DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Room 352-G
200 Independence Avenue, SW
Washington, DC 20201

FACT SHEET

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Contact: CMS Media Relations
(202) 690-6145

MEDICARE PROPOSALS FOR NEW REQUIREMENTS FOR THE ESRD QUALITY INCENTIVE PROGRAM, INCLUDING FOR PAYMENT YEAR 2016

OVERVIEW

On July 1, 2013, the Centers for Medicare & Medicaid Services (CMS) issued a proposed rule that would update payment policies and rates under the End-Stage Renal Disease (ESRD) Prospective Payment System (PPS) for renal dialysis services furnished to beneficiaries on or after January 1, 2014. The proposed rule also proposes changes to the ESRD Quality Incentive Program (QIP) that provides payment incentives to dialysis facilities to improve the quality of dialysis care. Under the ESRD QIP, eligible facilities that receive a Total Performance Score (TPS) that does not meet or exceed the specified score with respect to quality measures established for the program could receive a reduction of up to two percent in their payment rates under the ESRD PPS.

BACKGROUND

The ESRD QIP, which adjusts payments to dialysis facilities based on their performance on quality measures, builds upon long-standing efforts by CMS to improve the quality of dialysis services furnished to Medicare beneficiaries with ESRD. The ESRD PPS proposed rule for calendar year 2014 proposes to update requirements for the ESRD QIP, including the measures and scoring methodologies that would affect payments to dialysis facilities in payment year (PY) 2016.

Beginning with the PY 2016 ESRD QIP, the proposed rule proposes to adopt five new clinical and reporting measures, continue using six existing measures, revise two existing reporting measures, and expand one existing reporting measure currently included in the ESRD QIP. The proposed measures address a broader range of clinical issues faced by Medicare beneficiaries who receive dialysis care, and address concerns about the quality of life experienced by patients on dialysis.

PROPOSED MEASURES AND WEIGHTING FOR THE PY 2016 ESRD QIP

For the PY 2016 ESRD QIP, the rule proposes to establish CY 2014 as the performance period for all of the measures. It also proposes to establish performance standards for each measure, and to adopt scoring and payment reduction methodologies that are similar to those finalized for the PY 2014 and PY 2015 ESRD QIP.

For PY 2016, CMS proposes a total of 14 measures—9 clinical measures and 5 reporting measures. Clinical measures assess the quality of care provided to individual patients using facility performance on specific clinical indicators. Reporting measures assess whether a facility has reported quality-of-care data as outlined in rulemaking to support quality improvement efforts.

We propose to continue using six measures and two measure topics adopted in PY 2015 for the PY 2016 ESRD QIP and future years of the program. Additionally, for the PY 2016 ESRD QIP and future payment years, we propose to add one new clinical measure topic (Anemia Management), three new clinical measures (Patient-Informed Consent for Anemia Treatment, Hypercalcemia, and NHSN Bloodstream Infection in Hemodialysis Outpatients, as mentioned above), and two new reporting measures (Pediatric Iron Therapy and Comorbidity). We believe that, collectively, these measures will to continue to promote improvements in the delivery of care for patients with ESRD.

A complete list of measures proposed for the PY 2016 ESRD QIP is available in the Appendix to this fact sheet.

DETERMINING TOTAL PERFORMANCE SCORES FOR THE PY 2016 ESRD QIP

CMS proposes to use a scoring methodology nearly identical to that being used for PY 2015. Each facility would receive a TPS between 0 to 100 points. CMS proposes to weight equally individual scores for the reporting measures that apply to a given facility to make up 25 percent of the facility's TPS. The remaining 75 percent of a given facility's TPS will be based on the clinical measures and measure topics, equally weighted, that apply to the facility.

To calculate the minimum TPS required to avoid receiving a payment reduction, CMS proposes to:

- Set clinical measure standards at either (1) the performance standard (defined as the 50th percentile of national facility performance in all or part of 2012) ; or (2) zero points for each measure that does not have an associated baseline value published in the PY 2016 final rule; and
- Set reporting measure scores at half of the possible points (5) for each measure.

