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Quality Measures in Home Care: How Can We Prepare?

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Quality measurement in home healthcare and hospice is evolving quickly as our healthcare system reorients toward value. The Triple Aim serves as the national framework for value: better care, better health, and lower cost. On January 26, 2015, the Department of Health and Human Services (HHS) set goals for more aggressively shifting the Medicare program from a volume-based to a value-based payer. It seeks to align 85% of Medicare fee-for-service (FFS) payments to performance by the end of 2016, reaching 90% by 2018. It also intends to transition at least 30% of all FFS payments to alternative payment models, such as shared savings and bundles, by the end of 2016, reaching 50% by the end of 2018 (HHS, 2015). HHS has asked state Medicaid programs, commercial insurers, and other payers to align their targets for value-based payment with the Medicare Program. These are ambitious goals, and you may be asking what this means to home healthcare and hospice providers.

Performance measurement for home healthcare agencies and hospices is underdeveloped. Home healthcare agencies report on 27 process, outcome, utilization, and patient experience of care measures. These measures are posted publically on the Home Health Compare Web site. The Centers for Medicare and Medicaid Services (CMS) also collects data for risk-adjusted measures related to 11 potentially avoidable events. Significant gaps remain. Many of the home healthcare measures are based on self-reported data such as the Outcome and Assessment Information Set (OASIS). They do not fully capture the activities of home healthcare providers (e.g., stabilizing patients or slowing their decline), and do not align to performance measures for similar activities in other settings. Hospice providers have even fewer validated performance measures and none are reported publically.

The *Improving Medicare Post-Acute Care Transformation* (IMPACT) Act mandates new measures for home healthcare that align with other postacute care (PAC) providers and accelerates performance measurement for home healthcare providers. In addition to comparing quality across postacute settings, standardized data will be used for PAC payments. New measures for PACs include functional status, skin integrity, medication reconciliation, incidence of major falls, and the accurate communication of health information and care preferences when a patient is transferred. Additionally, resource use such as total Medicare spending per beneficiary, discharge to community, and risk-adjusted hospitalization rates of potentially preventable admissions and readmissions will be included (CMS, 2014).

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New payment models will also drive measure development as payment and performance become more directly linked. CMS is considering a value-based payment demonstration project for home

healthcare providers in 2016. Although currently under development, CMS indicated in the 2015 final home healthcare payment rule that participating home healthcare agencies that meet minimum performance standards and perform better than their peers could be eligible for incentive payments (Federal Register, 2014). Agencies that perform poorly will be penalized through a reduced payment rate. We anticipate that CMS will release a final proposal via rulemaking later this year.

Similarly, both home healthcare agencies and hospice providers are increasingly participating in Accountable Care Organizations (ACOs) and bundled payment initiatives. These new payment models base a portion of payment on providers' performance. Home healthcare agencies and hospice providers will need to demonstrate their value in order to be included in these networks and to be eligible for financial rewards. For example, home healthcare agencies will begin receiving "Star Ratings" as a component of the Home Health Compare tool on Medicare.gov this summer. We expect that payers, ACOs, and bundled payment conveners will look to the Star Ratings as a condition for inclusion in narrow network products that seek to contract with only the highest value providers. Indeed, some ACOs have already alerted home healthcare agencies that they must receive three or more stars to be included in the ACO's network.

Home healthcare and hospice providers have some clues as to the focus of new performance measures. CMS (2013) has six main priorities: (1) Making care safer, (2) Ensuring that patients and families are engaged, (3) Promoting effective communication and coordination of care, (4) Promoting the most effective prevention and treatment practices, (5) Working with communities to promote wide use of best practices, and (6) Making quality care affordable. Typical measurement domains from existing CMS value-based purchasing programs align with these goals and include: (1) Clinical process of care, (2) Health outcomes, (3) Experience of care, (4) Efficiency, (5) Care coordination, (6) Patient safety, (7) Preventive health, and (8) At-risk populations.

Although the details are still being worked out, home healthcare agencies and hospice providers should be preparing their organizations for the changes associated with the increasing role of quality measurement and reporting. These include:

1. Start with the measures that currently exist, including patient experience of care, and know how your organization performs, where it needs to improve, and look for variance in performance within the organization;
2. Evaluate the best practices that you will need to incorporate into your organization to improve your score on those measures and minimize performance variation;
3. Consider what organizational changes you may need to make in order to incorporate these practices and how you might engage staff;
4. Discuss performance measurement with representatives from Medicaid, commercial payers, ACOs, and bundled payment conveners in your region. Find out their priorities and where your organization may be able to support them in achieving their quality goals; and
5. Continue to evaluate the proposed changes from CMS and the National Quality Forum.

The train is in motion and we in home care need to anticipate and prepare for this fast moving ride to a healthcare system that incorporates value-based purchasing and alternate payment models to be successful in the future. ⌂

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