



Reviewing Your FY 2025 Hospital VBP Program Medicare Spending per Beneficiary Hospital-Specific Report

**Hosted by:
Inpatient Value, Incentives, and Quality Reporting
Outreach and Education Support Contract**

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Speakers

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Purpose

This event will provide an overview of the Medicare Spending per Beneficiary (MSPB) measure's goals, methodology, and calculations. The event will also discuss the MSPB Hospital-Specific Reports (HSRs), instructions to submit a review and correction request, and steps to access the MSPB HSRs from the *Hospital Quality Reporting (HQR) Secure Portal*.

Objectives

Participants will be able to:

- Identify the goals of the MSPB measure.
- Understand the MSPB measure methodology.
- Access and review the MSPB HSR.
- Understand steps to submit a review and correction request.

Acronyms

CCN	CMS Certification Number	IPPS	Inpatient Prospective Payment System
CCSQ	Center for Clinical Standards and Quality	IQR	inpatient quality reporting
CMS	Centers for Medicare & Medicaid Services	LTCH	Long-Term Care Hospital
ECE	Extraordinary Circumstance Exception	MDC	Major Diagnostic Category
FY	fiscal year	MFT	Managed File Transfer
HARP	Health Care Quality Information Systems Access Role and Profile	MSPB	Medicare Spending per Beneficiary
HCC	Hierarchical Condition Categories	PPS	Prospective Payment System
HQR	Hospital Quality Reporting	VBP	value-based purchasing
HSR	Hospital-Specific Report	VIQR	Value, Incentives, and Quality Reporting
ICD	International Classification of Diseases		

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

HSR Measurement Period

MSPB HSR Notes

- There is only one combined HSR for both the Hospital VBP Program and Public Reporting.
- The HSR contains MSPB measure results for the fiscal year (FY) 2025 Hospital VBP Program performance period and for January 2025 Public Reporting.
- MSPB HSRs were delivered **May 30, 2024**.

FY 2025 Baseline Measures Reports

Only performance period data will be included in the HSR for the Hospital VBP Program.

- Baseline period data are displayed on your hospital's Baseline Measures Report.
- The FY 2025 Baseline Measures Report was first made available in March of 2023.
- You can download a copy of your hospital's FY 2025 Baseline Measures Report in the *HQR Secure Portal*.

How to Download your FY 2025 Baseline Measures Reports

1. Navigate to the *HQR Secure Portal* login page at <https://hqr.cms.gov/hqrng/login>.
2. Enter your Health Care Quality Information Systems Access Roles and Profile (HARP) User ID and Password. Then, select **Log In**.
3. You will be directed to the **Two-Factor Authorization page**. Select the device you would like to retrieve the verification code. Select **Continue**.
4. Once you receive the code, enter it. Select **Continue**.
5. Read the Terms and Conditions statement. Select **Accept** to proceed. You will be directed to the HQR landing page. If Cancel is selected, the program closes.
6. On the HQR landing page, select **Program Reporting** from the left navigation menu to expand the menu options.

How to Download your FY 2025 Baseline Measures Reports

7. Select **Performance Reports** from the expanded Program Reporting drop-down.
8. Select **Hospital Value-Based Purchasing** from the Program selection menu.
9. Select **Baseline Measures** from the Report selection menu.
10. Select **2025** from the Fiscal Year selection menu.
11. Select your hospital from the Provider selection menu.
12. Select **Display Results**. (To export the data displayed, select the **Export PDF** option available on the User Interface. The exported data will be available in a PDF format to save and print.)

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Accessing the HSR

How to Receive Your HSR

- A Listserve communication was sent via email to those who are registered for the **HIQR Notify: Hospital Inpatient Quality Reporting (IQR) Program Notifications** and the **HVBP Notify: Hospital Inpatient Value-Based Purchasing (VBP) Program Notifications** Listserve groups on QualityNet to announce that the reports were delivered May 30, 2024.
- The FY 2025 MSPB HSR can now be downloaded directly from the HQR System: <https://hqr.cms.gov/hqrng/login>
- The HQR System requires users to have a HARP account with access to Managed File Transfer (MFT) to log on.

Accessing Your HSR

You can now download the FY 2025 MSPB HSR from the HQR System: <https://hqr.cms.gov/hqrng/login>. Follow these steps to access your HSR.

1. Log into the HQR System using your HARP Account. Select **Log In**.
2. Choose the authentication method. Select **Next**.
3. Enter your code. Select **Next**.
4. Go to the navigation menu on the left side of your screen.
5. Select **Program Reporting**. Select **Claims-Based Measures**.
6. Select the Release Year (2024), Program (MSPB), and the report (HVBP-MSPB). Select **Export**.

