



## 2009 Peer Group 5 Hospital Pay-for-Performance Program

### Program Overview

Peer group 5 hospitals are small rural hospitals that provide access to care in areas where no other care is available. Many of these hospitals are classified by Medicare as Critical Access Hospitals. The Blue Cross Blue Shield of Michigan PG5 Hospital Pay-for-Performance program gives these hospitals the opportunity to demonstrate to their communities and to the purchasers of care they are meeting expectations for access, effectiveness and quality.

The program determines six percentage points of a PG5 hospital's payment rate. A PG5 P4P advisory group provides input to BCBSM regarding relevant measures that promote quality, access and value in small rural hospitals. The advisory group membership includes hospital representatives, staff from the Michigan Health and Hospital Association and BCBSM.

The program measures described in this document are effective April 1, 2009. Performance on these measures will determine each hospital's payment rate effective on October 1, 2010.

### Program Timeframes

Each year of the program has two phases. The first phase is the measurement period. This is the period during which hospital compliance and performance rates are measured. This phase begins on April 1 of each year and lasts 12 months. In some cases, performance rates for a specific program measure may be measured over a shorter time period (such as six or nine months). At the end of the measurement period, hospital performance on each of the program measures is reported to BCBSM.

The second phase of the program is the payment period. This is the 12-month period when a specific P4P payment rate is in effect. The payment period begins on October 1 of each year and lasts 12 months.

A table summary of the 2009 program timeframes and measures is provided at the end of this document.

## Program Measures – April 1, 2009 through March 31, 2010

For the measurement period beginning April 1, 2009, hospitals will be evaluated on the following components:

<u>Program Component</u>	<u>Weight</u>
<b>Prequalifying condition</b>	
Culture of safety survey	0 percent
<b>Quality</b>	
1. Participation in quality initiatives (MICAH and MHA Keystone)	75 percent
2. Performance on clinical quality indicators	25 percent

### Prequalifying Condition

Hospitals must meet the following prequalifying condition to be eligible to participate in the P4P program:

- PG5 hospitals must conduct a hospital-wide cultural assessment of patient safety at least once every two years. The assessment must use a validated assessment program that is designed to identify specific areas where improvement is needed. Examples include surveys developed by the Agency for Healthcare Research and Quality or the University of Texas and an assessment of the patient safety goals established by the Joint Commission or the American Osteopathic Association's Healthcare Facility Accreditation Program. Whichever program is chosen, it should be used by the hospital to guide improvements in patient safety.

Hospitals will be asked to submit an attestation to BCBSM verifying they have met this prequalifying condition.

### Quality

Hospitals that meet the above pre-qualifying condition will earn a P4P score based on the following two components:

1. Participation in selected quality initiatives (75 percent)
2. Performance on selected clinical quality measures (25 percent)

## 1. Participation in Selected Quality Initiatives

75 percent of a hospital's total P4P score is earned through active participation in selected quality initiatives, as follows:

- All hospitals must participate in at least one of the following two initiatives:
  - The Michigan Critical Access Hospital (MICAH) Quality Network, or
  - The MHA Keystone: Hospital-Associated Infections (HAI) initiative
- Eligible hospitals must also participate in the MHA Keystone Surgery. Eligibility for this initiative is determined by the MHA Keystone program staff. Please contact MHA Keystone at (517) 886-8362 for more information.

Active participation in these initiatives means the hospital is submitting data on a timely basis, participating in the collaborative aspects of the initiative and implementing related quality improvement interventions within the hospital.

Hospital compliance with this measure will be determined by the coordinators of the initiative (that is, MICAH or MHA Keystone).

Scores for this component will be determined as follows:

- If a hospital is not eligible to participate in the MHA Keystone Surgery initiative, the entire score for this component (that is, 75 percent) will be based entirely on their participation in either the Michigan Critical Access Hospital Quality Network or the MHA Keystone Hospital-Associated Infection program.
- If a hospital is eligible to participate in the MHA Keystone Surgery initiative, its score will be weighted across two initiatives. Active participation in either MICAH or the MHA Keystone HAI initiative will determine one-half of its score for this component, or 37.5 percent. Participation in the MHA Keystone Surgery initiative will determine the other half of its score, for a total score of 75 percent. If a hospital is eligible to participate in the two initiatives, but elects to participate in only one, it will forfeit half its score, or 37.5 percent.

