15.0%	25.0%	33.3%
Safety Domain	Not Eligible	25.0%	Not Eligible
Efficiency and Cost Reduction Domain	69.7%	25.0%	33.3%



# TPS Score Calculation

Total Performance Score (TPS) = Domain<sub>1</sub> Score x Domain<sub>1</sub> Weight + Domain<sub>2</sub> Score x Domain<sub>2</sub> Weight +....+ Domain<sub>n</sub> Score x Domain<sub>n</sub> Weight

(Person and Community Engagement Domain Score × 0.25) + (Clinical Outcomes Domain Score × 0.25) +  
(Safety Domain Score × 0.25) + (Efficiency and Cost Reduction Domain Score × 0.25) = **TPS**

(97% × 0.333) + (15% × 0.333)+ (69.7% X 0.333) = **TPS**

32.30% + 5.0% + 23.23% = **TPS**

60.6% = **TPS**

# Payout Percentage Calculation

- TPSs for all hospitals nationwide compared to determine VBP payouts/impacts
- Comparison of TPSs creates “VBP Slope”
- VBP slope is used to ensure redistribution of all VBP contribution dollars
- VBP Linear Function (Payout Percentage) = [Total Performance Score x VBP Slope]

 **100%**  
*is good!*

VBP Slope × **60.6%** = **VBP Payout Percentage**

3.6012 × **60.6%** = **VBP Payout Percentage**

**218.2%** = **VBP Payout Percentage**

In this example, this hospital would receive 218.2% of their VBP contribution and would benefit from the program.

# VBP Impact Calculation

- VBP Adjustment Factor =  $[1 + (\text{Program Contribution Percentage} \times \text{Payout Percentage}) - \text{Program Contribution Percentage}]$
- Annual Program Impact =  $[\text{IPPS Base Operating Dollars} \times \text{VBP Adjustment Factor} - \text{IPPS Base Operating Dollars}]$

$$1 + (2.0\% \times 218.2\%) - 2.0\% = \text{VBP Adjustment Factor}$$

$$1.02364 = \text{VBP Adjustment Factor}$$

For example, assume this hospital's IPPS Base Operating Dollars = \$100,000,000.

$$\$100,000,000 \times 1.02364 - \$100,000,000 = \text{Annual Program Impact}$$

$$+\$2,364,000 = \text{Annual Program Impact}$$

# VBP Slope Calculation

- VBP Slope is used to determine program payouts
  - VBP Slope is set at the value that makes overall program calculated as budget neutral

			TPS x Contribution	TPS x Slope	Actual % Payout x Contribution
	TPS	Contribution	Payout (Pre-Slope)	Actual % Payout (Slope = 3.40083997751544)	Payout (Slope = 3.40083997751544)
Hospital A	24.8%	\$100	\$24.80	84.34%	\$84.34
Hospital B	32.4%	\$100	\$32.40	110.19%	\$110.19
Hospital C	21.9%	\$100	\$21.90	74.48%	\$74.48
Hospital D	40.8%	\$100	\$40.80	138.75%	\$138.75
Hospital E	36.4%	\$100	\$36.40	123.79%	\$123.79
Hospital F	9.7%	\$100	\$9.70	32.99%	\$32.99
Hospital G	53.5%	\$100	\$53.50	181.94%	\$181.94
Hospital H	48.1%	\$100	\$48.10	163.58%	\$163.58
Hospital I	11.2%	\$100	\$11.20	38.09%	\$38.09
Hospital J	15.3%	\$100	\$15.30	52.03%	\$52.03
Total		\$1,000	\$294.10		\$1,000

