
Memo

To: Florida End Stage Renal Disease (ESRD) Service Providers

From: HSAG: Network 7

Date: November 8, 2016

Re: Changes to the ESRD Quality Incentive Program (QIP) and 2017 ESRD Payment Bundle

The Centers for Medicare & Medicaid Services (CMS) issued a Final Rule on October 28, 2016 that made changes to the ESRD QIP, beginning with payment years (PYs) 2019 and 2020. The Final Rule also updated payment policies and rates for the ESRD Prospective Payment System (PPS) for 2017.

Changes to the ESRD QIP

PY 2018

There were no changes to the PY 2018 ESRD QIP.

PY 2019

- A third category of measures, the **Safety Measure Domain** was created by:
 - Finalizing the inclusion of the National Healthcare Safety Network (NHSN) Dialysis Event reporting measure (as expanded in PY 2015) into the ESRD QIP measure set for PY 2019, and then combining it with the existing NHSN bloodstream infection (BSI) clinical measure.
 - Created a new NHSN BSI measure topic
 - The only measure topic in the new Safety Measure Domain
- Changes to the **hypercalcemia clinical measure** for PY 2019 were finalized:
 - Ensuring that the measure remains in alignment with the measure specifications endorsed by the National Quality Forum (NQF).
 - Updating the measure's technical specifications for PY 2019 and future years to include plasma as an acceptable substrate in addition to serum calcium.
 - Changing the calculation of the revised measure to include patient-months with missing values to minimize any incentive for a facility to avoid reporting serum calcium data.

PY 2020

- **Clinical Measures**
 - *Standardized Hospitalization Ratio (SHR)* was added.
- **Reporting Measures**
 - *Ultrafiltration Rate* measure was added.
 - Mineral Metabolism measure (based on claims data) was replaced with a new *Serum Phosphorus* measure (uses CROWNWeb data).

Note:

In June, CMS proposed to apportion 80% of a facility's Total Performance Score (TPS) to the Clinical Measure Domain and 10% each to the Reporting Measure Domain and the Safety Measure Domain. In response to public comments received during the public comment period, however, CMS has not finalized this proposal. Instead, CMS will maintain the scoring methodology it finalized for PY 2019, which is to apportion 75% of a facility's TPS to the Clinical Measure Domain, 15% of the TPS to the Safety Measure Domain, and 10% to the Reporting Measure Domain.

CROWNWeb Validation Study

- The pilot program to validate data entered into CROWNWeb will be continued.
- The size of the validation study has been increased.
- The methodology to determine whether a facility reported dialysis events for patients in accordance with the NHSN Dialysis Event Protocol was revised.

Updates to the Final Rule for 2017 ESRD Payment Bundle

- The finalized **CY 2017 ESRD PPS base rate** will increase **\$1.16** to **\$231.55**.
This amount reflects:
 - A reduced market basket (0.55%) application of the wage index budget-neutrality adjustment factor (0.999781).
 - Application of a home and self-dialysis training budget-neutrality adjustment factor (0.999737).
 - An increase of \$1.16 from the CY 2016 base rate of \$230.39.
- CMS is updating **the outlier services fixed dollar loss amounts** for adult and pediatric patients and Medicare Allowable Payments (MAPs) for adult patients for CY 2016 using 2015 claims data. Compared to CY 2016 values:
 - The fixed-dollar loss amount for pediatric beneficiaries will increase from \$62.19 to \$68.49.
 - The MAP amount will decrease from \$39.20 to \$38.29.
 - For adult beneficiaries, the fixed-dollar loss amount will decrease from \$86.97 to \$82.92.
 - The MAP amount will decrease from \$50.81 to \$45.00.
- The 2017 **home and self-dialysis training add-on payment adjustment** will be **\$95.60**, which is:
 - An increase of \$45.44 compared to the 2016 add-on of \$50.16.
 - Determined by using an updated RN hourly wage of \$35.94 and an increase to the hours of nurse training time from 1.5 hours to 2.66 hours.
- CMS said it will provide coverage and payment for renal dialysis services in 2017 by an ESRD facility to an individual with **acute kidney injury (AKI)**.

- Under the law, the payment will be the amount of the ESRD PPS base rate, as adjusted by the wage index.
- Biologicals, laboratory services, and supplies that ESRD facilities are certified to furnish, but are not renal dialysis services, may be paid for separately when furnished to individuals with AKI.
- CMS expects to pay approximately **\$9 billion** to approximately 6,000 ESRD facilities for costs associated with furnishing chronic maintenance dialysis services in 2017.
- It is projected that the updates for CY 2017 will increase the total payments to all ESRD facilities by **0.73%** compared with CY 2016.
 - For hospital-based ESRD facilities, CMS projects an increase in total payments of 0.9%.
 - For freestanding facilities, the projected increase in total payments is 0.7%.
- Aggregate ESRD PPS expenditures are projected to increase by approximately **\$80 million** from CY 2016 to CY 2017.

Please feel free to contact the Florida ESRD Network if you have any questions or need technical assistance related to the ESRD QIP.

The Florida ESRD Network (Network 7)

3000 Bayport Drive, Suite 300 Tampa, FL 33607 • 813.383.1530 (phone) • 813.354.1514 (fax)
www.HSAG.com/ESRDNetwork7