



Hospital Value-Based Purchasing (VBP) Program
Inpatient Value, Incentives, and Quality Reporting (VIQR)
Outreach and Education Support Contractor

Overview of the FY 2024
Hospital-Acquired Condition (HAC) Reduction Program
Question and Answer Summary Document

Speaker

Kristanna Peris, MPH
Program Manager, HAC Reduction Program
Division of Value, Incentives, and Quality Reporting Program Support Contract

Moderator

Maria Gugliuzza, MBA
Hospital VBP Program, Lead
Inpatient VIQR Outreach and Education Support Contractor

September 7, 2023
2:00 p.m. Eastern Time

DISCLAIMER: This presentation question-and-answer summary document was current at the time of publication and/or upload onto the Quality Reporting Center and QualityNet websites. Medicare policy changes frequently. Any links to Medicare online source documents are for reference use only. In the case that Medicare policy, requirements, or guidance related to these questions and answers change following the date of posting, these questions and answers will not necessarily reflect those changes; given that they will remain as an archived copy, they will not be updated. The written responses to the questions asked during the presentation were prepared as a service to the public and are not intended to grant rights or impose obligations.

Any references or links to statutes, regulations, and/or other policy materials included are provided as summary information. No material contained therein is intended to take the place of either written laws or regulations. In the event of any conflict between the information provided by the question-and-answer session and any information included in any Medicare rules and/or regulations, the rules and regulations shall govern. The specific statutes, regulations, and other interpretive materials should be reviewed independently for a full and accurate statement of their contents.

Subject-matter experts researched and answered the following questions after the live webinar. The questions may have been edited for grammar.

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

Question 1: What is the difference between a measure result and a measure score?

The measure result is a hospital's performance value for a given measure. For the Centers for Medicare & Medicaid Services (CMS) Patient Safety and Adverse Events composite (PSI 90) measure, a hospital's measure result is its CMS PSI 90 composite value. For the healthcare-associated infection (HAI) measures, a hospital's measure result is its standardized infection ratio (SIR) for the given measure.

Measure scores are a calculation of hospital's relative performance on the measure compared to other hospitals that are included in the HAC Reduction Program. Specifically, CMS calculates hospital measure scores for a given measure as the Winsorized z-score of their measure results.

A negative measure score means that the hospital's measure result is below the national average, indicating a better performance; whereas, a positive measure score means that the hospital's measure result is above the national average, indicating a worse performance.

Question 2: How is the SIR calculated?

For the HAI measures, CMS relies on calculations produced by the Centers for Disease Control and Prevention (CDC).

The CDC calculates the SIR for each HAI measure as the ratio of a hospital's observed number of infections to its predicted number of infections.

The CDC determines predicted number of infections for each measure using a risk-adjustment process based on hospital information submitted to the National Healthcare Safety Network (NHSN). The specific methodology depends on the measure:

- The Central Line-Associated Bloodstream Infection (CLABSI) and Catheter-Associated Urinary Tract Infection (CAUTI) HAI measures are risk-adjusted at the hospital and the patient-care-unit levels.
- The Colon and Abdominal Hysterectomy Surgical Site Infection (SSI) HAI measure is risk-adjusted at the procedure level. The SSI measure is a pooled measure based on the number of SSIs following abdominal hysterectomy and colon procedures.
- The Methicillin-Resistant *Staphylococcus aureus* (MRSA) bacteremia and *Clostridium difficile* Infection (CDI) HAI measures are risk-adjusted at the hospital level.

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

For technical details on the risk adjustment methodology used to calculate SIRs, please refer to the NHSN's SIR guide:
<https://www.cdc.gov/nhsn/pdfs/ps-analysis-resources/nhsn-sir-guide.pdf>

Question 3: What quarters of data are CMS using for validation for fiscal year (FY) 2024 HAC Reduction Program calculations?

Validation is the process CMS uses to assess whether hospitals are submitting timely, complete, and accurate HAI data to CDC's NHSN.

CMS used calendar year (CY) 2021 data to validate HAI data for the FY 2024 HAC Reduction Program calculations. These are shown in your FY 2024 HAC Reduction Program Hospital-Specific Report (HSR).

For the FY 2024 program year, CMS is excluding CY 2021 HAI data from the HAC Reduction Program calculations. However, hospitals were still required to submit CY 2021 data, and CY 2021 data were used for validation purposes.

Question 4: How do we know the exact HAC score that will trigger a pay reduction?

Hospitals with Total HAC Scores in the worst-performing quartile (above the 75th percentile) will be subject to a payment reduction.

