

The Nuts and Bolts of VBP: Impact of Scores on Reimbursement

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Session Objectives

1. Identify current requirements for the HCAHPS survey.
2. Describe how HCAHPS is calculated into VBP scores.
3. Identify techniques for prioritizing performance improvement strategies.

HCAHPS Survey

Hospital Consumer Assessment of Healthcare Providers and Systems

Intent:

Provide a standardized survey instrument and data collection methodology for measuring patients' perspectives on hospital care

Goals:

1. Produce comparable data on the patient's perspective of care that allows objective and meaningful comparisons between hospitals on domains that are important to consumers
2. Public reporting of the survey results is designed to create incentives for hospitals to improve their quality of care
3. Public reporting will serve to enhance public accountability in health care by increasing the transparency of the quality of hospital care provided in return for the public investment

<http://www.hcahpsonline.org>. Centers for Medicare & Medicaid Services, Baltimore, MD.

The Survey: Methodology

- 27 Questions
- 18 patient perspectives on care and patient rating items
- 8 key topics:
 - communication with doctors
 - communication with nurses
 - responsiveness of hospital staff
 - pain management
 - communication about medicines
 - discharge information
 - cleanliness of the hospital environment
 - quietness of the hospital environment

The Survey: Methodology

- Hospitals required to have minimum 300 completed surveys
 - If unable to reach 300, must survey all eligible patients
- Average hospital receives almost 900 completed surveys per year
- Additional data allows for deeper and more stable data
- Client Exclusions:
 - Patients who die while in the hospital
 - Documented “No Publicity” patients
 - Newborns
 - Other patients excluded by law in your state

The Survey: Methodology

- Languages
 - English
 - Spanish
 - Russian
 - Chinese
 - Vietnamese
 - Portuguese
- 4 Modes of Administration
 - Mail
 - Phone
 - Mail then phone
 - Interactive Voice Response

The Survey: Methodology

- Press Ganey Exclusions:
 - Admitted and discharged on same day
 - Observation Patients, Outpatients
 - Under age 18 on admission
 - Discharged to SNF or Hospice
 - Admitted from or discharged to a correctional facility
 - Patients with an international address
 - Specific MS-DRGs
- Included:
 - Patients who leave against medical advice (AMA)
 - Patients discharged to intermediate care, rehabilitation facility
 - Patients with dementia (unless excluded due to MS-DRG)

New HCAHPS Questions

- Five new questions:
 - Two demographic questions
 - During this hospital stay were you admitted through the ED?
 - How would you rate your overall mental/emotional health?
 - Three care transitions questions (next slide)
- Voluntary use began with July 1, 2012 discharges
- Mandatory use began with January 1, 2013 discharges
- Public reporting will occur after 12 months of data collection
- Likely to be added to VBP

Care Transitions Measure Questions

During this hospital stay, staff took my preferences and those of my family or caregiver into account in deciding what my health care needs would be when I left.

- Strongly disagree
- Disagree
- Agree
- Strongly agree

When I left the hospital, I had a good understanding of the things I was responsible for in managing my health.

- Strongly disagree
- Disagree
- Agree
- Strongly agree

When I left the hospital, I clearly understood the purpose for taking each of my medications.

- Strongly disagree
- Disagree
- Agree
- Strongly agree
- I was not given any medication when I left the hospital



HCAHPS and Value Based Purchasing (VBP) Calculations

Hospital Based VBP

- Required as part of Affordable Care Act (ACA)
- Incentive pool funded by withheld portion of base operating DRG payments across all patients
- 1% of base DRG payment withheld FFY13
- Increased to 1.25% FFY14 (October 1, 2013)
- Hospitals have to earn back a percentage of withheld funds based on performance
- Not a simple calculation

Key elements of VBP

- Zero sum game.
- Hospitals will lose reimbursement unless their performance is at benchmark levels.
- Withhold of baseline DRG payment (not annual payment update) across all patients.
- Incentive pool to be phased in:
 - 1.0% in FY2013
 - 1.25% in FY2014
 - 1.5% in FY2015
 - 1.75% in FY2016
 - 2.0% in FY2017
- Percentage of withhold earned back based on performance.

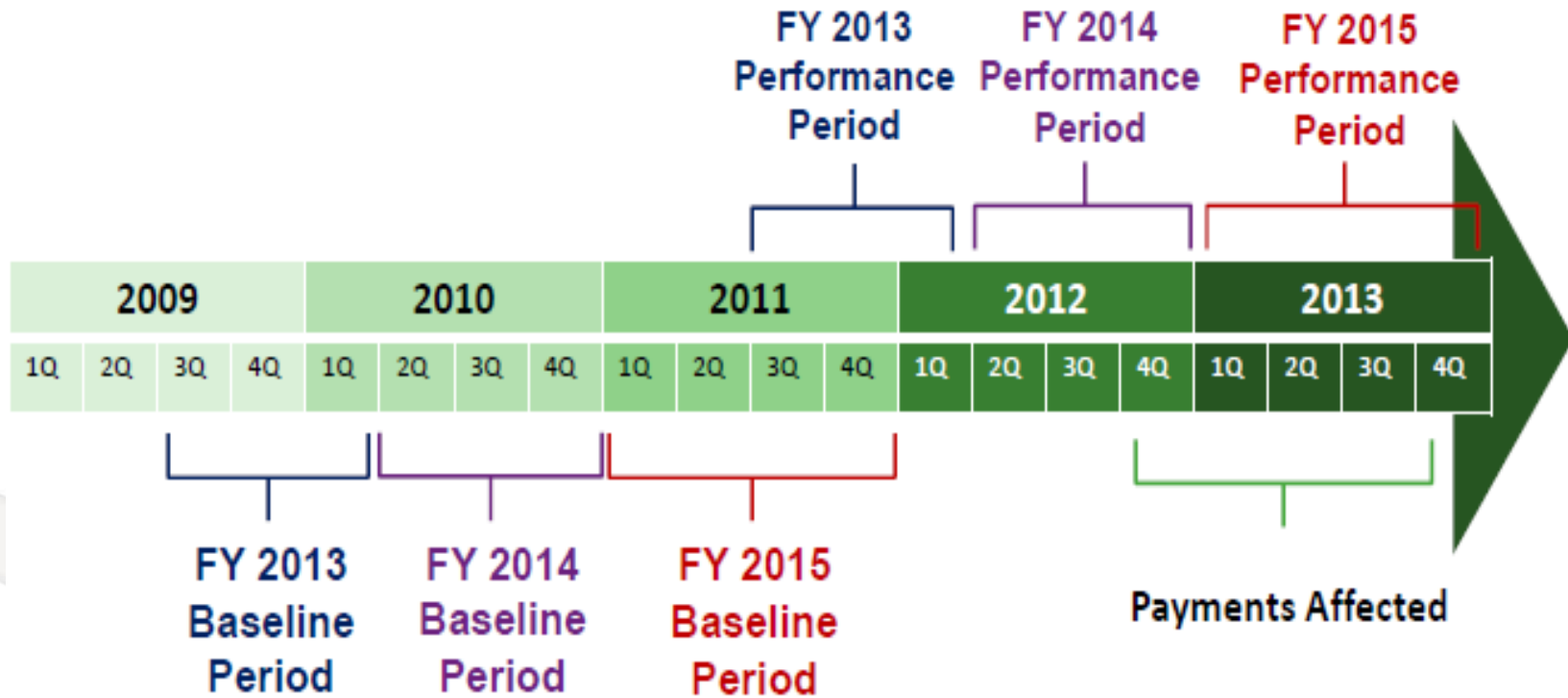
VBP Measurement: Now and in the Future

Incentive/Penalty	1% of Base DRG operating payment in FY13, rising to 2% in FY17		
Measurement Areas of Interest	FFY 2013	Core Measures Patient Experience	AMI, HF, PN, SCIP HCAHPS
	FFY 2014	Core Measures HCAHPS Outcomes	<i>(Largely unchanged)</i> <i>(Unchanged)</i> 30d risk- adjusted mortality AMI, HF, PN
	FFY 2015 (proposed)	Core Measures Patient Experience Outcomes Efficiency of Care	<i>(Largely unchanged)</i> <i>(Unchanged)</i> Adding AHRQ PSI composite and CLABSI Average spending per M/care Beneficiary
	FFY 2016 (proposed)	Clinical Care Person & Caregiver Experience & Outcomes Safety Efficiency & Cost Reduction Care Coordination Community/Population Health	
Considerations	<p>Domain weighting for score calculation changes as new domains added</p> <p>Measures within domains subject to change (additions, deletions)</p> <p>Proposal for FY16 is a realignment of all measures</p>		