If your profile did have a HARP account with access to MFT permissions prior to May 30, 2024, and you cannot download your report, 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.

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Review and Correction Period and Contacts for Questions

Review and Correction Period

- Hospitals may review and request corrections to their MSPB measure results for 30 days following the release of the HSR.
 - The Hospital VBP Program review and correction period ends on July 1, 2024 at 11:59 p.m. Pacific Time.
 - The MSPB measure is part of the Efficiency and Cost Reduction domain in the Hospital VBP Program. Hospitals will be notified of their FY 2025 Hospital VBP Program results in the HQR Secure Portal later in the year.
- During the review and correction period hospitals may submit questions or requests for correction through the QualityNet Question and Answer Tool: https://cmsqualitysupport.servicenowservices.com/qnet_qa?id=ask_a_question
 - Program: Inpatient Claims-Based Measures
 - Topic: Medicare Spending Per Beneficiary (MSPB) > **Review & Correction Request**
 - Please include your hospital's CMS Certification Number (CCN).
- As with other claims-based measures, hospitals may **not** submit the following:
 - Additional corrections to underlying claims data
 - New claims to be added to the calculations

Contacts for Questions

You can submit questions regarding measures, HSRs, and the Hospital VBP Program through the [Question and Answer Tool on QualityNet](#). Include your hospital's six-digit CCN for all questions and use the following program and topic selections when submitting questions through the tool.

Question Topic	Program Selection	Topic Selection
MSPB Measure Methodology	Inpatient Claims-Based Measures	Medicare Spending Per Beneficiary (MSPB) > Measure Methodology
Data or Calculations in the HSR	Inpatient Claims-Based Measures	Medicare Spending Per Beneficiary (MSPB) > Question about Results
Review and Correction Request	Inpatient Claims-Based Measures	Medicare Spending Per Beneficiary (MSPB) > Review & Correction Request
Request to send an HSR	Inpatient Claims-Based Measures	Medicare Spending Per Beneficiary (MSPB) > Request for HSR
Hospital VBP Program, COVID-19 Exception, and Individual Extraordinary Circumstance Exception (ECE) Requests	HVBP – Hospital Value Based Purchasing	General Information (Hospital VBP Program)

If you experience issues accessing your HSR from the HQR System or requesting and reviewing your HARP permissions, contact the CCSQ Service Center at QNetSupport@cms.hhs.gov or (866) 288-8912.

Sarah Sabbagh, Policy Associate
Acumen, LLC, Measure Development Contractor

MSPB Hospital Methodology and Calculation

MSPB Hospital Measure

- Evaluates the efficiency of hospitals relative to the efficiency of the national median hospital
- Assesses the cost to Medicare for services performed by hospitals and other healthcare providers during an MSPB episode (the periods immediately prior to, during, and following a patient's hospital stay)

Hospital VBP Program

MSPB Hospital Measure

The MSPB Hospital measure:

- Is the sole measure within the Efficiency and Cost Reduction domain of the Hospital VBP Program.
- Was included starting in FY 2015 payment year.
- Was required for inclusion in the Hospital VBP Program by §1886(o)(2)(B)(ii) of the Social Security Act.
- Has details of episode construction and adjustment in the FY 2012 IPPS/LTCH final rule ([76 FR 51618–51627](#)) and the FY 2013 IPPS/LTCH final rule ([77 FR 53583–53602](#)).

Hospital Inpatient Quality Reporting (IQR) Program Re-Evaluated MSPB Hospital Measure

- As part of the measure maintenance process, the MSPB Hospital measure was comprehensively re-evaluated in 2020 and re-endorsed in 2021.
- The re-evaluated MSPB Hospital measure was first adopted in the Hospital IQR Program starting in FY 2024 payment year, and it has been finalized for adoption in the Hospital VBP Program starting in FY 2028 payment year and subsequent years.
 - Per statutory requirements, measures in the Hospital VBP Program must be publicly reported for at least one year prior to the beginning of the performance period.
 - The re-evaluated measure is set to be removed from the Hospital IQR Program once it's adopted in the Hospital VBP Program as a way to reduce the burden that would arise from duplicative reporting of the measure in a quality reporting program and value-based program.

Re-Evaluated MSPB Hospital Measure Includes Three Refinements

The re-evaluated MSPB Hospital measure in the Hospital IQR Program differs in three ways from the MSPB Hospital measure currently in the Hospital VBP Program.

