

TALKING POINTS
QUESTIONS & ANSWERS

ESRD QUALITY INCENTIVE PROGRAM

Q. What are the new regulations CMS is finalizing?

A. CMS has finalized its plans for a new Quality Incentive Program for Medicare's End-Stage Renal Disease (ESRD) providers/facilities. The program will provide a financial incentive for ESRD providers/facilities to meet or exceed national performance standards on specified quality measures. The ESRD Quality Incentive Program (QIP) will mark the first federal value based purchasing program for Medicare and is intended to drive improvements in quality of care for Medicare ESRD patients.

Q. When will the new QIP be effective?

A. The new QIP performance period is calendar year 2010, and will apply to payments for dialysis services furnished on or after January 1, 2012.

Q. What is Medicare's role relative to ESRD?

A. The Social Security Amendments of 1972 extended Medicare coverage to individuals who require dialysis or transplantation. Section 1881 of the Social Security Act gives the Secretary, DHHS the authority to prescribe health and safety requirements (also known as conditions) for ESRD facilities that participate in Medicare. There are currently over 336,000 ESRD patients in the United States who are covered by the Medicare program. That number is expected to continue to increase.

Q. Why is CMS establishing a new Quality Incentive Program (QIP) for ESRD?

A. CMS developed this program in accordance with section 153(c) of the Medicare Improvements for Patients and Providers Act (MIPPA). The QIP is the next step in the evolution of the ESRD quality program; simply reporting measures is no longer an option and measurement data will be actively used to determine provider/facility level of reimbursement.

Q. What quality measures has CMS included in the QIP? Why?

A. Initially, CMS will use two quality measures related to anemia and one for dialysis adequacy. Because anemia is highly prevalent in the ESRD population and dialysis adequacy is critical to effective ESRD care these measures will assess the core of effective management of ESRD patient care. For many ESRD patients, the kidney loses its ability to secrete a hormone that stimulates the production of red blood cells, which results in anemia. Red blood cells contain hemoglobin that carries oxygen to all parts of the body. Low hemoglobin levels below 10g/dL (grams per deciliter) can lead to other serious adverse health outcomes for ESRD patients such as increased hospitalizations, need for transfusions, and mortality. The anemia measures relate to patients with a hemoglobin value of less than 10 g/dL as well as those whose hemoglobin values are greater than 12 g/dL. Patients with hemoglobin levels above 12 g/dL suffer increased cardiovascular complications, and therefore the hemoglobin level should be maintained between 10-12 g/dL for ESRD patients. Often hemoglobin levels above 12g/dL is a result of over-aggressive treatment with certain medications particularly erythropoietin stimulating agents (ESAs) which while useful, can cause adverse effects if over used. The Food and Drug Administration released guidance documents in 2008 recommending that hemoglobin levels be maintained between 10-12g/dL. The anemia management measures allow for evaluating a provider/facility's adherence to clinical guidelines.

The dialysis adequacy measure reports the percentage of in-center hemodialysis. Medicare patients treated by a provider/facility who had enough wastes and excess fluid removed from their blood during dialysis. More specifically, the measure is the percentage of Medicare patients with urea

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reduction ratio (URR) levels of 65 percent or more. Inadequate dialysis is associated with increased avoidable hospitalizations. These measures reflect basic clinical measures related to dialysis care as the program matures CMS intend to implement additional measures.

Q. How will the QIP inform and empower beneficiaries?

A. Beneficiaries will be able to make a more informed decision about choosing a dialysis facility. Beneficiaries and their families will be able to assess the performance of their current or planned facility and compare the performance of that facility against a national average. The scoring methodology is straight-forward and yields easily understood numbers which allow beneficiaries to rank facilities based on their performance on the quality measures.

Q. Will the QIP improve the quality of care for dialysis patients?

A. The QIP is intended to provide financial incentive for providers/facilities to improve quality of care delivered to their patients. While most facilities will likely meet or exceed the national standards for the measures, those that do not will receive a payment reduction from CMS.

Q. How will CMS ensure that dialysis facilities comply with the new QIP?

A. Financial penalties will be the result for those facilities that do not meet national standards. As required by MIPPA, the ESRD QIP would reduce ESRD payments by up to 2 percent to dialysis providers and facilities that fail to meet or exceed a total performance score, which is composed of the two anemia scores and the dialysis adequacy score.

Q. What kinds of data will be used to determine a facility's QIP score?

A. Data will be obtained from reimbursement claims submitted to CMS by dialysis providers.

Q. Will the QIP increase the financial burden on dialysis facilities?

A. The QIP is not expected to increase the administrative or financial burden on providers since it will be using the claims system currently in use. Providers currently submit claims on a monthly basis in order to get reimbursed for the dialysis care provided to Medicare patients. Any future systems for data collection will carefully consider any impacts that data submission might have on providers.

Q. How will the public be informed of a facility's performance score for the ESRD QIP?

A. Measures performance data will be made available to the public through the Dialysis Facility Compare website, which allows dialysis patients and others to review and compare characteristics and quality information on dialysis providers and facilities in the United States. In addition, MIPPA requires each provider/facility that receives a QIP certificate to display it prominently in patient areas.

Q. How can I find out more information about the QIP?

A. CMS will be undertaking an extensive outreach and education campaign to assure that all renal stakeholders understand the QIP's provisions. One important element of this campaign will be a new QIP-specific website from www.cms.gov. As soon as the new site is available, we will let ESRD NWS know. For now, information about the QIP is online at www.cms.gov/esrdqualityinits.