ZUCKERBERG SAN FRANCISCO GENERAL
Hospital and Trauma Center

True North Scorecard FY 15-16

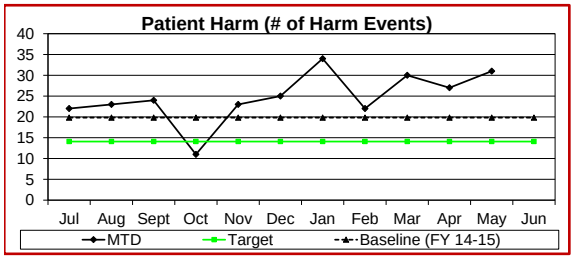
Date: 8/8/2016
Owner: ZSFG Executive Team
Unit/Dept: ZSFGH-Wide

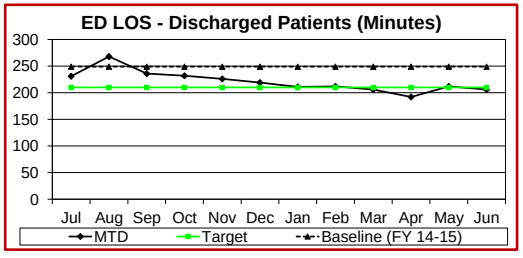
True North Category	Measure	Owner	Measure Unit	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	YTD Avg or Total	Target Off-Target Direction	FY 14-15 Baseline	Target
Safety	Patient Harm ★ VBP HAC	Huen & Williams	Pt Harm/Mo	22	23	24	11	23	25	34	22	30	27	31		25/mo; 272 YTD	↓	20/mo; 238/yr	14/mo; 169/yr
Safety	Staff Injuries*	Ochi & Williams	Injuries/Mo	31	16	26	9	16	15	20	17	27	18	19	21	20/mo; 235 YTD	↓	21/mo; 249/yr	18/mo; 216/yr*
Quality	Preventable Mortality ★ VBP	Huen & Williams	Obs/Exp	1.09	0.66	1.21	0.77	1.00	0.86	1.47	0.87	0.78	1.14	1.04	0.71	0.97	↓	0.85	0.80
Quality	Readmissions (30-Day) ★ RRP	Huen & Williams	%	9.6%	10.3%	11.5%	11.6%	11.7%	10.5%	10.3%	11.3%	11.1%	10.5%	10.6%		10.8%	↓	12.1%	11.3%
Care Experience	Access and Flow: ★ ED LOS Discharged Patients	Dentoni & Marks	minutes	231	268	236	232	226	219	211	212	206	192	212	206	217	↓	249	210
Care Experience	Patient Satisfaction: ★ Willingness to Recommend	Critchfield & Johnson	%	65.9%	56.5%	71.6%	67.2%	67.7%	56.0%	71.3%	60.0%	58.0%	70.8%	61.2%	78.6%	65.3%	↑	61.8%	65.0%
Developing People	A3 Practitioners - Trained	Nazeeri-Simmons & Huen	# Total YTD	75	100	125	150	175	175	200	200	243	243	243	243	243	↑	50	200
Developing People	LINC Leadership Assessment: "Adept at Problem Solving"	Nazeeri-Simmons	1-5 Score				3.4			2.9						2.9	↑	n/a	4.0
Financial Stewardship	Length of Stay - Inpatient	May & Dentoni	Days	4.9	4.7	4.7	4.6	4.9	5.4	5.4	6.0	5.6	5.6	5.7	4.7	5.2	↓	4.9	4.5*
Financial Stewardship	Spend within 001 Hospital-wide Salary Annual Budget	Inouye	% Variance YTD	4.3%	1.4%	0.9%	1.1%	1.6%	1.9%	2.3%	2.2%	2.1%	1.8%	1.6%	0.8%	0.8%	↑	0.9%	>0%

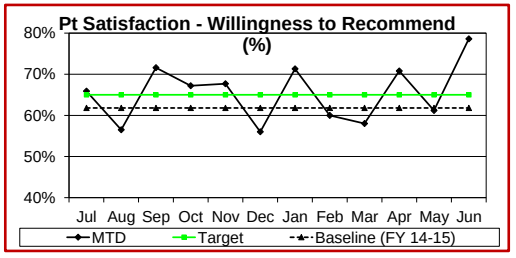
★ = Included in CMS Star Ratings VBP = Included in CMS Value-Based Purchasing Program HAC = Included in CMS Hospital-Acquired Conditions Reduction Program RRP = Included in CMS Readmissions Reduction Program