	Current Measure Hospital VBP Program	Re-evaluated Measure Hospital IQR Program	Rationale/ Benefit of Refinement
Allow readmissions to trigger new episodes	Inpatient readmissions in the 30-day post-discharge period of an episode excluded from initiating new episodes	Inpatient readmissions in the 30-day post-discharge period of an episode initiate new episodes	Increases number of episodes for which a provider can be scored; aligns the incentives of the measure during readmissions
Add new indicator variable in the risk adjustment model for readmissions	Not included as readmissions are excluded	Added to the risk adjustment model	Accounts for the differences in expected costs for episodes that are triggered by readmissions to ensure that a hospital is not unfairly penalized
Change in measure score calculation methodology	Measure score: sum of total observed costs divided by the sum of total expected costs across all episodes attributed to a hospital (ratio of sums)	Measure score: average episode ratio of observed costs divided by expected costs across the population of attributed episodes for a hospital (mean of ratios)	(i) Slightly increases measure reliability with minimal score changes (ii) Imposes equal weights to each hospital's attributed episodes (iii) Minimizes the impact of outlier episodes

Hospital VBP and Hospital IQR Program Goals

By measuring cost of care through the MSPB Hospital measure, CMS hopes to increase the transparency of care for consumers and recognize hospitals that are involved in the provision of high-quality care at lower cost to Medicare.

- Under the ***Hospital IQR Program***, CMS collects data from hospitals paid under IPPS, with the goal of driving quality and cost improvement through measurement and transparency by publicly displaying data.
- The ***Hospital VBP Program*** is intended to assess hospitals' efficiency and resource use and encourage hospitals and clinicians to improve the quality of inpatient care provided to all patients and adjusts Medicare payments to reward hospitals based on the care they deliver.

MSPB Hospital Measure Goals

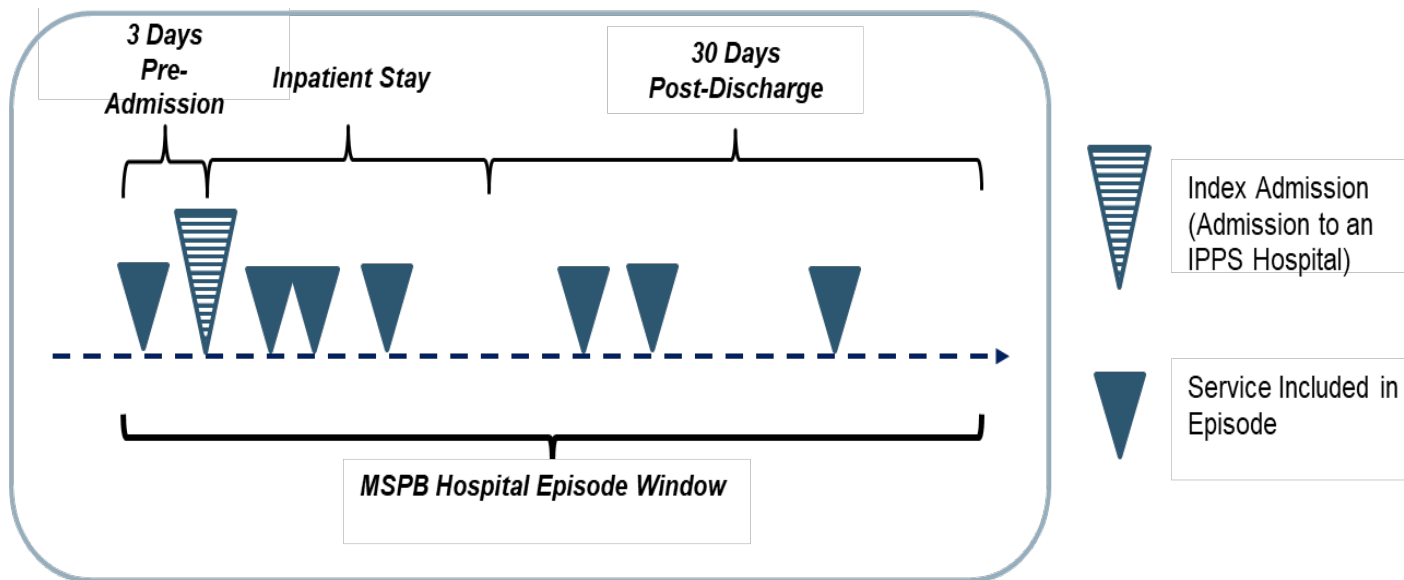
In conjunction with other Hospital VBP Program quality measures, the MSPB Hospital measure aims to:

- Incentivize hospitals to coordinate care.
- Reduce system fragmentation.
- Improve efficiency.

The subsequent slides describe the methodology and calculation of the MSPB Hospital measure in the *Hospital VBP Program*.