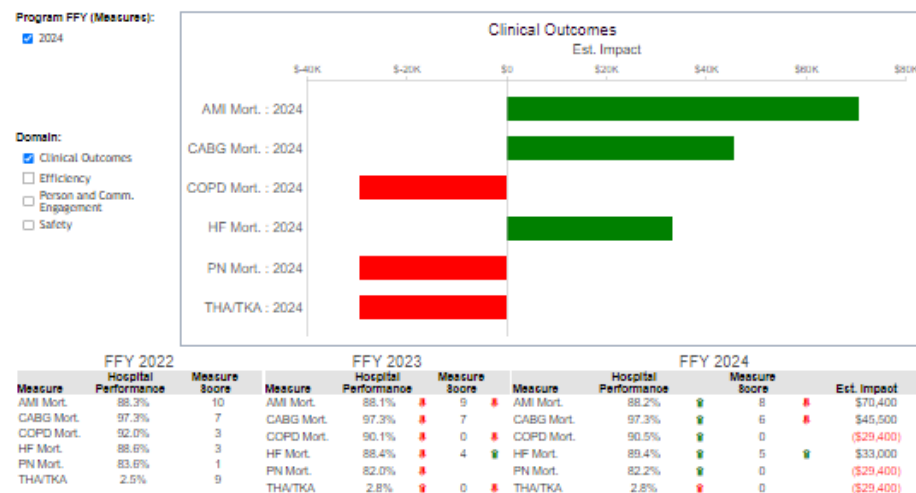
- National VBP Slope fluctuates with changes in hospital Total Performance Scores (TPS)
  - $\uparrow$ TPS =  $\downarrow$ Slope
  - $\downarrow$ TPS =  $\uparrow$ Slope

Impact = Payout \$ - Contribution

# HCAHPS Measures

- HCAHPS survey is a survey instrument and data collection methodology for measuring patients' perceptions of their hospital experience
- Eight HCAHPS Dimensions in VBP (29 questions in total in HCAHPS survey)
  - Communication with Nurses
  - Communication with Doctors
  - Responsiveness of Hospital Staff
  - Communication about Medicines
  - Cleanliness and Quietness of Hospital Environment
  - Discharge Information
  - Overall Rating of Hospital
  - 3-Item Care Transition Measure
- CMS currently calculates VBP HCAHPS measures as the % of patients who responded to the highest rated answer for a provider
  - i.e. if “always” was the most positive answer a hospital received for a question, the percent of patients who choose “always” for that question would be the hospital’s overall score for that question
- Hospital’s second best answers and below are not captured in this method

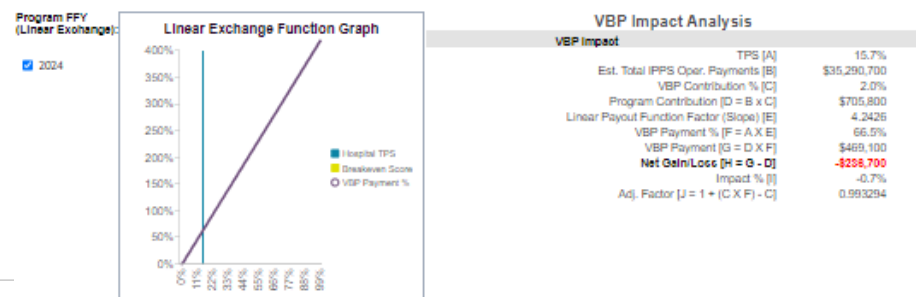
# VBP Performance Scorecard



Calculation of measure scores and estimated impacts

FFY 2022				FFY 2023				FFY 2024			
Domain	Unweighted Score	Domain Weight	Weighted Score	Domain	Unweighted Score	Domain Weight	Weighted Score	Domain	Unweighted Score	Domain Weight	Weighted Score
Person and Comm. Engagement	50.0%	100.0%	12.5%	Person and Comm. Engagement	40.0%	50.0%	10.0%	Person and Comm. Engagement	23.0%	25.0%	5.8%
Clinical Outcomes	50.0%	100.0%	12.5%	Clinical Outcomes	40.0%	50.0%	10.0%	Clinical Outcomes	31.7%	25.0%	7.9%
Safety	50.0%	100.0%	12.5%	Safety	40.0%	50.0%	10.0%	Safety	8.0%	25.0%	2.0%
Efficiency	50.0%	100.0%	12.5%	Efficiency	0.0%	50.0%	0.0%	Efficiency	0.0%	25.0%	0.0%
TPS	50.0%	100.0%	12.5%	TPS	0.0%	50.0%	0.0%	TPS	0.0%	25.0%	0.0%

