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Department of Health and Mental Hygiene



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**Health Services Cost Review Commission**

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To: Hospital CFOs

Cc: Hospital Quality Liaisons  
Case Mix Liaisons

From: HSCRC Quality/Performance Measurement Team

Date: March 31, 2017

Re: Revised Maryland Quality Based Reimbursement Program Measure Standards, Scaling Determination, and other Methodology Changes for RY 2018

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This memo summarizes updates to the Quality Based Reimbursement Program (QBR) that will impact hospital rates in RY 2018; the changes supplant details contained in previous RY 2018 memos.

## 1. RY 2018 Measure Updates

Since the February 2016 memo, the HSCRC has made the following changes and clarifications to the RY 2018 QBR Measures:

- 1) To clarify, HSCRC *will* include the Pain Management HCAHPS measure for RY 2018. This measure has been removed for RY 2019 and beyond.
- 2) HSCRC will shift the CAUTI base period to CY 2015 due to measure definition changes, and will use Q415-Q316 as the performance period. This change will allow HSCRC to calculate the better of improvement or attainment. The CAUTI measure for RY 2018 will continue to be for ICU units only. Because the CY 2015 VBP benchmarks and thresholds are calculated for ICUs and selected wards (instead of ICU Only), the HSCRC staff have calculated the threshold and benchmark from national data on CAUTI for ICU Only obtained from Hospital Compare (threshold = 0.497; benchmark = 0.000).
- 3) HSCRC has updated the CTM-3 question, which should pull "Strongly Agree" (H\_COMP\_7\_SA) for base period and performance scores. Previously, staff erroneously provided the linear mean scores and used those to calculate base period only attainment scores.
- 4) HSCRC staff have updated the c. Diff benchmark based on a revision posted in August of 2016 (threshold = 0.805; benchmark = 0.0004).

See Appendix A for updated base and performance measurement periods used for the QBR program for RY 2018, and Appendix B for the RY 2018 measure thresholds and benchmarks. Furthermore, an updated QBR excel workbook with revised base period data and a revised calculation sheet is being sent with this memo and will be posted to the HSCRC website.

## **2. RY 2018 Scaling**

At the February 8, 2017 meeting the Commission voted to retrospectively remove the RY 2018 preset QBR scale due to errors that resulting in the scale being set low. This change was also implemented retrospectively for RY 2017. For RY 2018 the Commission approved to revert back to the previous relative scaling methodology that calculates the scaling points based on RY 2018 performance periods and provide rewards to hospitals that are above the average score, with a maximum penalty of 2 percent and maximum reward of 1 percent of inpatient revenue distributed linearly in proportion to calculated scores.

Please see Appendix C for the original February 19, 2016 QBR memo, which contains additional program details and changes that were implemented in RY 2018.

If you have any questions, please email [hscrc.quality@maryland.gov](mailto:hscrc.quality@maryland.gov) or call Dr. Alyson Schuster at 410-764-2673.

### Appendix A. RY 2018 QBR Base and Performance Timeline

Rate Year (Maryland Fiscal Year)		FY14-Q3	FY14-Q4	FY15-Q1	FY15-Q2	FY15-Q3	FY15-Q4	FY16-Q1	FY16-Q2	FY16-Q3	FY16-Q4	FY17-Q1	FY17-Q2	FY17-Q3	FY17-Q4	FY18-Q1	FY18-Q2	FY18-Q3	FY18-Q4		
Calendar Year		CY14-Q1	CY14-Q2	CY14-Q3	CY14-Q4	CY15-Q1	CY15-Q2	CY15-Q3	CY15-Q4	CY16-Q1	CY16-Q2	CY16-Q3	CY16-Q4	CY17-Q1	CY17-Q2	CY17-Q3	CY17-Q4	CY18-Q1	CY18-Q2		
QBR	Federal Standards	QBR PC-01 , HCAHPS, NHSN Safety Base Period																			
						QBR PC-01, HCAHPS, NHSN Safety Performance Period															
		QBR Mortality Base Period																			
						QBR Mortality Performance Period															
	CAUTI update					CAUTI (in ICU only) Base Period				CAUTI (in ICU only) Performance Period											