MSPB Hospital Measure Methodology

The MSPB Hospital measure is a claims-based measure that includes price-standardized payments for all Part A and Part B services provided from three days prior to a hospital admission (index admission) through 30 days after the hospital discharge.



MSPB Hospital Measure Definitions

- An MSPB episode is the period three days prior to an IPPS hospital admission (also known as the “index admission”) through 30 days post-hospital discharge.
- The following are hospital admissions **not** considered as index admissions:
 - Admissions which occur within 30 days of discharge from another index admission
 - Acute-to-acute transfers
 - Episodes where the index admission claim has \$0 payment
 - Admissions having discharge dates fewer than 30 days prior to the end of the performance period

MSPB Hospital Measure Definitions

$$\text{MSPB Measure} = \frac{\text{MSPB Amount}}{\text{National Episode-Weighted Median MSPB Amount}}$$

MSPB Amount:

Sum of a hospital's standardized, risk-adjusted spending across all the hospital's eligible episodes divided by the number of episodes

MSPB Measure:

A hospital's MSPB Amount divided by the episode-weighted median MSPB Amount across all hospitals

- Normalized MSPB Amount so median MSPB measure equals 1.0

MSPB Hospital Measure Interpretation

- An MSPB measure that is less than 1.0 indicates that a given hospital spends less than the national median MSPB Amount across all hospitals during a given performance period.
- Better performance on the MSPB measure for a hospital would be observed as a lower MSPB measure value.

MSPB Hospital Measure

Included and Excluded Populations

- **Included beneficiaries are:**
 - Enrolled in Medicare Parts A and B from 90 days prior to the episode through the end of the episode.
 - Admitted to subsection (d) hospitals.
- **Excluded beneficiaries:**
 - Are enrolled in Medicare Advantage.
 - Have Medicare as the secondary payer.
 - Died during the episode.

MSPB Hospital Measure Calculation Steps

1. Standardize claims payments.
2. Calculate standardized episode spending.
3. Calculate expected episode spending.
4. Winsorize expected values.
5. Calculate residuals.
6. Exclude outliers.
7. Calculate MSPB Amount for each hospital.
8. Calculate MSPB measure.
9. Report and use MSPB Hospital measure for the Hospital VBP Program.

Step 1: Standardize Claims Payments

- Standardize spending to adjust for geographic differences and payments from special Medicare programs that are not related to resource use (e.g., graduate medical education).
- Maintain differences that result from healthcare delivery choices such as:
 - Setting where the service is provided
 - Specialty of healthcare provider who delivers the service
 - Number of services provided in the same encounter
 - Outlier cases
- Full details are available at this ResDAC web page:
<https://resdac.org/articles/cms-price-payment-standardization-overview>

Step 2: Calculate Standardized Episode Spending

Sum all standardized Medicare Part A and Part B claim allowed amounts made during an MSPB episode (i.e., between three days prior to the hospital admission until 30 days after discharge), including the following:

- Patient deductibles and coinsurance
- Claims identified based on the “from date” variable
 - The first day on the billing statement covering services rendered to the beneficiary (or admission date for inpatient claims)

Step 3: Calculate Expected Episode Spending

- Account for variation in patient case mix across hospitals by using a linear regression to estimate the relationship between risk adjustment variables and standardized episode cost (Step 2).
 - Risk adjustment variables include factors such as age, severity of illness, and comorbidity interactions.
 - Severity of illness is measured using indicators that include Hierarchical Condition Categories (HCC) indicators. HCC indicators are specified in the HCC Version 22 model, which accounts for the inclusion of International Classification of Diseases (ICD)-10 codes by mapping to condition categories and ICD-10 codes to condition categories.
- Use a separate regression model for each major diagnostic category (MDC).

Step 4: Winsorize Expected Values

- Winsorize (bottom code) expected spending for extremely low-spending episodes/expected values for each MDC.
 1. Identify episodes that fall below the 0.5 percentile of the MDC expected spending distribution.
 2. Reset the expected spending for these episodes to the expected spending of the episode at the 0.5 percentile.
- Renormalize expected spending so the average expected spending within any MDC remains unchanged.
 - Multiply Winsorized expected spending by the ratio of the average standardized spending level within each MDC and average Winsorized predicted spending level within each MDC.

Step 5 and 6: Calculate Residuals and Exclude Outliers

- Calculate residuals for each episode to identify outliers:
 - Residual = Standardized Episode Spending (Step 2) – Winsorized Expected Episode Spending (Step 4)
- Exclude statistical outlier episodes to mitigate effect of high-cost and low-cost outliers on each hospital's MSPB Hospital measure. Statistical outlier episodes are defined as the following:
 - High-Cost Outlier – Residual falls above 99th percentile of the residual cost distribution
 - Low-Cost Outlier – Residual falls below 1st percentile of the residual cost distribution
- Renormalize expected cost to ensure that average expected cost is the same as the average standardized cost after outlier exclusions.

