

Medicaid Quality Incentive

LAN Conference

June 14, 2015



Washington State Hospital Association

Washington State
Health Care Authority¹

Presenters



Carol Wagner, RN
Senior Vice President, Patient Safety
Washington State Hospital Association

Thank You

- Vision and drive for quality incentive

Rep. Eileen Cody



Today's Presentation

- History of the Medicaid Quality Incentive
- Guiding Principles
- Measures selection
- Factors to consider
- Learnings
- Questions



History

- First Medicaid Quality Incentive was passed by the Washington State Legislature in 2010
- Among the first in the country
- Tied to the Hospital Safety Net Assessment
- Significant quality improvements occurred



Medicaid Quality Incentive July 1, 2015

- The program is included in the Hospital Safety Net Assessment legislation
- 49 percent of eligible hospitals earned an incentive payment in FY 2015



Guiding Principles

- Measures must be:
 - ✓ Evidence based
 - ✓ Consistent with national measures where possible
- Methodology for earning incentives:
 - ✓ Recognize some measures may not be appropriate to specialty, pediatric, psychiatric, or rehabilitation hospitals
 - ✓ Represent real improvement in quality
 - ✓ Designed so hospitals can earn incentive payments if performance is at or above the benchmark
 - ✓ Consistent with areas Washington hospitals are working on



Process for Selecting Measures

- ✓ Clinical experts from hospitals provided guidance for measure development
- ✓ Final selection by HCA

Payment Increases

- One percent inpatient Medicaid increase for non-critical access hospitals
- Acute general and pediatric hospitals
 - ✓ Receive increase across services based on overall hospital performance
- Behavioral health hospitals and units
 - ✓ Increase based on behavioral health measures



Funding for Incentives

- Quality incentive provided to all qualifying Washington hospitals
- No partial increases
 - ✓ Hospitals receive either zero or one percent increase



Selected Measures

Acute, Rehabilitation, and Pediatric Services

- Infection Prevention
- ER is for Emergencies
- Safety
- Readmissions
- Safe Deliveries
- Behavioral Health



Incentive Payments

- All non-Critical Access Hospitals have the opportunity to earn one percent incentive based on their results
- Critical Access Hospitals are encouraged to participate in improvement efforts, but cannot receive incentive payments

Hospitals with high points will be recognized.
Includes critical and non-critical access hospitals.

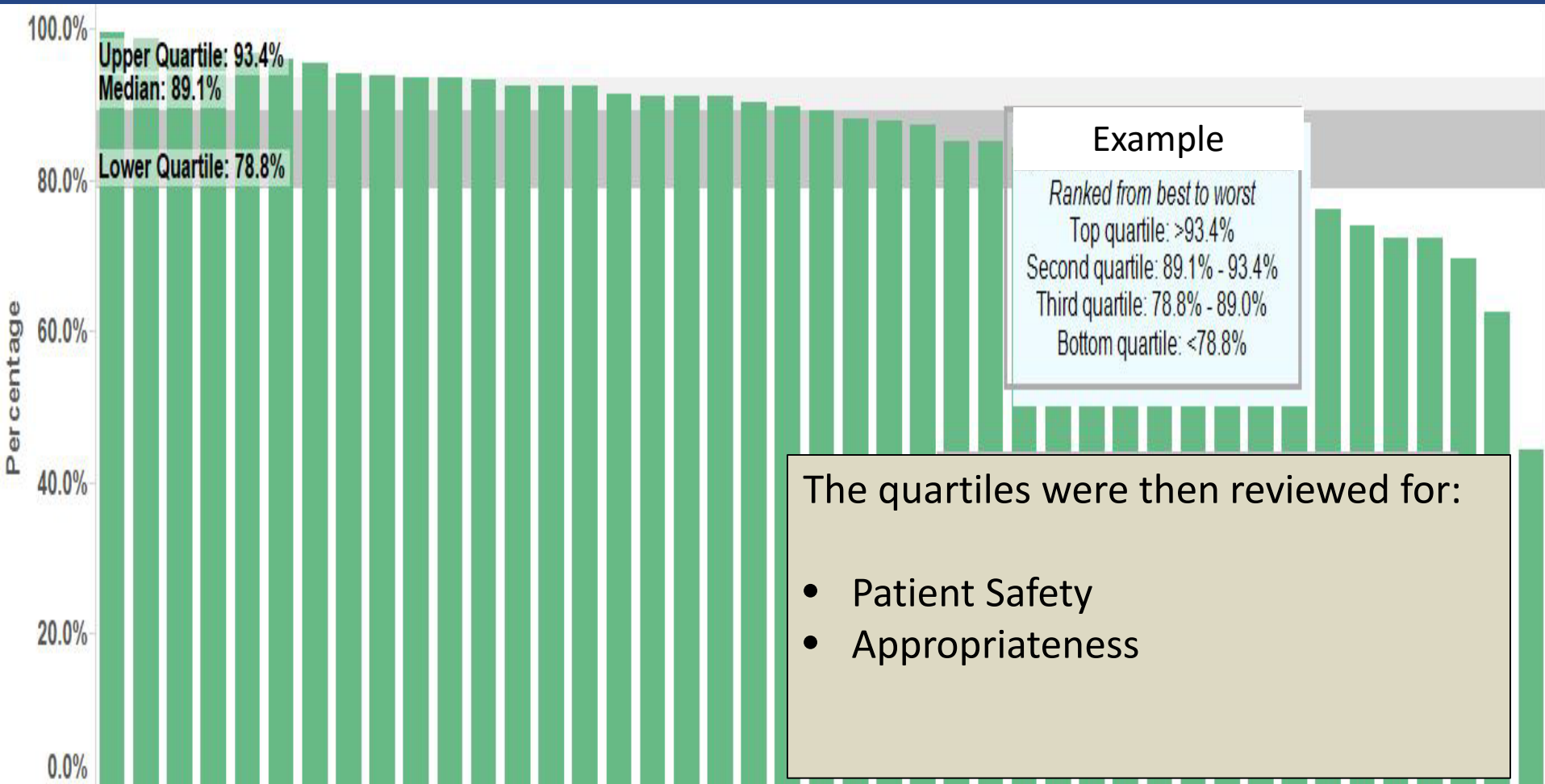


Incentive Methodology

- Current results used to set improvement goals
 - ✓ Hospital data were arrayed in quartiles based on prior performance
- Points awarded for each quartile
 - ✓ For each measure, hospitals can earn 10, 5, 3, or 0 points
 - ✓ Points averaged across all applicable measures
- Hospitals receiving an average score of 5 or above receive the increase



Methodology Example



Safe Tables: Improving Care and Achieving Excellence for Incentive

- Sharing best practices
- Learning together



Questions?

Carol Wagner, RN - CarolW@wsha.org