On the basis of these calculations, the estimated TPS is 46, though this number is subject to change before the publication of the final rule.

Under CMS's proposal, facilities generally would earn points on the clinical measures by comparing their performance during 2014 to:

- The national standard based on 2012 data (the "achievement score"); or
- The facility's own performance during 2013 (the "improvement score").

For three of the proposed clinical measures, the following exceptions to the scoring methodology apply:

- NHSN – CY 2014 will be used as the comparison period for calculating achievement scores; further, improvement scoring does not apply.
- Patient Informed Consent – achievement values are based on clinical standards, not performance data; further, improvement scoring does not apply.
- Hypercalcemia – May 2012 through November 2012 will be used as the comparison period for calculating achievement scores.

CMS would then apply the higher of the two scores when computing the TPS. Facilities would be scored on their achievement score if CMS is unable to calculate an improvement score due to insufficient baseline period data.

For purposes of calculating clinical measure topic scores for the TPS, the individual measure score(s) applicable to a given facility will be weighted to create a single score for the measure topic.
Facilities will be scored on reporting measures according to a points system established for each measure.

CMS proposes to continue to apply a small-facility adjuster to clinical measure scores for facilities that report between 11 and 25 eligible cases over the course of the performance period. This adjuster is intended to encourage quality improvement in these facilities and measure their performance accurately.

CMS proposes that facilities will receive a TPS as long as they are eligible for at least one clinical measure **and** one reporting measure.

CMS proposes to reduce ESRD PPS payments in PY 2016 for eligible facilities that do not meet or exceed a minimum TPS. CMS proposes to impose percent payment reductions of 0.5 percent for facilities whose TPS falls below the minimum total performance score by up to 10 points; 1.0 percent for facilities whose TPS is 11 to 20 points below the minimum; 1.5 percent for facilities that score 21 to 30 points below the minimum; and 2.0 percent for facilities whose TPS is more than 30 points below the minimum.

ADDITIONAL ESRD QIP-RELATED PROPOSALS

The scope of this proposed rule encompasses program elements in addition to the scoring of PY 2016 performance. The proposed rule discusses elements involved in continuing CMS's data-validation pilot program, refining public-reporting requirements, and adding facilities located in the Pacific Rim beginning with the PY 2016 ESRD QIP.

The proposed rule will be published in the *Federal Register* on July 8, 2013. CMS will accept comments on the proposed rule until August 30, 2013, and will respond to comments in the final ESRD PPS rule for CY 2014 to be issued by November 1, 2013.

For more information about the proposed rule, please see:
http://www.ofr.gov/inspection.aspx?AspxAutoDetectCookieSupport=1

For more information about the ESRD PPS and ESRD QIP, please see:
https://www.cms.gov/Center/Special-Topic/End-Stage-Renal-Disease-ESRD-Center.html

APPENDIX
ESRD QIP PY 2016 Proposed Measures

- Clinical Measures
    - Hemoglobin Greater Than 12 g/dL
    - Patient-Informed Consent for Anemia Treatment *
    - A Kt/V measure for adult hemodialysis patients
    - A Kt/V measure for adult peritoneal dialysis patients
    - A Kt/V measure for pediatric hemodialysis patients
    - An arterial venous fistula measure
    - A catheter measure
    - Hypercalcemia *
    - NHSN Bloodstream Infection in Hemodialysis Outpatients *

- Reporting Measures
    - Anemia Management †
    - Pediatric Iron Therapy *
    - Mineral Metabolism †
    - ICH CAHPS Patient Satisfaction Survey ‡
    - Comorbidity *

* Denotes that this measure is new to the ESRD QIP.
† Denotes that this measure is revised in the ESRD QIP.
‡ Denotes that this measure is expanded in the ESRD QIP.

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