

New York State Department of Health, June 2013

New York State Nursing Home Quality Pool

Background on the Quality Pool

- Established in the 2010-11 NYS Executive Budget
 - The Department of Health (DOH) convened a sub-workgroup of industry experts to assist us in developing the Nursing Home Quality Pool (NH QP)
 - We anticipate refinements, modifications and improvements over time
 - \$50 million
- 2012 NH QP Pay for Reporting Year
 - Timely Submission and Certification of the 2011 Cost report (including staffing information)
 - 13 nursing homes did not submit 2011 cost reports on time
 - Timely Submission of 2011 Employee Flu Immunization data
 - 8 nursing homes did not submit 2011 employee flu data on time
- 2013 NH QP
 - Department will release result in October 2013
 - The benchmark results were released in early May, 2013
 - These results were not made public and facility A was only allowed to see facility A's result
 - Aligns with federal initiatives, such as Quality Assurance & Performance Improvement (QAPI) program

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2013 Nursing Home Quality Pool Structure

- **14 Quality Measures using 2012 MDS 3.0 data (60 points)**
 - Percent of Long Stay High Risk Residents With Pressure Ulcers*
 - Percent of Long Stay Residents Assessed and Given, Appropriately, the Pneumococcal Vaccine
 - Percent of Long Stay Residents Assessed and Given, Appropriately, the Seasonal Influenza Vaccine
 - Percent of Long Stay Residents Experiencing One or More Falls with Major Injury
 - Percent of Long Stay Residents Who have Depressive Symptoms
 - Percent of Low Risk Long Stay Residents Who Lose Control of Their Bowels or Bladder
 - Percent of Long Stay Residents Who Lose Too Much Weight*
 - Prevalence of Long Stay Residents Who Received an Antipsychotic Medication
 - Percent of Long Stay Residents Who Self-Report Moderate to Severe Pain*
 - Percent of Long Stay Residents Whose Need for Help with Daily Activities Has Increased
 - Percent of Long Stay Residents with a Urinary Tract Infection
 - Percent of Employees vaccinated for the Flu
 - CMS' 5-Star Rating for Staffing (not NYS calculated)
 - Annual Percent Level of Temporary Contract /Agency Staff used
*risk adjusted by NYS
- **Compliance (20 points)**
 - CMS' 5-Star Rating for Health Inspections
 - Timely submission of Nursing Home Cost Reports (due 8/16/13 for calendar year filers and 9/30/2013 for fiscal year filers)
 - Timely submission of Employee Flu data (due 5/1/13)
- **Potentially Avoidable Hospitalizations (20 points)**
 - The number of potentially avoidable hospitalizations per 10,000 long stay episode days

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Quality Component

- Benchmark Analysis used three quarters of MDS 3.0 data (July 2011-March 2012)
- 2013 Quality Pool will use all four quarters of 2012
- DOH calculates percentages for all the quality measures, except for CMS' 5-Star Rating for Staffing
 - CMS' 5-star Rating for Health Inspections –Compliance measure
- Facility and statewide percentages may vary slightly from the CMS published rates, due to exclusions
- Facility percentages for each measure are ranked into quintile
 - Five equal groupings, approximately 120 nursing homes in each quintile.

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Quality Scoring

- The quintile ranking will be based on the same measurement year of the results
- 60 points divided by 14 measures is 4.29 maximum points per measure

- Quintile 1= 4.29 points
- Quintile 2= 2.56 points
- Quintile 3= 0.85 points
- Quintile 4/5= 0 points

		Year 1 Performance				
Year 2 Performance	Quintiles	1	2	3	4	5
	1 (best)	4.29	4.29	4.29	4.29	4.29
2	2.56	2.56	3.41	3.41	3.41	3.41
3	0.85	0.85	0.85	1.70	1.70	1.70
4	0	0	0	0	0.85	0.85
5	0	0	0	0	0	0

- Nursing homes will be rewarded for achieving high performance as well as improvement from previous years' performance
 - Rewarding of Improvement will not go into effect until 2014
- If 2014 QP performance is in the second quintile, which is an improvement from 2013 when it was in the third quintile, the facility will receive 3.41 points for the measure. This is 2.56 points for attaining the second quintile and 0.85 point for improvement from the third quintile

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Excluded facilities – pre-calculation