Rate Year Impacted by QBR Results

## Appendix B. Final Thresholds and Benchmarks for FY 2018

Measure ID	Description	Achievement threshold	Benchmark
<b>Safety</b>			
CAUTI	National Healthcare Safety Network Catheter-associated Urinary Tract Infection Outcome Measure.	0.497	0
CLABSI	National Healthcare Safety Network Central Line-associated Bloodstream Infection Outcome Measure.	0.369	0
CDI (new for QBR FY 2018)	National Healthcare Safety Network Facility-wide Inpatient Hospital-onset <i>Clostridium difficile</i> Infection Outcome Measure.	0.805	0.004
MRSA bacteremia (new QBR FY 2018)	National Healthcare Safety Network Facility-wide Inpatient Hospital-onset Methicillin-resistant <i>Staphylococcus aureus</i> Bacteremia Outcome Measure.	0.767	0
PSI-90- SUSPENDED in Maryland	Patient safety for selected indicators-composite (AHRQ)	TBD	TBD
Surgical Site Infection (SSI)-Colon	<ul style="list-style-type: none"> <li>Colon</li> </ul>	<ul style="list-style-type: none"> <li>0.824</li> </ul>	<ul style="list-style-type: none"> <li>0</li> </ul>
SSI - Hysterectomy	<ul style="list-style-type: none"> <li>Abdominal Hysterectomy</li> </ul>	<ul style="list-style-type: none"> <li>0.71</li> </ul>	<ul style="list-style-type: none"> <li>0</li> </ul>
PC-01	Elective Delivery before 39 weeks	0.020408	0
<b>Clinical Care Outcome Measures</b>			
Mortality	Inpatient All-Payer, All Cause	97.54%	98.77%
<b>Efficiency and Cost Reduction Measure</b>			
MSPB-1 (VBP ONLY;not included in QBR)	N/A	N/A	N/A
<b>Patient and Caregiver-Centered Experience of Care/Care Coordination</b>			
	Floor (percent)		
Communication with Nurses	55.27	78.52	86.68
Communication with Doctors	57.39	80.44	88.51
Responsiveness of Hospital Staff	38.4	65.08	80.35
Pain Management	52.19	70.2	78.46
Communication about Medicines	43.43	63.37	73.66
Hospital Cleanliness & Quietness	40.05	65.6	79
Discharge Information	62.25	86.6	91.63
3-Item Care Transition (CTM)	25.21	51.45	62.44
Overall Rating of Hospital	37.67	70.23	84.58

**Appendix C: February 19, 2016 Original QBR Memo (contains additional program details but any updates in current memo supplant the details in this memo)**

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Sule Gerovich, Ph.D.  
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To: Hospital CFOs  
Cc: Hospital Quality Liaisons  
Case Mix Liaisons  
From: HSCRC Quality/Performance Measurement Team  
Date: February 19 2016 (revised, final)  
Re: Maryland Quality Based Reimbursement Program Measure Standards, Scaling  
Determination, and other Methodology Changes for FY 2018

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This memo summarizes the changes to the Quality Based Reimbursement Program (QBR) that will impact hospital rates in FY 2018 and provides updates from the memo of February 12, 2016.

## 1. Scaling Magnitude and Methodology

On October 14, 2015 the Commission approved allocating 2 percent of hospital-approved inpatient revenue for QBR performance in FY 2018 to be finalized by the Aggregate Revenue "at risk" recommendation for FY 2018; we anticipate this recommendation will be considered by the Commission by April 2016. The All-payer Model Agreement with the Centers for Medicare and Medicaid Innovation (CMMI) that began on January 1, 2014 requires that the proportion of Maryland hospitals' revenues held at risk for quality programs be equal to or greater than the proportion that is held at risk under national Medicare programs; CMS has established 2% at risk for the VBP program for FY 2018.<sup>1</sup>

Consistent with the QBR program for FY 2017 and with the scaling methodology used for the Maryland Hospital Acquired Conditions (MHAC) program, the scaling approach for calculating rewards/penalties uses a preset scale. For FY 2018 the preset scale that will be used is the same as the preset scale that was used for FY 2017. The preset scale is included in Appendix A of this memorandum.

## 2. Aligning the QBR program with the CMS Value Based Purchasing (VBP) Program

### A. VBP Exemption

Maryland has requested and been granted VBP exemptions for FYs 2013, 2014, 2015 and 2016. Beginning with FY 2016, our exemption request is in accordance with the terms of the

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<sup>1</sup> The full recommendations can be found at: <http://hsrc.maryland.gov/documents/commission-meeting/2015/10-14/HSCRC-Post-Meeting-Packet-%2020151014.pdf>.

All-payer Model agreement which continues to require that we provide evidence that we have achieved or surpassed measured results in terms of patient health outcomes and cost savings compared with those of the Centers for Medicare and Medicaid Services (CMS) VBP program. A report containing our performance results and exemption request for FY 2017 was submitted to CMMI on February 5, 2016.