CMS calculates the 75th percentile across all non-Maryland subsection (d) hospitals (general, acute care hospitals paid under the Inpatient Prospective Payment System [IPPS]) with Total HAC Scores.

For the FY 2024 program year, the 75th percentile Total HAC Score threshold is 0.3751.

Hospitals with a Total HAC Score greater than this value are in the worst-performing quartile.

Question 5: If failing validation results in the worst Winsorized z-score, does that mean, if the hospital failed HAI validation, CMS will apply the worst z-score to all HAI measures or only the measures selected for validation? Would CMS assign the worst z-score to all HAI measures or only the ones selected for, and failing validation?

For hospitals that fail HAI validation, CMS will assign the maximum Winsorized z-score for all three HAI measures validated.

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

Please note that all hospitals selected for validation are validated on the SSI measure in addition to either MRSA bacteremia and CDI or CLABSI and CAUTI, as indicated.

For example, if CMS selected a hospital to be validated on CLABSI, CAUTI, and SSI and the hospital failed validation, that hospital would receive the maximum Winsorized z-score for these three measures. In this scenario, the maximum Winsorized z-score would not automatically be applied to the MRSA and CDI measures because the hospital failed validation for the other HAI measures. For those measures, MRSA bacteremia and CDI, the measure's score will depend on remaining HAC Reduction Program scoring rules.

Question 6: What is a HAI exemption form?

Hospitals can request an annual exemption from CMS's requirements for HAI data reporting for the CLABSI, CAUTI, or SSI measures by completing an IPPS Measure Exception Form. Hospitals cannot request reporting exemptions for the MRSA bacteremia or CDI measures. Hospitals are expected to submit Measure Exception Forms prior to the calendar year of reporting. The IPPS Measure Exception Form can be found on the QualityNet website.

If the request is approved, CMS will waive reporting requirements for the calendar year. If a hospital requests consecutive exemptions, and its reporting requirements are waived for all calendar years of the program year's performance period, CMS will exclude those measures in that hospital's Total HAC Score calculation.

Hospital eligibility for exemptions from CMS's reporting requirements depends on the measure:

- For CLABSI and CAUTI, the hospital is eligible for an exemption if it has no applicable locations for the measures. This includes intensive care units or adult or pediatric, medical wards, surgical wards, or medical/surgical wards.
- For SSI, the hospital is eligible for an exemption if it performed a combined total of nine or fewer abdominal hysterectomies or specified colon surgeries in the calendar year before the year for which it is requesting a reporting exemption.

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

Question 7: **Can you provide the pathway to download the HSR from the Hospital Quality Reporting (HQR) system?**

You can now download the FY 2024 HAC Reduction Program HSR from the HQR system at <https://hqr.cms.gov/hqrng/login>.

To access HSRs, users within your organization must have a Health Care Quality Improvement System Access Roles and Profile (HARP) account in the HQR system and access to Managed File Transfer (MFT). Follow the steps below to access your HSR in the HQR system:

- Log into the HQR system using your HARP Account. Select Log In.
- Choose the authentication method. Select Next.
- Enter your code. Select Next.
- Go to the navigation menu on the left side of your screen.
- Select Program Reporting. Select Claims-Based Measures.
- Select the Release Year (e.g., select 2023 for FY 2024 HSR) Select Program as HAC Reduction Program.
- Then, select the report. Select Export.

If you have any issues accessing your HSR, please contact the Center for Clinical Standards and Quality (CCSQ) Service Center at QNetSupport@cms.hhs.gov or call (866) 288.8912 (TTY: 877.715.6222), weekdays from 8 a.m. to 8 p.m. Eastern Time. For questions related to HARP registration, please visit the HARP Help page or contact qnetsupport@cms.hhs.gov.

Question 8: **For the next CMS star rating in 2024, which PSI 90 report will be used? Will it come from the HAC Reduction Program report or the PSI 90 2023 report we received in August? The reports had slightly different reporting periods, and I wonder which one will go into the CMS star rating.**

The Overall Star Ratings use the CMS PSI 90 measure data that are publicly reported on the Care Compare website and reported in the HSRs that hospitals received for the Public Reporting Preview Period.

Hospital Value-Based Purchasing (VBP) Program
Inpatient Value, Incentives, and Quality Reporting (VIQR)
Outreach and Education Support Contractor

For more information, please visit <https://data.cms.gov/provider-data/topics/hospitals/overall-hospital-quality-star-rating/#measure-included-by-categories>. Although similar, these data are different from the data that are used in hospital HAC Reduction Program scoring calculations.

Question 9: Why would there be a discrepancy between the SIR number in NHSN and the CMS number?

