



Enlarged Slides

The Role of Quality— A Pillar of Health Care Reform

Debby Rogers
California Hospital Association



The Financial Stakes are High!

| Inpatient Prospective Payment System (IPPS) Policy | Fiscal Year | | | | | | | | | |
|--|-------------------------------|-------------------------------|-------------------------------|---|---|---|---|---|---|---|
| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
| Market Basket (MB) Cuts for Productivity Adjustment (P) ¹ and Medicare Savings | MB - 0.25 | MB - 0.25 | MB - (P + 0.1) | MB - (P + 0.1) | MB - (P + 0.3) | MB - (P + 0.2) | MB - (P + 0.2) | MB - (P + 0.75) | MB - (P + 0.75) | MB - (P + 0.75) |
| Reporting Hospital Quality Data for the Annual Payment Update ² (Pay for reporting) | MB - 2.0 If Failure to Report | MB - 2.0 If Failure to Report | MB - 2.0 If Failure to Report | MB - 2.0 If Failure to Report | MB - 2.0 If Failure to Report | MB - ¼ of MB If Failure to Report | MB - ¼ of MB If Failure to Report | MB - ¼ of MB If Failure to Report | MB - ¼ of MB If Failure to Report | MB - ¼ of MB If Failure to Report |
| Hospital Value-Based Purchasing ³ | | | | MB - 1.0 Potential for Earn Back | MB - 1.25 Potential for Earn Back | MB - 1.5 Potential for Earn Back | MB - 1.75 Potential for Earn Back | MB - 2.0 Potential for Earn Back | MB - 2.0 Potential for Earn Back | MB - 2.0 Potential for Earn Back |
| Readmissions ⁴ | | | | MB - Hosp-specific amount capped at 1.0 | MB - Hosp-specific amount capped at 2.0 | MB - Hosp-specific amount capped at 3.0 | MB - Hosp-specific amount capped at 3.0 | MB - Hosp-specific amount capped at 3.0 | MB - Hosp-specific amount capped at 3.0 | MB - Hosp-specific amount capped at 3.0 |
| Hospital Acquired Conditions | | | | | | MB - 1.0 For Bottom Quartile Hospitals | MB - 1.0 For Bottom Quartile Hospitals | MB - 1.0 For Bottom Quartile Hospitals | MB - 1.0 For Bottom Quartile Hospitals | MB - 1.0 For Bottom Quartile Hospitals |
| Health Information Technology Meaningful Use ⁵ (MU) | | | | | | MB - ¼ of MB If Failure to Meet MU | MB - ½ of MB If Failure to Meet MU | MB - ¾ of MB If Failure to Meet MU | MB - ¾ of MB If Failure to Meet MU | MB - ¾ of MB If Failure to Meet MU |

Note: all numeric reductions represent a percentage point reduction from the market basket rate. For example if the market basket is projected to be 3% and the reduction is 2 percentage points, then the remaining amount for the update is 1%.



Target Key:



Better Than Expected



Expected



Worse Than Expected

CORE Measures

| Performance Compared to National Overall Observed Rate | Q4 06 | Q1 07 | Q2 07 | Q3 07 |
|--|-------|--------|-------|-------|
| *AMI1: Aspirin/Arrival | Red | Red | Red | Red |
| *AMI2: Aspirin/Discharge | Red | Red | Red | Red |
| *AMI3: ACEI/ARB for LVSD | Red | Red | Red | Red |
| AMI4: Adult Smoking Cessation | Green | Yellow | Red | Green |
| *AMI5: Beta Blocker / Discharge | Red | Red | Red | Red |
| *AMI6: Beta Blocker / Arrival | Red | Red | Red | Red |
| AMI7: Thrombolysis Timing | Green | Green | Green | Green |

Outcome Measures





| Performance Compared to Risk-Adjusted Expected Rate | Q4 06 | Q1 07 | Q2 07 | Q3 07 |
|---|-------|--------|--------|-------|
| Cesarean Section Rate | Red | Red | Red | Red |
| Primary Cesarean Section Rate | Red | Yellow | Yellow | Green |
| Repeat Cesarean Section Rate | Red | Red | Red | Red |
| VBAC Rate | Green | Green | Green | Green |
| Inpatient Mortality | Green | Green | Green | Green |
| Neonatal Mortality | Green | Green | Green | Green |

Quality Dashboard





















January 2009

Report Period July – Sept. 2008 – Quarter 3
















Key

| | | | |
|--|--|---|---|
|  Better Than Expected |  Expected |  Worse Than Expected |  N/A |
|--|--|---|---|











Core Measures – Public Reports

| Q3 | Q2 | Q1 | Q3 | YTD | | |
|---|---|---|---|---|--|---|
|  |  |  |  |  | AMI | Met BC P4P 2008 appropriate care target |
|  |  |  |  |  | CHF | Did not meet P4P 2008 appropriate care target |
|  |  |  |  |  | Pneumonia | Met BC P4P 2008 appropriate care target |
|  |  |  |  |  | Surgical Care Improvement Project (SCIP) | Met 92% of BC P4P targets |
















Blue Cross Measures – \$

| Q3 | Q2 | Q1 | Q3 | YTD | | |
|---|---|---|---|---|----------------|---|
|  |  |  |  |  | Quality | Met AMI, Pneumonia and 92% of SCIP BC P4P targets |
|  |  |  |  |  | PCI < 90 min. | Met BC P4P reporting requirement |
|  |  |  |  |  | Patient Safety | Met BC P4P reporting requirement |

Infection Rates – \$

| Q3 | Q2 | Q1 | Q3 | YTD | | |
|---|---|---|---|---|---------------------------------|---------------------------------|
|  |  |  |  |  | Surgical Site <u>Nosocomial</u> | Continues below historical rate |
|  |  |  |  |  | Peripheral & Central Line | Continues below historical rate |

Project: ICU Keystone – \$

| Q3 | Q2 | Q1 | Q3 | YTD | | |
|---|---|---|---|---|-------------------------------------|--------------------------|
|  |  |  |  |  | Ventilator Assisted Pneumonia (VAP) | One VAP year to date |
|  |  |  |  |  | Ventilator Bundle Compliance | Continue to meet targets |
|  |  |  |  |  | Blood Stream Infection | No occurrences Q2 and Q3 |