

Hospital Quality Initiative

Overview

March, 2004

Background

Quality health care for people with Medicare is a high priority for President Bush, the Department of Health and Human Services (HHS), and the Centers for Medicare & Medicaid Services (CMS). In November 2001, HHS Secretary Tommy G. Thompson announced the Quality Initiative, his commitment to assure quality health care for all Americans through published consumer information coupled with health care quality improvement support through Medicare's Quality Improvement Organizations (QIOs).

The Quality Initiative was launched nationally in 2002 as the Nursing Home Quality Initiative (NHQI) and expanded in 2003 with the Home Health Quality Initiative (HHQI) and the Hospital Quality Initiative (HQI). These initiatives are part of a comprehensive look at quality of care that includes the Doctor's Office Quality (DOQ) project and End-Stage Renal Disease quality work.

Objective

The Hospital Quality Initiative uses a variety of tools to stimulate and support a significant improvement in the quality of hospital care. The initiative aims to refine and standardize hospital data, data transmission, and performance measures in order to construct one robust, prioritized and standard quality measure set for hospitals. The goal is for all private and public purchasers, oversight and accrediting entities, and payers and providers of hospital care to use these same measures in their national public reporting activities. Quality Improvement support, collaborations, standardization and assuring compliance with our conditions of participation are important additional tools in achieving this objective.

The Data Challenge

The Hospital Quality Initiative features two types of hospital quality information for consumers including (1) quality measures of hospital care derived from clinical data and (2) information on patient perspectives on their hospital care.

Clinical Quality Measures

The Hospital Quality Initiative is more complex, and consists of more developmental parts than the Nursing Home Quality Initiative and Home Health Quality Initiative. For the previous initiatives, CMS had well-studied and validated clinical data sets and standardized data transmission infrastructure from which to draw a number of pertinent quality measures for public reporting. Hospitals do not have a similar comprehensive data set from which to develop the pertinent quality measures, nor are hospitals mandated to submit clinical performance data to CMS.

CMS has worked with the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) and the CMS Quality Improvement Organizations (QIO) to align their hospital quality measures. CMS has also contracted with the National Quality Forum (NQF) to propose a

consensus-derived set of hospital quality measures appropriate for public reporting. We selected 10 measures from the NQF consensus-derived set for several quality improvement efforts and an additional 24 measures from the set for a quality incentive demonstration (see components listed below). The CMS QIOs are providing technical assistance to hospitals in their data abstraction and submission.

Patient Perspectives on Care

Although many hospitals already collect information on their patients' satisfaction with care, there currently is no national standard for measuring and collecting such information that would allow consumers to compare patient perspectives at different hospitals. CMS is working with the Agency for Healthcare Research and Quality (AHRQ) to develop a standardized Hospital Patient Perspectives on Care Survey, known as HCAHPS. The HCAHPS survey will build on AHRQ's success in establishing surveys measuring patient perspectives on care in the United States health care system through the development of CAHPS for health plans. The hospital patient perspectives data will be published to help consumers make more informed hospital choices, and to create incentives for hospitals to improve quality of care.

Components of the Hospital Quality Initiative

The Hospital Quality Initiative consists of a number of developmental components.

- The National Voluntary Hospital Reporting Initiative (NVHRI), a public-private collaboration, collects and reports hospital quality performance information and makes it available to consumers through CMS information channels. Participating hospitals voluntarily report on a starter set of 10 hospital quality measures that will later be expanded, in addition to collecting information on patient perspectives on hospital care. The American Hospital Association, the Federation of American Hospitals, and the Association of American Medical Colleges are working closely with CMS and other stakeholders to implement this national public reporting initiative.
- The passage of the Medicare Prescription Drug and Modernization Act of 2003, Section 501b has provided a strong incentive for eligible hospitals to submit data for the 10 quality measures. The law stipulates that a hospital that does not submit performance data for the 10 quality measures will receive 0.4% lower update for FY 2005 than a hospital that does submit performance data.
- A hospital patient survey (HCAHPS), designed to develop a national standard for collecting information on patient perspectives on hospital care, has been tested by hospitals in Arizona, Maryland and New York as part of a CMS hospital pilot. The survey will also be used by the hospitals participating in the national voluntary reporting effort, and in the special partnership with the Connecticut Department of Public Health (see fourth bullet).
- The CMS Hospital 3-State Pilot includes hospitals in Maryland, New York and Arizona that volunteer to report the starter set of 10 hospital quality measures through the same reporting mechanism as the national voluntary reporting effort. The pilot is testing and assessing the most effective ways to communicate hospital performance information to consumers. It also tested the HCAHPS draft survey on patient perspectives on hospital care.
- A special partnership with the Connecticut Department of Public Health, where the state legislature has mandated public reporting of hospital data by April 2004 is aligning

Connecticut hospital public reporting with the CMS and the national voluntary reporting initiatives. The Connecticut effort is reporting the same measures of clinical performance and patient perspectives on care as the other hospital public reporting initiatives noted above.

