




Commonwealth of Massachusetts
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MassHealth
Nursing Facility Bulletin 129
December 2008

TO: All Nursing Facilities Participating in MassHealth
FROM: Tom Dehner, Medicaid Director 
RE: **MassHealth Nursing Facility Pay-for-Performance Program**

Background

The Executive Offices of Health and Human Services and Elder Affairs are committed to value-based purchasing and the development of initiatives that improve the quality of services provided to MassHealth members. This bulletin announces the Nursing Facility Pay-for-Performance Program (NF P4P Program) for MassHealth-participating nursing facility providers.

A Pay-for-Performance nursing facility advisory committee was created to ensure stakeholder input into the planning and development process. The NF P4P Program advisory committee is comprised of individuals who possess specific knowledge of the needs of nursing facility residents, and the care delivery issues that nursing facilities encounter in meeting those needs. Members of the advisory committee included representatives from nursing facilities, the Massachusetts Extended Care Federation, the Massachusetts Aging Services Association, the MassHealth Offices of Long Term Care and Clinical Affairs, the Massachusetts Department of Public Health, and the Massachusetts Division of Health Care Finance and Policy (DHCFP).

Vision, Values, Goals, and Objectives

The intent of this program is to reward nursing facilities for excelling in, or improving the quality of, services they provide to MassHealth members.

Values embedded within the program's design include the following.

- a primary focus on nursing facility residents;
 - the promotion of equitable care for all MassHealth members residing in nursing facilities;
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***Vision, Values, Goals,
and Objectives***
(cont.)

- holding nursing facilities responsible for the quality of services provided to their residents by using appropriate measures that determine quality care;
- the selection of measures with proven efficacy and on which nursing facilities are capable of reporting;
- providing nursing facilities with information about the P4P Program, including the program structure, specifications of measurement, measures and benchmarks, and the payment system;
- collaboration in the design and development of the P4P Program with nursing facilities, other knowledgeable individuals, and across EOHHS agencies; and
- obtaining the best value for the money spent.

The primary goals and objectives of the program include the following.

1. Improve the quality of services delivered to MassHealth members

- Create specific numeric targets for improved performance on the facility's process and clinical measures;
- Periodically recalculate benchmark measures to continually improve the quality of services provided to MassHealth members.

2. Improve compliance with clinical guidelines

- Expand the number of clinical measures included in the P4P Program.
- Periodically recalculate benchmark measures to continually improve the quality of care provided to MassHealth members.

3. Develop capacity to monitor and ameliorate health disparities

- Explore the possibility of including P4P measures related to health disparities.
- Work with internal MassHealth stakeholders to improve the collection of racial and ethnic data.

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NF P4P Program Design

Performance Measurement

Included in the P4P Program design are three domains of measurement: clinical, facility process, and quality-of-life measures.

- Performance measures are principally consistent with nationally accepted measures collected and reported by entities such as CMS Nursing Home Compare (NHC) and the Advancing Excellence Campaign;¹
- are relevant, scientifically valid, and feasible;
- cover areas needing improvement; and
- include a mix of clinical, process, and quality-of-life measures.

The NF P4P Program will initially use the following two sources of facility-specific performance data:

- data to be collected via a nursing facility process survey; and
- the clinical measures data posted to NHC.

Facility Process Measures

The facility process measures that will be included are

- fall-prevention programs;
- mobility programs;
- staff retention;
- transition planning to the community; and
- transition planning with acute hospitals.

A comprehensive nursing facility process survey will be developed and administered in early 2009, to obtain information and data on facility-process measures.

Clinical Measures

The clinical measures that will be included feature both preventive and chronic care measures. The clinical measures are a subset of the clinical measures included in NHC. For the first year of the NF P4P Program, the clinical measures selected are as follows.

- residents vaccinated for the influenza season, October 1 through March 31;
- residents with an up-to-date pneumococcal vaccination;

¹ Nursing Home Compare contains a set of measures developed and reported by CMS, which provides information or quality indicator performance of Medicaid-certified nursing homes. The nursing home quality measures are calculated using resident assessments routinely collected from nursing home residents at specified intervals. These measures are recognized as the national set of quality indicators for nursing homes. Organizations such as Advancing Excellence use these quality measures to help consumers recognize quality care.

- low-risk residents who have pressure sores;
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NF P4P Program Design

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- residents who were physically restrained; and
- residents with a urinary tract infection.

Attachment A contains detailed specifications developed by CMS on each of the above-listed measures.

