

August 8, 2006

## Work of Hospital Quality Alliance Provides Roadmap for Inpatient Rule's Quality Provisions

### *AT A GLANCE*

#### **The Issue:**

On August 1, the Centers for Medicare & Medicaid Services (CMS) issued its final rule for the Medicare inpatient prospective payment system (PPS). In the rule, CMS names 11 more quality measures ... all of which were previously adopted by the Hospital Quality Alliance (HQA) for public reporting on its Web site ... that hospitals must report beginning with patients discharged in July of this year in order to receive their full 3.4 percent market basket update for fiscal year (FY) 2007. Those not reporting would face a penalty of 2 percentage points off of that update. The HQA had announced on July 31 several additional quality measures it will urge acute-care hospitals to submit for the public Web site, as well as a timeline. This advisory provides detailed information on the measures for which HQA is requesting all acute-care hospitals to submit data. It also describes how the measures dovetail with the CMS requirements and how they align with other major quality initiatives.

#### **What You Can Do:**

- To get a full Medicare payment update for FY 2007, hospitals must by August 15 submit a "Notice of Participation" indicating they will continue submitting current data as well as data for the new measures. The form is at <http://www.qualitynet.org> under "RHQDAPU participation forms."
- HQA is asking all hospitals to prepare to collect and report on the additional measures shown on the attached table. To aid in that effort, please share this advisory with your chief operating officer, medical director, director of nursing, quality director, chief financial officer, head of media relations, and Q-Net Exchange administrator.
- Please feel free to sign up for a special call this Thursday on the rule and the data collection. See the attachments for information and a faxback registration form.

#### **Further Questions:**

Contact Nancy Foster, AHA vice president of quality and patient safety policy, at (202) 626-2337 or [nfoster@aha.org](mailto:nfoster@aha.org).

August 8, 2006

## **NEW HOSPITAL QUALITY ALLIANCE MEASURES**

The Hospital Quality Alliance (HQA) is a public-private collaboration to improve the quality of care provided by the nation's hospitals by measuring and publicly reporting on that care. It began when the AHA, the Association of American Medical Colleges and the Federation of American Hospitals brought together major national organizations representing hospital care stakeholders to try to reduce the "measurement babble" that had occurred after substantial interest in health care quality led to the rapid proliferation of quality measures. The goal of the HQA is to achieve broad-based agreement on the collection, public reporting and use of a robust set of standardized and easy-to-understand hospital quality measures. The HQA began publishing data in late 2003 on a Web site designed for health care providers and began publishing data for the public on <http://www.hospitalcompare.hhs.gov> in the spring of 2005. In its first year, the HQA asked hospitals to submit data on 10 quality measures for patients with heart attack, heart failure or pneumonia. It has since expanded that request to include data for 19 measures of heart attack, heart failure and pneumonia, and three surgical care infection prevention measures, for a current total of 22 measures.

To emphasize the importance of making reliable quality information publicly available, Congress mandated in the Medicare Modernization Act of 2004 that hospitals paid under the inpatient prospective payment system (PPS) must submit data on all of the original HQA measures to receive their full Medicare payment update for fiscal years (FY) 2005 – 2007.

More than 4,000 hospitals – including nearly all acute-care hospitals paid under the inpatient PPS – are voluntarily submitting quality information on the 10 original HQA measures, and the vast majority of hospitals are submitting information on all 19 of the requested heart attack, heart failure and pneumonia measures. Approximately 1,350 hospitals also have begun submitting the requested surgical infection prevention information.

While the HQA continues to encourage broad use of its data collection in assessing quality, the HQA also has selected additional quality measures. The list of measures and the proposed reporting schedule is attached. For most of these measures, the software that enables the data collection should be ready to use well in advance of the indicated dates, thus allowing hospitals to begin to phase-in the data collection. For example, the schedule indicates the submission of HCAHPS data for patients discharged on or after January 1, 2007. However, the HCAHPS survey instrument is available now, and many hospitals are participating in a "dry-run" data collection to get a sense of what the data will show and to identify potential problems.

## **QUALITY PROVISIONS IN THE IPPS FINAL RULE**

As directed in the Deficit Reduction Act of 2005, the Centers for Medicare & Medicaid Services' (CMS) August 1 final Medicare inpatient PPS rule increases the quality data submission requirements that hospitals must report to receive a full Medicare payment update in FY 2007. It also increases the penalty for not reporting the measures – from forfeiture of 0.4 percent of Medicare inpatient payment to a loss of 2 percent.