*Pending Metric/Target Finalization

Key Off-Target Indicators:







Measure Definitions:

Patient Harm - Sum of Catheter-associated urinary tract infections, central line-associated blood stream infections, hospital-acquired C-Diff infection, falls with injury, hospital-acquired pressure ulcers, surgical site infections, ventilator-associated

Staff Injuries* - Total number of worker compensation claims, including assaults, falls, needlesticks, musculo-skeletal, infections, and other injuries, reported quarterly.

Preventable Mortality - The ratio of observed patient deaths to the expected number of deaths based on statical prediction from UHC/Vizient clinical database of administrative data from academic. medical centers

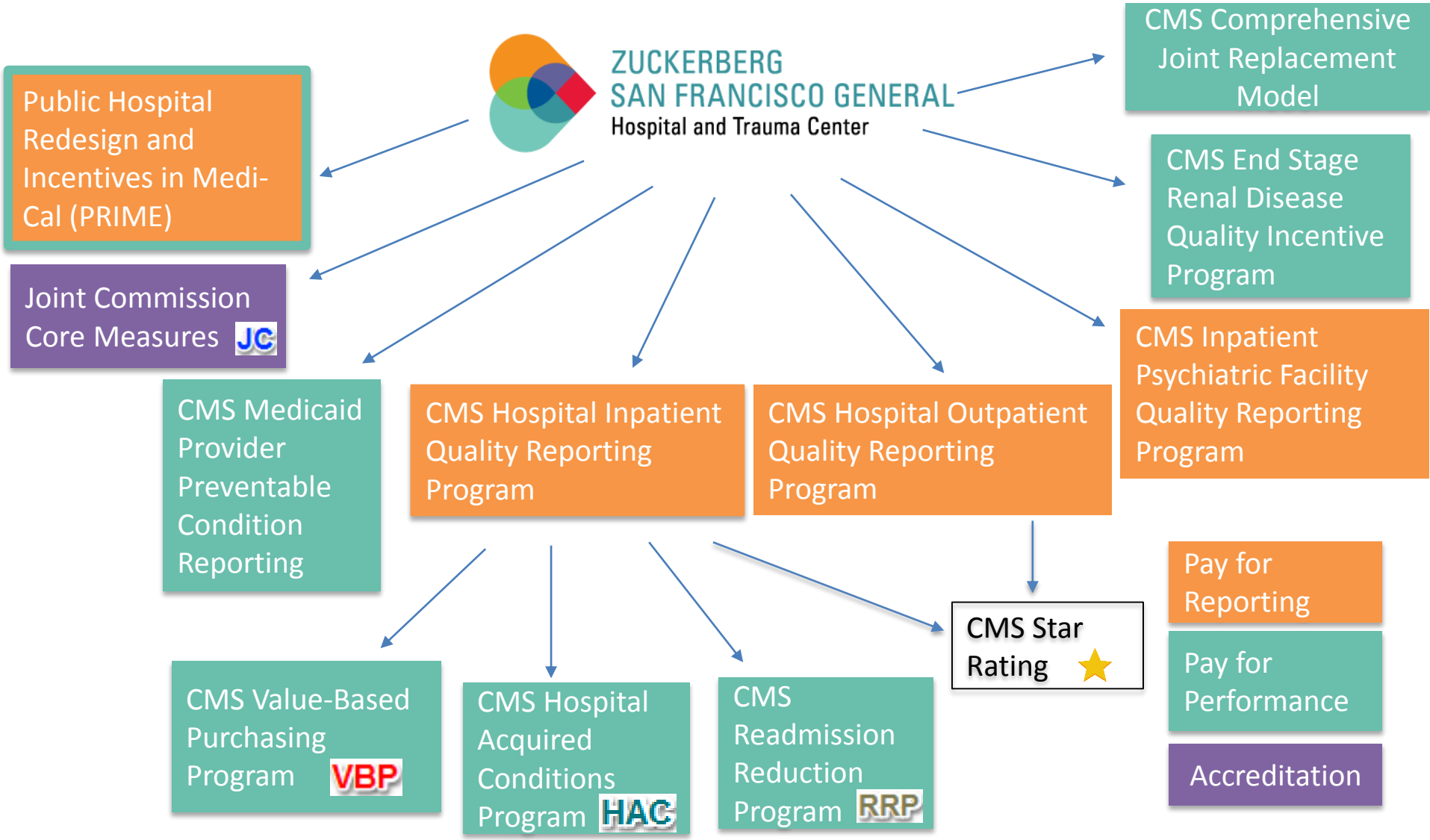
Readmissions (30-Day) - Percentage of readmissions to ZSFG within 30 days of discharge for adult inpatients (excludes Psychiatry, pediatrics, nursery, skilled nursing).