- Facilities that will be excluded from the Quality Pool pre-calculation (N=36) – Numbers are based on benchmarking run and may vary slightly in the 2013 run
 - Non-Medicaid Facilities (N=2)
 - CMS Special Focus Facilities (N= 6)
 - Continuing Care Retirement Center (CCRC) Facilities (N=11)
 - Transitional Care Units (N= 5)
 - Specialty-only facilities (N= 9) – AIDS and Pediatrics
 - Facilities with a small sample size (less than 30 in the denominator) on a majority of the quality measures (N= 3)

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Excluded facilities – pre-calculation, continued

- MDS assessments that will be excluded from the Quality Pool pre-calculation
 - Specialty units
 - Any assessment indicating the resident is in a specialty unit (NY-specific variable)
 - Specialty units include: Discrete AIDS, Ventilator Dependent, Traumatic Brain, Behavioral Intervention, and Pediatric Specialty
- Total number of facilities in the benchmarking quality pool dataset after exclusions: 599

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Quality Issues

- For the 14 Quality Measures
 - If a facility has less than 30 residents in a denominator for a measure, that measure is suppressed for that facility and quality points are redistributed to other quality measures
- For following Quality Measures, performance is based a rate of 85% or greater
 - Percent of Long Stay Residents Assessed and Given, Appropriately, the Pneumococcal Vaccine
 - 17 facilities below 85%
 - Percent of Long Stay Residents Assessed and Given, Appropriately, the Seasonal Influenza Vaccine
 - 83 facilities below 85%

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Issues with specific Quality Measures

- Prevalence of Long Stay Residents who Received an Antipsychotic Medication
 - CMS measure
 - Not risk adjusted
 - Higher use may not be inappropriate care for some facilities
 - In addition to the exclusions put forth by CMS, NYS will exclude the diagnosis of bipolar disorder/ manic depression

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Issues with specific Quality Measures, continued

- Staffing measures
 - Annual Percent Level of Temporary Contract /Agency Staff Used
 - RNs, LPNs, Aides and Orderlies
 - 2-filers (N= 47)
 - Hospital-based facilities - using Schedule O and the Direct Charge Employees Wage Schedule RHCF of cost reports
 - 4-filers (N= 548)
 - Stand-alone facilities - using Schedule O and Schedule 5 of cost reports
 - 1-filers (N= 7)
 - New facilities or changes in ownership - excluded from the measure
 - Proportion of annual contract staff hours paid over the sum of annual full-time and contract staff hours paid
 - Measure will **not** be ranked by quintile
 - Facilities with less than 10% temporary staff will receive full points, while facilities with 10% or higher will receive 0 points
 - CMS' 5-Star Staffing measure
 - 2-week snapshot from survey
- Work in progress
 - Goal to create an annual patient day by RUG dataset, from the MDS data to compare to the annual cost report hours paid information

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Risk Adjusted Measures

- Percent of Long Stay Residents Who Self-Report Moderate to Severe Pain
 - Covariate
 - Cognitive skills for daily decision making on the prior assessment – independence/modified independence, missing, dependence (ref)
- Percent of Long Stay High Risk Residents With Pressure Ulcers
 - Covariates
 - Gender
 - Age groups zero to 30, 31 to 45, 46 to 60, 61-75, 76 and older (ref)
 - Healed pressure ulcer since prior assessment
 - BMI - low, normal, high (ref)
 - Prognosis of less than 6 months of life expected
 - Diabetes
 - Heart failure
 - Deep vein thrombosis
 - Anemia
 - Renal failure
 - Hip fracture
 - Bowel incontinence– always, other (ref)
 - Paraplegia
 - Quadriplegia

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Risk Adjusted Measures, continued

- Percent of Long Stay Residents Who Lose Too Much Weight
 - Covariates
 - Age groups zero to 60 (ref), 61 to 70, 71 to 80, 81 to 90, 91 or older
 - Hospice care
 - Cancer
 - Renal failure
 - Prognosis of less than 6 months of life expected

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Issues with compliance measures

- Late submission of cost reports/employee flu information did result in zero points for the compliance measure in the benchmarking analysis, but information was used for computing the benchmarking contract staffing measure and the employee flu quality measure
- For 2013 Quality Pool, late submissions will not be accepted

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Potentially Avoidable Hospitalizations (PAH)

- Four major components to this methodology
 - Define episodes of care in the nursing home based on nursing home assessments
 - Define the number of potentially avoidable hospitalizations during each episode
 - Define the medical conditions that described the resident's condition during each episode
 - Develop a risk-adjustment methodology that permits comparison between nursing homes

