



Advising the Congress on Medicare issues

Uniform outcome measures for post-acute care

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April 5, 2018

Commission's work on a unified post-acute care prospective payment system

- In response to a Congressional mandate, recommended design features of a PAC-PPS
- Follow-up: Implementation issues
 - Level of payment and transition
 - Approach to increase the equity of payments prior to implementing a PAC PPS
 - Sequential PAC stays
 - Alignment of setting-specific regulations
 - Uniform outcome measures

Rationale for uniform PAC outcome measures and how they would be used

- Compare outcome measures across settings
 - Medicare can evaluate the value of its purchases
 - Beneficiaries and providers can compare outcomes
- Monitor provider performance under the PAC PPS
 - Maintain quality of care
 - Ensure appropriate use of PAC and other services
- Develop measures to include in a value-based purchasing policy for all PAC providers

Outline of presentation

- Review findings on cross-setting measures
 - Readmissions during the PAC stay
 - Readmissions during the 30 days after discharge
 - Resource use
- Discuss approaches to increase the accuracy of measures for low-volume providers
- Consider other potential cross-setting measures

MedPAC's readmission measures

- Uniform, risk-adjusted readmission rates for HHAs, SNFs, and IRFs
 - LTCHs excluded because some readmissions can not be detected due to the interrupted stay policy and there was no patient assessment information at the time of the study
- Readmissions during the PAC stay and during the 30 days after discharge
- Measures differ from those developed by CMS
 - Uniform definitions and risk adjustment

Provider-level risk-adjusted rates of readmission, 2014

Measure	IRF*	SNF	HHA	All
During stay				
Potentially avoidable	4.1%	11.3%	15.9%	12.4%
All-cause	12.0	23.9	33.8	26.4
During 30 days after discharge				
Potentially avoidable	5.1	6.1	5.2	5.7
All-cause	12.5	13.2	12.0	12.8

* IRFs are licensed as hospitals so they have more infrastructure to avoid rehospitalizations. Their lengths of stay are also typically shorter than stays in HHAs and SNFs.

Note: Lower rates are better.

Source: Analysis of 2014 PAC claims conducted by Providigm for MedPAC.

Variation in provider-level risk-adjusted readmission rates, 2014

Measure	10th percentile	90th percentile	Ratio 90 th to 10th
During stay			
Potentially avoidable	5.1%	19.9%	3.9
All-cause	14.4	38.8	2.7
During 30 days after discharge			
Potentially avoidable	1.7	9.8	5.8
All-cause	6.7	19.0	2.8

Source: Analysis of 2014 PAC claims conducted by Providigm for MedPAC.

Future uses of uniform readmission measures

- Include uniform PAC readmission rates in the Commission's annual assessment of the adequacy of Medicare's payments
- Include readmission measures in a value-based purchasing policy for PAC, either under current setting-specific payment systems or under a PAC PPS

Resource use: Medicare spending per beneficiary–post acute care (MSPB–PAC)

- Provider-level measure: Program spending under parts A + B during PAC stay plus 30 days
- Focuses provider's attention on:
 - Avoiding unnecessary hospital use
 - Making referrals to necessary care
 - Ensuring safe transitions
 - Discharging beneficiaries to providers with low readmission rates
- Provider incentives are aligned

Example: Alignment of provider incentives during a beneficiary's episode of care

- A beneficiary is first admitted to an IRF and then discharged to a HHA
- Each PAC stay triggers its own episode