Access and Flow: ED LOS Discharged Patients - The length of stay in minutes from arrival to departure for emergency room patients who are not admitted.

Patient Satisfaction: Willingness to Recommend - The percentage of patients who respond to the HCAHPS patient satisfaction survey that they would definitely be willing to recommend the hospital.

A3 Practitioners - Trained - The number of patients who have attended problem solving training called A3 Thinking, year-to-date.
LINC Leadership Assessment: "Adept at Problem Solving" - Average score by leaders in self-assessment of "problem solving," scale 1-5.
Inpatient Length of Stay - Average length of stay for inpatients, excludes 4A Skilled Nursing Facility, Psychiatry and Mental Health Rehabilitation Facility.
Spend within 001 Hospital-wide Salary Annual Budget - Salary variance percentage reported in most recent pay period, year-to-date.

CY 2016 ZSFG Quality Data Reporting Regulatory Requirements



QUALITY AND SAFETY MEASURES UPDATE
August 2016

JOINT COMMISION CORE MEASURES 2016

See attached Results

Joint Commission Core Measure Dashboard updated with most recent data available: Q2 2015 – Q1 2016. The Dashboard includes only 2016 Joint Commission Core Measures. One year ZSFG goals has been defined by process owners for each metric.

Highlights of results and improvement work:

- **Perinatal measures:** ZSFG has selected goals that are above the Vizient median for the cesarean section rate and exclusive breast milk feeding during hospital stay. For Q1 2016, ZSFG was below our goal for these two measures.
  Elective Delivery: There was one elective delivery Q1 2016 in the cases sampled. All inductions at ZSFG are medically indicated. There are no exceptions within the measure for elective delivery reasons such as substance abuse or mental illness, which occur in our patient population. It is believed this is due to the population sampled; the denominator for this measure is small and the sample size varies by quarter. Our actual Q1 2016 data shows a 16% cesarean section rate for first time mothers.

- **VTE measures**:
  ICU Prophylaxis and Overall Prophylaxis –These measures were retired in Q42015 from the Joint Commission Core Measure Set. However, ZSFG has continued to sample cases and report percent compliance, as we have not yet hit targets. Medical Surgical Nursing has selected SCD use as a 2016-2017 driver metric, and SCD use is reported on the ICU monthly scorecard.

- **Emergency Dept Throughput –** Median times continue to be longer than ZSFG goals and the Vizient Median.
  - Median time from arrival to departure admitted patients decreased to 468 (from 487 – Q4 2015).
  - Median time from Admit decision time to ED departure time for admitted patients increased to 231 (from 211 – Q4 2015).
  - Current Emergency Department performance improvement efforts are focused on decreasing length of stay of discharged patients and lower acuity patients. The Emergency Department throughput measures for admitted patients are highly influenced by hospital bed availability.

- **Immunization Measures**
  - In November, ZSFG implemented an electronic change in nursing workflow to require vaccination screens prior to discharge. Compliance increased to 84% in Q1 2016. ZSFG's goal for the 2016-2017 flu season is 93%.

- **Psychiatry Measures**
  - The psychiatry department set targets for seclusion and restraint data and met their targets in Q1 2016. Hours of physical restraint use decreased to .30 /1,000 patient hours (from .78 – Q4 2015). Hours of seclusion use also decreased to 3.6/1,000 patient hours (from 4.7 – Q4 2015).

ZUCKERBERG SAN FRANCISCO GENERAL
Hospital and Trauma Center

Joint Commision Core Measure Scorecard

Aug-16

ZSFG must report data for the measures below to maintain Joint Commision Accreditation. There no financial penalties based on performance. Results are reported online on the Joint Commisions Quality Check.