- The Premier Hospital Quality Incentive Demonstration will recognize and provide financial rewards to top performing hospitals in a number of areas of acute care. The CMS demonstration is with Premier Inc., a nationwide organization of not-for-profit hospitals, and will reward participating top performing hospitals by increasing the ir payment for Medicare patients. Participating hospitals' performance under the demonstration will be posted at www.cms.hhs.gov.
- The creation of an expanded, robust, and uniform measure set for national hospital public reporting through the implementation of a structured public process to select the quality measures that will build upon the existing quality measure set.

Timing

Multiple activities will be conducted, often simultaneously, over the next two years to reach the goal of implementing an expanded, robust set of quality measures for hospital public reporting.

- CMS started reporting the starter set of 10 quality measures on www.cms.hhs.gov in October 2003. The measures are reported only for hospitals that volunteer to participate in the national voluntary reporting effort, the Connecticut special partnership, and the CMS Hospital 3-State Pilot. We expect a significant increase in the number of reporting hospitals to occur with a February 2004 update and quarterly updates thereafter.
- Hospitals participating in the Premier Hospital Quality Incentive Demonstration will report an expanded set of 34 measures on www.cms.hhs.gov in March 2004, starting with historical quality data. This report will include a full year of historical data. The first year results will be reported in spring 2005, recognizing those hospitals with the highest performance on certain measures of quality and noting those hospitals that received bonus awards.
- CMS is testing the best ways to share hospital quality information with consumers and expects to launch *Hospital Compare* at www.medicare.gov in early 2005. *Hospital Compare* will contain hospital quality information for consumers including the starter set of 10 hospital quality measures. Results of the Hospital Patient Perspectives on Care Survey (HCAHPS) will be added once the survey data are available.
- In 2004, CMS will conduct a structured public dialogue to identify the measures that will be part of a robust set for public reporting. We anticipate that by the beginning of 2005, first steps toward report an expanded, robust hospital quality measure set will be in progress.

The Quality Strategy

The Quality Initiative uses a multi-prong approach to support, provide incentives, and drive systems and facilities – and the clinicians and professionals working in those settings - toward superior care through:

- Ongoing regulation and enforcement conducted by State survey agencies and CMS;

- New professional and consumer hospital quality information on our websites, www.cms.hhs.gov and www.medicare.gov, and at 1-800-MEDICARE;
- The testing of rewards for superior performance on certain measures of quality;
- Continual, community-based quality improvement programs through our Quality Improvement Organizations (QIOs); and
- Collaboration and partnership to leverage knowledge and resources.

Regulation and Enforcement

CMS will continue to conduct regulation and enforcement activities to ensure that Medicare hospitals comply with federal standards for patient health and safety and quality of care. The survey and certification program is a joint effort of the federal and state governments to ensure safety and improve the quality of care in health care facilities. At the federal level, CMS establishes standards for safe and effective operation of hospitals, develops guidelines and procedures, provides training for conducting surveys, and coordinates the survey activities of the individual states. Medicare non-accredited participating hospitals are surveyed approximately every three years. Additionally, State survey agencies conduct surveys to investigate complaints on an "as needed" basis.

As an alternative to routine surveys by the State survey agencies, hospitals may choose to be accredited by one of the two private accreditation organizations recognized by CMS. Hospitals that apply for, and are awarded accreditation, are deemed to meet the health and safety requirements for participation in Medicare by virtue of that accreditation. Approximately 80% of Medicare hospitals are accredited. CMS is responsible for the oversight of these accreditation organizations, performs validation surveys of a sample of accredited hospitals, and investigates complaints that indicate possible noncompliance with Medicare requirements in accredited hospitals. These activities will continue without change during this initiative and provide an important view of the quality of care in hospitals.

Consumer Information on Quality of Care

The initial results for the starter set of 10 hospital quality measures were reported at www.cms.hhs.gov beginning in October 2003 for use by clinicians and other health care professionals. Hospitals that volunteer to participate in the national voluntary reporting effort, the Connecticut special partnership, and the CMS Hospital 3-State Pilot are included in this data release. The 10 hospital quality measures will be reported for consumers on *Hospital Compare* at www.medicare.gov in early 2005. Results from the HCAHPS will be added once survey data are available. For the Premier Hospital Quality Incentive Demonstration, the expanded set of 34 quality measures will be posted primarily for clinicians and other health care professionals at www.cms.hhs.gov.