Baseline and Performance Periods

- **Baseline Period**
 - Every single year has a baseline period (prior year)
 - Calculates thresholds (baselines and national reference points)
 - Establishes hospital level measure starting point
- **Performance Period**
 - Used to calculate VBP points and incentive payments

HCAHPS VBP Timeline



HCAHPS Domains

- Nurse Communication
- Doctor Communication
- Cleanliness and quietness
- Responsiveness of hospital staff
- Pain management
- Communication about medications
- Discharge information
- Overall Rating

- Total Possible Points =100
 - 8 Domains = 80 possible points (domains scored individually)
 - Plus 20 possible points for “Consistency”

Calculating Domain Scores

- Full 20 points if all satisfaction domains at or above achievement threshold
- If one or more HCAHPS domain is below its achievement threshold, number of consistency points awarded is determined by the lowest performing domain
- Based on a sliding scale that aligns the range of possible points (0 to 20) to the performance range from 0 to the threshold (50th percentile)

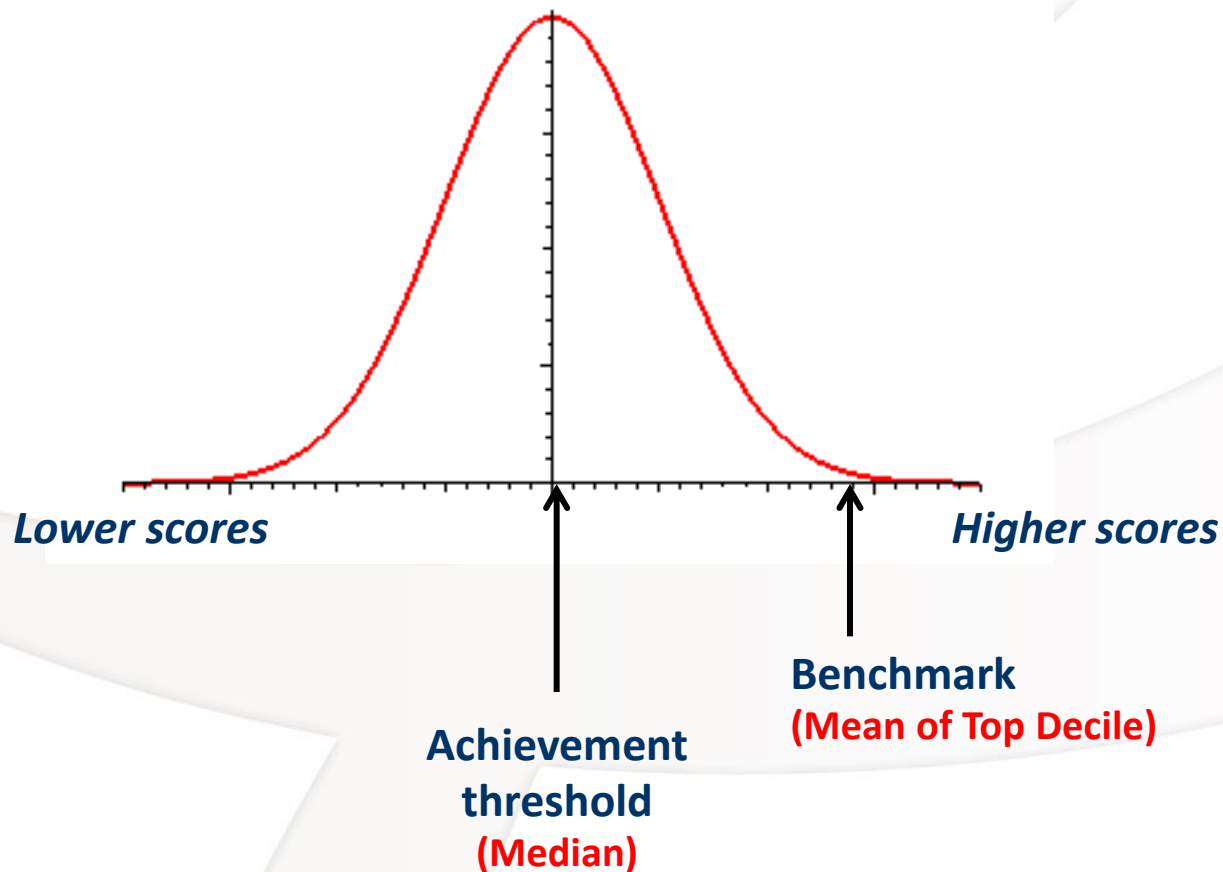
Thresholds and Benchmarks

Measure	Achievement Threshold	Benchmark
Clinical	50 th percentile	Mean of top decile
Satisfaction	50 th percentile	95 th percentile

- National data from Baseline Period used to establish thresholds and benchmarks
- Hospital data from Baseline Period used to calculate improvement points.

Threshold and Benchmark

Established with data from the baseline period



Achievement and Improvement Points

- Awarded points toward earn back of withheld DRG payments
- Every single domain “counts” towards your VBP score
- Achievement Points
 - Earned when performance is at or above national threshold (50th percentile)
 - Calculated for each domain
- Improvement Points
 - Based on your hospital’s improvement from baseline period
 - Earned when starting point is below 50th percentile
- Each measure scored on *Achievement* and *Improvement*, the higher of which is used in overall score calculation