Step 7: Calculate the MSPB Amount for Each Hospital

- Calculate the risk-adjusted MSPB Amount for each hospital as the ratio of the average standardized episode spending over the average Winsorized expected episode spending multiplied by the average episode spending level across all hospitals.
- For hospital j :

$$MSPB\ Amount_j = \frac{Avg.\ Standardized\ Spending_j}{Avg.\ Winsorized\ Expected\ Spending_j} \times Avg.\ Standardized\ Spending_{all\ hospitals}$$

Step 8: Calculate the MSPB Hospital Measure

The MSPB Hospital measure for each hospital is reported as the ratio of the MSPB Amount for the hospital (Step 7) divided by the episode-weighted median MSPB Amount across all hospitals.

$$\text{MSPB Measure} = \frac{\text{MSPB Amount}}{\text{National Episode-Weighted Median MSPB Amount}}$$

Step 9: Report and Use MSPB Hospital Measure for Hospital VBP Program

- Hospitals with at least 25 episodes will have their MSPB Hospital measure data reported and used for payment purposes under the Hospital VBP Program.
- Hospitals with 24 or fewer episodes will not have their MSPB Hospital measure data used for payment purposes, nor will their data be publicly reported.

Example Calculation: Steps 1–6

- Hospital A has 30 MSPB episodes, ranging from \$1,000 to \$33,000.
- After applying Steps 1–4, one episode had a residual higher than the 99th percentile residual over all MSPB episodes and was excluded in Step 6.
 - Calculate Residuals (Step 5) = Standardized Episode Spending (Step 2) – Winsorized Expected Episode Spending (Step 4)
 - Example Episode Residual = \$33,000 - \$5,500 = \$27,500

Example Calculation: Step 7

Calculate the MSPB Amount for each hospital as the ratio of the average standardized episode spending over the average Winsorized expected episode spending multiplied by the average episode spending level across all hospitals.

$$\text{MSPB Amount}_j = \frac{\text{Avg. Standardized Spending}_j}{\text{Avg. Winsorized Expected Spending}_j}$$

$$\text{Example Hospital MSPB Amount} = \frac{\$9,368}{\$9,964} \times \$9,000 = \$8,462$$

Example Calculation: Steps 8 and 9

- **Calculate the MSPB Hospital measure** as the hospital's MSPB Amount divided by the episode-weighted median MSPB Amount across all hospitals.

$$\text{MSPB Measure} = \frac{\text{MSPB Amount}}{\text{National Episode-Weighted Median MSPB Amount}}$$

$$\text{Example Hospital MSPB Measure} = \frac{\$8,462}{\$9,100} = 0.93$$

- **Report the MSPB Hospital measure.**

Since this hospital has 29 episodes, its MSPB Hospital measure will be used for payment purposes.

- Full details of an example calculation are on QualityNet: <https://qualitynet.cms.gov/inpatient/measures/hvbp-mspb/methodology>

Mike Miller, Hospital Quality Reporting Analytics Team
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Overview of HSRs and Supplemental Files

Overview of HSRs

- During the preview period, hospitals can review the MSPB measure results in their HSR.
- The MSPB HSR includes six tables and is accompanied by three supplemental hospital-specific data files.
 - Tables include the MSPB measure results of the individual hospital and of other hospitals in the state and nation.
 - Supplemental hospital-specific data files contain information on the admissions that were considered for the individual hospital's MSPB Measure and data on the Medicare payments (to individual hospitals and other providers) that were included in the measure.
- As a separate PDF, the HSR User Guide will accompany the HSR and include additional information about the data in the HSRs and supplemental files.

Table 1: Your Hospital's MSPB Measure

MSPB Measure Performance Rate

Displays the individual hospital's MSPB Measure performance rate

Table 1: Your Hospital's VBP Program MSPB Hospital Measure	
HOSPITAL NAME	
Hospital Discharge Period: January 1, 2023 through December 1, 2023	
Your Hospital's MSPB Hospital Measure [a]	
0.89	

Table 2: A Summary of Your Hospital's MSPB Performance

Additional Information About the Individual Hospital's MSPB Performance

Provides the number of eligible admissions and MSPB Amount for the individual hospital, the state, and the nation