Calculation of domain scores and estimated impacts



Adjustment Factor calculation and estimated program impacts

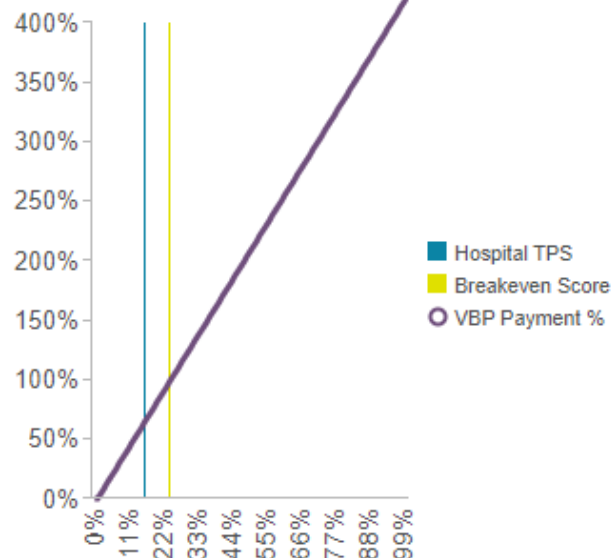
# VBP Payment Adjustment Calculation

- Estimated VBP Slope using the most recent data available

Program FFY  
(Linear Exchange):

☒ 2024

Linear Exchange Function Graph



## VBP Impact Analysis

### VBP Impact

TPS [A]	15.7%
Est. Total IPPS Oper. Payments [B]	\$35,290,700
VBP Contribution % [C]	2.0%
Program Contribution [D = B x C]	\$705,800
Linear Payout Function Factor (Slope) [E]	4.2426
VBP Payment % [F = A X E]	66.5%
VBP Payment [G = D X F]	\$469,100
Net Gain/Loss [H = G - D]	<b>-\$236,700</b>
Impact % [I]	-0.7%
Adj. Factor [J = 1 + (C X F) - C]	0.993294



# VBP Performance Scorecard

Program FFY (Measures):

☒ 2024

Domain:

☒ Clinical Outcomes

☐ Efficiency

☐ Person and Comm.

☐ Engagement

☐ Safety



FFY 2022			FFY 2023			FFY 2024				
Measure	Hospital Performance	Measure Score	Measure	Hospital Performance	Measure Score	Measure	Hospital Performance	Measure Score	Est. Impact	
AMI Mort.	88.3%	10	AMI Mort.	88.1%	9	AMI Mort.	88.2%	8	\$70,400	
CABG Mort.	97.3%	7	CABG Mort.	97.3%	7	CABG Mort.	97.3%	6	\$45,500	
COPD Mort.	92.0%	3	COPD Mort.	90.1%	0	COPD Mort.	90.5%	0	(\$29,400)	
HF Mort.	88.6%	3	HF Mort.	88.4%	4	HF Mort.	89.4%	5	\$33,000	
PN Mort.	83.6%	1	PN Mort.	82.0%	0	PN Mort.	82.2%	0	(\$29,400)	
THA/TKA	2.5%	9	THA/TKA	2.8%	0	THA/TKA	2.8%	0	(\$29,400)	

- Actual VBP scores and estimated scores
- Year-to-year improvement in performance on a measure does not guarantee improved score

# VBP Performance Scorecard

FFY 2022				FFY 2023				FFY 2024						
Domain	Unweighted Score	Domain Weight	Weighted Score	Domain	Unweighted Score	Domain Weight	Weighted Score	Domain	Unweighted Score	Domain Weight	Weighted Score	Est. Impact		
Person and Comm. Engagement				Person and Comm. Engagement				Person and Comm. Engagement	23.0%	25.0%	5.8%	(\$4,300)		
Clinical Outcomes	50.0%	100.0%	12.5%	Clinical Outcomes	40.0%	↓	50.0%	10.0%	Clinical Outcomes	31.7%	↓	25.0%	7.9%	\$60,600
Safety				Safety				Safety	8.0%	25.0%	2.0%	(\$116,600)		
Efficiency				Efficiency	0.0%		50.0%	0.0%	Efficiency	0.0%	25.0%	0.0%	(\$176,500)	
TPS				TPS				TPS			15.7%			

