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To: Hospital CFOs
Cc: Case Mix Liaisons, Quality Liaisons
From: Dr. Alyson Schuster, Associate Director – Performance Measurement
Date: September 2, 2015
Re: Quality Based Reimbursement Rate Year 2016 Final Rankings and Scaling Results

This memorandum is to inform hospitals that Health Services Cost and Review Commission (HSCRC) will be using the results in Appendix A for the Rate Year (RY) 2016 Quality Based Reimbursement (QBR) Program. Hospitals were previously sent the base and performance period data and preliminary QBR scores, along with a memo detailing the scoring methodology. Based upon feedback from hospitals, two changes have been made to the scoring methodology:

- 1) Hospitals with only performance period data are now included in the program based on attainment score;
- 2) The CLABSI performance period was corrected from CY2014 to Quarter 4 CY2013 through Quarter 3 CY2014.

Appendix B contains the revised scoring methodology.

For RY2016 the scaling was revenue neutral and hospitals were relatively ranked on performance. The penalties and rewards distributed to hospitals based on their performance was almost \$12.9 million. Starting in RY2017, a preset scale will be used to calculate revenue adjustments for QBR and hospitals will no longer be relatively ranked.

If you have any questions, please email hsrc.quality@maryland.gov or call Dr. Alyson Schuster at 410-764-2673.

Appendix A: QBR Scaling of Maximum Penalty of 1% of Hospital Inpatient Revenue - For Rate Year FY 2016

HOSPITAL ID	HOSPITAL NAME	FY 2015 PERMANENT INPATIENT REVENUE*	QBR FINAL POINTS	SCALING BASIS	REVENUE IMPACT OF SCALING	REVENUE NEUTRAL ADJUSTED REVENUE IMPACT OF SCALING	REVENUE NEUTRAL ADJUSTED PERCENT
A	B	C	D	E	F = C*E	G	H=(C+G)/C-1
210003	PRINCE GEORGE	\$176,633,176.79	0.204	-1.000%	-\$1,766,332	-\$1,766,332	-1.000%
210024	UNION MEMORIAL	\$239,732,514.10	0.236	-0.848%	-\$2,032,700	-\$2,032,700	-0.848%
210013	BON SECOURS	\$75,937,921.77	0.237	-0.842%	-\$639,466	-\$639,466	-0.842%
210017	GARRETT COUNTY	\$18,608,187.37	0.243	-0.811%	-\$150,839	-\$150,839	-0.811%
210061	ATLANTIC GENERAL	\$38,616,312.78	0.262	-0.721%	-\$278,422	-\$278,422	-0.721%
210010	DORCHESTER	\$23,804,066.20	0.300	-0.536%	-\$127,696	-\$127,696	-0.536%
210062	SOUTHERN MARYLAND	\$161,253,765.94	0.306	-0.506%	-\$815,828	-\$815,828	-0.506%
210056	GOOD SAMARITAN	\$178,635,337.98	0.316	-0.457%	-\$817,238	-\$817,238	-0.457%
210023	ANNE ARUNDEL	\$308,739,340.58	0.324	-0.420%	-\$1,297,299	-\$1,297,299	-0.420%
210034	HARBOR	\$122,412,281.84	0.337	-0.355%	-\$434,912	-\$434,912	-0.355%
210015	FRANKLIN SQUARE	\$282,129,811.54	0.338	-0.351%	-\$990,065	-\$990,065	-0.351%
210004	HOLY CROSS	\$319,832,140.30	0.347	-0.309%	-\$989,139	-\$989,139	-0.309%
210057	SHADY GROVE	\$231,030,091.92	0.366	-0.215%	-\$497,403	-\$497,403	-0.215%
210055	LAUREL REGIONAL	\$77,138,956.35	0.369	-0.203%	-\$156,364	-\$156,364	-0.203%
210038	UMMC MIDTOWN	\$137,603,928.30	0.370	-0.199%	-\$273,596	-\$273,596	-0.199%
210060	FT. WASHINGTON	\$17,901,765.04	0.373	-0.183%	-\$32,819	-\$32,819	-0.183%
210016	WASHINGTON ADVENTIST	\$160,049,372.87	0.379	-0.153%	-\$245,350	-\$245,350	-0.153%
210018	MONTGOMERY GENERAL	\$87,866,457.56	0.387	-0.117%	-\$102,775	-\$102,775	-0.117%
210011	ST. AGNES	\$238,960,906.16	0.390	-0.099%	-\$236,680	-\$236,680	-0.099%
210022	SUBURBAN	\$182,880,097.32	0.391	-0.095%	-\$174,048	-\$174,048	-0.095%
210002	UNIVERSITY OF MARYLAND	\$869,783,533.93	0.392	-0.089%	-\$777,220	-\$777,220	-0.089%
210035	CHARLES REGIONAL	\$76,417,733.97	0.399	-0.057%	-\$43,855	-\$43,855	-0.057%
210001	MERITUS	\$188,367,775.67	0.415	0.020%	\$37,886	\$23,050	0.012%
210037	EASTON	\$95,655,306.19	0.420	0.045%	\$42,869	\$26,081	0.027%
210019	PENINSULA REGIONAL	\$232,896,407.52	0.439	0.139%	\$323,230	\$196,651	0.084%
210040	NORTHWEST	\$141,883,177.42	0.446	0.169%	\$240,213	\$146,144	0.103%
210051	DOCTORS COMMUNITY	\$136,010,793.59	0.446	0.169%	\$230,271	\$140,095	0.103%
210039	CALVERT	\$67,061,372.88	0.447	0.174%	\$116,461	\$70,854	0.106%
210005	FREDERICK MEMORIAL	\$190,475,900.63	0.455	0.216%	\$411,978	\$250,644	0.132%
210029	HOPKINS BAYVIEW MED CTR	\$354,237,613.19	0.460	0.239%	\$845,105	\$514,157	0.145%
210006	HARFORD	\$46,774,506.17	0.461	0.245%	\$114,535	\$69,683	0.149%
210030	CHESTERTOWN	\$29,287,619.34	0.462	0.250%	\$73,134	\$44,494	0.152%
210048	HOWARD COUNTY	\$167,430,726.52	0.476	0.318%	\$531,634	\$323,443	0.193%
210044	G.B.M.C.	\$200,727,664.89	0.478	0.327%	\$656,806	\$399,596	0.199%
210032	UNION HOSPITAL OF CECIL COUNT	\$67,638,499.19	0.488	0.375%	\$253,429	\$154,185	0.228%
210008	MERCY	\$232,326,849.10	0.504	0.453%	\$1,052,795	\$640,513	0.276%
210012	SINAI	\$428,400,532.05	0.505	0.456%	\$1,953,758	\$1,188,653	0.277%
210009	JOHNS HOPKINS	\$1,303,085,115.22	0.512	0.490%	\$6,390,980	\$3,888,230	0.298%
210033	CARROLL COUNTY	\$136,537,812.51	0.516	0.510%	\$696,104	\$423,505	0.310%
210028	ST. MARY	\$69,990,405.25	0.525	0.554%	\$387,680	\$235,862	0.337%
210049	UPPER CHESAPEAKE HEALTH	\$153,131,633.20	0.531	0.583%	\$892,707	\$543,117	0.355%
210043	BALTIMORE WASHINGTON MEDICAL CENTER	\$224,082,797.59	0.552	0.684%	\$1,533,183	\$932,778	0.416%
210063	UM ST. JOSEPH	\$230,010,193.37	0.609	0.961%	\$2,209,908	\$1,344,493	0.585%
210027	WESTERN MARYLAND HEALTH SYSTEM	\$182,494,313.32	0.657	1.192%	\$2,175,921	\$1,323,816	0.725%
Statewide		\$8,904,474,715			\$8,290,541	\$0	0.000%