Methodology

- Closely mirrors the CMS Nursing Home Value Based Purchasing demonstration except:
 - Our long stay definition is 101 or more days (CMS used 90 or more days)
 - Determine potentially avoidable hospitalization based on admitting diagnosis only (CMS used any diagnosis)
 - We added race/ethnicity and payor to the model, removed advanced directive DNR since not collected in MDS 3.0

Constructing an episode of care

- MDS 3.0 data for assessments on January 1, 2011 through December 31, 2011
- A nursing home episode began with a nursing home admission and ended when the resident
 - resided in the community for at least 30 days
 - was discharged to another nursing home
 - died in the nursing home
- We only evaluated long stay episodes
 - Episodes lasting 101 days or longer

Defining a PAH

- Assessments that indicated a discharge to a hospital were identified
- These hospitalizations were then identified in SPARCS
- If an episode indicated a hospitalization and it could not be found in SPARCS, then the episode was removed from analysis
- A hospitalization was considered potentially avoidable if any one of the following conditions was the admitting diagnosis
 - heart failure, respiratory infection, electrolyte imbalance, sepsis, anemia, or urinary tract infection
- The number of potentially avoidable hospitalizations were counted

Medical Conditions

- The measures used in the risk adjustment model included:
 - Demographic items
 - Gender
 - Age
 - Race/ethnicity
 - Payor
 - Prior hospitalization
 - Whether or not there was a hospitalization 90 days before the episode started
 - Comorbidities from the MDS assessments
 - Pneumonia
 - Urinary tract infection
 - Pressure ulcer
 - Feeding tube
 - Septicemia
 - Parenteral nutrition
 - Indwelling catheter
 - Antibiotic resistant infection

Charlson Index

- Charlson Index- As indicated on any MDS assessment in the episode, or a hospitalization 12 months before or 3 days after the episode ends
 - Myocardial Infarction
 - Congestive Heart Failure
 - Peripheral Vascular Disease
 - Cerebrovascular Disease
 - Dementia
 - Chronic Pulmonary Disease
 - Rheumatoid Disease
 - Peptic Ulcer Disease
 - Mild Liver Disease
 - Diabetes with Complications
 - Diabetes without Complications
 - Paraplegia and Hemiplegia
 - Renal Disease
 - Cancer/Leukemia
 - Moderate or Severe Liver Disease
 - Metastatic Carcinoma
 - AIDS/HIV

Risk Adjustment Methodology

- The resident's characteristics were used to create a statistical model predicting the number of potentially avoidable hospitalizations
- These probabilities were used to generate the predicted rate for each nursing home
- Using actual and predicted rates, a risk adjusted rate was calculated
- The rate is the number of potentially avoidable hospitalizations divided by the total number of episode days for that nursing home, multiplied by 10,000

Scoring Details

- For each of the 14 quality measures (60 points):
 - 4.29 points for measure in the top quintile
 - 2.56 points for measure in the 2nd quintile
 - 0.85 point for measure in the 3rd quintile
 - 0 points for measure in the 4th or bottom quintile
- Compliance (20 points)
 - CMS 5-star Rating of Health Inspections
 - 10 points for 5 stars
 - 7 points for 4 stars
 - 4 points for 3 stars
 - 2 points for 2 stars
 - 0 points for 1 star
 - Timely submission of Cost Reports – 5 points
 - Timely submission of Employee Flu data – 5 points
- Potentially Avoidable Hospitalizations (20 points)
 - 20 points for the measure in the top quintile
 - 16 points for the measure in the 2nd quintile
 - 12 points for the measure in the 3rd quintile
 - 4 points for the measure in the 4th quintile
 - 0 points for the measure in the bottom quintile

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Example of Nursing Home Facility Quality Pool scoring sheet