# VBP Score Calculation

Domain:

- ☒ Clinical Outcomes
- ☐ Efficiency
- ☐ Person and Comm. Engagement
- ☐ Safety

## 4Q2022 Care Compare Update

Measure	Perf. Period Analyzed	Perf. Cases	Base Period Analyzed	Base Cases	Floor	Achievement Threshold	Benchmark	Consistency Points	Achievement Points	Improvement Points	Final Points
AMI Mort.	88.2%	220	85.7%	311	N/A	86.9247%	88.7868%	N/A	7	8	8
HF Mort.	89.4%	394	88.2%	428	N/A	88.2308%	90.7733%	N/A	5	4	5
PN Mort.	82.2%	264	82.2%	304	N/A	84.0281%	87.2976%	N/A	0	0	0
COPD Mort.	90.5%	133	91.0%	274	N/A	91.6491%	93.4002%	N/A	0	0	0
CABG Mort.	97.3%	94	95.8%	130	N/A	96.9499%	98.0319%	N/A	3	6	6
THA/TKA	2.8%	202	2.2%	333	N/A	2.5396%	1.8159%	N/A	0	0	0
<b>Domain Score</b>											<b>31.7%</b>

## VBP Performance Trends and Ranks

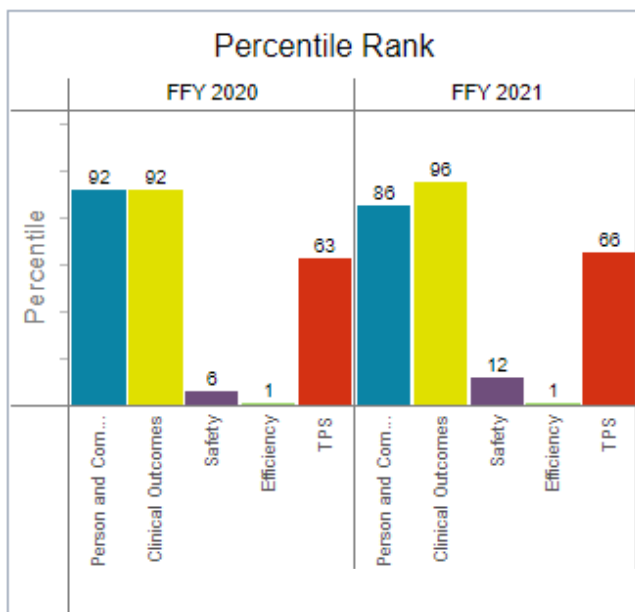
Domain	Care Compare Update	Domain Score	State Rank	National Rank	Linear Payout Function Factor	VBP Payment Percentage	Adjustment Factor	Net Gain/Loss
Clinical Outcomes	3Q2022	35.0%	67 of 114	1,258 of 2,518				
	4Q2022	31.7%	68 of 117	1,274 of 2,601				
Efficiency	3Q2022	30.0%	33 of 103	629 of 2,373				
	4Q2022	0.0%	62 of 117	1,464 of 2,625				
Person and Comm. Engagement	3Q2022	20.0%	44 of 114	954 of 2,533				
	4Q2022	23.0%	36 of 116	763 of 2,652				
Safety	3Q2022	2.0%	91 of 101	2,118 of 2,256				
	4Q2022	8.0%	79 of 101	1,986 of 2,301				
TPS	3Q2022	21.8%	73 of 114	1,660 of 2,543	3.9368	85.6%	0.9971	(\$101,500)
	4Q2022	15.7%	99 of 117	2,195 of 2,664	4.2426	66.5%	0.9933	(\$236,700)

# Guidance on Performance

- For the following measures in this VBP program, lower values represent better performance:
  - NHSN measures (CLABSI, CAUTI, C.DIFF, SSI, MRSA)
  - MSPB
  - THA/TKA