Scoring on Achievement

Baseline period

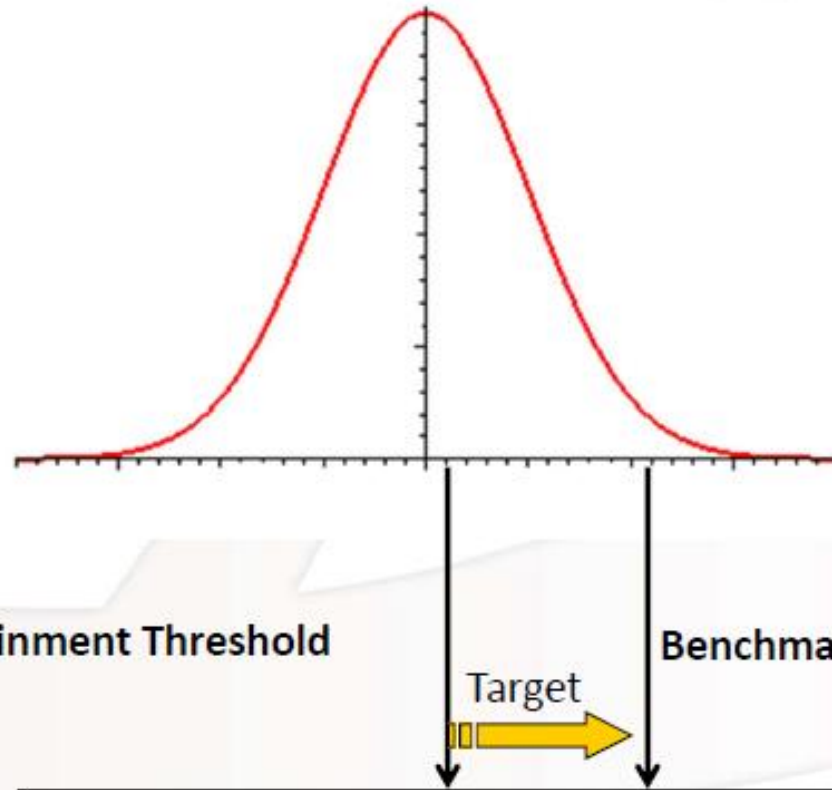
Performance period

Attainment Threshold

Target

Benchmark

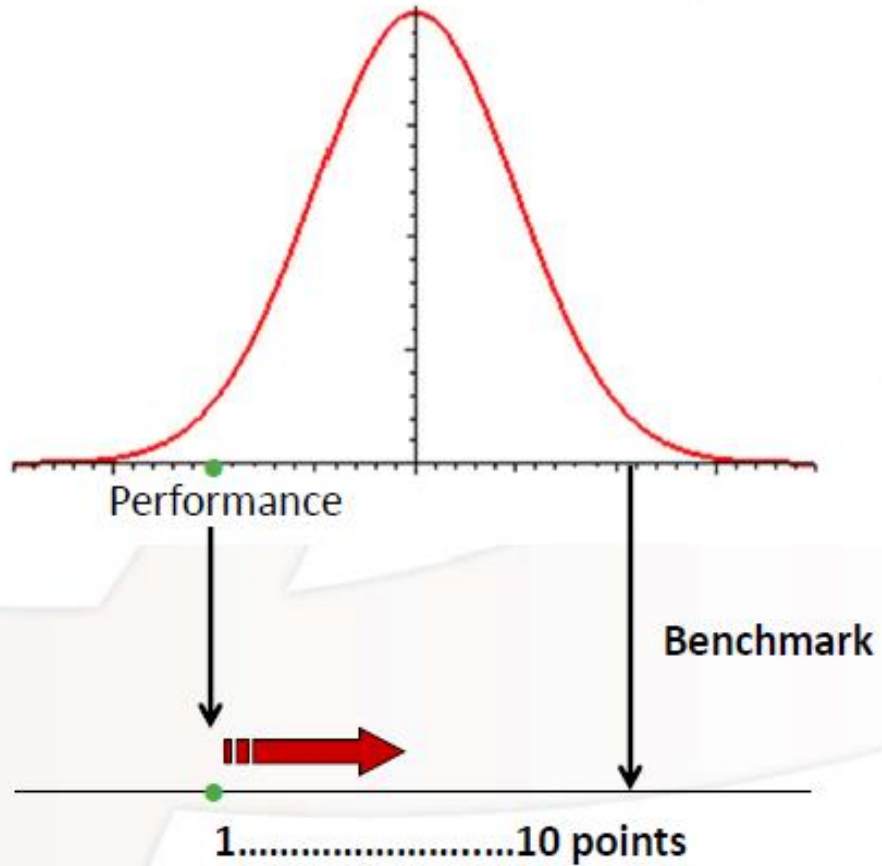
1.....10 points



Scoring on Improvement

Baseline period

Performance period

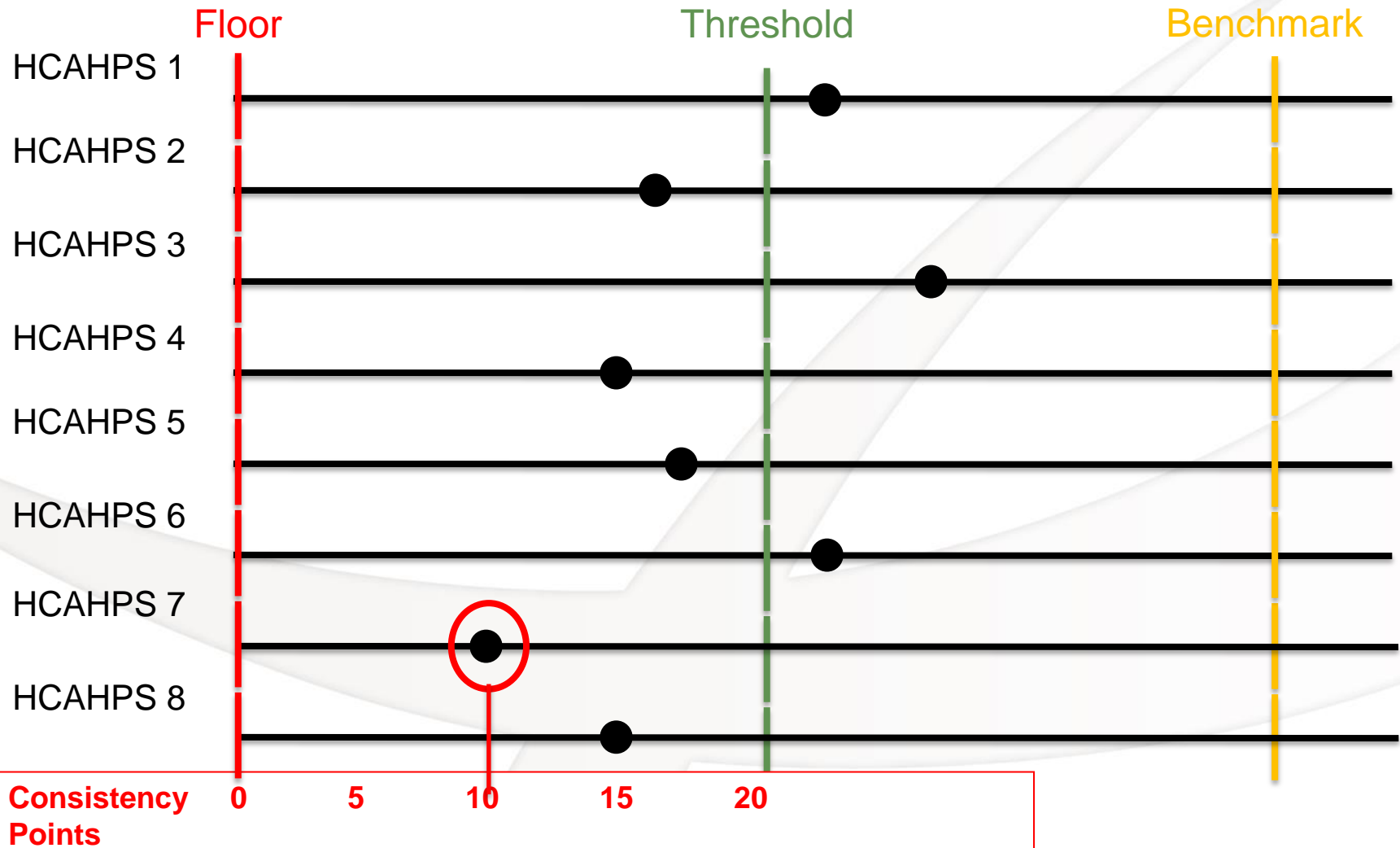


What are Consistency Points?

- Based on your lowest performing HCAHPS domain
- Looks at the “floor”
 - Lowest reported average top box percentage (0th percentile)
 - “Floor” is used to calculate consistency points
- Hospital at/above threshold earns all 20 consistency points