Table 2: Summary of Your Hospital's VBP Program MSPB Hospital Performance			
HOSPITAL NAME			
Hospital Discharge Period: January 1, 2023 through December 1, 2023			
Number of Eligible Admissions at Your Hospital [a]	Your Hospital's MSPB Amount [b]	State Average MSPB Amount [c]	U.S. National Average MSPB Amount [d]
1,361	\$22,898.48	\$25,719.66	\$25,461.97

Table 3: A Comparison of Your Hospital's MSPB Performance

Displays the major components (e.g., number of eligible admissions, MSPB Amount, and National Median MSPB Amount) used to calculate the individual hospital's MSPB Measure performance rate

Table 3: Comparison of Your Hospital's VBP Program MSPB Hospital Performance			
HOSPITAL NAME			
Hospital Discharge Period: January 1, 2023 through December 1, 2023			
Performance Overview	Your Hospital	State	U.S. National
Number of Eligible Admissions [a]	1,361	228,140	3,812,515
Average Spending per Episode [b]	\$20,068.62	\$26,185.26	\$25,871.27
MSPB Amount [c] (Avg. Risk-Adjusted Spending)	\$22,898.48	\$25,719.66	\$25,461.97
U.S. National Median MSPB Amount [d]	\$25,847.41	\$25,847.41	\$25,847.41
Hospital VBP Program MSPB Hospital Measure [e]	0.89	1.00	0.99

Table 4: National Distribution of the MSPB Measure

Displays the national distribution of the MSPB measure across all hospitals in the nation

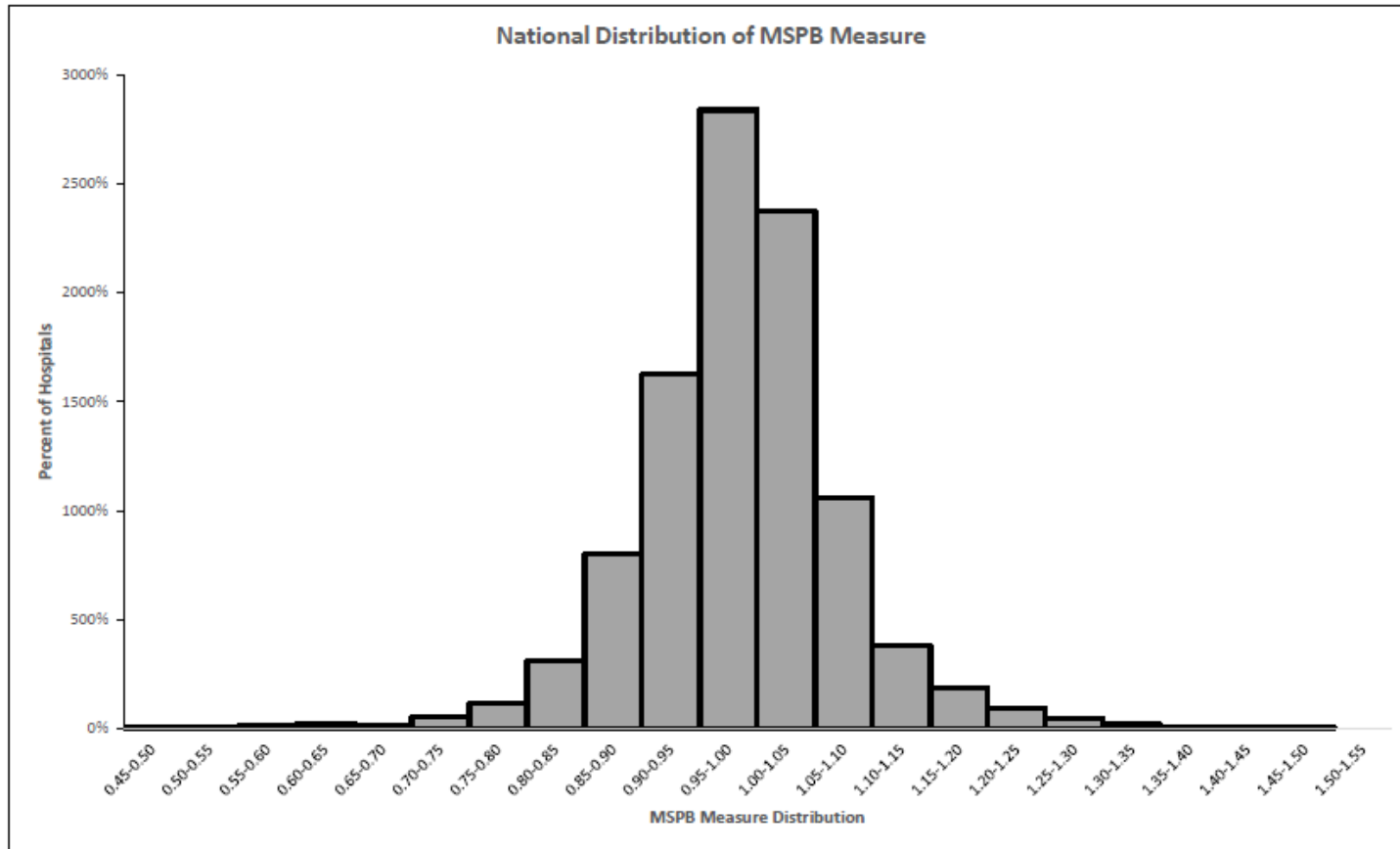
Table 4: National Distribution of the Hospital VBP Program MSPB Hospital Measure by Percentile

