

## **Reporting Hospital Quality Data for Annual Payment Update**

Section 501(b) of the Medicare Prescription Drug, Improvement and Modernization Act  
(MMA) 2003

### **Fact Sheet**

**Date: February 3, 2004**

- Section 501(b) of the Medicare Prescription Drug, Improvement and Modernization Act (MMA) states 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.
- To initiate the process of submitting performance data, a hospital must sign up for QNet Exchange by June 1, 2004 ([www.qnetexchange.org](http://www.qnetexchange.org)). A hospital that is participating in the Hospital Voluntary Reporting Initiative should already have done this.
- The hospital (or its agent) must submit its data through QNet Exchange to the Quality Improvement Organization (QIO) data warehouse by July 1, 2004. A hospital that has submitted data on some discharges by July 1, but has not completed its transmission, will have a grace period until August 1, 2004 to complete its submission.
- Data must be submitted to the QIO data warehouse either by the hospital using the CMS Abstraction and Reporting Tool (CART 2.0) or by a vendor authorized by the hospital and using CMS specifications for submission.
- Data must meet the edits used in CART.
- The Secretary will request that the QIO data warehouse forward the data to CMS to support the hospital receiving a full update. This will meet the statutory requirement that the data be reported to the Secretary.
- Hospitals must submit data for all 10 measures. For a list of these measures, go to [www.cms.hhs.gov/quality/hospital](http://www.cms.hhs.gov/quality/hospital), then click on **National Voluntary Reporting** then click on the **Data Details** tab.
  - Data should be submitted for the most recent available calendar quarter of discharges.
  - Data must be submitted for both Medicare and non-Medicare discharges.
  - The number of cases submitted by a hospital must conform to the specifications for the Hospital Voluntary Reporting Initiative (JCAHO specifications for accredited hospitals and to CMS specifications for non-accredited hospitals) ([www.qnetexchange.org](http://www.qnetexchange.org); HDC tab).

- The hospital should contact its state Quality Improvement Organization ([www.medqic.org](http://www.medqic.org)) for assistance in meeting reporting requirements and resolving any problems in making submissions or using CART. QIO responses to requests initiated after April 1, 2004 are more likely to be limited by resource constraints than requests initiated earlier.
- A hospital does not need to participate in the National Hospital Voluntary Reporting Initiative in order to report data for the update or in order to receive a full update. CMS continues to strongly support hospital participation in the initiative because of the contribution the initiative has made and will continue to make to development and adoption of hospital performance measures.
- CMS expects to make public hospital-level measures calculated from data that hospitals submit to meet the annual payment update requirement. Patient and physician identifiers will be removed and measures with small numbers of cases will not be published.
- The web posting of data collected from this effort is scheduled for early 2005.