In its proposed inpatient PPS rule, CMS linked FY 2007 payment to the submission of 21 quality measures – the 10 original HQA measures of heart attack, heart failure and pneumonia, plus the additional 11 measures of heart attack, heart failure, pneumonia and surgical care that the HQA already had asked hospitals to provide. CMS also proposed requiring hospitals to submit data retrospectively, for patients discharged on or after January 1.

In the final rule, the number of quality measures remains at 21, but, as the AHA had requested, the timeframe is altered so that the data collection for the new measures will begin with patients discharged on or after July 1, 2006.

In releasing the final rule and elsewhere, CMS Administrator Mark McClellan has referenced 22 required measures. However, the final rule actually refers only to 21 measures. The discrepancy is a surgical infection prevention measure that examines appropriate antibiotic selection. The measure is not included in the final rule because it is undergoing a recalibration to ensure that it accounts for the most recent scientific evidence on which antibiotics are most effective for which types of surgeries. However, the HQA is requesting that data on this measure be submitted. In fact, if your hospital is collecting the information needed to calculate the other two surgical infection prevention measures, you already are submitting virtually all of the information needed to report this measure as well. The data on this measure will not be displayed on the *Hospital Compare* Web site until the recalibration is completed this fall.

To inform CMS of your hospital's intent to comply with the final rule's reporting requirements, you must fill out and return a pledge form indicating that your hospital will continue to send data on the original 10 measures, plus the additional 11 measures, for patients discharged on or after July 1, 2006. That form must be received by your state's quality improvement organization (QIO) no later than August 15. The form is attached, and also available at <http://www.qualitynet.org> under the RHQDAPU forms link (RHQDAPU is CMS' acronym for Reporting Hospital Quality Data for the Annual Payment Update.).

The final rule also requires a degree of accuracy in the data your hospital submits to qualify for the update. CMS has had a contractor check the accuracy of submitted data by examining copies of the relevant medical records of five randomly selected patients each quarter. Due to the nature of this type of validation, the validation check always lags behind the data submission by several months.

The contractor abstracts the required information from the chart, and, if there is at least 80 percent agreement between what the contractor found and what your hospital submitted, your data are considered accurate. If there is a greater discrepancy, your hospital is able to appeal the discrepancy.

The accuracy of the information submitted in the first three quarters of 2005 will determine whether your hospital qualifies for a full FY 2007 payment update.

## **ACTION CHECKLIST**

### **To ensure you receive your full Medicare payment update for FY 2007:**

- √ Download the RHQDAPU pledge form from <http://www.qualitynet.org>, or use the attached copy, complete it and return it to your state's QIO by August 15.
- √ Check to ensure your hospital's quality data on the currently required heart attack, heart failure, and pneumonia measures (see attached list) continue to be reported accurately to the QIO data warehouse over QNet Exchange.
- √ It is highly likely that your hospital is reporting some of the measures that were previously requested by HQA but not linked to full payment. Check to see which of the new 11 measures you need to add to your current data collection, commencing with patients discharged on or after July 1, and take the necessary steps to begin collecting those data.

### **In response to the HQA's request for additional quality reporting:**

- √ Check to see if your hospital is participating in the HCAHPS dry-run data collection. If not, make plans to participate in the second dry run, including contacting a certified HCAHPS surveyor (a list is available at <http://www.hcahponline.org/>).
- √ Begin preparations to collect additional data on surgical quality, certain types of health care-associated infections and other measures requested by the HQA.

### **To learn more:**

- √ The AHA has set up a conference call this Thursday, August 10 at 3 p.m. Eastern for member hospitals to discuss the inpatient rule and its effect on HQA measures and payment. Details are attached. Please be sure to fax back the attached form to register for the call so we can ensure there will be enough phone lines.

**Attachment A: Hospital Quality Measures for HQA and Medicare Payment**

<b>Aspect of Care</b>	<b>Reporting Status</b>	<b>Measure</b>	<b>Comments</b>
<b>Heart Attack</b>	Reporting requested by HQA since 2003; linked to full Medicare payment for hospitals paid under the inpatient prospective payment system since FY 2005.	Aspirin at arrival	
		Aspirin at discharge	
		Beta Blocker at arrival	
		Beta Blocker at discharge	
		ACE or ARB for left ventricular systolic dysfunction	
	Reporting requested by HQA since 2004; linked to full Medicare payment for inpatient prospective payment system hospitals beginning October 1, 2006. To get full Medicare update, hospitals must pledge to send in data for patients beginning no later than with patients discharged on or after July 1, 2006.	Anti - thrombolytic within 30 minutes of arrival	
		Percutaneous coronary intervention within 120 minutes of arrival	
		Smoking cessation counseling given	
	<i>Reporting requested by HQA beginning 2007; not yet linked to payment.</i>	<i>30-day post-admission mortality for heart attack patients</i>	<i>Data comes from Medicare and Social Security Administration data files; hospitals have no data to collect for this measure.</i>
<b>Heart Failure</b>	Reporting requested by HQA since 2003; linked to full Medicare payment for hospitals paid under the inpatient prospective payment system since FY 2005.	Assess left ventricular systolic function	
		ACE or ARB for left ventricular systolic dysfunction	
	Reporting requested by HQA since 2004; linked to full Medicare payment for inpatient prospective payment system hospitals beginning October 1,	Appropriate discharge instructions given	
		Smoking cessation counseling given	