CMS will promote consumers' use of the hospital quality information through an integrated communications campaign including publication of the measures on our web sites and grassroots outreach coordinated through Medicare's QIOs and other health care information intermediaries. Consumers may also call 1-800-MEDICARE to obtain hospital quality information. Quality information from the national voluntary reporting effort, the Connecticut special partnership, and the CMS Hospital 3-State Pilot will be included in the communication campaign. QIOs will

promote awareness, understanding, and use of the quality measures by working with clinicians and intermediaries including primary care physicians, community organizations, and the media.

Rewarding Superior Performance

An additional tool for helping providers to improve their care is to reward and/or provide incentives for superior care. And, as part of this Initiative, CMS is exploring this strategy via a demonstration project in which a hospital's superior performance on certain measures of quality is rewarded with a bonus payment. The Premier Hospital Quality Incentive Demonstration aims to see a significant improvement in the quality of inpatient care. Information about participating hospitals' performance will be posted on www.cms.hhs.gov for health care professionals.

Under the demonstration, hospitals will receive bonuses based on quality measures selected for inpatients with specific clinical conditions: heart attack, heart failure, pneumonia, coronary artery bypass graft, and hip and knee replacements. Hospitals will be scored on the quality measures related to each condition measured in the demonstration. Composite scores will be calculated annually for each demonstration hospital. Separate scores will be calculated for each clinical condition by "rolling-up" individual measures into an overall score.

CMS will categorize the distribution of hospital scores into deciles to identify top performers for each condition. For each condition, all of the hospitals in the top 50% will be reported as top performers. Those hospitals in the top 20% will be recognized and given a financial bonus. By the end of the demonstration, we anticipate that participating hospitals will show improvement from performance in year one. In year three, hospitals will receive lower payments if they score below clinical baselines set in the first year for the bottom 20% of hospitals.

Community-based Quality Improvement

The QIOs will continue to work with hospitals to improve performance on the hospital-reported measures and to develop and implement continuous quality improvement programs. The QIOs have worked with physicians, hospitals, and other providers on improvement activities for the past 20 years and have seen providers achieve a 10-20% relative improvement in performance. For the past three years, the QIOs have been working with hospitals to improve performance on most of the starter set of 10 hospital quality measures. During this period, performance on these measures has improved across the country. As part of this initiative, the QIOs are also working with community, health care and business organizations, and with the local media to provide quality information to the public and encourage hospitals to use the information to improve care.

Collaboration and Partnership

To be effective, the Hospital Quality Initiative must truly become a collaborative effort with hospitals and their associations, physicians, other clinicians, federal and state agencies, QIOs, independent health care quality organizations, private purchasers, accreditors, and consumer advocates. The initiative is designed to improve communication among all parties to positively impact quality of care. By collaborating to expand our knowledge and resources, we can achieve greater and immediate improvements in the quality of hospital care.

There are a number of examples of cooperative effort in the components of the CMS Hospital Quality Initiative. Specifically, the National Voluntary Hospital Reporting Initiative is a

collaboration of CMS, AHRQ, JCAHO, AMA and NQF, along with the three major hospital associations, AFL-CIO and The Disclosure Group. In addition, CMS and the Connecticut Department of Public Health have developed a special partnership designed to align Connecticut hospital public reporting with the CMS and the national voluntary reporting initiatives.

Hospital Quality Information

Clinical Quality Measures – Starter Set

CMS will publicly report on the starter set of 10 hospital quality measures for those hospitals participating in the CMS Hospital 3-State Pilot, the national voluntary reporting effort, and the special partnership with the Connecticut Department of Public Health.

The starter set of 10 hospital quality measures has gone through years of extensive testing for validity and reliability by CMS and its Quality Improvement Organizations, the Joint Commission on Accreditation of Healthcare Organizations, and researchers. The hospital quality measures are also endorsed by the National Quality Forum, a national standards setting entity.

Starter Set of 10 Hospital Quality Measures	
Measure	Condition
Aspirin at arrival	Acute Myocardial Infarction (AMI)/Heart attack
Aspirin at discharge	
Beta-Blocker at arrival	
Beta-Blocker at discharge	
ACE Inhibitor for left ventricular systolic dysfunction	
Left ventricular function assessment	Heart Failure
ACE inhibitor for left ventricular systolic dysfunction	
Initial antibiotic timing	Pneumonia
Pneumococcal vaccination	
Oxygenation assessment	

The starter set of 10 hospital quality measures was chosen because they are related to three serious medical conditions that are common among people with Medicare and because they reflect widely accepted standards of practice. They are also feasible for hospitals to collect and submit for public reporting today. Both JCAHO and CMS provide their own processes to submit data and use data edit procedures to check data for completeness and accuracy. In addition, the quality measures are well understood by providers and stakeholders and can be validated by CMS with existing resources through its QIO program.

Clinical Quality Measures – Quality Incentive Demonstration Set

The Premier Hospital Quality Incentive Demonstration includes an expanded set of 24 measures in addition to the starter set of 10 quality measures used in the other Hospital Quality Initiative components. The additional measures include two categories of surgical procedures and are indicated by an asterisk in the chart below.