NHC will be the source of performance ratings for each clinical measure. In the first year of the program, each eligible facility's baseline-performance rate on each clinical measure will be the rating contained in the October/November 2008 NHC quarterly update. In order to be eligible to participate in the NF P4P Program, a nursing facility must have a sufficient number of residents who meet the eligibility criteria for inclusion in the measures' denominator. The minimum number of residents for the denominator for each measure is 30.

Benchmarks

A nursing facility's performance on the clinical measures will be measured against a benchmark for each measure. The benchmark for the NF P4P clinical measures will be provided by CMS using Massachusetts-specific NHC data. In the first year of the NF P4P Program, the benchmark for each clinical measure will be the 75th percentile rate.

This benchmark will be updated in future years, based on the selected clinical measures and nursing facility performance. Benchmarks in the first year, for the selected clinical measures will be calculated using these specifications and will be provided to each facility in early 2009.

Program Components

This bulletin informs providers of the facility-specific performance data MassHealth intends to use in the NF P4P Program. While the precise formulaic process for determining performance-based payments will be contained in a future DHCFP regulation, MassHealth expects the requirements in the first year of the NF P4P Program to include the following components.

- MassHealth expects to reward facilities that have met the minimum threshold for participation, which is full completion and return of the 2009 facility process survey and supporting documentation. In subsequent years, MassHealth expects to use findings from an annual facility process measures survey to determine improvement during that particular year over the baseline survey data.
 - MassHealth expects to reward facilities for performance on the clinical measures if their facility's performance rate for a specific measure meets or exceeds the state benchmark **or** if the facility's performance rate demonstrates improvement over their prior year's rate, or improvement from the median rate of all nursing facilities to the benchmark, whichever is greater.
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Program Components
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- MassHealth plans to use minimum data set (MDS) data for determining achievement on the clinical measures. Specifically, MassHealth plans to use updated rates from NHC from the third calendar quarter of each year, dependent on the measure specifications. Subject to appropriation, MassHealth expects to issue incentive payments in the third quarter of each state fiscal year.
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**Provider
Communications
and Training Timelines**

In the early part of 2009, nursing facilities will be receiving from the MassHealth Office of Long -Term Care the benchmark levels for each clinical measure benchmark level and their facility-specific baseline rates.

The MassHealth Office of Long -Term Care will also be conducting statewide trainings for nursing facilities on the NF P4P Program and will administer the facility process survey.

Questions

If you have any questions about the information in this bulletin, please contact MassHealth Customer Service at 1-800-841-2900, e-mail your inquiry to providersupport@mahealth.net, or fax your inquiry to 617-988-8974.

Specifications for Clinical Measures

Residents Vaccinated for the Influenza Season (October 1 through March 31)

Clinical Rationale

Serious flu-related illness and death are most commonly seen among the elderly. Nursing facility residents are particularly vulnerable to influenza, which can spread rapidly in a residential facility housing elderly individuals.

Several studies have examined the health and economic benefits of influenza vaccination among the elderly. One study (Monto et al., 2001) found that the influenza vaccine was effective in reducing respiratory illness, including pneumonia, among elderly nursing home residents. A 2002 analysis (Nichol et al., 2002) provided further evidence that vaccinating healthy persons between 65 and 74 years of age is highly cost effective and substantially reduces the risk of hospitalization and death.

(Source: CMS National Quality Measures Clearinghouse)

Residents with an Up-to-Date Pneumococcal Vaccination

Clinical Rationale

Studies found that pneumococcal vaccination is effective in preventing serious types of pneumonia. Although there is less evidence to support the conclusion that the vaccine prevents mortality, recent population studies have shown a reduction in mortality. A prospective cohort study assessed the effectiveness of the 23-valent polysaccharide pneumococcal vaccine (PPV) in elderly persons and persons with a high risk of infection and found that the PPV effectively prevented pneumococcal pneumonia, decreased the rates of overall pneumonia, and resulted in a significant 59% reduction in the risk of death due to pneumonia among vaccinated subjects. A meta-analysis found that polysaccharide pneumococcal vaccination of adults was effective in reducing invasive pneumococcal disease by 53%.

(Source: CMS National Quality Measures Clearinghouse)

Low-Risk Residents Who Have Pressure Sores

Clinical Rationale

Pressure sores may be painful, take a long time to heal, and cause other complications such as skin and bone infections. Nursing facilities can reduce the frequency of pressure sores by frequently changing the resident's position, ensure proper nutrition, and use soft padding to reduce pressure on the skin to help prevent or treat pressure sores. Some residents may get pressure sores even when the nursing facility provides good preventive care.