**B. FY 2018 Measure Changes**

Updates to the QBR program measures for FY 2018 to continue alignment of the QBR program with the VBP program include:

- 1) Adopting additional patient Safety measures, including the Methicillin Resistant Staphylococcus Aureus (MRSA) and Clostridium Difficile (C Diff) measures developed by the Centers for Disease Control National Health Safety Network (CDC NHSN), and the PC01 (early elective delivery) CMS measure; and,
- 2) Eliminating use of the the CMS clinical care process measures used in the prior year.

In addition, Maryland’s use of PSI 90 is suspended in Maryland since the performance year data for CMS for FY 2018 spans the ICD9 to ICD10 transition, and HSCRC staff has not yet determined a methodology to calculate the measure using all payer case mix data; HSCRC staff, however, will continue working to determine if Medicare’s methodology for measuring PSI 90 in this scenario can be translated to all payer case mix data.

**3. Measurement Period**

The base and performance measurement periods used for the QBR program for FY 2018 are illustrated below in figure 1.

**Figure 1. FY 2018 QBR Base and Performance Timeline**

Rate Year (Maryland Fiscal Year)	FY14- Q3	FY14- Q4	FY15- Q1	FY15- Q2	FY15- Q3	FY15- Q4	FY16- Q1	FY16- Q2	FY16- Q3	FY16- Q4	FY17- Q1	FY17- Q2	FY17- Q3	FY17- Q4	FY18- Q1	FY18- Q2	FY18- Q3	FY18- Q4		
Calendar Year	CY14- Q1	CY14- Q2	CY14- Q3	CY14- Q4	CY15- Q1	CY15- Q2	CY15- Q3	CY15- Q4	CY16- Q1	CY16- Q2	CY16- Q3	CY16- Q4	CY17- Q1	CY17- Q2	CY17- Q3	CY17- Q4	CY18- Q1	CY18- Q2		
<b>QBR Program Base and Performance Periods that Impact Rate Year 2018</b>																				
	Maryland Safety, HCAHPS Base Period																		2018 Rate Year Impacted by QBR Results	
								Maryland Safety, HCAHPS Performance Period												

**4. QBR Data Sources, Score Calculations and Performance Standards for FY 2018**

As stated previously, to the extent possible, HSCRC has aligned the QBR program data, scoring calculations, measures list and performance standards with the VBP program. Key points regarding this are outlined below.

- HSCRC will use the data submitted to CMS for the Inpatient Quality Reporting program and posted to Hospital Compare for calculating hospital performance scores for all

measures with exception of PSI 90 and the mortality measure, which are calculated using HSCRC case mix data.

- CMS rules will be used when possible for minimum measure requirements for scoring a domain and for readjusting domain weighting if a measurement domain is missing for a hospital. Hospitals must be eligible for scores in 2 of the 3 domains to be included in the program.
- For hospitals with measures that have no data in the base period, attainment only scores will be used to measure performance on those measures, since HSCRC will be unable to calculate improvement scores (The “QBR FY 2018 Base Year Data Workbook” is provided in the Excel file with the same name that accompanies this memorandum).
- For hospitals that have measures with data missing for the base and performance periods, hospitals will receive scores of zero for these measures. It is imperative, therefore, that hospitals review their data as soon as it is available and contact CMS with any concerns related to preview data or issues with posting data to Hospital Compare, and to alert HSCRC staff in a timely manner if issues cannot be resolved.
- The performance thresholds and benchmarks for each of the safety, clinical care outcome and patient and caregiver-centered experience of care/care coordination HCAHPS measures for FY 2018 are listed below in Figure 2.

HSCRC has also developed and is providing a score calculation workbook containing a worksheet for each measure for hospitals to use to calculate and monitor their individual measure scores; the workbook accompanies this memo and is posted to the HSCRC website.