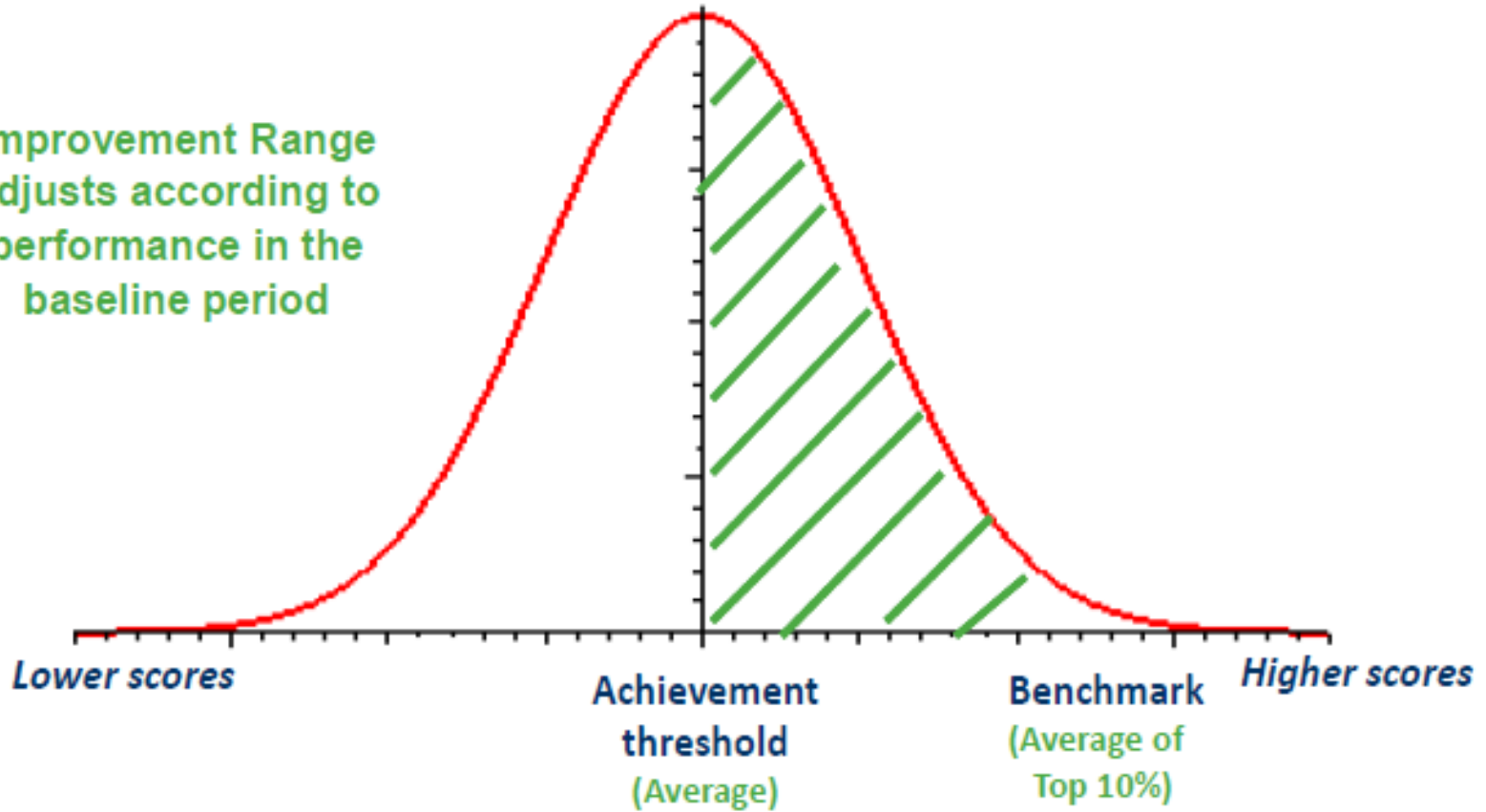
- All 8 domains at or above the thresholds for their respective measures to earn all 20 Consistency points.
- Otherwise, the lowest scoring measures determines the number of Consistency points earned

Example of Consistency Points



Converting Scores to VBP Points

Improvement Range
adjusts according to
performance in the
baseline period



Achievement Range

1 2 3 4 5 6 7 8 9 10

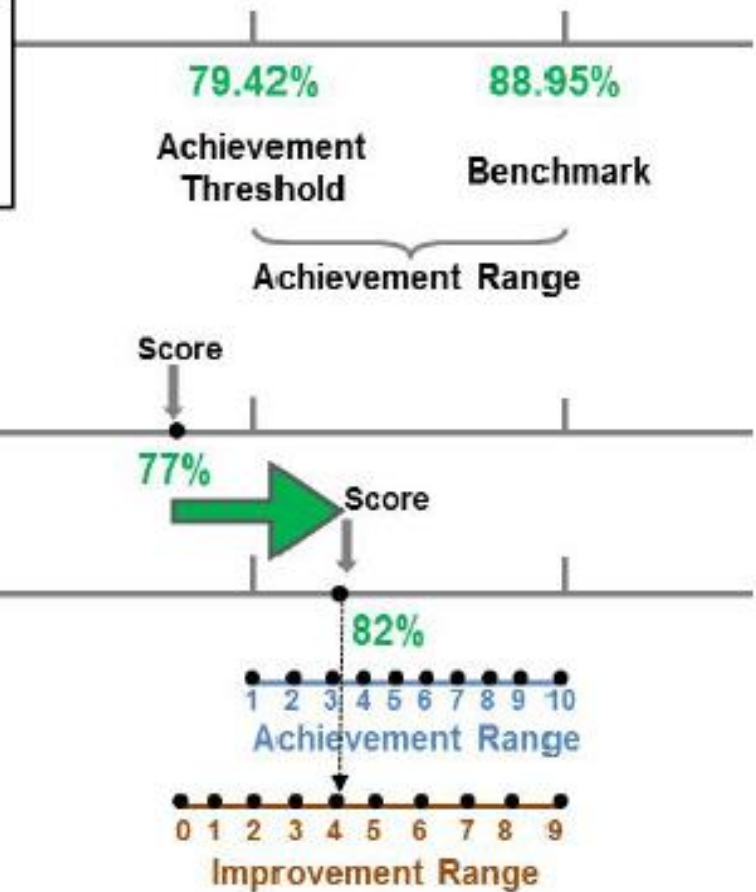
Improvement Range

0 1 2 3 4 5 6 7 8 9

Example Calculation

Hospital I earns: 3 points for achievement
4 points for improvement

Hospital I score: maximum of either achievement or improvement
= 4 points on this dimension

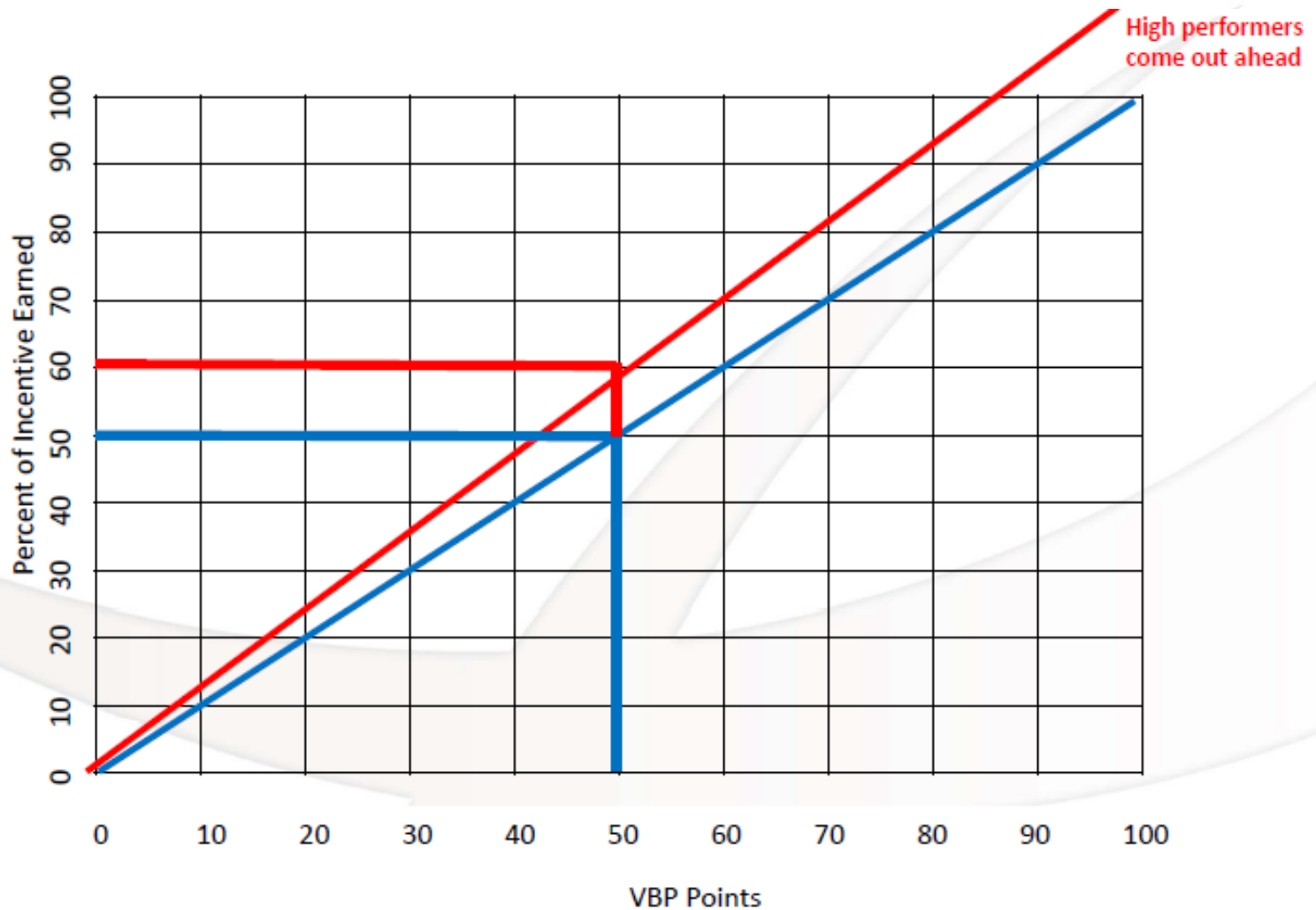


Source: CMS Hospital Inpatient Value-Based Purchasing Final Rule, CMS-3239-F; May 6 2011.