	Measure Name	Q2 2015	Q3 2015	Q4 2015	Q1 2016	ZSFG Goal	Vizent Median (Q4 2015)
PC-01	Elective Delivery Prior to 39 Completed Weeks Gestation (lower = better) ★ VBP	0%	0%	0%	**10%**	0%	0%
PC-02	Cesarean Section Rate (lower = better)	17%	18%	22%	**27%**	22%	27%
PC-03	Antenatal Steroids Given as Appropriate	100%	no cases	no cases	**no cases**	100%	100%
PC-04	Health Care-Associated Bloodstream Infections in Newborns (lower = better)	0%	0%	0%	**0%**	0%	0%
PC-05	Exclusive Breast Milk Feeding During Hospital Stay	79%	73%	67%	**71%**	80%	55%
VTE-5	Venous Thromboembolism Warfarin Therapy Discharge Instructions ★	81%	78%	79%	**80%**	90%	100%
VTE-6	Hospital Acquired Potentially-Preventable Venous Thromboembolism (lower = better) ★	0%	0%	9%	**0%**	0%	0%
IMM-2	Influenza Immunization ★ VBP	Not Flu Season	Not Flu Season	77%	**84%**	93%	95%
ED-1	Median Time from ED Arrival to ED Departure for Admitted ED Patients (minutes) ★	469	422	487	**468**	360	344
ED-2	Median Time -Admit Decision Time to ED Departure Time for Admitted Patients (minutes) ★	222	190	211	**231**	180	140
HBIPS-1	Admission Screening Completed	88%	97%	94%	**98%**	100%	100%
HBIPS-2	Hours of Physical Restraint Use (per 1000 patient hours)	1.09	0.41	0.78	**0.30**	0.75	0.41*
HBIPS-3	Hours of Seclusion Use (per 1000 patient hours)	4.3	3.0	4.7	**3.6**	4	0.21*
HBIPS-5	Patients discharged on multiple antipsychotic medications with appropriate justification	40%	50%	17%	**33%**	70%	70.0%
VTE-1	*Venous Thromboembolism Prophylaxis*** ★	*91%*	*91%*	*83%*	*83%*	*96%*	*96%*
VTE-2	*Intensive Care Unit Venous Thromboembolism Prophylaxis*** ★	*96%*	*82%*	*98%*	*94%*	*100%*	*100%*

* Designates comparison is CMS National Rate ** Designates measure is not submitted to Joint Commision

★ = Included in CMS Star Ratings VBP = Included in CMS Value-Based Purchasing Program

CMS VALUE-BASED PURCHASING PROGRAM SCORECARD: ZSFG
FFY 16 and FFY 17 Results

CLINICAL CARE- PROCESS (5%)	FFY 16 RESULTS Performance Period: CY2014		FFY 17 RESULTS Baseline period: CY2013 Performance Period: CY2015				
Population: All ZSFG inpatients with qualifying ICD-9/ICD-10 codes	PERFORMANCE RATE[1] (Cases "failed"/ sample size)	POINTS RECEIVED[1]	SFGH BASELINE RATE[2]	NATIONAL MEDIAN[2]	CMS TARGET[2]	PERFORMANCE RATE[3] (Cases "failed"/ sample size)	POINTS RECEIVED (0-10)[3]
AMI-7a Fibrinolytic Therapy Received w/in 30 mins of Hospital Arrival	insufficient cases	insufficient cases	insufficient cases	95%	100%	insufficient cases	-
IMM-2 Influenza Immunization rate ★ JC	71% (147 / 501)	0	71%	95%	100%	74.1% (378/510)	0
PC-01 Elective Delivery Prior to 39wks ★ JC			0%	3%	0%	0% (0/36)	10
PN-6 *Initial Antibiotic Selection for CAP in Immunocompetent Patient*	97% (2 / 67)	2	*Removed for FFY 17*				
SCIP-Card-2 *Surgery Patients on Beta-Blocker Therapy Prior to Arrival Who Received a Beta-Blocker During the Perioperative Period*	96% (2 / 54)	1					
SCIP-Inf-2 *Prophylactic Antibiotic Selection for Surgical Patient*	98% (4 / 207)	0					
SCIP-Inf-3 *Prophylactic Antibiotics Discontinued w/in 24 Hours After Surgery End*	99.5% (1 / 204)	8					
SCIP-Inf-9 *Urinary Catheter Removed on Postoperative Day 1 or Postoperative Day 2*	100%	10					
SCIP-VTE-2 *Surgery Patients Who Received Appropriate Venous Thromboembolism Prophylaxes w/in 24 Hours Prior to Surgery to 24 Hours After Surgery*	100%	10					
CLINICAL PROCESS OF CARE: TOTAL POINTS	**FFY16:**	**31/70**				**FFY17:**	**10/20**