Expanded Set of 34 Premier Hospital Quality Measures

Measure	Condition
<ol style="list-style-type: none"> 1. Aspirin at arrival 2. Aspirin prescribed at discharge 3. ACEI for LVSD 4. Smoking cessation advice/counseling* 5. Beta blocker prescribed at discharge 6. Beta blocker at arrival 7. Thrombolytic received within 30 minutes of hospital arrival* 8. Percutaneous Coronary Intervention (PCI) received within 120 minutes of hospital arrival* 9. Inpatient mortality rate* 	Acute Myocardial Infarction (AMI)
<ol style="list-style-type: none"> 10. Aspirin prescribed at discharge* 11. CABG using internal mammary artery* 12. Prophylactic antibiotic received within 1 hour prior to surgical incision* 13. Prophylactic antibiotic selection for surgical patients* 14. Prophylactic antibiotics discontinued within 24 hours after surgery end time* 15. Inpatient mortality rate* 16. Post operative hemorrhage or hematoma* 17. Post operative physiologic and metabolic derangement* 	Coronary Artery Bypass Graft (CABG)
<ol style="list-style-type: none"> 18. Left ventricular function (LVF) assessment 19. Detailed discharge instructions* 20. ACEI for LVSD 21. Smoking cessation advice/counseling* 	Heart Failure (HF)
<ol style="list-style-type: none"> 22. Oxygenation assessment 23. Initial antibiotic consistent with current recommendations* 24. Blood culture collected prior to first antibiotic administration* 25. Influenza screening/vaccination* 26. Pneumococcal screening/vaccination 27. Initial antibiotic timing 28. Smoking cessation advice/counseling* 	Community Acquired Pneumonia (CAP)
<ol style="list-style-type: none"> 29. Prophylactic antibiotic received within 1 hour prior to surgical incision* 30. Prophylactic antibiotic selection for surgical patients* 31. Prophylactic antibiotics discontinued within 24 hours after surgery end time* 32. Post operative hemorrhage or hematoma* 	Hip and Knee Replacement

33. Post operative physiologic and metabolic derangement*	
34. Readmissions 30 days post discharge*	

* Measures added to the 10-measure starter set

The Premier measures that were added to the National Quality Forum (NQF) starter set have been well tested by Premier and/or others in hospital settings, and have been deemed feasible to be collected and reported now. These measures include many that are endorsed by the NQF and will test measures for possible future reporting on hospital quality.

HCAHPS- Patient Perspectives on Care Measures

The Agency for Healthcare Research and Quality (AHRQ) is working with CMS to create a standard format for collecting and reporting patient perspectives on care data that can be used to compare experiences at different hospitals. The HCAHPS draft instrument was tested by hospitals participating in the CMS Hospital 3-State Pilot and the special partnership with the Connecticut Department of Public Health.

The process for HCAHPS reflects a rigorous process of scientific research, consumer and field-testing, and multiple opportunities for public input. On December 5th a Federal Register notice was published soliciting comments on the revised HCAHPS instrument and implementation strategy. Using public input received and input from additional testing, CMS and AHRQ are revising the HCAHPS instrument and implementation strategy. Once the final instrument is available, hospitals participating in the National Voluntary Hospital Reporting Initiative will begin to use it.

Creation of Robust Prioritized Measure Set

During the initial public reporting activities, CMS will learn what works for patients and their health care providers, and create momentum through partnerships and collaborations. In Spring 2004, we will engage the public in a structured dialogue to help identify a more complete set of hospital quality measures. Through a number of town hall-style meetings and formal/informal input processes, CMS will identify a robust, prioritized, and uniform set of hospital quality measures for national public reporting. Our ultimate goal is for this set of measures to be reported by all hospitals (led by those in the national voluntary reporting effort), and accepted by all purchasers, oversight and accrediting entities, payers and providers. We anticipate that this process will identify some measures ready for immediate reporting, some needing refinement or final testing, and some needing extensive developmental work. CMS will undertake such necessary follow-up activities, and will work with the hospitals and our partners to resolve data collection and transmission issues. All measures will be submitted to the NQF for consideration in their consensus process.

Evaluation

CMS will fund an assessment of the impacts of the pilots and the national voluntary reporting effort. In addition to determining key overall lessons learned from the initiatives, the study will provide a set of recommendations for further implementation of a voluntary public reporting system on hospital performance.

The research plan includes questions concerning stakeholder participation, consumer reactions to hospital quality data, physician expectations and reaction, and feedback to CMS and its partners about communication and coordination of efforts. Data will be collected from hospitals, QIOs, consumers, and physicians. In addition, the assessment will include a local case study component that examines issues related to hospital participation in, and reaction to, these initiatives. A Technical Expert Panel will help to ensure that concerns of key stakeholders are addressed.