	2006. To get full Medicare update, hospitals must pledge to send in data for patients beginning no later than with patients discharged on or after July 1, 2006.		
	<i>Reporting requested by HQA beginning 2007; not yet linked to payment.</i>	<i>30-day post-admission mortality for heart failure patients</i>	<i>Data comes from Medicare and Social Security Administration data files; hospitals have no data to collect for this measure.</i>
<b>Pneumonia (community acquired)</b>	Reporting requested by HQA since 2003; linked to full Medicare payment for hospitals paid under the inpatient prospective payment system since FY 2005.	Oxygenation assessment done	
		Initial antibiotic given with four hours of arrival	
		Pneumonia vaccination status checked	
	Reporting requested by HQA since 2004; linked to full Medicare payment for inpatient prospective payment system hospitals beginning October 1, 2006. To get full Medicare update, hospitals must pledge to send in data for patients beginning no later than with patients discharged on or after July 1, 2006.	Blood cultured prior to first antibiotic	
		Smoking cessation counseling given	
		Right antibiotic chosen	
<i>Reporting requested by HQA beginning 2007; not yet linked to payment.</i>	<i>30-day post-admission mortality</i>	<i>Data comes from Medicare and Social Security Administration data files; hospitals have no data to collect for this measure.</i>	
<b>Surgical Care (All derived from Surgical Care Improvement Project - SCIP)</b>	Reporting requested by HQA since 2004; linked to full Medicare payment for inpatient prospective payment system hospitals beginning October 1,	Prophylactic antibiotic within an hour prior to incision	
		Prophylactic antibiotic	

	2006. To get full Medicare update, hospitals must pledge to send in data for patients beginning no later than with patients discharged on or after July 1, 2006.	discontinued within 24 hours (or 48 for specified surgeries)	
	Reporting requested by HQA since 2004. Not yet linked to full Medicare payment for inpatient prospective payment system hospitals.	Right prophylactic antibiotic chosen	Measure not being publicly displayed now while revisions in specifications are made to recognize changes in evidence about effectiveness of different antibiotics. Expect display to resume in Dec. 2006.
	<i>Reporting requested by HQA beginning 2007; not yet linked to payment.</i>	<i>Venous thromboembolism prevention ordered</i>	
		<i>Venous thromboembolism prevention provided within 24 hours pre/post surgery</i>	
	<i>Reporting requested by HQA beginning 2008 - assuming NQF endorses in next few months; not yet linked to payment.</i>	<i>Cardiac patients with controlled perioperative serum glucose</i>	
		<i>Appropriate hair removal</i>	
		<i>Colorectal patients with postoperative normal body temperature maintained</i>	
		<i>Head of the bed elevated for ventilator patients</i>	<i>Same as 100K Lives Campaign step.</i>
		<i>Weaning protocol used for ventilator patients</i>	<i>Same as 100K Lives Campaign step.</i>
<b>Patient Perceptions</b>	<i>Reporting requested by HQA beginning no later</i>	<i>HCAHPS patient care survey</i>	<i>Must be conducted by organization</i>

	<i>than January 2007.</i>		<i>certified to administer HCAHPS survey. Hospitals and their data collection vendors must complete a dry run before beginning actual participation. Dry run including nearly 3,000 hospitals currently underway. Second dry run will begin soon.</i>
<b>ICU/ Critical Care Unit Patients</b>	<i>Reporting requested by HQA beginning 2008 – assuming NQF endorses in next few months; not yet linked to payment.</i>	<i>Venous thromboembolism prevention</i>	
		<i>Central line-associated blood stream infection rate</i>	
		<i>Prevention of stress ulcers</i>	
		<i>Urinary catheter-associated urinary tract infections</i>	
		<i>Ventilator-associated pneumonia rate by ICU location</i>	
<b>Pediatric Asthma</b>	<i>Reporting requested by HQA beginning 2008 – not yet linked to payment.</i>	<i>Use of relievers</i>	
		<i>Use of systemic corticosteroids</i>	
		<i>Home care plan given</i>	<i>This measure will undergo NQF review in the next few months. Implementation contingent on NQF endorsement.</i>

In the short term, when other measures are added, they will come from those endorsed by the by NQF prior to 3<sup>rd</sup> quarter 2007 and related to:

- Hospital Priority Areas
- Health care-related Infections
- Readmission rates
- Pediatric care



## Fax Back Form

### AHA Conference Call *IPPS FINAL RULE*

*Dial-In Number: 1-866-710-0179  
Security Code: 4491*

To help us plan an appropriate number of lines for the call, please return this form if you are interested in participating.