## 2. Performance on specific clinical quality measures

The remaining 25 percent of the hospital's P4P score is earned by its performance on specific clinical quality measures, as follows:

Critical access hospitals will be scored on their performance on the following ER transfer measures:

TRO-1	Reason for transfer documented
TRO-2	Receiving hospital documented
TRO-3	Receiving physician documented
TRO-4	Patient's benefits documented
TRO-5	Patient's stability documented
TRO-6	Patient's vital signs taken within 15 minutes
TRO-7	Patient's risk for transfer documented

Non-critical access hospitals will be scored on their performance on the following three sets of CMS quality indicators:

I. Acute myocardial infarction<sup>1</sup>

- Aspirin at arrival (AMI-1)
- Aspirin prescribed at discharge (AMI-2)
- Angiotensin converting enzyme inhibitors or angiotensin receptor blockers for LVSD (AMI-3)
- Beta blocker prescribed at discharge (AMI-5)

II. Heart failure

- Assessment of left ventricular function (HF-2)
- Left ventricular ejection fraction less than 40 percent prescribed ACEI or ARB at discharge (HF-3)
- Discharge instructions (HF-1)

III. Pneumonia

- Initial antibiotic selection (for non-ICU patients) consistent with current recommendations (PN-6b)
- Pneumococcal vaccine (screening or administration) prior to discharge (PN-2)

Hospitals are scored on the above quality indicators by comparing performance against a threshold. The thresholds are determined by the Peer Group 5 P4P Advisory Group and are based primarily on the prior year's performance. These thresholds will be communicated to hospitals as soon as they are available.

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<sup>1</sup> Note: Beta Blocker on Arrival (AMI 6), is eliminated from scoring effective April 1, 2009. This measure is being retired by CMS and the Joint Commission due to potential unintended consequences.

Hospitals may be scored at either an individual hospital level or at a statewide peer group five level. A hospital will only be scored individually on a measure if it has at least 20 cases for that measure.

### **Program Rates and Payment**

Performance on the above program components will determine 6 percentage points of a PG5 hospital's inpatient and outpatient payment rates effective October 1, 2010. Therefore, an individual hospital's P4P payment rate will be determined by multiplying its total P4P score times 6 percentage points.

Hospital attestations and performance data for all program components are due to BCBSM by June 1, 2010. BCBSM will score each hospital and communicate their P4P payment rates to them by July 31, 2010.

### **Future program measures**

In 2008, CMS introduced new outpatient measures for chest pain, AMI and surgery. The Peer Group 5 Hospital P4P Advisory Group is evaluating the applicability of these new measures to small rural hospitals, and it is likely these measures will be incorporated into the program in the future. In preparation, hospitals should begin reporting on these new measures when they are fully implemented by CMS (estimated in 2010).

- Critical access hospitals will be expected to report on the chest pain and AMI components. Because of the small number of expected cases, these hospitals will not be expected to report on the surgery component.
- Non-critical access hospitals will be expected to report on all three components (chest pain, AMI and surgery).

A full description of the CMS measures can be found at QualityNet at [www.qualitynet.org](http://www.qualitynet.org) under the Hospital-Outpatient/Specifications Manual tab.

<b>2009 Peer Group 5 Pay-for-Performance Program Timeline</b>	
<b>Amount of payment determined by program</b>	6 percentage points
<b>Measurement Period</b>	April 1, 2009 – March 31, 2010
<b>Payment effective period</b>	October 1, 2010 – September 30, 2011
<b>Program Measures</b>	
<b>Pre-Qualifying Condition</b>	Culture of safety survey
<b>Quality</b>	<ul style="list-style-type: none"> <li>• Participation in <u>either</u> MICAHA or MHA Keystone HAI initiative</li> <li>• Participation in MHA Keystone Surgery initiative (eligible hospitals only)</li> <li>• Performance on transfer measures compared to threshold (CAH hospitals)</li> <li>• Performance on AMI, Heart failure and pneumonia measures compared to threshold (non-CAH hospitals)</li> </ul>