HOSPITAL NAME

Hospital Discharge Period: January 1, 2023 through December 1, 2023

Percentile	MSPB Value
5	0.84
10	0.88
25	0.94
50	0.99
75	1.03
90	1.08
95	1.13

Table 4: Graphical Display of National Distribution of MSPB Measure



Overview of Table 5

Spending Breakdown by Claim Type

- This provides a detailed breakdown of the individual hospital's spending for the following time periods:
 - Three days prior to index admission
 - During index admission
 - 30 days after hospital discharge
- Spending levels are broken down by claim type within each of the time periods.
- This compares the percent of total average episode spending by claim type and time period at the individual hospital to the total average spending at hospitals in the state and the nation.

Table 5: Detailed MSPB Spending Breakdown by Claim Type

Table 5: Detailed Hospital VBP Program MSPB Hospital Spending Breakdowns by Claim Type

HOSPITAL NAME

Hospital Discharge Period: January 1, 2023 through December 1, 2023

Claim Type	Hospital Spending Per Episode [d]	Hospital Percent of Spending [e]	State Percent of Spending [f]	U.S. National Percent of Spending [g]
Total 3 Days Prior to Index Admission [a]	\$886	4.4%	3.1%	3.7%
Home Health Agency	\$6	0.0%	0.0%	0.1%
Hospice	\$0	0.0%	0.0%	0.0%
Inpatient	\$0	0.0%	0.0%	0.0%
Outpatient	\$91	0.5%	0.5%	0.7%
Skilled Nursing Facility	\$1	0.0%	0.0%	0.0%
Durable Medical Equipment	\$10	0.0%	0.0%	0.0%
Carrier	\$778	3.9%	2.5%	2.8%
Total During Index Admission [a] [b]	\$11,620	57.9%	53.4%	53.8%
Home Health Agency	\$0	0.0%	0.0%	0.0%
Hospice	\$0	0.0%	0.0%	0.0%
Inpatient	\$10,296	51.3%	47.0%	47.6%
Outpatient	\$0	0.0%	0.0%	0.0%
Skilled Nursing Facility	\$0	0.0%	0.0%	0.0%
Durable Medical Equipment	\$29	0.1%	0.1%	0.1%
Carrier	\$1,295	6.5%	6.3%	6.1%
Total 30 Days After Hospital Discharge [a] [b] [c]	\$7,563	37.7%	43.5%	42.5%
Home Health Agency	\$566	2.8%	2.6%	2.9%
Hospice	\$289	1.4%	0.3%	0.8%
Inpatient	\$2,033	10.1%	10.7%	14.5%

Table 5: Detailed MSPB Spending Breakdown by Claim Type

Percent of Total Average Spending in the Individual Hospital, State, and Nation

A higher percent of spending in the individual hospital than the percent of spending in the state or nation means that for the given category and claim type, the individual hospital spends more than other hospitals in the state or the nation, respectively.

Claim Type	Hospital Spending Per Episode [d]	Hospital Percent of Spending [e]	State Percent of Spending [f]	U.S. National Percent of Spending [g]
Total 3 Days Prior to Index Admission [a]	\$886	4.4%	3.1%	3.7%
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Home Health Agency	\$566	2.8%	2.6%	2.9%
Hospice	\$289	1.4%	0.3%	0.8%
Inpatient	\$2,033	10.1%	10.7%	14.5%
Outpatient	\$1,092	5.4%	3.3%	3.7%
Skilled Nursing Facility	\$2,390	11.9%	20.3%	14.5%
Durable Medical Equipment	\$124	0.6%	0.4%	0.5%
Carrier	\$1,070	5.3%	5.7%	5.7%

Overview of Table 6

Spending Breakdown by MDC

- Provides a breakdown of the individual hospital's average actual and expected spending for an MSPB episode by MDC
- Compares the individual hospital's average actual and expected spending to state and national average actual and expected spending