# Value Based Purchasing: Hospital Case Study



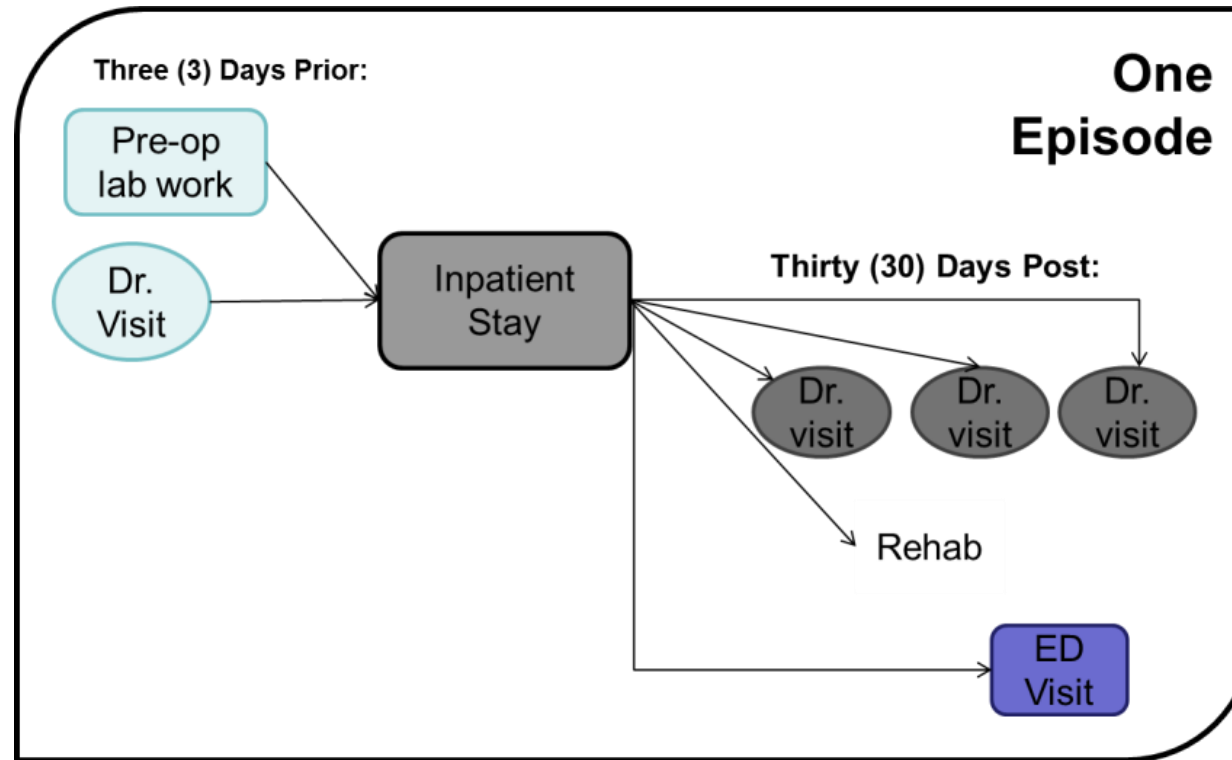
		2020	2021
Domain Score	HCAHPS	61%	52%
	Outcomes	88%	78%
	Safety	15%	18%
	Efficiency	0%	0%
	<b>Total Performance Score</b>	41%	37%

VBP Slope	2.8085	3.2077
Adjustment Factor	1.003	1.0037
<b>Payback Percentage</b>	115.15%	118.68%