- Thursday, August 10<sup>th</sup> at 3 pm Eastern (2 pm CT, 1 pm MT, Noon PT)**



Name: \_\_\_\_\_

Title: \_\_\_\_\_

Organization: \_\_\_\_\_

City, State  
\_\_\_\_\_

Phone: \_\_\_\_\_ Fax:  
\_\_\_\_\_

E-Mail \_\_\_\_\_

Please return this form via fax to  
Elisa Arespachaga at (312) 422-4590



**American Hospital  
Association**

**AHA Conference Call  
IPPS FINAL RULE  
August 10, 2006**

**CONFERENCE CALL FOLLOW-UP**

1. Request for additional information:

---

---

---

2. Questions or comments:

---

---

---

3. Evaluation:

Strongly                      Strongly  
Agree                      Disagree

A. The information provided on the call was useful.	5	4	3	2	1
B. My questions were addressed on the call.	5	4	3	2	1
C. There was ample time on the call to ask questions or make comments.	5	4	3	2	1

-----  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

Organization: \_\_\_\_\_

Address: \_\_\_\_\_

City/State/Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

**Please return this form to Elisa Arespachaga  
312-422-4590 (FAX)**

**Reporting Hospital Quality Data for Annual Payment Update  
Notice of Participation  
For FY 2007 and Forward**

- We agree to participate at this time (complete entire form including initials)
- We do not agree to participate at this time.

We agree to register for QualityNet Exchange and to collect the appropriate data for all payers, and will begin submitting data directly, or through a third party vendor, on the measures identified for Reporting Hospital Quality Data for Annual Payment Update (RHQDAPU) according to the published Data Transmission deadlines.

**All hospitals must complete this revised "Reporting Hospital Quality Data for Annual Payment Update Notice of Participation form, and send it to their QIO no later than August 15, 2006.**

**Note:** If your hospital is eligible to participate in the Annual Payment Update as outlined in Section 5001(a) of the Deficit Reduction Act of 2005, and chooses not to participate, your Annual Payment Update will be reduced by **2.0 percent**.

This information is in compliance with the CMS guidelines for hospitals submitting their quality performance data in accordance with Section 5001(a) of the Deficit Reduction Act of 2005. Hospitals that do not submit data for **all** required quality measures to the Clinical Data Warehouse would receive a reduction of 2.0 percent in their Medicare Annual Payment Update for the applicable fiscal year. In order to avoid the reduction in their Annual Payment Update, certain requirements must be met. CMS will determine Annual Payment Updates based on the following: 1) The Inpatient Prospective Payment System (IPPS) hospital is registered for QualityNet Exchange by the established deadline, 2) Identification of a QualityNet Administrator who follows the registration process, 3) Data are successfully submitted to CMS via the Clinical Data Warehouse by the established data transmission deadlines for each quarter, 4) Hospitals must pass validation requirements with a minimum of 80 percent reliability, based on the chart-audit validation process, 5) Hospitals must attest to the completeness and accuracy of the data submitted to the Clinical Data Warehouse, 6) Hospitals will collect and submit data into the Clinical Data Warehouse on the **expanded set of measures (21 clinical quality measures) beginning with third calendar quarter of 2006 (July thru September discharges)** by the established data transmission deadline of February 15, 2007, and 7) Hospitals must submit complete data in accordance with the joint CMS/JCAHO sampling requirements located on the QualityNet website.

All hospitals receiving the full market basket update will have data reported on the Hospital Compare website. This data will encompass four consecutive quarters for all measures required for RHQDAPU. Hospitals will be permitted to preview their data as we have recorded it before it is reported on Hospital Compare.

Quality Improvement Organization: \_\_\_\_\_

Hospital Name: \_\_\_\_\_ Medicare Provider Number: \_\_\_\_\_

Street Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

Hospital CEO (or designee) Name (please print): \_\_\_\_\_

Title: \_\_\_\_\_ Signature Date: \_\_\_\_\_

Signature: \_\_\_\_\_ CEO/Designee Initials: \_\_\_\_\_

Please identify your hospital's point of contact for hospital reporting activities:

Name (please print): \_\_\_\_\_

Title: \_\_\_\_\_ E-mail: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_