CLINICAL CARE- OUTCOMES (25%)	FFY 16 RESULTS Perf Period:Oct 2012-Jun 2014		FFY 17 RESULTS Baseline period: Oct 2010-June 2012 Performance Period: Oct 2013 - June 2015				
Population: All Medicare Fee-for-Service inpatients. Claims based measure. Results shown as survival rates.	PERFORMANCE RATE[1]	POINTS RECEIVED[1]	BASELINE RATE[2]	NATIONAL MEDIAN[2]	CMS TARGET[2]	PERFORMANCE RATE[3]	POINTS RECEIVED (0-10)[3]
MORT-30-AMI 30-day survival rate for AMI patients ★	85.8%	7	83.6%	85.1%	87.2%	85.2%	4
MORT-30-HF 30-day survival rate for Heart Failure patients ★	87.6%	1	88.2%	88.2%	90.4%	87.2%	0
MORT-30-PN 30-day survival rate for Pneumonia patients ★	89.6%	6	89.8%	88.3%	90.8%	88.2%	0
CLINICAL OUTCOMES OF CARE: TOTAL POINTS	**FFY16:**	**14/30**				**FFY17:**	**4/30**

PATIENT EXPERIENCE OF CARE (25%)	FFY 16 RESULTS Performance Period: CY2014		FFY 17 RESULTS Baseline period: CY2013 Performance Period: CY2015				
Population: All ZSFG inpatients who completed an HCAHPS survey	PERFORMANCE RATE[1]	POINTS RECEIVED[1]	BASELINE RATE[2]	NATIONAL MEDIAN[2]	CMS TARGET[2]	PERFORMANCE RATE[3]	POINTS RECEIVED (0-10)[3]
Communication with Nurses ★	67%	1	63%	78%	87%	69%	2
Communication with Doctors ★	72%	1	67%	81%	89%	75%	3
Responsiveness of Hospital Staff ★	53%	1	48%	65%	80%	53%	1
Pain Management ★	61%	1	57%	70%	78%	60%	1
Communication about Medicines ★	56%	0	51%	63%	73%	59%	3
Hospital Cleanliness & Quietness ★	51%	1	44%	65%	79%	51%	1
Discharge Information ★	85%	1	83%	86%	91%	87%	4
Overall Rating of Hospital ★	59%	0	58%	70%	85%	59%	0
PATIENT EXPERIENCE OF CARE: TOTAL POINTS	**FFY16:**	**5/80**				**FFY17:**	**15/80**

SAFETY (20%)	FFY 16 RESULTS		FFY 17 PROJECTIONS				
Healthcare-Associated Infections	Perf Period: CY2014		Baseline period: CY2013 Performance Period: CY 2015				
Population : All ZSFG Inpatients Cases reported by infection control in the NHSN database. Results displayed as SIRs (standardized infection ratios). Lower is better. *SSI score= weighted average of predicted infections for both SSI measures.	SIR[1] Performance Period (Infections)	POINTS RECEIVED[1]	SIR[2] Baseline Period	NATIONAL MEDIAN[2]	CMS TARGET[2]	SIR Performance Period[3] (infections)	POINTS RECIEVED (0-10)[3]
CAUTI (ICU patients only) ★ HAC	0.913 (19)	1	1.647	0.845	0.000	0.947 (18)	4
CLABSI (ICU patients only) ★ HAC	0.192 (3)	6	0.3	0.457	0.000	0.152 (2)	7
SSI Following Colon Surgery (All patients) ★ HAC	1.604(5)	0	0.906	0.751	0.000	2.200 (6)	0
SSI Following Abdominal Hysterectomy (All patients) ★ HAC	insufficient cases		insufficient cases	0.698	0.000	insufficient cases	-
C.Difficile *(New)* ★ HAC			0.686	0.750	0.000	0.534 (49)	3
MRSA *(New)* ★ HAC			0.336	0.799	0.000	0.388 (4)	5

