



# Quality and Accountability Program Follow-Up Stakeholder meeting

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# Agenda

- Meeting Objectives
- Stakeholder Engagement
- Stakeholder Input from October Meeting
  - Use of stakeholder input
  - Quality Indicators
  - Scoring
  - Supplemental Payments
- Discussion

# Meeting Objectives

- Respond to the stakeholder comments received at the October 29 meeting and through subsequent emails.
  - Provide clarification or answers to questions
  - Discuss potential revisions
  - Identify items for the 2011 discussion

## How We Got Here

- Analyzed quality indicators for use
  - Data source, integrity, and validity
  - Prevalence rates and baselines
- Examined existing incentive programs
  - Measures and methods used
  - Strengths or weaknesses in programs
- Reviewed quality measure documentation
- Held stakeholder meetings
- Proposed program recommendations

# Stakeholder Engagement

- This process has followed a path of multiple stakeholder engagements
- AB 1629 Workgroup
- AB 1629 Workgroup recommendations informed development of the proposal
- Stakeholder input influenced changes to the trailer bill proposal
- The current process is important to identify what can be done this year and what must be considered next year

# Stakeholder Input from October Meeting

- Stakeholder comments represent different perspectives
  - Consumer advocates
  - Nursing home representatives
  - Labor representatives
- No consensus
- Summarized and grouped comments by common theme

# Program Philosophy and Considerations

- The philosophy is unchanged
- Performance determines payments
- Higher quality merits higher payments
- Payments are easy to understand
- Improve quality among low performers

# Quality Indicators

Law identifies high priority indicators to measure facility quality as a basis to award supplemental payments.

## Indicators:

- Staffing
  - Nursing Hours per Patient Day (NHPPD)
  - Direct Care Staffing Retention (if sufficient data are available)
- Physical Restraints
- “Facility Acquired” Pressure Ulcers (PUs)
- Immunizations
- Patient/Family Satisfaction

## Stakeholder Comments: Staffing

- Will CDPH count contracted staff in the 3.2 NHPPD?
- The 24 day audit for compliance with the 3.2 NHPPD is not a representative sample of the one year time period.
- Concerns about audit software
- Indicators should include more Comprehensive Staffing measures

# Stakeholder Comments: Quality Indicators

- Indicators should include Olmstead Compliance
- Indicators should include Chemical Restraints

## Next Steps: New Quality Indicators

- Hold ongoing meetings and conference calls with stakeholders on new indicators
- Review available data sources, results of pilots studies, and validation of data
- HSAG contract, in process, to provide recommendations on new indicators that includes stakeholder input

# Stakeholder Comments: Data Collection

- How will we collect the data: portal or use CMS MDS data?
- Transition from 2.0 to 3.0 may cause timing delays and data voids
- How will we address facilities with too few beds for statistical validity?
- How will we capture “facility acquired” data for pressure ulcers?
- How do we address that residents’ determination of satisfaction is different from clinicians and advocates?

# Scoring

- Principles remain the same
- Measure facility quality of care using a comparable point system
- Each indicator worth a set point value
- Facilities have to be at the highest percentiles to receive points

# Stakeholder Comments: Scoring

- Some favor different values for performance measures
- Others favor equal weighting of performance measures
- Immunization includes both Flu and Pneumococcal. Is each worth half value?
- Exclude data from SNFs not participating in Medi-Cal

# Scoring

- Graduated Scoring for Above-Average Staffing
  - Staffing levels are likely to have a normal distribution (a bell-shaped curve).
- Flat Scoring for other Measures Above-Average
  - These indicators have a skewed distribution (not bell-shaped).
  - The small differences in scores (1% or 2%) do not justify graduated scoring, e.g. current Physical Restraints statewide average of 6%.

# Scoring

- Values: Total of 100 Points
  - Staffing at 35 Points
  - MDS Measures: Total of 55 Points
    - Physical Restraints - 18.33 Points
    - Pressure Ulcers - 18.33 Points
    - Immunizations
      - Flu and Pneumococcal, 9.16 Points each- 18.33 Points
  - Consumer Satisfaction at 10 Points
- Percentile Qualification
  - Rank all Total Scores
  - Must be in top 20<sup>th</sup> Percentile to Qualify

# Qualification for Payments

- Principles remain the same
- Qualification is based on facility scores
- Must achieve the highest percentiles to qualify for payments

# Stakeholder Comments: Payment Methods

- Some prefer the flat payment over the incremental payment
  - Flat Payment : same amount per MCB
  - Incremental Payment: highest percentile receives the highest amount per MCB
- Some prefer payments for each performance measure over payments for a total score
- Provide a reward mechanism for outstanding performers.

# Stakeholder Comments: Payment Methods

- Methodology should be flexible enough to establish annual award criteria that use stratified scores coupled with fund allocation to meet program intent
- Model the payment distribution to match the available funding to a set number of SNFs
- DHCS should direct pay the supplemental payments associated with managed care days

# Payments

- Incremental Payments by Percentile
  - 80% up to 90% as the First Increment
  - 90% and above as the Second Increment
  - Those in the second increment get 20% more.

# Stakeholder Comments: Payments to Outlier Facilities

- Supplemental payments will provide funding to facilities that discriminate against Medi-Cal residents
- Proportionately lower payments for those with lower MCBDs may not encourage quality improvement
- Is there a cut-off of MCBDs?

## Stakeholder Comments: Receipt and Use of Supplemental Funds

- Facilities with citations should not receive supplemental payments
- DHCS should mandate use of the funds for services and supports to benefit residents and improve quality

# Stakeholder Comments: Timing and Source of Supplemental Payments

- When will DHCS make the supplemental payments?
- Are the supplemental payments retroactive?
- Is the General Fund a source of the supplemental payments?

# Improvement

- Facilities with low rates may have very little incentive to improve quality
- Measuring improvement can be done by comparing performance to baseline data.
- Low performing facilities that most improve their quality receive payments.

# Stakeholder Comments: Payments for Improving Performance

- Limit this payment to the first year unless the data prove effective in improving performance
- Concerned that payments will go to facilities with below state average scores.
- Limit payments to only those facilities that improve to meet federal/national averages
- Establish allocation for improvement payments prior to implementation
- Payments should be sufficient to improve quality among low performers; need to set goals

# **DISCUSSION**

**Facilitated by Monique Parrish,  
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