Hospital Quality Incentive Program

Proposals for
Calendar Year 2022 Performance
Overview

• Goal
  – Provide an overview of and share proposed changes to PA Medicaid Hospital Quality Incentive Program (HQIP) for Calendar Year (CY) 2022 performance

• Agenda
  – Opioid Use Disorder (OUD) in the Emergency Department (ED)
  – Potentially Avoidable Admissions (PAA)
  – Racial and Ethnic Health Disparities (REHD)
Opioid Use Disorder in the ED

• No changes to the current program
• Based on a modified HEDIS® specification of follow up within 7 days for opioid treatment after a visit to the emergency department (ED) for OUD related condition
• Methodology remains unchanged for both:
  – Benchmark achievement
  – Incremental improvement
• Total funding available remains at $35 million
• DHS website
  – Program Explanation and
  – Results from prior years
  https://www.dhs.pa.gov/providers/Providers/Pages/Hospital-Assessment-Initiative-.aspx

**Hospital Quality Improvement Program Emergency Department Opioid Use Disorder**

- FY 19-20 Hospital Quality Improvement Program Opioid Use Disorder Treatment Statewide Results
- Hospital Quality Improvement Program Frequently Asked Questions
- Hospital Quality Improvement Program Follow-up treatment after ED visit for Opioid Use Disorder
- Opioid Use Disorder Emergency Department Initiative Performance Measure
- Hospital Quality Improvement Program Opioid Use Disorder Treatment Pathway Results
• Potentially Preventable Admissions (PPA)
  – Current program focused on reducing preventable admissions
  – All acute care general hospitals are eligible
  – In place since CY 2016 performance
  – Uses 3M™ software to identify PPAs
  – CY 2021 is the fifth and final performance period
• Change to Potentially **Avoidable** Admissions (PAA)
  
  – Subject to CMS approval
  – All acute care general hospitals are eligible
  – CY 2022 Year 1 performance
  – Uses Agency for Healthcare Research and Quality (AHRQ)
    • AHRQ is publicly available
    • Focused on the same PQIs and PDIs in Physical Health
      HealthChoices
  – Aligns with Act 40 of 2018 and each hospital’s detailed report
    • CY 2018 report released to hospitals July 27, 2021
    • Total funds available for PAA remain at $45 million

PQI ≡ Prevention Quality Indicator; PDI ≡ Pediatric Quality Indicator
Potentially Avoidable Admissions (PAA)

CY 2016 - CY 2021 Performance

Potentially Preventable Admissions (PPA)

3M™ Population-focused Preventables Software

- Benchmark Achievement
- Incremental Improvement

Subject to CMS Approval

CY 2022 Performance

Potentially Avoidable Admissions (PAA)

Agency for Healthcare Research and Quality (AHRQ)

- Benchmark Achievement
- Incremental Improvement
PAA & PPA Resources

- DHS website
  https://www.dhs.pa.gov/providers/Providers/Pages/Hospital-Assessment-Initiative-.aspx

- Potentially Avoidable Admissions (PAA)
  - DHS intends to add materials as available

- Potentially Preventable Admissions

**PA Hospital Quality Incentive Potentially Preventable Admission Payment**

- FY 19-20 Hospital Quality Incentive Statewide Results
- FY 19-20 HQIP Narrative and Measures
- FY 18-19 Hospital Quality Incentive Statewide Results
- FY 17-18 Hospital Quality Incentive Statewide Results
- FY 17-18 Hospital Quality Incentive Q&A
- FY 17-18 Hospital Quality Incentive Performance Year Changes
- FY 16-17 Hospital Quality Incentive Statewide Results
- FY 16-17 Hospital Quality Incentive Q&A
- Hospital Quality Incentive Presentation
- 3M Hospital Quality Incentive Program Presentation
- Hospital Quality Incentive Program APR-DRG Listing
• New HQIP for Performance Year (PY) 2022
  – Intended to address issues of racial and ethnic health disparities by incentivizing hospitals to recognize and provide the necessary services to deliver quality health care to racial and ethnic minority populations

• Subject to CMS approval

• All acute care general hospitals are eligible

• Subset of Potentially Avoidable Admission quality initiative

• Incentive only; no penalty

• Physical Health HealthChoices program
REHD Phases (subject to CMS approval)

Phase I
Hospitals attest to implementation of a Process Incentive Pathway (PIP)

*details on next slide*

PY 2022 & PY 2023

Phase II
Hospitals required to achieve performance standards

The REHD methodology will utilize a subset of the AHRQ PQIs and PDIs used in the PAA HQIP analyzed by racial and ethnic groups