CMS VALUE-BASED PURCHASING PROGRAM SCORECARD: ZSFG
FFY 16 and FFY 17 Results

AHRQ Patient Safety Indicators	Perf Period: Oct 2012-Jun 2014		Baseline period: Oct 2010-June 2012 Performance Period: Oct 2013 - June 2015				
Population: All Medicare acute care FFS patients indicating a potiential complication/adverse event	PERFORMANCE RATE[1] (cases)	POINTS RECEIVED[1]	BASELINE RATE[2]	NATIONAL MEDIAN[2]	CMS TARGET[2]	PERFORMANCE RATE[3] (cases)	POINTS RECEIVED (0-10)[3]
PSI-90 Composite (lower is better) ★ HAC	0.469475 (10)	8	0.836	0.778	0.55	0.618249 (11)	7
# of Cases: 8 Perioperative Pulmonary Embolism or Deep Vein Thrombosis (PSI 12), 1 Postoperative Sepsis (PSI 13), 2 Accidental Puncture or Laceration (PSI 15) - # of eligible cases (11,983)							
SAFETY: TOTAL POINTS	**FFY16:**	**15/40**				**FFY17:**	**26/60**

EFFICIENCY (25%)	FFY 16 RESULTS Performance Period: CY2014		FFY 17 PROJECTIONS Baseline period: CY2013 Performance Period: CY2015				
CMS Target and Achievement rate are based on 50th and 90th percentile of medicare spending per beneficiary across all hospitals during the performance period	SFGH PERFORMANCE RATE[1]	POINTS RECEIVED[1]	BASELINE RATE[2]	NATIONAL MEDIAN[3]	CMS TARGET[3]	PERFORMANCE RATE[3]	POINTS RECEIVED (0-10)[3]
Medicare Spending per Beneficiary	0.94	3	0.905525	0.987666	0.829199	0.95	3
EFFICIENCY: TOTAL POINTS	**FFY16:**	**3/10**				**FFY17:**	**3/10**

VBP PROGRAM TOTAL PERFORMANCE SCORE	**FFY16[1]:**	**31.5**	**NAT'L AVG (FY 17)[3]:**	**35.6**	**FFY17[3]:**	**27.3**
VBP PROGRAM PENALTIES	*Estimated*[4]	**$ 65,306**			*Estimated*[4]	**$ 66,952**

★ = Included in CMS Star Ratings HAC = Included in CMS Hospital-Acquired Conditions (HAC) Reduction Program JC = Included in Joint Commision Core Measures

NOTES

Program Overview:

A CMS incentive program aimed at improving clinical quality, efficiency, and patient experience, born out of the Affordable Care Act and launched in 2012.

Efficiency, Clinical Care (Process & Outcomes) and Safety (PSI-90 Composite) measures are obtained from coded medical records data.

Healthcare Associated Infections data (Safety domain) is obtained from infection control surveillance data.

Patient Experience of Care data is obtained from the Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) surveys

Targets and financial impact:

NATIONAL MEDIAN (Achievement Threshold): the 50th percentile of all VBP participating hospitals' performance for each measure during the baseline period

CMS TARGET (Benchmark): the mean of the top decile of all VBP participating hospitals' performance for each measure during the baseline period

Achievement Points (0-10 points) are awarded for any score in between the National Median and the CMS Target. Meeting or exceeding the CMS Target should mean no financial penalties for a measure.

Improvement Points (0-9 points) are awarded for scores in between the baseline score and the CMS Target.

Projected Points show expected awarded points, which is the greater of the achievement and improvement point scores. Green indicates points awarded from improvement points and orange indicates point awarded from achievement points.

Financial Impact affects Medicare payment for Federal Fiscal Years (FFY) and is based on a combination of total points per program measure, domain weights and the normalization of our total performance score based on the national average total performance score. For FFY16 (results based on calendar year 2014), 1.75% of traditional Medicare reimbursements are at stake. The potential financial penalty increases to 2% for FFY17 (results based on calendar year 2015). Reductions in payments for FFY16 affect claims submitted beginning 10/1/15.

