

## **FISCAL YEAR 2009 QUALITY MEASURE REPORTING FOR 2010 PAYMENT UPDATE**

### **OVERVIEW:**

On August 1, 2008, the Centers for Medicare & Medicaid Services (CMS) issued a final regulation that would update payment policies and rates under the hospital inpatient prospective payment system (IPPS) for fiscal year (FY) 2009, beginning for discharges on or after October 1, 2008. The final rule continues to build on recent efforts by CMS to transform the Medicare program into a prudent purchaser of health care services, paying not just for quantity of services but also for quality.

These efforts include:

- Requiring hospitals to report quality measures in order to receive the full update to payment rates in the ensuing year – the Reporting Hospital Quality Data for Annual Payment Update (RHQDAPU) program; and
- Revising coverage and payment policies to give hospitals financial incentives to take steps to reduce the incidence of serious adverse events during inpatient stays that should never occur (Never Events) or that are reasonably preventable through adherence to evidence-based guidelines.

This fact sheet focuses on changes to the quality measures hospitals will have to report to receive the full payment update in FY 2010. Additional fact sheets, summarizing the provisions of the IPPS FY 2009 final rule, and describing the efforts to reduce the occurrence of hospital-acquired conditions and Never Events, can be found at: [www.cms.hhs.gov/apps/media/fact\\_sheets.asp](http://www.cms.hhs.gov/apps/media/fact_sheets.asp)

### **BACKGROUND:**

The Reporting Hospital Quality Data for Annual Payment Update (RHQDAPU) program was originally mandated by Section 501(b) of the Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003. This section of the MMA authorized CMS to pay hospitals that successfully report designated quality measures a higher annual update to their payment rates. Initially, the MMA provided for a 0.4 percentage point reduction in the annual market basket (the measure of inflation in costs of goods and services used by hospitals in treating Medicare patients) update for hospitals that did not successfully report. The Deficit Reduction Act of 2005 increased that reduction to 2.0 percentage points.

In addition to giving hospitals a financial incentive to report the quality of their services, the hospital reporting program provides CMS with data to help consumers make more informed decisions about their health care. Some of the hospital quality of care information gathered through the program is available to consumers on the Hospital Compare website at: [www.hospitalcompare.hhs.gov](http://www.hospitalcompare.hhs.gov).

In FY 2007, nearly 95 percent of hospitals participated successfully in the reporting program and received the full market basket update for FY 2008.

### **NEW MEASURES FOR REPORTING FOR FY 2010 UPDATE**

CMS is adding 13 new measures for the FY 2010 program, and retiring one existing measure. For some of these new measures, the hospitals will not have to affirmatively report data to CMS. Instead, CMS will calculate the measures using Medicare claims data. The total number of measures that are included in the FY 2010 payment update is 42.

The inclusion of these additional measures will encourage hospitals to take steps to make care safer for patients. Heart failure, pneumonia, and heart attack—three conditions that are included in the 42 measures for FY 2010—rank among the ten most common diagnoses for Medicare inpatient care, and therefore have the greatest impacts on costs to the Medicare program. The processes of care represented by quality

measures for these three conditions are known to improve the quality of care patients receive during inpatient visits to the hospital.

In addition, the measures for the FY 2010 payment determination will include a measure to track re-admissions for heart failure. Re-admissions have a significant impact on beneficiaries and their families. According to MedPAC, re-admissions cost the program \$15 billion annually, and potentially \$12 billion of those costs are preventable. Almost 18 percent of Medicare patients are re-admitted to the hospital within 30 days of discharge. CMS believes that reporting these measures will encourage better coordination of care among the hospitals where the inpatient services are provided and other post acute settings.

The new measures are:

***A. Surgical Care Improvement Project (SCIP) Measure:***

- SCIP Cardiovascular 2, surgery patients on a beta blocker prior to arrival who received a beta blocker during the peri-operative period

***B. Re-admission Measure:***

- Heart failure (HF) 30-day risk standardized re-admission measure (Medicare patients)

***C. Nursing Sensitive Measure:***

- Failure to rescue (Medicare patients)

***D. AHRQ Patient Safety and Inpatient Quality Indicator Measures (9):***

- *Patient Safety Indicators (PSIs)*
  - Death among surgical patients with treatable serious complications
  - Iatrogenic pneumothorax, adult
  - Postoperative wound dehiscence
  - Accidental puncture or laceration
- Inpatient Quality Indicator Measures
  - Abdominal aortic aneurysm (AAA) mortality rate (with or without volume)
  - Hip fracture mortality rate
  - Mortality for selected medical conditions (composite)
  - Mortality for selected surgical procedures (composite)
  - Complication/patient safety for selected indicators (composite)

***E. Cardiac Surgery Measure:***

- Participation in a systematic database for cardiac surgery

**PREVIOUSLY ADOPTED MEASURES FOR REPORTING FOR FY 2010 UPDATE**

- **Heart Attack (Acute Myocardial Infarction)**
- Aspirin at arrival
- Aspirin prescribed at discharge
- ACE inhibitor (ACE-I) or Angiotensin II Receptor Blocker (ARB) for left ventricular systolic dysfunction
- Beta blocker at arrival
- Beta blocker prescribed at discharge
- Fibrinolytic (thrombolytic) agent received within 30 minutes of hospital arrival
- Timing of Receipt of Primary Percutaneous Coronary Intervention (PCI)
- Adult smoking cessation advice/counseling
- **Heart Failure (HF)**
- Left ventricular function assessment
- ACE inhibitor (ACE-I) or Angiotensin II Receptor Blocker (ARB) for left ventricular systolic dysfunction
- Discharge instructions
- Adult smoking cessation advice/counseling
- **Pneumonia (PNE)**
- Timing of receipt of initial antibiotic following hospital arrival
- Pneumococcal vaccination status
- Blood culture performed before first antibiotic received in hospital
- Adult smoking cessation advice/counseling
- Appropriate initial antibiotic selection
- Influenza vaccination status
- **Surgical Care Improvement Project (SCIP) – (Previously SIP)**
- Prophylactic antibiotic received within 1 hour prior to surgical incision
- Prophylactic antibiotics discontinued within 24 hours after surgery end time

- SCIP-VTE 1: Venous thromboembolism (VTE) prophylaxis ordered for surgery patients
- SCIP-VTE 2: VTE prophylaxis within 24 hours pre/post surgery
- SCIP Infection 2: Prophylactic antibiotic selection for surgical patients
- SCIP Infection 4: Cardiac Surgery Patients with Controlled 6AM Postoperative Serum Glucose
- SCIP Infection 6: Surgery Patients with Appropriate Hair Removal
  
- **Mortality Measures**
  
- Acute Myocardial Infarction 30-day mortality (Medicare patients)
  
- Heart Failure 30-day mortality (Medicare patients)
- Pneumonia 30-day mortality (Medicare patients)
  
- **Patients' Experience of Care**
  
- HCAHPS Patient Survey

The final rule will appear in the August 19 *Federal Register* and will generally be effective for discharges on or after October 1, 2008.

For more information, see: [www.cms.hhs.gov/AcuteInpatientPPS/](http://www.cms.hhs.gov/AcuteInpatientPPS/)