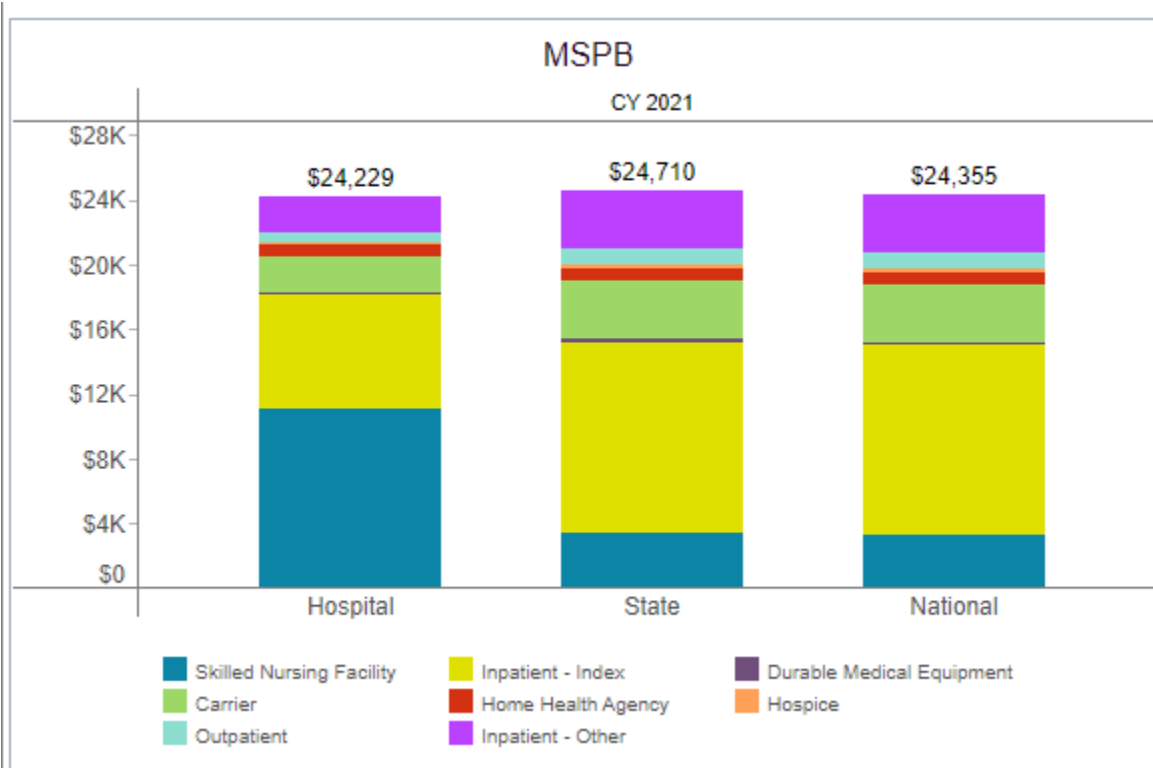
- Total Performance Score decreased from FFY 2020 at 41% to FFY 2021 at 37%
- Hospital Payout Percentage increased from 115.15% to 118.68% from FFY 2020 to FFY 2021
- As other hospitals decreased in performance (slope increased), this hospital experienced larger gains from FFYs 2020-2021

# VBP Efficiency and Cost Reduction Measure

- Medicare Spending per Beneficiary:



# TN's 2021 Medicare Spending per Beneficiary



	Claim Type	Hospital	State	National
CY 2021				
MSPB Summary	Carrier	\$2,232	\$3,673	\$3,611
	Durable Medical Equipment	\$152	\$152	\$144
	Outpatient	\$691	\$1,018	\$1,107
	Hospice	\$69	\$162	\$182
	Inpatient - Index	\$7,153	\$11,817	\$11,712
	Inpatient - Other	\$2,138	\$3,657	\$3,487
	Skilled Nursing Facility	\$11,090	\$3,463	\$3,351
	Home Health Agency	\$704	\$768	\$761