FOOTNOTES: SOURCES

1) Hospital Value-Based Purchasing - Value-Based Percentage Payment Summary Report FFY 16

2)Hospital Value-Based Purchasing - Baseline Measures Report FFY 17

3)Hospital Value-Based Purchasing - Value-Based Percentage Payment Summary Report FFY 17

4) Hospital Value-Based Purchasing - Estimated Penalties

CMS Hospital-Acquired Conditions (HAC) Reduction Program- ZSFG Report Card

DOMAIN I - PSI-90 COMPOSITE	FY 16 # of Cases	FY 17 # of Cases
Performance Period	July 2012 - Jun 2014	July 2013 - June 2015
PSI-3 Pressure Ulcer Rate	3	1
PSI-6 Iatrogenic Pneumothrax Rate	2	1
PSI-7 Central Venous Catheter-Related Bloodstream Infections Rate	0	0
PSI-8 Postoperative Hip Fracture Rate	0	0
PSI-12 Postoperative PE/DVT Rate	14	12
PSI-13 Postoperative Sepsis Rate	0	0
PSI-14 Wound Dehiscence Rate	0	0
PSI-15 Accidental Puncture and Laceration Rate	6	6

	FY 2016	FY 2017
PSI-90 Composite VBP ★	0.9991	1.1197

DOMAIN II- Hospital Acquired Infections	FY 16 # of Cases	FY 16 Standardized Infection Ratio (SIR)	FY 17 # of Cases	FY 17 Standardized Infection Ratio (SIR)
Performance Period	Jan 2013-Dec 2014		Jan 2014 - Dec 2015	
CLABSI (ICU-based) VBP ★	8	0.248	5	0.173
CAUTI (ICU-based) VBP ★	54	1.284	37	0.930
Surgical Site Infection (SSI) VBP ★ (Colon or Abdominal Hysterectomy Surgical Procedures)	8	1.101	13	1.904
MRSA bacteremia VBP ★ *Measure Added FY17*			10	0.368
Clostridium difficile VBP ★ *Measure Added FY17*			121	0.7

	FY 2016	FY 2017
DOMAIN 1 Score	9.0000	10.0000
Weight of Domain 1 Score	0.25	0.15
Domain 1 Contribution to Total HAC Score	2.2500	1.5000

	FY 2016	FY 2017
Domain 2 Score	6.0000	5.4000
Weight of Domain 2 Score	0.75	0.85
Domain 2 Contribution to Total HAC Score	4.5000	4.5900

	FY 2016	FY 2017
Total HAC Score	6.7500	6.0900
Payment Reduction Threshold (75th Percentile)	6.7500	6.5900
Subject to Payment Reduction (Yes/No)	No	No
Payment Reduction	$0	$0

NOTES

★= Included in CMS Star Rating; VBP = Included in CMS Value-Based Purchasing Program

Program Overview:

Established by the 2010 Patient Protection and Affordable Care Act (ACA)
Effective FY 2015 (October 1, 2014)
Requires the adjustment of payments to applicable hospitals that rank in the worst-performing quartile (Total HAC Scores > 75th percentile)
Hospitals will have their payments reduced to 99% of what would otherwise have been paid for Medicare discharges (penalty of 1% Medicare Revenues)
PSI 90 Composite calculated using Medicare fee-for-service (FFS) claims data
The standardized infection ratios (SIR) are calculated using surveillance data reported to the CDC National Healthcare Safety Network (NHSN)
A score between 1 and 10 is assigned for each measure based on the hospital's performance decile
Higher scores indicate worse performance
FY 2016 Domain Weights:
- Domain 1 - 25%
- Domain 2 - 75%

FY 2017 Domain Weights:
- Domain 1 - 15%
- Domain 2 - 85%

The Review and Corrections Period for FFY 17 is anticipated for Mid-July 2016
The Medicare Discharge Payment Adjustments Dates for FFY 17 - 10/1/2016 - 9/30/2017
Public Reporting on Hospital Compare anticipated for December 2016

Scoring Methodology:

*Total HAC Score = (Domain 1 Score * Domain 1 Weight) + (Domain 2 Score * Domain 2 Weight)*

Sources:

Hospital-Specific Report (HSR) for Fiscal Year (FY) 2016 Hospital-Acquired Condition (HAC) Reduction Program
Federal Fiscal Year 2016 Hospital-Acquired Condition (HAC) Reduction Program Hospital-Specific Report User Guide - July 2015
Key Information - Hospital-Acquired Condition Reduction Program (FY 16 & FY 17)
Hospital-Specific Report (HSR) for Fiscal Year (FY) 2017 Hospital-Acquired Condition (HAC) Reduction Program