(Source: CMS National Quality Measures Clearinghouse)

Residents Who Were Physically Restrained

Clinical Rationale

Restraints should only be used when they are necessary as part of the treatment of a resident's medical condition. Only a doctor can order a restraint. Restraints should never be used to punish a resident or to make things easier for the staff. Facilities are not allowed to use restraints based solely on a family's request, unless there is a documented medical need and a doctor's order. Residents who are restrained daily can become weak, lose their ability to go to the bathroom by themselves, and develop pressure sores or other medical complications.

(Source: CMS National Quality Measures Clearinghouse)

Residents With a Urinary Tract Infection

Clinical Rationale

Most urinary tract infections (UTI) can be prevented by keeping the area clean, emptying the bladder regularly, and drinking enough fluid. Nursing facility staff should make sure the resident has good hygiene. Finding the cause and getting early treatment of a UTI can prevent the infection from spreading and becoming more serious or causing complications like delirium. It is important to find out whether the UTI is caused by a physical problem, like an enlarged prostate, so proper medical treatment can be given.

(Source: CMS National Quality Measures Clearinghouse)

Nursing Facility (NF) Pay-for-Performance Program Frequently Asked Questions

Q. What are the components of the NF Pay-for-Performance (P4P) Program?

A. The NF P4P Program includes the following two components:

- a nursing facility survey; and
- clinical measures.

To participate in the NF P4P Program, qualifying nursing facilities must complete and return the nursing facility survey with the required documentation. Only qualifying nursing facilities would be eligible to participate in the clinical indicator portion of the NF P4P Program, if the qualifying nursing facility has sufficient numbers of members in the clinical indicator categories.

Q. How does my facility participate in this program?

A. To participate in the NF P4P Program, nursing facilities must complete and return the nursing facility survey with the appropriate documentation. Completing the survey qualifies the nursing facility to be eligible to participate in the clinical indicator portion of the NF P4P Program, if the qualifying nursing facility has sufficient numbers of members in the clinical indicator denominator.

To be eligible for a clinical indicator incentive payment, a qualifying nursing facility must have a sufficient number of residents who meet the eligibility criteria for inclusion in the measures' denominator. The minimum number of members for the denominator for each indicator is 30.

Q. What are the NF P4P clinical measures?

A. The clinical measures are as follows:

- residents vaccinated for the influenza season, October 1 through March 31;
- residents with an up-to-date pneumococcal vaccination;
- low-risk residents who have pressure sores;
- residents who were physically restrained; and
- residents with a urinary tract infection.

The Office of Long Term Care will use rates from Nursing Home Compare for a nursing facility's performance on the clinical measures.

The denominator and numerator for the clinical measures will use the rates calculated by CMS for Nursing Home Compare.

Q. Do the clinical measures apply only to residents covered by MassHealth?

A. No. The measures in Nursing Home Compare contain rates based on all residents regardless of payer. The MassHealth Office of Long Term Care's use of the rates from Nursing Home Compare will not differ, and includes all residents, not just those covered by MassHealth.

Q. How will my facility be paid?

- A. It is anticipated that the facilities participating in the NF P4P Program would be paid using an incentive payment structure that will be approved by the Division of Health Care Finance and Policy, recognizing high performance and quality improvement. The NF P4P incentive payments will be designed as follows.
- **Survey** – In the first year of the program, the incentive payments would recognize survey completion. This would allow the Office of Long Term Care to collect baseline data that will be used in subsequent survey administrations. The incentive payment structure beyond the first year would be based on the content of the nursing facility's responses to the survey. Additional details about subsequent administrations of the survey will be available in the future.
 - **Clinical Measures** – It is expected that the incentive payments would be calculated on a per diem basis. Qualifying nursing facilities would either meet or exceed benchmark indicators for one or more of the clinical measures, or demonstrate improvement over a period of time relative to the benchmark. It is expected that there will be different incentives for different clinical measures in a single year. Additional information about the incentive payment structure will be available in the future.

Q. Where can I find information about my baseline rate and benchmarks?

- A. Information on a nursing facility's baseline rate and benchmarks for the clinical measures will be sent to them in early 2009.

Each qualifying nursing facility's responses on the initial survey comprise the baseline data for that nursing facility.

Q. Who should complete the nursing facility survey and how long does it take to complete?

- A. Various office staff within a facility may participate in completing the survey, depending on the structure of the facility. The amount of time it takes to complete the survey may vary based on the amount of information provided with the survey.

More information about the administration of the survey will be available in the future.

Q. Will there be any meetings or trainings about the program?

- A. The MassHealth Office of Long Term Care is interested in scheduling a meeting or training on the Pay-for-Performance Program in early 2009. More information about the meeting or training will be available once meeting or training dates are set.