PY 2023

PQI ≡ Prevention Quality Indicator
PDI ≡ Pediatric Quality Indicator
## REHD Phase I (subject to CMS approval)

<table>
<thead>
<tr>
<th>Process Incentive Pathway (PIP)</th>
<th>Year 1 – CY 2022</th>
<th>Year 2 – CY 2023</th>
<th>Aggregate Payment Amount</th>
</tr>
</thead>
</table>
| #1                             | • Begin to implement Race, Ethnicity, and Language (REaL) Data Collection | • Identify disparities  
• Develop an internal committee and work plan to begin addressing issues of racial and ethnic health disparities | Base amount  
• CY 2022 $25 million  
• CY 2023 $25 million |
| #2                             | • Begin to develop a social needs and social risk screening processes | • Develop a plan to address one identified need or risk that the hospital identified related to racial and ethnic health disparities through the screening process | |
| #3 (Bonus Payment)             | • Develop a community advisory board consisting of internal and external stakeholders | • Conduct quarterly meetings with the community advisory board | Bonus amount  
• CY 2022 $5 million  
• CY 2023 $5 million |
## REHD Phase I (subject to CMS approval)

### Information and Timeline

<table>
<thead>
<tr>
<th>Performance Year</th>
<th>Attestation Due Date</th>
<th>Statewide Amount</th>
<th>Target Payment Date to MCOs</th>
<th>State Fiscal Year of QCA* Funding</th>
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<tr>
<td>2022</td>
<td>April 15, 2022</td>
<td>$30M</td>
<td>July 2022</td>
<td>2021-22</td>
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<tr>
<td>2023</td>
<td>April 14, 2023</td>
<td>$30M</td>
<td>July 2023</td>
<td>2022-23</td>
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</table>

* QCA ≡ Quality Care Assessment
• CY 2022 will serve as the baseline for 2023 performance
• Each hospital’s REHD statistic will be calculated uniformly
  – Note - Children’s hospitals will be measured only on PDIs

\[
\text{Performance Statistic} = \frac{\text{CY 2023 Number of Discharges from denominator with one of the selected PQI/PDI diagnoses on discharge}}{\text{CY 2023 Number of Discharges of Non-Hispanic African American and Hispanic/Latino (combined) PH-HC Members}}
\]

• Hospital performance based on REHD performance statistic
  – Benchmark Achievement
  – Incremental Improvement
• Payment calculation methodology will mirror that utilized in the PPA/PAA
  – Benchmark Achievement

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<thead>
<tr>
<th>Benchmark Payout</th>
<th>Non-Children’s Acute Care General Hospital</th>
<th>Children’s Hospital</th>
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<tr>
<td>Percentile</td>
<td>25&lt;sup&gt;th&lt;/sup&gt;</td>
<td>50&lt;sup&gt;th&lt;/sup&gt;</td>
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<tr>
<td>% Payout</td>
<td>100%</td>
<td>90%</td>
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– Incremental Improvement

<table>
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<tr>
<th>Incremental Improvement</th>
<th>Percent Payout</th>
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<tbody>
<tr>
<td>≥ 3 Percentage Point Improvement</td>
<td>100%</td>
</tr>
<tr>
<td>≥ 2 and &lt; 3 Percentage Point Improvement</td>
<td>90%</td>
</tr>
<tr>
<td>≥ 1 and &lt; 2 Percentage Point Improvement</td>
<td>80%</td>
</tr>
<tr>
<td>≥ 0.5 and &lt; 1 Percentage Point Improvement</td>
<td>70%</td>
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**Payment Information and Timeline**

<table>
<thead>
<tr>
<th>Target Payment Date to MCOs</th>
<th>Performance Year</th>
<th>Phase</th>
<th>Statewide Amount</th>
<th>State Fiscal Year of QCA* Funding</th>
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<td>Phase I</td>
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<td>Phase I</td>
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<td>October 2024</td>
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<td>Phase II</td>
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<td>2023-24</td>
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</tbody>
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*QCA = Quality Care Assessment*
REHD Resources

- DHS website
  
  [https://www.dhs.pa.gov/providers/Providers/Pages/Hospital-Assessment-Initiative-.asp](https://www.dhs.pa.gov/providers/Providers/Pages/Hospital-Assessment-Initiative-.asp)

**Hospital Quality Improvement Program Racial and Ethnic Health Disparities (REHD)**

- [HQIP_REHD Measures](https://www.dhs.pa.gov/providers/Providers/Pages/Hospital-Assessment-Initiative-.asp)
- [HQIP_REHD Attestation Form](https://www.dhs.pa.gov/providers/Providers/Pages/Hospital-Assessment-Initiative-.asp)
Please direct questions and comments to:

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