The SIR for HAI measures may vary between NHSN and CMS' HAC Reduction Program calculations due to different reporting periods or discharge location requirements. For example, hospitals can report CLABSI and CAUTI data to NHSN for more wards than CMS accepts for the HAC Reduction Program. The HAC Reduction Program only accepts data for discharges that occurred in (1) intensive care units or (2) adult or pediatric medical wards, surgical wards, or medical/surgical wards.

Additionally, CMS data does not reflect updates made to NHSN after the quarterly submission deadline.

Question 10: How does a critical access hospital (CAH) obtain HAC Reduction Program information prior to the release of a Star or Care Compare report?

CMS includes all subsection (d) hospitals in the HAC Reduction Program. In general, subsection (d) hospitals are general acute care hospitals paid under the IPPS. CMS does not include non-subsection (d) hospitals in the HAC Reduction Program; therefore, CAHs are not included. For a full description of subsection (d) hospitals, refer to the Social Security Act on the Social Security Administration's website: [Subsection \(d\) Hospitals](#).

The CMS PSI 90 and HAI measure data that are publicly reported on the Care Compare website are first made available to hospitals via Public Reporting Preview Period HSRs.

Question 11: Does CMS exclude small hospitals from the program?

CMS does not explicitly exclude small hospitals from the HAC Reduction Program. However, there are volume thresholds that hospitals must clear for CMS to calculate measure results for each measure in the program. If a hospital does not meet the threshold requirements, then the measure will not factor into the hospital's Total HAC Score calculation. The threshold requirement depends on the measure, specifically:

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

- For the PSI 90 measure, a hospital will not receive a CMS PSI 90 composite value if it fails to meet both of the following criteria:
1) one or more component PSI measures with at least 25 eligible discharges; and 2) seven or more component PSI measures with at least three eligible discharges.
- For the HAI measures, a hospital will not receive an SIR if the predicted number of infections during the performance period is less than 1.0.

If a hospital does not meet the threshold requirement for any measure then they will not receive a Total HAC Score, will not be included in the distribution of hospitals used to calculate the 75th percentile Total HAC Score threshold, and will not be subject to payment reduction under the program.

Question 12: Why are all HAC measures weighted equally?

CMS finalized the adoption of the Equal Measure Weights approach in the FY 2019 IPPS/Long-Term Care Hospital Prospective Payment System (LTCH PPS) final rule ([83 FR 41486–41489](#)). By applying an equal weight to each measure for all hospitals, the Equal Measure Weights approach addresses stakeholder concerns about the disproportionately large weight applied to some HAI measures for certain hospitals under the previous scoring methodology.

Question 13: Is the PSI 90 measure posted on Care Compare for hospitals? Is it posted for IPPS hospitals and CAHs?

CMS publicly reports consumer-oriented CMS PSI 90 measure results on the Care Compare website to assist consumers in making informed decisions on how to obtain the best hospital care and emphasize public accountability. The consumer-oriented CMS PSI 90 measure results may differ slightly from the results reported in the HAC Reduction Program dataset.

For the consumer-oriented CMS PSI 90 measure, the measure results include data for subsection (d) hospitals paid under IPPS, Maryland hospitals, Veterans Administration hospitals, and hospitals that voluntarily submit quality measure data (for example, CAHs that opt to publicly report data).

Question 14: How do we request an HSR if we missed collecting the report from MFT?

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

If you have any issues accessing your current or historic HSRs, please contact the CCSQ Service Center at QNetSupport@cms.hhs.gov or call (866) 288.8912 (TTY: 877.715.6222), weekdays from 8 a.m. to 8 p.m. Eastern Time.

Question 15: **Do hospitals submit HAI measure data directly to CMS or does the information flow to CMS from NHSN data?**

For the HAC Reduction Program, CMS uses CDC NHSN HAI measure results that CDC calculated. Hospitals do not submit HAI data directly to CMS.

Question 16: **I don't understand the following on page 13: At least 25 eligible discharges on at least one component PSI measure; and at least three eligible discharges on at least seven component PSI measures.**

The criteria refer to the CMS updated minimum volume threshold policy for the CMS PSI 90 measure. CMS will not calculate a CMS PSI 90 composite value (measure result) for a hospital if it fails to meet these criteria:

- One or more component PSI measures with at least 25 eligible discharges during the performance period for the program year
- Seven or more component PSI measures with at least three eligible discharges each during the performance period for the program year

The CMS PSI 90 measure is a claims-based composite measure of a hospital's performance that is based on 10 component measures of patient safety, including the following:

- PSI 03—Pressure Ulcer Rate
- PSI 06—Iatrogenic Pneumothorax Rate
- PSI 08—In-Hospital Fall with Hip Fracture Rate
- PSI 09—Postoperative Hemorrhage or Hematoma Rate
- PSI 10—Postoperative Acute Kidney Injury Requiring Dialysis Rate
- PSI 11—Postoperative Respiratory Failure Rate
- PSI 12—Perioperative Pulmonary Embolism or Deep Vein Thrombosis Rate

Hospital Value-Based Purchasing (VBP) Program
Inpatient Value, Incentives, and Quality Reporting (VIQR)
Outreach and Education Support Contractor

- PSI 13—Postoperative Sepsis Rate
- PSI 14—Postoperative Wound Dehiscence Rate
- PSI 15—Abdominopelvic Accidental Puncture or Laceration Rate

Question 17: What Agency for Healthcare Research and Quality (AHRQ) version aligns with CMS PSI 90 Software Version 13.0 to calculate FY 2024 PSIs?

The FY 2024 HAC Reduction Program uses the CMS PSI 90 Software Version 13.0 for discharges January 1, 2021, through June 30, 2022. Information on the most recent version of the CMS PSI 90 Software, including technical specifications, is available on the QualityNet website at <https://qualitynet.cms.gov/inpatient/measures/psi/resources>.

The equivalent set of component weights for the AHRQ PSI 90 can be found in the *Quality Indicator User Guide: Patient Safety Indicators (PSI) Composite Measures, Version 2023*:

https://qualityindicators.ahrq.gov/Downloads/Modules/PSI/V2023/PSI_Composite_Measures.pdf

Question 18: Is the HAC Reduction Program still using CMS PSI 90 Software Version 13.0 to calculate PSI 90 measures for 2023 discharges?

The FY 2024 HAC Reduction Program uses CMS PSI 90 Software Version 13.0 with a performance period of January 1, 2021, to June 30, 2022.

Each program year, CMS uses the latest version of the CMS PSI 90 Software for the HAC Reduction Program and public reporting of CMS PSI 90 results on Care Compare. Information on the most recent version of the CMS PSI 90 Software, including technical specifications, is available on the QualityNet website at <https://qualitynet.cms.gov/inpatient/measures/psi/resources>.

Question 19: Will data omitted from the Hospital Readmissions Reduction Program (HRRP) also be excluded from the HAC Reduction Program?

CMS is automatically excluding Quarter 3 and Quarter 4 2020 claims data from all program calculations for the HAC Reduction Program, as finalized in the FY 2022 IPPS/LTCH PPS final rule (86 FR 45301-45307). The FY 2024 CMS PSI 90 measure performance period is abbreviated to January 1, 2021, through June 30, 2022.

Hospital Value-Based Purchasing (VBP) Program

Inpatient Value, Incentives, and Quality Reporting (VIQR) Outreach and Education Support Contractor

Additionally, CMS is automatically excluding all CY 2021 HAI data from FY 2024 program calculations for the HAC Reduction Program, as finalized in the FY 2023 IPPS/LTCH PPS final rule (87 FR 49130-49132). The FY 2024 HAI measures performance period is abbreviated to January 1, 2022, through December 31, 2022. Information on the FY 2024 HRRP performance periods is available on the QualityNet website: <https://qualitynet.cms.gov/inpatient/hrrp/methodology>

Question 20: Will there be any changes to the risk payments? If so, what is changing specifically for 2024?

For the HAC Reduction Program, hospitals with a Total HAC Score greater than the 75th percentile of all Total HAC Scores (hospitals in the worst-performing quartile) will be subject to a 1-percent payment reduction to Medicare Fee for Service (FFS) payments. The payment reduction for the FY 2024 program year will be applied to Medicare FFS discharges from October 1, 2023, to September 30, 2024. CMS applied the following updates to the HAC Reduction Program, beginning with the FY 2024 program year:

- Using Version 13.0 of the CMS PSI 90 Software to calculate CMS PSI 90 measure results
- Adding a risk adjustment parameter for COVID-19 diagnoses in Version 13.0 of the CMS PSI 90 Software ([87 FR 49134–49136](#))
- Updating the CMS PSI 90 minimum volume threshold ([87 FR 49133–49134](#)) to only score hospitals with:
 - At least 25 eligible discharges on at least 1 component PSI measure
 - At least three eligible discharges on at least seven component PSI measures
- Implementing the Complete Data policy to not score hospitals on the CMS PSI 90 measure if they have fewer than 12 months of data during the performance period ([81 FR 57012](#))
- Implementing the HAI Validation Failure policy ([83 FR 41481–41482](#)), which assigns the maximum (worst) Winsorized z-score for the HAI measures validated if a hospital fails validation