Table 6: Detailed MSPB Spending Breakdown by MDC

Table 6: Detailed Hospital VBP Program MSPB Hospital Spending Breakdowns by Major Diagnostic Category (MDC)

HOSPITAL NAME

Hospital Discharge Period: January 1, 2023 through December 1, 2023

MDC	Description	Hospital Average Spending per Episode	Hospital Average Expected Spending per Episode	State Average Spending per Episode	State Average Expected Spending per Episode	U.S. National Average Spending per Episode	U.S. National Average Expected Spending per Episode
0	Pre-MDC‡	--	--	\$150,413	\$141,233	\$141,529	\$132,886
1	Nervous System	\$20,202	\$23,770	\$28,104	\$27,644	\$27,697	\$27,467
2	Eye	--	--	\$17,160	\$16,400	\$16,300	\$16,186
3	Ear, Nose, Mouth, and Throat	\$18,006	\$19,113	\$16,958	\$16,891	\$17,079	\$17,076
4	Respiratory System	\$17,188	\$18,582	\$22,057	\$21,557	\$21,476	\$21,557
5	Circulatory System	\$19,973	\$20,786	\$26,505	\$26,498	\$25,797	\$25,932
6	Digestive System	\$17,912	\$19,061	\$20,502	\$20,570	\$20,063	\$20,137

Table 6: Detailed MSPB Spending Breakdown by MDC

Spending in the Individual Hospital's State and Nation
 Average spending values for the state and for the nation (e.g., if the individual hospital has a higher value in Column D than in Column H, its patients have a higher expected spending level than the nation for that given MDC).

Table 6: Detailed Hospital VBP Program MSPB Hospital Spending Breakdowns by Major Diagnostic Category (MDC)

HOSPITAL NAME

Hospital Discharge Period: January 1, 2023 through December 1, 2023

MDC	Description	Hospital Average Spending per Episode	Hospital Average Expected Spending per Episode	State Average Spending per Episode	State Average Expected Spending per Episode	U.S. National Average Spending per Episode	U.S. National Average Expected Spending per Episode
0	Pre-MDC‡	--	--	--	--	\$85,952	\$80,640
1	Nervous System	\$35,250	\$20,074	\$21,342	\$20,324	\$21,667	\$21,391
2	Eye	--	--	\$11,502	\$12,234	\$13,603	\$13,577
3	Ear, Nose, Mouth, and Throat	--	--	\$11,234	\$12,342	\$13,043	\$13,090
4	Respiratory System	\$14,585	\$16,444	\$16,324	\$15,565	\$16,902	\$16,985
5	Circulatory System	\$19,053	\$17,422	\$16,533	\$17,200	\$20,999	\$21,216
6	Digestive System	\$6,605	\$11,700	\$8,000	\$9,200	\$16,516	\$16,641

Overview of Supplemental Hospital-Specific Data Files

Each HSR is accompanied by three supplemental hospital-specific data files:

1. Index Admission File: Presents all inpatient admissions for the individual hospital in which a beneficiary was discharged during the period of performance
2. Beneficiary Risk Score File: Identifies beneficiaries and their health status based on the beneficiary's claims history in the 90 days prior to the start of an episode
3. Episode File: Shows the type of care, spending amount, and top five billing providers in each care setting for each MSPB episode

Reviewing Your FY 2025 Hospital VBP Program MSPB HSR

Questions

Contacts for Questions

You can submit questions regarding measures, HSRs, and the Hospital VBP Program through the [Question and Answer Tool on QualityNet](#). Include your hospital's six-digit CCN for all questions and use the following program and topic selections when submitting questions through the tool.

Question Topic	Program Selection	Topic Selection
MSPB Measure Methodology	Inpatient Claims-Based Measures	Medicare Spending Per Beneficiary (MSPB) > Measure Methodology
Data or Calculations in the HSR	Inpatient Claims-Based Measures	Medicare Spending Per Beneficiary (MSPB) > Question about Results
Review and Correction Request	Inpatient Claims-Based Measures	Medicare Spending Per Beneficiary (MSPB) > Review & Correction Request
Request to Resend an HSR	Inpatient Claims-Based Measures	Medicare Spending Per Beneficiary (MSPB) > Request for HSR
Hospital VBP Program, COVID-19 Exception, and Individual ECE Requests	HVBP – Hospital Value Based Purchasing	General Information (Hospital VBP Program)

If you experience issues accessing your HSR from the HQR System or requesting and reviewing your HARP permissions, contact the CCSQ Service Center at QNetSupport@cms.hhs.gov or (866) 288-8912.

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