Episode #1
an IRF stay

All services
during the IRF
stay

30 days after
discharge

Episode #2
a HHA stay

All services during the
HHA stay

30 days after
discharge

MSPB–PAC by setting

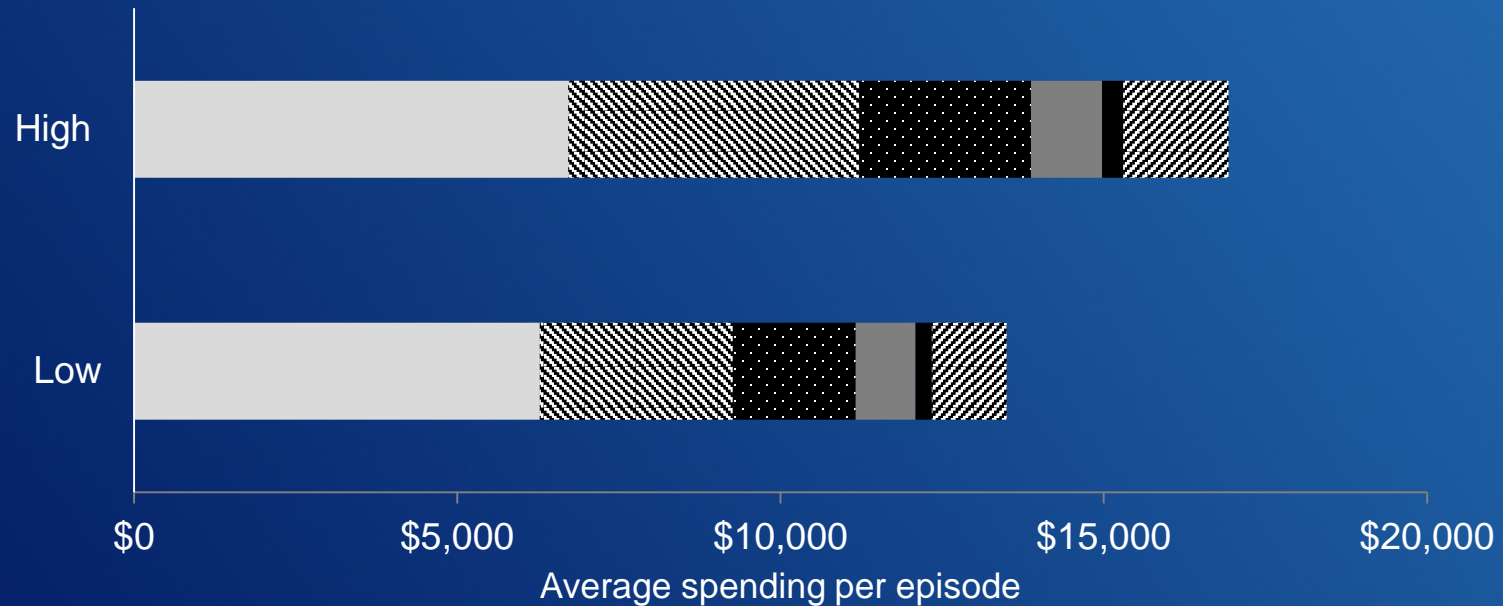
Provider group	10 th percentile	90 th percentile	Ratio 90 th to 10 th percentile
All	0.76	1.28	1.7
HH	0.76	1.17	1.5
SNF	0.75	1.37	1.8
IRF	0.88	1.13	1.3
LTCH	0.91	1.13	1.3

Note: Values less than 1.0 indicates better than average performance; values greater than 1.0 indicate worse than average performance. Episodes began with PAC stay between April 1, 2014 through March 31, 2015.

Source: Analysis conducted by the Urban Institute for MedPAC, 2018.