Converting Scores into Payments

- Overall VBP score calculated by weighting the clinical score 70% and the satisfaction score 30%.
- Exchange function converts Overall VBP Score into percentage of Medicare MS-DRG withhold earned back.
- Takes into account threshold and benchmark.
- Empirical exchange function
 - CMS required to redistribute leftover funds
 - Funds will be redistributed by increasing the slope of the exchange function.
 - Ultimate slope (steepness) of exchange function will be determined by performance across all hospitals during the performance period
 - Generally low performance (i.e., lots of money left over), steeper slope

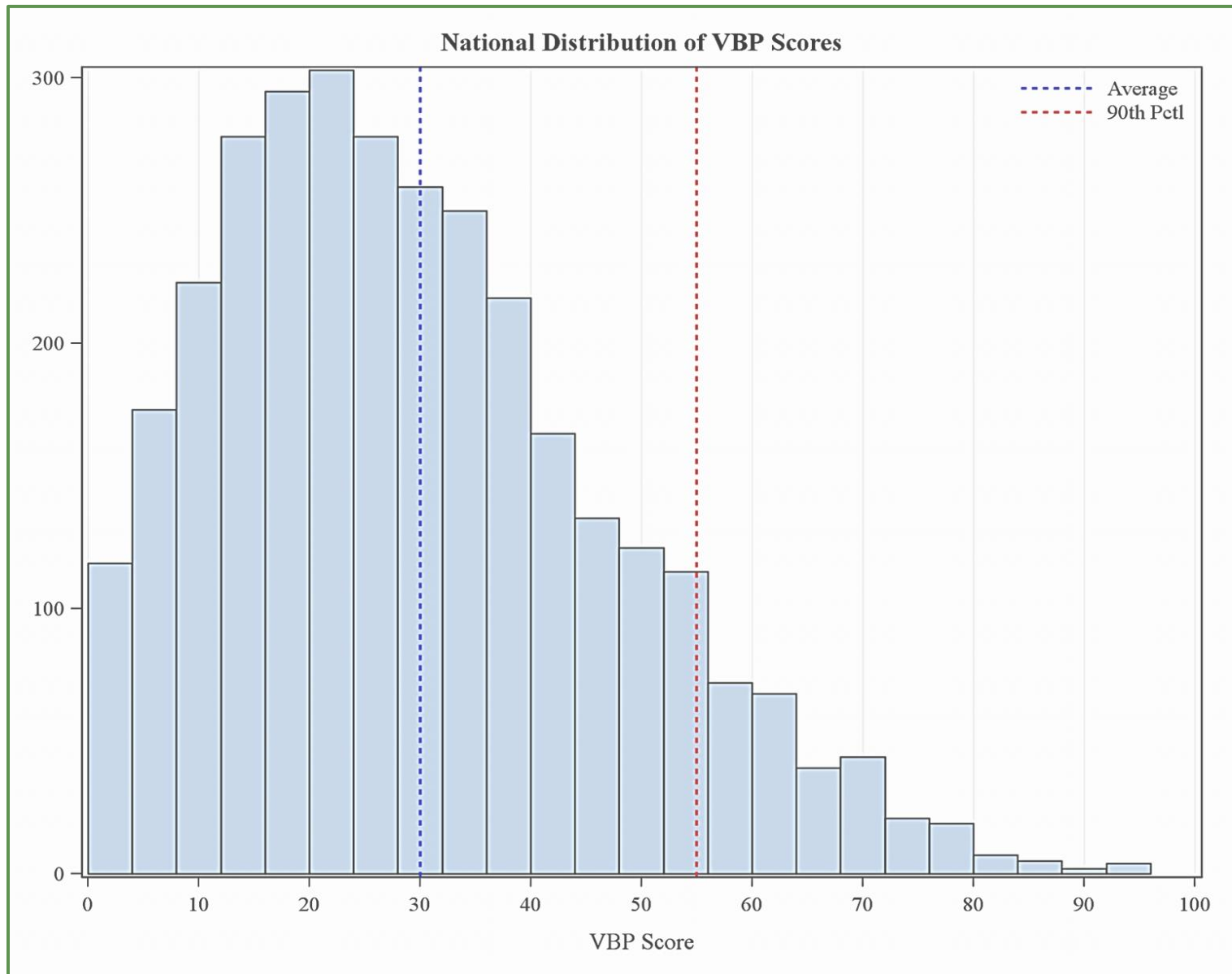
Effects of Increasing Exchange Slope Function