Readmissions Reduction Program - ZSFG Report Card

	Performance Period: Jul 2011 - Jun 2014		Performance Period: Jul 2012 - Jun 2015	
30-Day Risk-Standardized Readmission Measures	**FY16 Readmissions[1]**	**Excess Readmission Ratio[1]**	**FY17 Readmissions[2]**	**Excess Readmission Ratio[2]**
Acute myocardial infarction (AMI) ★	8	0.9801	9	0.9790
Chronic obstructive pulmonary disease (COPD) ★	25	1.0617	20	1.0210
Heart failure (HF) ★	41	1.1073	41	1.0610
Pneumonia (PN) ★	23	1.0907	43	1.1587
Total hip and/or knee arthroplasty (THA/TKA) ★	1	0.9740	1	0.9776
Coronary Artery Bypass Graft (CABG) Surgery *(new)* ★			N/A	N/A

*Lower than 1 is better

	FY 2016	FY 2017
Readmission Adjustment Factor[3]	0.9966	0.9956
Estimated Program Penalty (As of 6/7/2016)[3]	$ 86,398	$ 136,952

★ = Included in CMS Star Ratings

NOTES

Program Overview:

The Hospital Readmissions Reduction Program is a pay-for-performance program that reduces payments to hospitals with excess readmissions.

Section 3025 of the 2010 Affordable Care Act required the Secretary of the U.S. Department of Health and Human Services to establish this program and reduce payments to Inpatient Prospective Payment System (IPPS) hospitals for excess readmissions beginning October 1, 2012 (Federal Fiscal Year [FY] 2013).

In the first year of the program, the Centers for Medicare & Medicaid Services (CMS) adopted three risk-standardized, 30-day readmission measures for Medicare beneficiaries: acute myocardial infarction (AMI), heart failure, and pneumonia readmission. Each measure is used to calculate an Excess Readmission Ratio (ERR) for each hospital. Starting in FY 2015, CMS added chronic obstructive pulmonary disease (COPD) and elective primary total hip and/or total knee arthroplasty (THA/TKA) to the program, as established in the FY 2014 IPPS Final Rule.[4] Starting in FY 2017, CMS added Coronary Artery Bypass Graft (CABG) Surgery to the program, as established in the FY 2015 IPPS Final Rule.[5]

Claims data "Snapshot" for FY 17 is 9/25/2015.[6]

Review and Corrections Period for FY 17 is 5/19/2016 - 6/20/2016.[6]

Payment Adjustment Dates for FY 17 is 10/1/2016 - 9/30/2017.[6]

Public Report on Hospital Compare for FY is October 2016.[6]

Excess Readmission Ratio (also referred to as the Standardized Readmission Ratio [SRR]): is the measure that is used to determine the payment adjustment for the program. If a hospital performs better than an average hospital that admitted similar patients (that is, patients with similar risk factors for readmission such as age and comorbidities), the ratio will be less than 1.0000. If a hospital performs worse than average, the ratio will be greater than 1.0000. Excess Readmission Ratios greater than 1.0000 will be included in the payment adjustment formula.[4]

Financial Impact: The ERR calculations are used to determine if the hospital will receive an adjustment to its Medicare payments. If the hospital performs worse than an average hospital that admitted similar patients, the ERR will be greater than 1.0000, resulting in a payment adjustment of up to 3% for your hospital in FY 2015, FY 2016 & FY 2017.[4]

SOURCES:

1) CMS Hospital Readmission Reduction Program (HRRP) Hospital-Specific Report FFY 16

2) CMS Hospital Readmission Reduction Program (HRRP) Hospital-Specific Report FFY 17

3) Readmissions & VBP Estimated Penalties FY 2015 2016 2017

4) Fiscal Year 2017 Hospital Readmissions Reduction Program - Frequently Asked Questions (FAQs)

5) Hospital Readmissions Reduction Program Overview Section - https://www.qualitynet.org/dcs/ContentServer?c=Page&pagename=QnetPublic%2FPage%2FQnetTier2&cid=1228772412458

6) Key Information - Hospital Readmissions Reduction Program