



## Hospital Inpatient Quality Reporting Program: Summary of FY 2026 IPPS/LTCH PPS Final Rule Changes

### Finalized Removal of Four Hospital IQR Program Measures

In the fiscal year (FY) 2026 Inpatient Prospective Payment System (IPPS)/Long-Term Care Hospital Prospective Payment System (LTCH PPS) final rule, CMS finalized the proposal to remove four measures from the Hospital Inpatient Quality Reporting (IQR) Program.

Measure Name	Removed Beginning
Hospital Commitment to Health Equity (HCHE)	
COVID-19 Vaccination Coverage among Healthcare Personnel (HCP)	Beginning with the calendar year 2024 reporting period/ FY 2026 payment determination
Screening for Social Drivers of Health (SDOH)	
Screen Positive Rate for SDOH	

### Finalized Refinement of Two Current Hospital IQR Program Measures

CMS finalized the refinement of two claims-based measures within the Hospital IQR Program.

#### Hospital 30-Day, All-Cause, Risk-Standardized Mortality Rate Following Acute Ischemic Stroke Hospitalization Measure

Beginning with the FY 2027 payment determination, the measure will be expanded to include Medicare Advantage (MA) patients, and the performance period will be shortened from three years to two years. The new reporting period for FY 2027 payment determination will be changed from July 1, 2022, through June 30, 2025, to July 1, 2023, through June 30, 2025.

The specifications technical updates include:

- Updating the risk adjustment model to use individual International Classification of Diseases (ICD)-10 codes instead of Hierarchical Condition Categories (HCCs) to improve the measure's risk adjustment methodology.
- Removing the exclusion of patients with a secondary diagnosis code of COVID-19 codes as present on admission on the index admission claim.

#### Hospital-Level, Risk-Standardized Complication Rate Following Elective Primary Total Hip Arthroplasty and/or Total Knee Arthroplasty Measure (COMP-HIP-KNEE)

Beginning with the FY 2027 payment determination, the measure will be expanded to include MA patients, and the performance period will be shortened from three years to two years. The first performance period will be April 1, 2023 through March 31, 2025.

The specifications technical updates include:

- Updating the risk adjustment model to use individual ICD-10 codes instead of HCCs to improve the measure's risk adjustment methodology.
- Removing the exclusion of patients with a secondary diagnosis code of COVID-19 codes as present on admission on the index admission claim.

These modifications were finalized for the FY 2027 payment determination prior to the removal

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of the measure from the Hospital IQR Program beginning with the FY 2030 payment determination. The same modifications will be adopted into the Hospital Value-Based Purchasing (VBP) Program beginning with the FY 2033 program year. The updated COMP-HIP-KNEE measure must be publicly reported in the Hospital IQR Program for at least one year in accordance with statutory requirements before adoption into the Hospital VBP Program. A summary of current and finalized reporting of the COMP-HIP-KNEE Measure in the Hospital IQR and Hospital VBP Programs is below.

Payment Year/ Program Year Impacted	Version of Measure in Use	
	Hospital IQR Program	Hospital VBP Program
<b>FY 2026</b>	Modification 1 (Additional outcomes added) <sup>1</sup>	Original <sup>2</sup>
<b>FY 2027</b>	Modification 2 (Add MA patients, shorten performance period) <sup>3</sup>	Original
<b>FY 2028</b>	Modification 2	Original
<b>FY 2029</b>	Modification 2	Original
<b>FY 2030</b>	Not Applicable (N/A)	Modification 1
<b>FY 2031</b>	N/A	Modification 1
<b>FY 2032</b>	N/A	Modification 1
<b>FY 2033 and Subsequent Years</b>	N/A	Modification 2

<sup>1</sup> Modification 1 was finalized in FY 2024 IPPS/LTCH PPS final rule.

<sup>2</sup> Original version of the measure was finalized in the FY 2015 IPPS/LTCH PPS final rule.

<sup>3</sup> Modification 2 was finalized in this final rule.

### Finalized Technical Updates

The COVID-19 exclusion was removed from the following Hospital IQR Program measures:

Measure Name	Removed Beginning
Hospital 30-Day, All-Cause, Risk-Standardized Mortality (MORT) Rate Following Acute Ischemic Stroke (STK)	
COMP-HIP-KNEE	
Excess Days in Acute Care after Hospitalization for Acute Myocardial Infarction (AMI)	
Excess Days in Acute Care after Hospitalization for Acute Heart Failure (HF)	
Excess Days in Acute Care after Hospitalization for Pneumonia (PN)	
Hybrid Hospital-Wide All-Cause Readmission Measure	
Hybrid Hospital-Wide All-Cause Risk Standardized Mortality Measure	Beginning with the 2027 program year

### Finalized Modification to the Hybrid Measures

Beginning with the FY 2028 payment determination, the submission thresholds for both core clinical data elements (CCDE) and linking variables are reduced to at least 70 percent of discharges for both measures.

Additionally, the number of required CCDE elements for both measures are lowered to allow for up to two missing laboratory results and up to two missing vital signs.

A hospital that submits CCDE and linking variable data for less than 70 percent of applicable

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patient discharges or that submits CCDE data with more than two missing laboratory results or more than two missing vital signs under either hybrid measure would not satisfy the measure's Hospital IQR Program requirements and would receive a one-fourth reduction to its Annual Payment Update for the applicable fiscal year.

### **Finalized Update to Extraordinary Circumstances Exceptions (ECEs)**

An extraordinary circumstance is now defined as an event beyond the control of a hospital (for example a natural or man-made disaster such as a hurricane, tornado, earthquake, terrorist attack, or bombing) that affected the ability of the hospital to comply with one or more applicable reporting requirements with respect to a fiscal year.

CMS now has the discretion to grant an extension rather than only a full extension as a form of relief in response to ECE requests. The steps for requesting or granting an ECE remain the same as the current ECE process. A hospital may request an ECE within 60 calendar days of the date that the extraordinary circumstance occurred.

### **Acronyms**

AMI	acute myocardial infarction	IPPS	inpatient prospective payment system
CCDE	core clinical data elements	IQR	Inpatient Quality Reporting
CMS	Centers for Medicare & Medicaid Services	LTCH	Long Term Care Hospital
COMP	complication	MA	Medicare Advantage
ECE	extraordinary circumstance exception	MORT	mortality
FY	fiscal year	N/A	not applicable
HCCs	Hierarchical Condition Categories	PN	pneumonia
HCHE	Hospital Commitment to Health Equity	PPS	prospective payment system
HCP	Healthcare Personnel	SDOH	Social Drivers of Health
HF	heart failure	STK	stroke
ICD	International Classification of Diseases	VBP	Value-Based Purchasing