# TN's 2021 Medicare Spending per Beneficiary

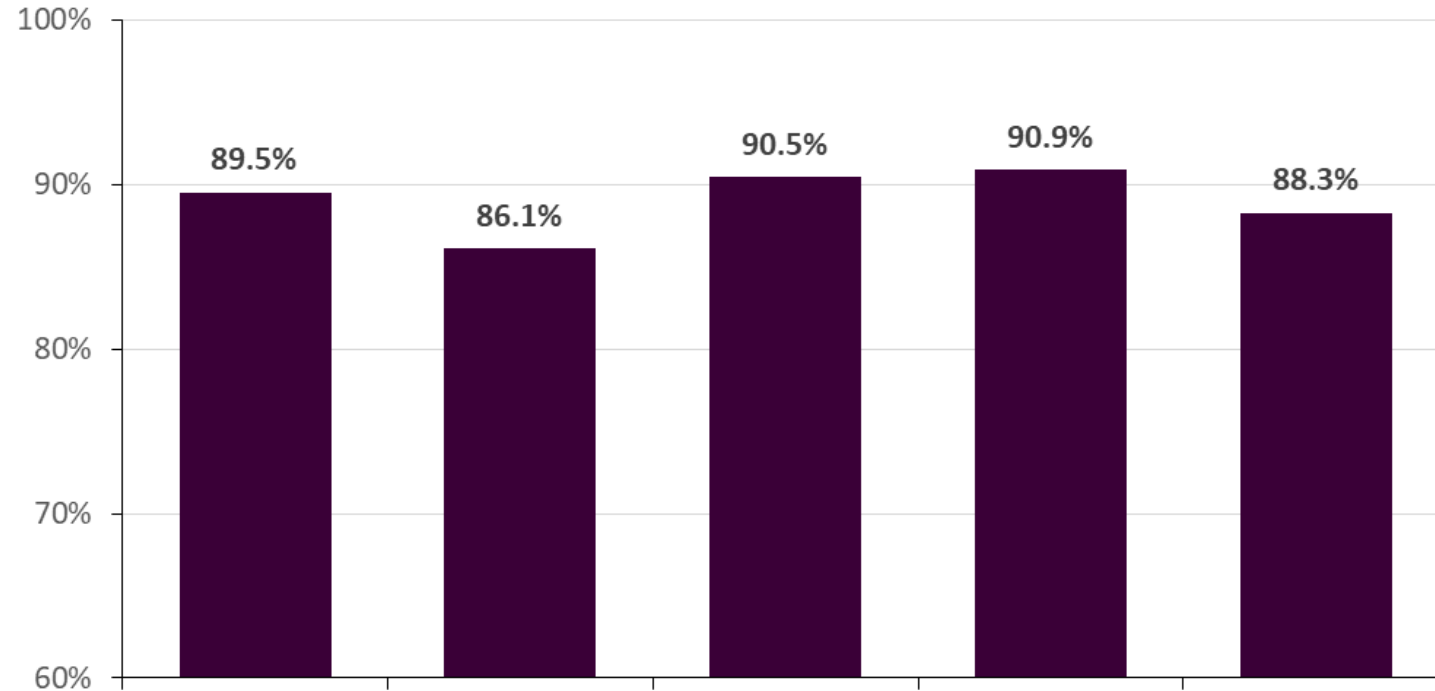
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CY ▼	Episode Period ▼	Claim Type ▼	Avg. Hosp Spend ▼	Avg. State Spend ▼	Avg. Natl Spend ▼
2021	1 to 3 days Prior to Index Hospital Admission	Carrier	\$566	\$800	\$699
		Durable Medical Equipment	\$18	\$9	\$9
		Outpatient	\$22	\$177	\$187
		Hospice	\$0	\$0	\$1
		Inpatient - Other	\$0	\$8	\$8
		Skilled Nursing Facility	\$49	\$5	\$6
		Home Health Agency	\$78	\$15	\$13
			\$733	\$1,014	\$923
CY ▼	Episode Period ▼	Claim Type ▼	Avg. Hosp Spend ▼	Avg. State Spend ▼	Avg. Natl Spend ▼
2021	During Index Hospital Admission	Carrier	\$459	\$1,523	\$1,577
		Durable Medical Equipment	\$20	\$26	\$23
		Outpatient	\$0	\$0	\$0
		Hospice	\$0	\$0	\$0
		Inpatient - Index	\$7,153	\$11,817	\$11,712
		Skilled Nursing Facility	\$0	\$0	\$0
		Home Health Agency	\$0	\$0	\$0
			\$7,632	\$13,366	\$13,312
CY ▼	Episode Period ▼	Claim Type ▼	Avg. Hosp Spend ▼	Avg. State Spend ▼	Avg. Natl Spend ▼
2021	1 through 30 days After Discharge from Index Hospital Admission	Carrier	\$1,207	\$1,350	\$1,335
		Durable Medical Equipment	\$114	\$117	\$112
		Outpatient	\$669	\$841	\$920
		Hospice	\$69	\$162	\$181
		Inpatient - Other	\$2,138	\$3,649	\$3,479
		Skilled Nursing Facility	\$11,041	\$3,458	\$3,345
		Home Health Agency	\$626	\$753	\$748
			\$15,864	\$10,330	\$10,120