*FY 2015 Permanent IP Revenue = FY 2015 Total GBR Revenue + out of state and other non-GBR revenue x percent inpatient revenue from FY 2013

	Average Score	41.07%	Rewards	21,170,587	0.608 ratio of rewards/penalties
			Penalties	-12,880,046	

Appendix B: Program and Scoring Methodology Details for RY2016

QBR Data and Scoring

Table 1 below contains details on data sources and minimum requirements for inclusion in each of the three performance domains included in the RY2016 QBR program. Hospitals are required to have scores for at least two domains to be included in the QBR program, and for the outcome domain they are required to have a score for at least one of the three measures. If scores for one or two of the outcome measures are missing, the remaining measures are re-weighted such that the outcome domain still comprises 30% of the overall QBR score. However, if hospitals have performance period data only, scores are calculated for these measures/domains based on attainment only. This was a change for RY2016 and will be the policy going forward.

Two hospitals, McCreedy and Kernan, were excluded from the QBR program in RY2016 because of missing data or minimum requirements for surveys/cases not being met for at least two domains.

Table 1. Measurement Domains and Details

Domain	Weight	Base Period	Performance Period	Data Source	Minimum Inclusion Criteria
Patient Experience/ HCAHPS	40%	CY2012	Oct. 2013 – Sept. 2014	Downloaded from Hospital Compare	100 surveys
Clinical/ Process	30%	CY2012	Oct. 2013 – Sept. 2014	Downloaded from Hospital Compare	10 cases per measure
Outcomes	30%; if hospital is missing one or two measures, the remaining measures are reweighted such that the domain still comprises 30% of total QBR score.				
• Mortality	10%	FY2013	CY2014	HSCRC Calculated using Case Mix Data	Top 80% of APR-DRGs associated with mortality, which have at least 20 statewide cases.
• PSI-90	10%	FY2013	CY2014	HSCRC Calculated using Case Mix Data. AHRQ SAS Software V4.5	Three eligible cases required for each component measure. Hospitals with zero observed cases across all measures were removed.
• CLABSI	10%	CY2012	Q4 CY13 – Q3 CY14	Downloaded from Hospital Compare/supplemented with MHCC data	Requires hospitals to have at least 1 predicted case.