Data are preliminary and subject to change

Spending for providers with high and low MSPB-PAC



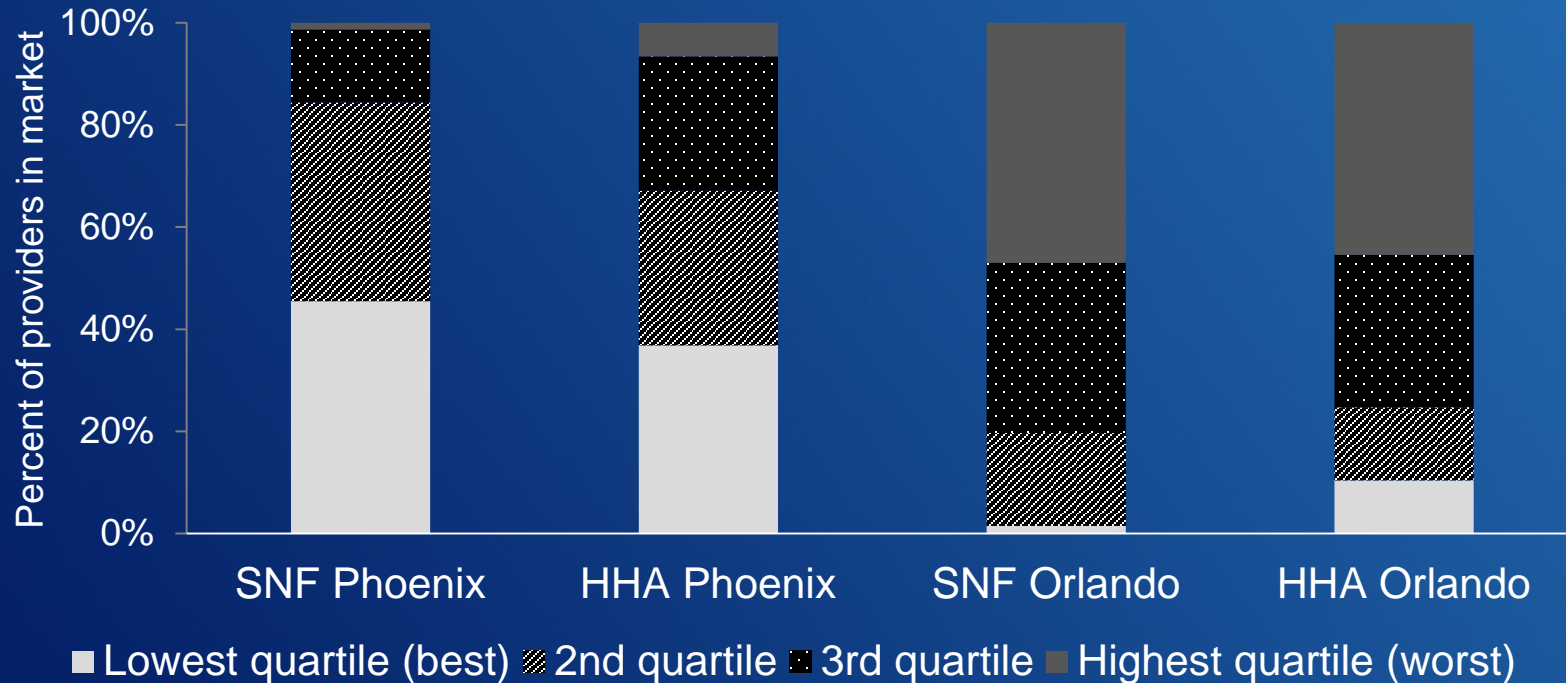
■ Initial PAC ■ Other PAC ■ Hospital ■ Fee schedule ■ Ancillary ■ Other

Note: Episodes began with PAC stay between April 1, 2014 through March 31, 2015. “Low” and “high” are defined as having a MSPB-PAC in the top or bottom quartile for each setting. Spending was standardized but not risk-adjusted.

Source: Analysis conducted by the Urban Institute for MedPAC, 2018.

Data are preliminary and subject to change

Comparison of national rankings of SNFs and HHA MSPB–PAC in Phoenix and Orlando



Note: Episodes began with PAC stay between April 1, 2014 through March 31, 2015. Quartiles were based on national distribution of MSPB-PAC by setting. Source: Analysis conducted by the Urban Institute for MedPAC, 2018. Data are preliminary and subject to change

Ensuring measures are accurate and reliable

- *Accurate*: The reported value is a fair representation of a provider's performance
- *Reliable*: The measure can distinguish *between* providers' performances
- Accuracy and reliability capture different dimensions of a measure and do not necessarily go hand-in-hand. Both increase with more observations.
- Setting minimum observation counts for calculating a measure involves judgement

Strategies to help ensure measures are accurate and reliable

- Before selecting a measure, evaluate if there is enough variation across providers to distinguish them
- Once selected, evaluate the minimum counts to ensure a measure is accurate and reliable
- For small providers:
 - Pool data over multiple years
 - Pool data across providers

Options for other uniform outcome measures for PAC

- Claim-based, risk-adjusted uniform PAC measures:
 - Discharge to community
 - Combined measure of potentially preventable *admissions* and readmissions
 - Number of days between leaving home and returning after a hospitalization and/or PAC
- Patient experience: Explore an instrument to be used by PAC users
- Other?

Discussion

- Strategies to increase accuracy of measures:
 - Pool data across years
 - Pool data across providers
- Possible measures to develop:
 - Discharge to community
 - Avoidable ***admissions*** and readmissions
 - Number of days between leaving home and returning after a hospital stay and/or PAC
 - Patient experience
 - Other?