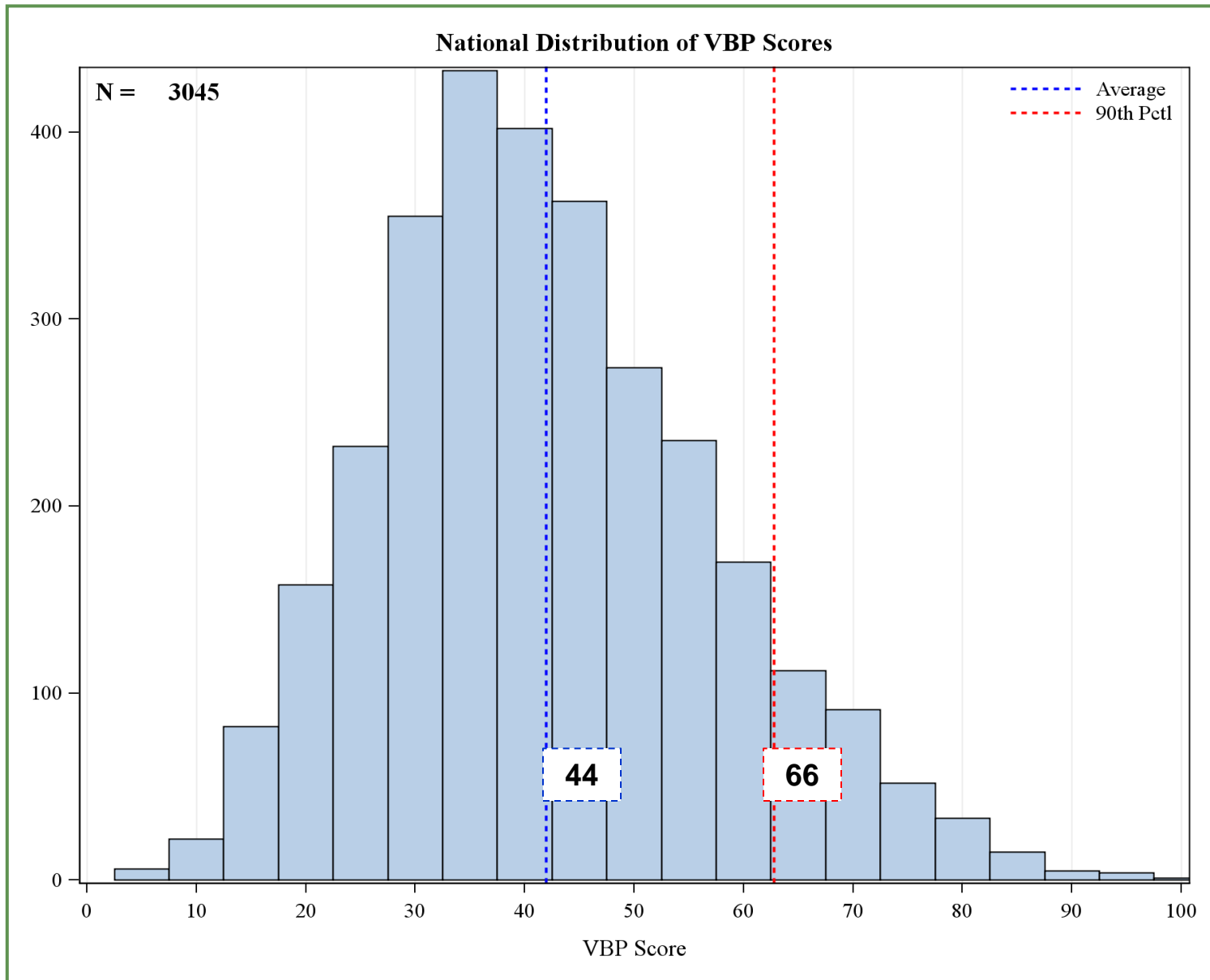
Effects of Rising Targets



VBP – National Baseline Performance FFY13

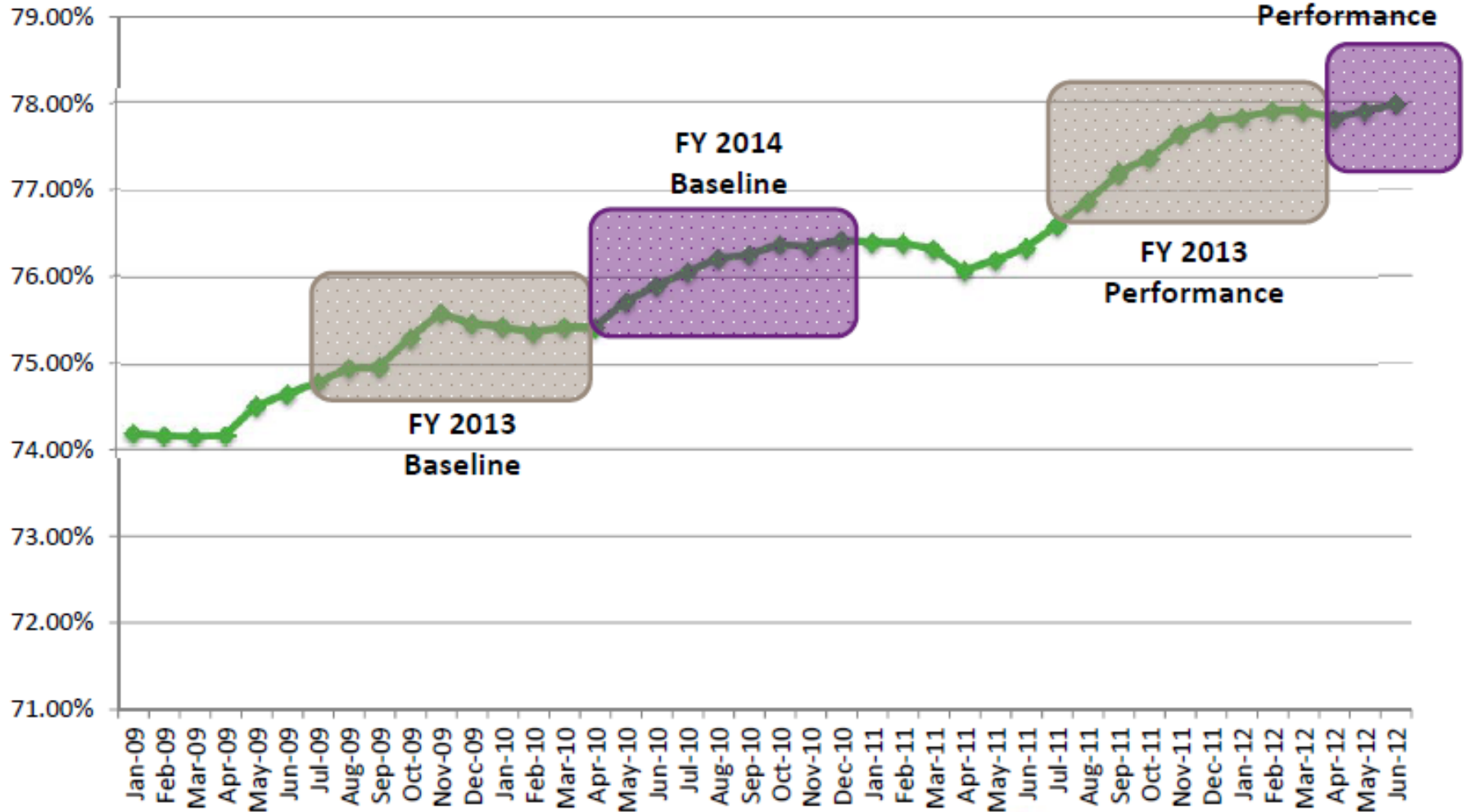


VBP – Change since Baseline FFY13

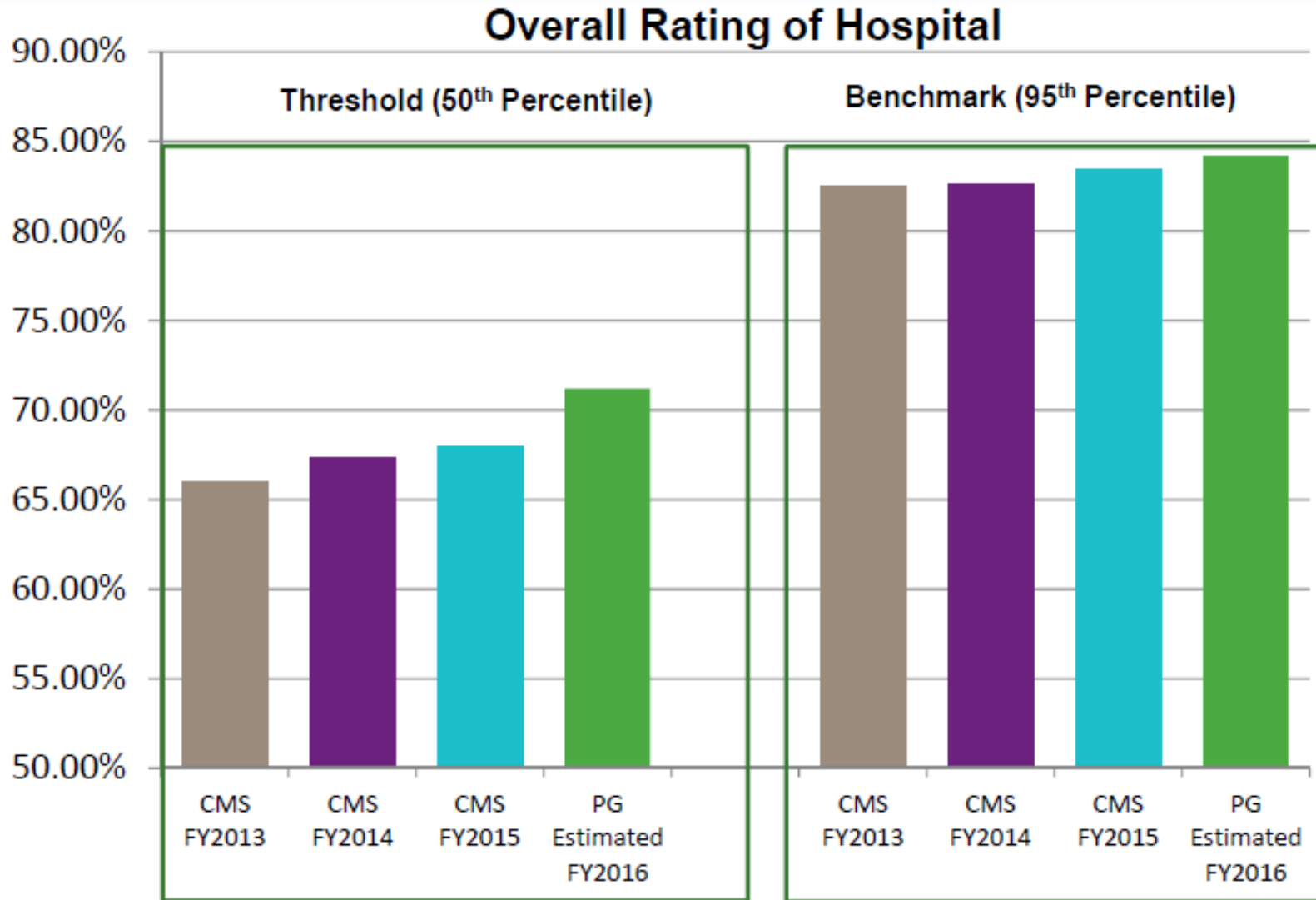


Communication with Nurses

Average Top Box %



Rising Thresholds and Benchmarks



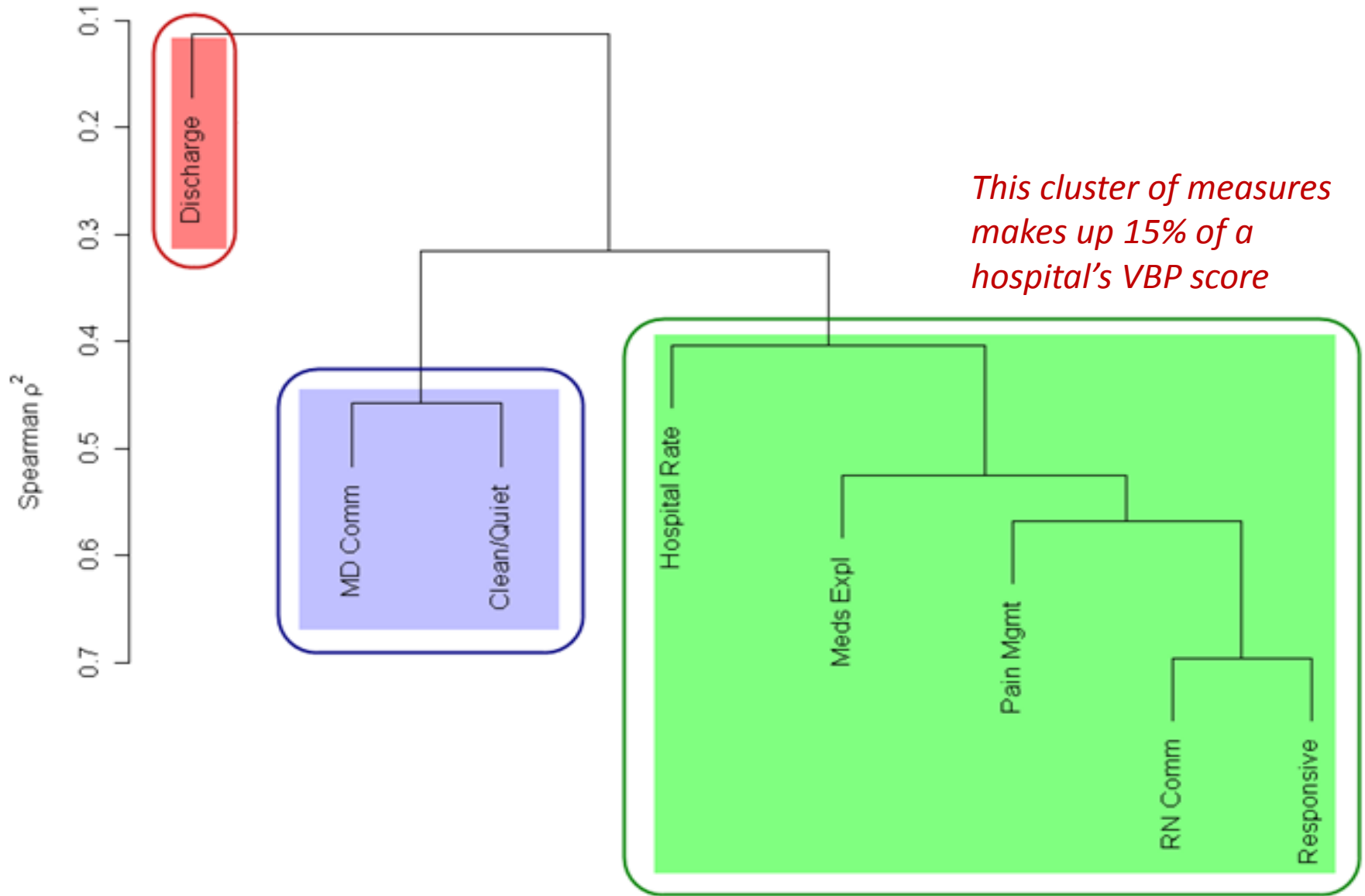
HCAHPS: Thresholds, and Benchmarks

Dimension	Threshold FFY13	Threshold FFY14	Benchmark FFY13	Benchmark FFY14
Communications with Nurses	75.18	75.79	84.70	84.99
Communication with Doctors	79.42	79.57	88.95	88.45
Responsiveness of Staff	61.82	62.21	77.69	78.08
Pain Management	68.75	68.99	77.90	77.92
Communication about Meds	59.28	59.85	70.42	71.54
Cleanliness and Quietness	62.80	63.54	77.64	78.1
Discharge Information	81.93	82.72	89.09	89.24
Overall Rating	66.02	67.33	82.52	82.55



Prioritize Performance Improvement Strategies: Key Drivers

“Rising Tide” measure: Nurse Communication



Communication & Responsiveness

Ultimate goal: reduce fear and anxiety:

- Eye contact, smile, introduction
 - Do staff understand the “why”?
 - How do you know all your staff are consistently exhibiting expected behaviors?
- “Golden minute”
 - Used in Home Health; applies well in Acute Care
 - Connect with patient (not related to clinical condition)
- “What are you most concerned about?”
- “What works well at home for you when you have pain?”
- No pass zone

American Pain Society Findings

“Tell me what pain to expect.”
(How often nurses kept you informed)

Patients’ exercise of choice in pain management intervention
also lead to greater satisfaction.
(How often included in decisions regarding treatment)

Patients felt that pain worsened when providers’ responses were
uncaring.
(How often did nurses/physicians treat you with courtesy and respect?)

Frequent assessments, rapid response, appropriate intervention
and explanations all lead to effective pain management.
(Responsiveness of hospital staff)

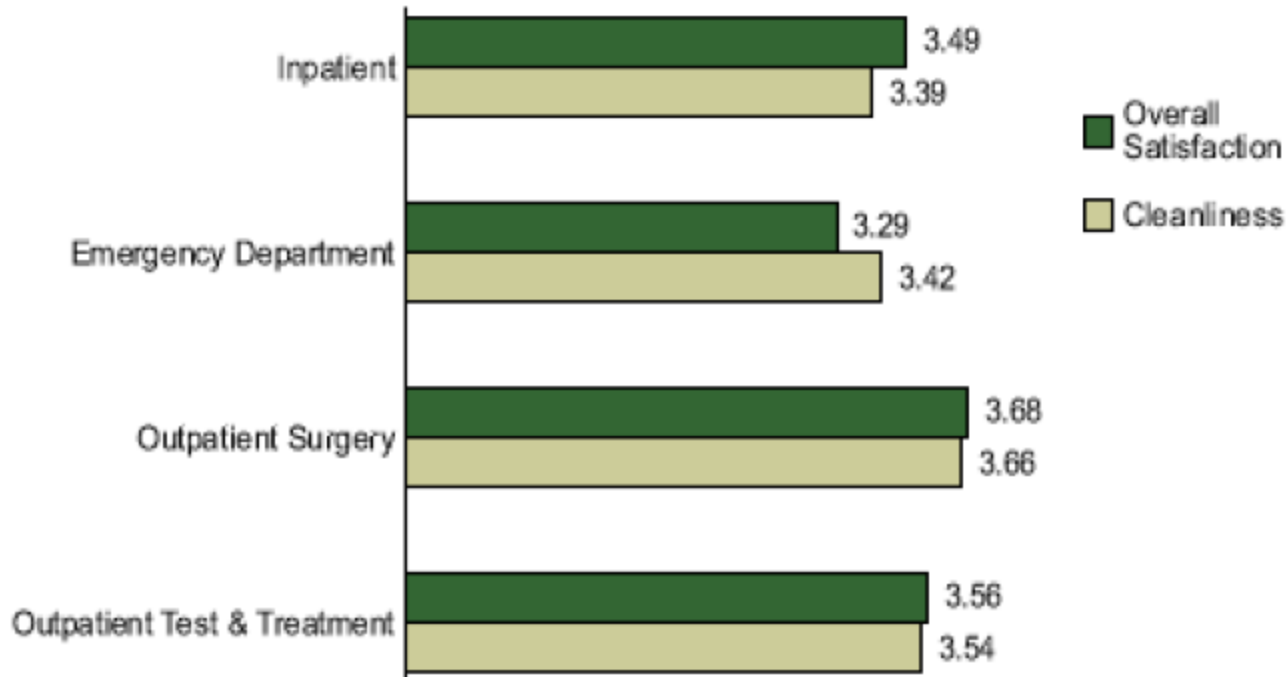
Cleanliness

- ONLY the patient's perception counts!