# TN's VBP Performance Trends

## Statewide Payback Percentage



	2017	2018	2019	2020	2021
Payout Percentage	89.5%	86.1%	90.5%	90.9%	88.3%
Total Impact	(\$4,263,600)	(\$5,684,500)	(\$3,924,000)	(\$3,864,200)	(\$4,943,900)
Eligible Hospitals	78	76	73	72	66
Number of Winners	39	33	31	38	33
Number of Losers	39	43	42	34	33

# TN's VBP Performance Trends

Domain Ranking	2017	2018	2019	2020	2021
Process of Care	22 of 50	n/a	-	n/a	-
Person and Community Engagement	26 of 50	25 of 50 ▼	27 of 50 ▲	27 of 50 -	35 of 50 ▲
Clinical Outcomes	36 of 50	39 of 50 ▲	40 of 50 ▲	39 of 50 ▼	34 of 50 ▼
Efficiency and Cost Reduction	36 of 50	38 of 50 ▲	33 of 50 ▼	37 of 50 ▲	39 of 50 ▲
Safety	32 of 50	38 of 50 ▲	41 of 50 ▲	27 of 50 ▼	34 of 50 ▲
Total Performance Score	45 of 50	48 of 50 ▲	46 of 50 ▼	46 of 50 -	42 of 50 ▼

## Key Drivers of Statewide Performance:

- **New/Removed Measures**
  - FFY 2017: Added – HAI-5, HAI-6, PC-01; Removed – PN-6, SCIP-Inf-2, SCIP-Inf-3, SCIP-Inf-9, SCIP-Card-2, SCIP-VTE-2
  - FFY 2018: Added – CTM-3; Removed – AMI-7a, Pain Management
  - FFY 2019: Added – THA/TKA; Expanded – HAI-1., HAI-2; Removed – PSI-90
  - FFY 2020: Added – MORT-30-COPD
  - FFY 2021: Added – MORT-30-CABG; Expanded – MORT-30-PN
- **Changing Eligibility**
- **Update performance periods/standards – Nationwide Improvement**
- **Changing Domain Weights with increased weight towards Outcomes/Efficiency**

# TN's Top/Bottom VBP Measures

Top 5 Measures		
Domain	Measure	VBP Score
Clinical Outcomes	Complication Rate Following Elective Primary TKA/THA	72.9%
Clinical Outcomes	Acute Myocardial Infarction (AMI) 30-Day Mortality Rate	68.0%
Safety	Clostridium difficile (C.diff.)	44.5%
Clinical Outcomes	Heart Failure (HF) 30-Day Mortality Rate	41.5%
Safety	Central Line-Associated Blood Stream Infection (CLABSI)	34.3%

Bottom 5 Measures		
Domain	Measure	VBP Score
Efficiency	Spending Per Hospital Patient With Medicare	5.4%
HCAHPS	Discharge Information	8.8%
HCAHPS	3-Item Care Transition Measure	10.6%
HCAHPS	Responsiveness of Hospital Staff	10.9%
HCAHPS	Communication with Nurses	11.6%

# Upcoming Webinars

- Don't forget to register for the upcoming Readmission Reduction and Hospital Acquired Condition Reduction Programs webinar
  - April 5<sup>th</sup>, 2023 @ 10am EST

# Thank you.



## Contact us

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