Value Based Purchasing Program Analysis Training Video

Version 1

Hello and thank you for listening. Today we will be going over DataGen's Value-Based Purchasing analysis that you receive through your State Hospital Association or corporate health system. For those who are not familiar, DataGen is a for-profit subsidiary of the Healthcare Association of New York State that analyzes Medicare fee-for-service reimbursement for providers throughout the country.

The Value Based Purchasing analysis, or VBP for short, evaluates a hospital's performance on the Inpatient Prospective Payment System VBP program and can be used to identify where performance improvement is needed and also budget for potential loses based on the most recent data available. The analysis can also be used to track if improvement efforts between performance years improved hospital scores.

It is important to note that analysis of the upcoming program year does not use the actual data CMS will use to calculate final VBP scores and Medicare inpatient payment redistributions. This data will not be publicly available until on or around the date that the official program adjustments are implemented.

In general, historical data from Care Compare are used for the VBP baseline periods and the most recent data from Care Compare are used for the VBP performance periods. In some cases, the data periods analyzed between this analysis and the actual program match; in others, the best available proxy is used.

The Performance Scorecard tab of the analysis compares two years of actual VBP performance to estimates of the potential impact for the upcoming program year, using the most recent data available from the CMS Care Compare website. The top portion of the tab shows measure specific performance in a graph and table. The filters on the left can be used to change the year the graph shows, or the domain that the graph and table show. Within the graph, you can hover over each bar to see the measure performance detail.

The table below the graph shows individual measure performance, calculated measure scores, and estimated impacts. Estimated impacts are provided to indicate where a hospital may want to focus attention in order to improve VBP scores.

Similarly, the next table below displays individual domain scores and estimated domain impacts so a hospital can see where improvement may be needed.

Performance is trended using red or green up and down arrows indicating if performance improved or declined between two periods. For some measures or domains a lower score is better, and for others a higher score is better. Therefore a red arrow indicates worsening performance while a green arrow indicates improvement. The arrows throughout the report compare the column to the left of the arrow to the previous year.

The linear exchange function graph is displayed below the domain table. For this graph the purple VBP payment percentage line is the distribution of scores of all hospitals. The blue vertical line represents the hospital's total performance score. The point where the blue and purple line intersect is the hospital's individual payment percentage. The vertical yellow line indicates the program's breakeven point, which is the total performance score a hospital must achieve based on the actual programs or the most recent data available to have a $0 impact. This graph can be used for a hospital to see how far their score is from this breakeven point.

© DataGen®, Inc.

The payment calculation section calculates adjustment factors and estimated impacts for a hospital based on the total performance score and the national slope. The detailed calculations of adjustment factors and impacts are represented with corresponding letters.

On the left, the program federal fiscal year filter can be used to change the year of the graph and payment calculation.

Dollars in this analysis are estimated using the most recent release of the Inpatient Prospective Payment System final rule for each FFY.

The Score Calculation tab of the analysis focuses on the upcoming program year and shows all components of the measure and domain score calculations that were used to estimate performance. Below that is a table that ranks domain and total performance scores for a hospital in the state and in the nation. We recommend focusing on the national rank rather than the state rank as VBP is a national program so hospitals will be compared to all hospitals in the country and not just those in their state. It is important for a hospital to improve at the same rate or better than other hospitals in the country in order to perform well in the program and avoid negative impacts. This table also trends domain and total performance scores for each DataGen release of the analysis for the upcoming year. You can use this as a way to gauge how scores, ranks, and impacts are changing with each analysis release.

The third tab of the analysis provides you with definitions for each abbreviation used throughout the analysis, data sources used, timeframes, and other pertinent information.

The last tab provides a table of the time periods analyzed in this analysis compared to the exact time periods that will be evaluated under the actual program by measure and by domain.

When a measure or domain is missing or blank, it represents that either no data is available, or the hospital does not meet case count requirements.

Estimated upcoming year VBP scores, adjustment factors, and all dollar impacts in this analysis may differ slightly from analyses provided by other organizations due to differences in data source and analytic methods.

If you have any questions, please reach out to your State Hospital Association or system representative. Thank you and have a great day.

####

© DataGen®, Inc.