**Figure 2. Final Thresholds and Benchmarks for FY 2018**

Measure ID	Description	Achievement threshold	Benchmark
<b>Safety</b>			
CAUTI	National Healthcare Safety Network Catheter-associated Urinary Tract Infection Outcome Measure.	0.906	0
CLABSI	National Healthcare Safety Network Central Line-associated Bloodstream Infection Outcome Measure.	0.369	0
CDI (new for QBR FY 2018)	National Healthcare Safety Network Facility-wide Inpatient Hospital-onset <i>Clostridium difficile</i> Infection Outcome Measure.	0.794	0.002
MRSA bacteremia (new QBR FY 2018)	National Healthcare Safety Network Facility-wide Inpatient Hospital-onset Methicillin-resistant <i>Staphylococcus aureus</i> Bacteremia Outcome Measure.	0.767	0
PSI-90- SUSPENDED in Maryland	Patient safety for selected indicators-composite (AHRQ)	TBD	TBD
Surgical Site Infection (SSI)-Colon	<ul style="list-style-type: none"> <li>• Colon</li> </ul>	<ul style="list-style-type: none"> <li>• 0.824</li> </ul>	<ul style="list-style-type: none"> <li>• 0</li> </ul>
SSI - Hysterectomy	<ul style="list-style-type: none"> <li>• Abdominal Hysterectomy</li> </ul>	<ul style="list-style-type: none"> <li>• 0.71</li> </ul>	<ul style="list-style-type: none"> <li>• 0</li> </ul>
PC-01	Elective Delivery before 39 weeks	0.020408	0
<b>Clinical Care Outcome Measures</b>			
Mortality	Inpatient All-Payer, All Cause	97.54%	98.77%

Measure ID	Description	Achievement threshold	Benchmark
	<b>Efficiency and Cost Reduction Measure</b>		
MSPB-1 (VBP ONLY;not included in QBR)	N/A	N/A	N/A
	<b>Patient and Caregiver-Centered Experience of Care/Care Coordination</b>		
	Floor (percent)		
Communication with Nurses	55.27	78.52	86.68
Communication with Doctors	57.39	80.44	88.51
Responsiveness of Hospital Staff	38.4	65.08	80.35
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Discharge Information	62.25	86.6	91.63
3-Item Care Transition (CTM)	25.21	51.45	62.44
Overall Rating of Hospital	37.67	70.23	84.58

## 5. Domain Weights

The Final Measure Domain Weights for the QBR program compared with the VBP Program for FY 2018 are listed below in Figure 3.

**Figure 3. QBR Measure Domain Weights Compared with the VBP Program**

	Clinical Care	Patient experience of Care/ Care Coordination	Safety	Efficiency
<b>QBR</b>	15% (1 measure- inpatient all cause mortality)	50% (9 measures- HCAHPS + CTM)	35% (8 measures- Infection, PC -01)	N/A
<b>CMS VBP</b>	25% (3 measures- condition specific 30-day mortality)	25% (9 measures- HCAHPS + CTM)	25% (8 measures- Infection, PSI, PC -01)	25%

If you have any questions, please email [hsrc.quality@maryland.gov](mailto:hsrc.quality@maryland.gov) or call Dianne Feeney (410-764-2582) or Alyson Schuster at (410-764-2673).

Attachments: Excel file entitled "QBR FY 2018 Base Year Data Workbook\_v2-12-2016 "

Appendix A: FY 2018 QBR Preset Payment Scale

	<b>Final QBR Score</b>	<b>Below/Above State Quality Target</b>
<b>Scores less than or equal to*</b>	<b>0.08</b>	<b>-2.00%</b>
	0.09	-1.89%
	0.10	-1.78%
	0.11	-1.67%
	0.12	-1.56%
	0.13	-1.44%
	0.14	-1.33%
	0.15	-1.22%
	0.16	-1.11%
	0.17	-1.00%
	0.18	-0.89%
	0.19	-0.78%
	0.20	-0.67%
	0.21	-0.56%
	0.22	-0.44%
	0.23	-0.33%
	0.24	-0.22%
	0.25	-0.11%
<b>Penalty/Reward Threshold^</b>	0.26	0.00%
	0.27	0.04%
	0.28	0.07%
	0.29	0.11%
	0.30	0.14%
	0.31	0.18%
	0.32	0.21%
	0.33	0.25%
	0.34	0.29%
	0.35	0.32%
	0.36	0.36%
	0.37	0.39%
	0.38	0.43%
	0.39	0.46%
	0.40	0.50%
	0.41	0.54%
	0.42	0.57%

	<b>Final QBR Score</b>	<b>Below/Above State Quality Target</b>
	0.43	0.61%
	0.44	0.64%
	0.45	0.68%
	0.46	0.71%
	0.47	0.75%
	0.48	0.79%
	0.49	0.82%
	0.50	0.86%
	0.51	0.89%
	0.52	0.93%
	0.53	0.96%
<b>Scores greater than or equal to**</b>	<b>0.54</b>	<b>1.00%</b>
<b>Penalty/Reward threshold:</b>		<b>0.26</b>
<p>*For FY 2018, the same payment scale will be used as was used for FY 2017. The lower and upper range for the preset scale and the median score for determining penalty/reward threshold were determined by calculating attainment scores for all hospitals using the FY17 base period data.</p>		