Measure name	Value	Quintile	Points
1. Quality Component			
Annual level of temporary contract/agency staff used	0.0	1	4.29
CMS five-star quality rating for staffing	2.0	NA	0.00
Percent of employees vaccinated for the flu*	36.0	4	0.00
Percent of long stay high risk residents with pressure ulcers	3.7	1	4.29
Percent of long stay low risk residents who lose control of their bowel or bladder	59.2	5	0.00
Percent of long stay residents assessed and given, appropriately, the pneumococcal vaccine*	100.0	NA	4.29
Percent of long stay residents assessed and given, appropriately, the seasonal influenza vaccine*	98.2	NA	4.29
Percent of long stay residents experiencing one or more falls with major injury	4.3	4	0.00
Percent of long stay residents who have depressive symptoms	5.5	3	0.86
Percent of long stay residents who lose too much weight	6.7	4	0.00
Percent of long stay residents who received an antipsychotic medication	26.7	4	0.00
Percent of long stay residents who self-report moderate to severe pain	6.0	3	0.86
Percent of long stay residents whose need for help with daily activities has increased	13.6	3	0.86
Percent of long stay residents with a urinary tract infection	9.8	5	0.00
2. Compliance Component			
CMS five-star quality rating for health inspections	3.0	NA	4.00
Timely submission of employee flu immunization data	Yes	NA	5.00
Timely submission of nursing home certified cost reports	Yes	NA	5.00
3. Potentially Avoidable Hospitalization Component			
Number of potentially avoidable hospitalizations per 10,000 long stay days	1.3	1	20.00
4. Scoring			
Overall score			53.72
Quintile ranking		THIRD	
5. Deficiency			
J/K/L deficiency during the measurement or payment year	No		

*: higher value is better, DNS: facility did not submit data, NA: not applicable, SS: small sample size

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Overall statistics of benchmarking run

MEASURE	1st quintile					2nd quintile					3rd quintile					4th quintile					5th quintile					Mean					
	P100	P80	P60	P40	P20	P0	P100	P80	P60	P40	P20	P0	P100	P80	P60	P40	P20	P0	P100	P80	P60	P40	P20	P0	P100		P80	P60	P40	P20	P0
Percent of employees vaccinated for the flu*	100	65	52	38	27	0																									46.02
Percent of long stay high risk residents with pressure ulcers	0	5.5	7.3	8.9	11.2	25.8																									8.47
Percent of long stay low risk residents who lose control of their bowel or bladder	4.5	27.7	35.3	46	56.8	93.8																									41.9
Percent of long stay residents experiencing one or more falls with major injury	0	1.3	2.3	3.25	4.5	16.7																									3.07
Percent of long stay residents who have depressive symptoms	0	1.3	3.6	7.5	15.2	90.4																									10.42
Percent of long stay residents who lose too much weight	0	3.8	5.3	6.6	8.4	19.9																									6.31
Percent of long stay residents who received an antipsychotic medication	0	13.4	16.8	21.5	27.1	62.8																									20.47
Percent of long stay residents who self-report moderate to severe pain	0	2.6	5.7	9.2	14.5	31.5																									8.69
Percent of long stay residents whose need for help with daily activities has increased	1.3	9.5	13.1	16.3	20.95	47.4																									15.44
Percent of long stay residents with a urinary tract infection	0	3.45	5.4	7.1	9.5	27.4																									6.81
Number of potentially avoidable hospitalizations per 10,000 long stay days	0	3.14	4.52	5.76	7.37	20.61																									5.44
OVERALL SCORE	84.86	60.57	53.72	47.43	40.72	18.57																									50.74

Note: In the 2012 benchmarking NHQP and forward, points for the *Percent of Long Stay Residents Assessed and Given, Appropriately, the Seasonal Influenza Vaccine*, and the *Percent of Long Stay Residents Assessed and Given, Appropriately, the Pneumococcal Vaccine* were awarded using an 85% cutoff. Beginning in the 2013 NHQP, points for the *Annual Percent Level of Temporary Contract /Agency Staff Used* will be awarded using a 10% cutoff.

Understanding quintile placements

Example 1: Percent of employees vaccinated for the flu

27% or less: 5th quintile
 Greater than 27% but less than or equal to 38%: 4th quintile
 Greater than 38% but less than or equal to 52%: 3rd quintile
 Greater than 52% but less than or equal to 65%: 2nd quintile
 Greater than 65%: 1st quintile

Example 2: Percent of long stay high risk residents with pressure ulcers

5.5% or less: 1st quintile
 Less than or equal to 7.3% but greater than 5.5%: 2nd quintile
 Less than or equal to 8.9% but greater than 7.3%: 3rd quintile
 Less than or equal to 11.2% but greater than 8.9%: 4th quintile
 Greater than 11.2%: 5th quintile

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Excluded facilities – post-calculation

- Determination of fraud or abuse by the Office of the Medicaid Inspector General or the Attorney General's office
- Facilities receiving a J, K, or L deficiency in the measurement year or the payment year
 - 2012 benchmarking NHQP
 - J/K/L citation in the 2011 measurement year or 2012 payment year **did not** result in financial penalty