Cleanliness and Quality

Satisfaction With Cleanliness vs. Overall Satisfaction by Area*



* 4=very satisfied, 3=somewhat satisfied, 2=somewhat dissatisfied, 1=very dissatisfied

http://www.gallup.com/...x?utm_source=email-a-friend&utm_medium=email&utm_campaign=sharing&utm_content=morelink

Inpatients Admitted Through the ED Give Lower Scores - Across Every HCAHPS Domain

The tight national distribution means that small % Top Box differences can drive large differences in national rank.

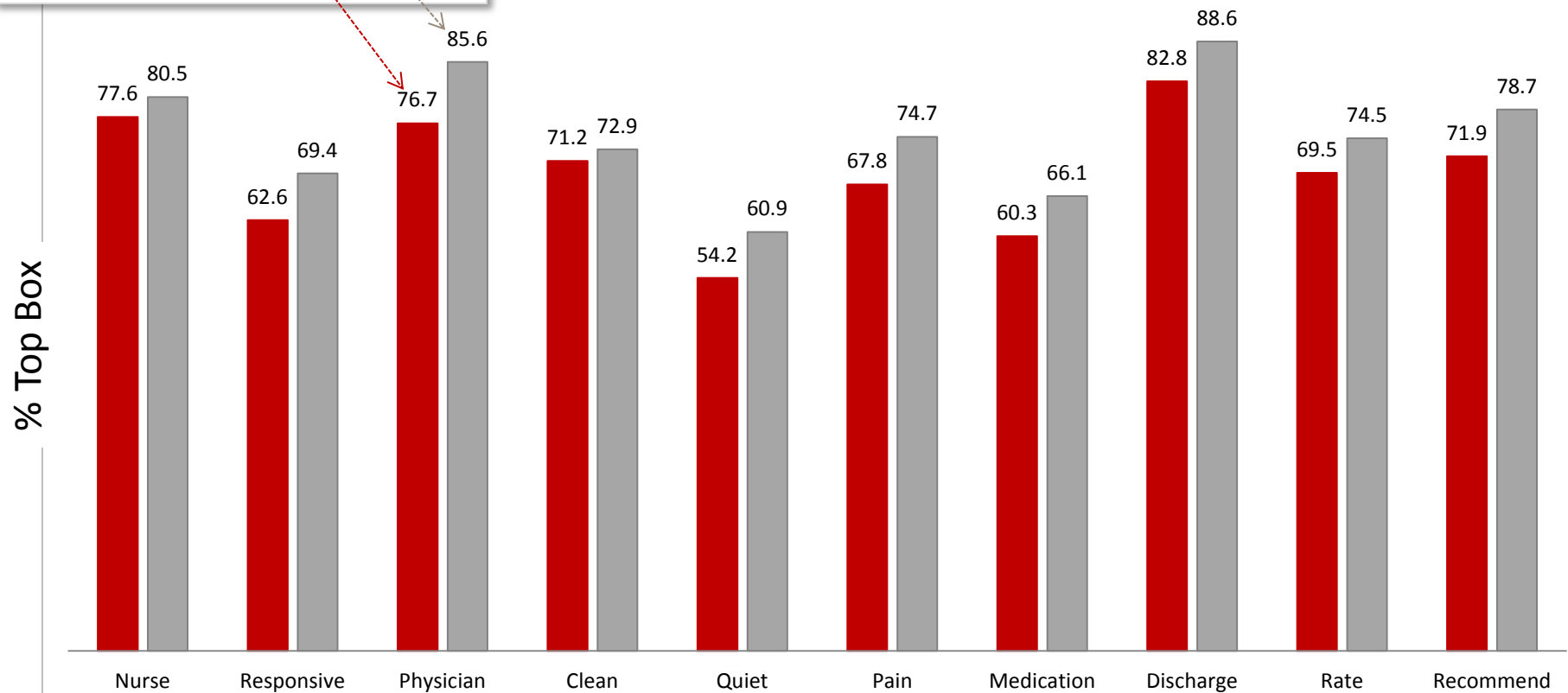
Doctor Communication:

85.6% Top Box → 83rd percentile

76.7% Top Box → 19th percentile

Inpatient Scores on HCAHPS Survey

■ Admitted through ED ■ Other Inpatients



Source: Press Ganey Data, July 2012-Dec 2012

VBP Calculator: Prioritizing HCHAPS Initiatives



PRESS GANEY™
Outcomes driven. Performance strong.

Value-Based
Purchasing Calculator

MEDICAL CENTER

Payment Period: FFY2013

Baseline Period: Clinical & HCAHPS: 7/1/2009-6/30/2010

Clinical: Public Data, HCAHPS: Public Data

Your VBP Score **63.74**

Clinical Score 70.91

Satisfaction Score 47.00



Estimated Financial Impact

	Holdback	Earn Back	Net
Original	\$680,909	\$433,985	-\$246,927
Adjusted	\$680,909	\$433,985	-\$246,927
Difference	\$0	\$0	\$0



VBP Calculator: Prioritizing Initiatives

Satisfaction Measures (HCAHPS)			4/1/2011-3/31/2012			Public Data				
Measure	Period		Sample Size	VBP Points	0	-	10	Holdback	Earn Back	Net
	Baseline	Performance								
RN Comm	0.70	0.78	300+	5 *				\$20,427	\$10,214	-\$10,213
MD Comm	0.76	0.82	300+	4 *				\$20,427	\$8,171	-\$12,256
Clean/Quiet †	0.50	0.58	300+	2 *				\$20,427	\$4,085	-\$16,342
Responsive	0.57	0.68	300+	5 *				\$20,427	\$10,214	-\$10,213
Meds Expl	0.55	0.61	300+	3 *				\$20,427	\$6,128	-\$14,299
Pain Mgmt	0.65	0.73	300+	6 *				\$20,427	\$12,256	-\$8,171
Discharge	0.83	0.85	300+	4				\$20,427	\$8,171	-\$12,256
Hosp Rate	0.60	0.65	300+	2 *				\$20,427	\$4,085	-\$16,342
Consistency				15				\$40,855	\$32,684	-\$8,171

What you **don't** see – 15% “Usually” responses!

Integrated Priority Index

Order	Question	Source	Percentile Rank Order	Correlation Coefficient	Correlation Rank Order	Priority Index
1	Pleasantness of room decor	PG	48	0.46	52	100
2	Noise level in and around room	PG	54	0.42	43	97
2	Room cleanliness	PG	48	0.44	49	97
4	Physician kept you informed	PG	48	0.44	46	94
5	Time physician spent with you	PG	48	0.42	40	88
5	Physician concern questions/worries	PG	41	0.44	47	88
5	Recommend the hospital	HCAHPS	33	0.66	55	88
8	Likelihood recommending hospital	PG	33	0.54	54	87
9	Staff worked together care for you	PG	33	0.45	51	84
10	Friendliness/courtesy of physician	PG	48	0.39	35	83
10	Cleanliness of hospital environment	HCAHPS	33	0.44	50	83
12	Doctors listen carefully to you	HCAHPS	48	0.37	32	80
12	Overall rating of care given	PG	27	0.51	53	80
14	Doctors treat with courtesy/respect	HCAHPS	54	0.33	21	75
14	Staff include decisions re:trtmnt	PG	27	0.44	48	75
16	How well your pain was controlled	PG	33	0.42	41	74
17	Staff do everything help with pain	HCAHPS	27	0.44	45	72
18	Instructions care at home	PG	41	0.36	30	71
19	Staff concern for your privacy	PG	33	0.39	36	69
20	Extent felt ready discharge	PG	39	0.35	29	68

What questions do you have?

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