Deficiency in 2011/2012	N (facilities)
J	4
K	43
L	6
TOTAL	53

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Excluded facilities – post-calculation, continued

J/K/L deficiencies

■ 2013 NHQP

J/K/L timeframe: January 1, 2012 – June 30, 2013

- Level J/K/L deficiency during the **entire** 2012 measurement year, or the 2013 payment year, as of June 30, 2013
- Deficiencies will be reassessed on October 1, 2013 to allow a three-month window (after the June 30, 2013 cutoff date) for potential Informal Dispute Resolutions (IDR) to process
- NYS DOH will include J/K/L citations in the entire year of 2012 to establish a starting point

■ 2014 NHQP and later

J/K/L timeframe: July 1 of measurement year – June 30 of payment year

- Level J/K/L deficiency between July 1 of measurement year and June 30 of payment year
- Deficiencies will again be reassessed on October 1 of the payment year to allow a three-month window for potential IDRs to process

- This method ensures that no facility is penalized for the **same** J/K/L deficiency in two consecutive quality pools

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Distribution of the Quality Pool

- Early fall 2013, Quality Pool will be run and finalized using four quarters of data from 2012
- Distribution plan
 - Quintile ranking of final percent scores
 - Using number of 2012 Medicaid days and facility's 2013 Medicaid rate per day
 - Bottom two quintiles receive zero dollars

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Distribution of the Quality Pool - continued

Distribution of Quality Pool and Quality Payments			
Final Quintile	A Facility's Medicaid Revenue Multiplied by Award Factor	B Share of \$50 Million Quality Pool Allocated to Facility	C Facility Per Diem Quality Payment
1 st Quintile	Each facility's 2012 Medicaid days multiplied by 2013 Medicaid Rate as of January 1, 2013 = Total Medicaid Revenue multiplied by an award factor of 3	Each facility's column A Divided by Sum of Total Medicaid Revenue for all facilities, Multiplied by \$50 million	Each facility's column B divided by the facility's 2012 Medicaid days
2 nd Quintile	Each facility's 2012 Medicaid days multiplied by 2013 Medicaid Rate as of January 1, 2013 = Total Medicaid Revenue multiplied by an award factor of 2	Each facility's column A Divided by Sum of Total Medicaid Revenue for all facilities, Multiplied by \$50 million	Each facility's column B divided by the facility's 2012 Medicaid days
3 rd Quintile	Each facility's 2012 Medicaid days multiplied by 2013 Medicaid Rate as of January 1, 2013 = Total Medicaid Revenue multiplied by an award factor of 1	Each facility's column A Divided by Sum of Total Medicaid Revenue for all facilities, Multiplied by \$50 million	Each facility's column B divided by the facility's 2012 Medicaid days
Total	Sum of Total Medicaid Revenue for all facilities	Sum of quality pool funds: \$50 million	--

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Anticipated Timeline and Method for Making 2013 Quality Rate Adjustments

Schedule of 2013 Quality Adjustment	
Action	Anticipated Date
Submitted SPA to implement 2013 Quality Measures and Payment Methodology	Submitted to CMS March 28, 2013 and Awaiting Response (Either RAI or SPA Approval)
Submit Regulations to Implement Quality Measures and Payment Methodology	Draft Regulations have been Prepared - Awaiting Final SPA Approval before Submitting Regulations
Process Rate Adjustments	On or Before December 31, 2013

- \$50 million quality pool is funded from the base
 - Rates effective 1/1/13-12/31/13 will be revised to include a negative per adjustment to generate \$50 million dollars (see calculation of per diem adjustment below)
 - Concurrently, quality per-diem payments will be made to qualifying facilities based on distribution method previously discussed
 - All nursing homes (with exception of specialty units/facilities, CCRCs, TCUs, and Special Focus Facilities) subject to the per diem quality pool adjustment



- Email questions to nfrates@health.state.ny.us

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Next Steps

- Summer 2013 and beyond
 - Work to refine staffing measure
 - Resident Satisfaction
 - Consistent assignment
 - Staff turnover
 - Rehospitalizations

- Early fall 2013 – release of 2013 Nursing Home Quality Pool

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Questions

- For more information about the payment methodology
 - Contact the Bureau of Finance at nfrates@health.state.ny.us

- For more information about the quality pool methodology
 - Contact the Office of Quality and Patient Safety at NHQP@health.state.ny.us

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