

CMS's Clinical Quality Measures a Top Healthcare Priority

By **Jacqueline DiChiara** (<http://revcycleintelligence.com/news/author/jacqueline-dichiara>) on August 25, 2015



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The Centers for Medicare & Medicaid Services (CMS) has contracted with Yale-New Haven Health Services Corporation/Center for Outcomes Research and Evaluation (CORE) and Lantana Consulting Group to develop Overall Hospital Quality Star Ratings for the *Hospital Compare* website. The overarching question remains: is the premise of rating hospitals on a scale of one to five stars the answer to advance the healthcare industry?

As *RevCycleIntelligence.com* reported (<http://revcycleintelligence.com/news/is-cmss-hospital-quality-star-rating-system-non-compliant>), The Center for Regulatory Effectiveness (CRE) recently advised Andy Slavitt, CMS's Acting Administrator, and Patrick H. Conway, MD, MSc, CMS's Acting Principal Deputy Administrator for Innovation and Quality, via a July 8 letter to make a variety of needed changes to maximize the Star Rating System's overall effectiveness.



Echoing this letter's statements, CRE recently sent written comments to CMS's contractors on the Star ratings via an August 14 letter stating that even contractors are indeed subject to the Paperwork Reduction Act (PRA) and the Data Quality Act (DQA).

Especially worthy of note is the fact the support contract award dollar amount for developing health quality ratings is **\$800 million**. (https://www.fbo.gov/?s=opportunity&mode=form&tab=core&id=1538e24c6e17ce62bbb0fe4d1e67937d&_cview=0)

Says Bruce Levinson, CRE's Senior Vice President of Regulatory Intervention, to *RevCycleIntelligence.com*, "The \$800 million goes well beyond the Hospital Compare project but is for health care quality measures. Since the \$800 million refers to a single

albeit massive contract, it does not include the value of the other federal resources being expended on star ratings, such as the time of the officials working on it."

CRE explains Star Ratings concerns to CMS

In an earlier chat with *RevCycleIntelligence.com*, (<http://revcycleintelligence.com/news/cre-backs-reform-process-of-cms-hospital-star-ratings-system>) Levinson confirmed support for the Star Ratings system as an "ideal type of regulation in the sense that it's a market-based alternative to command and control regulation." Nonetheless, Levinson anticipated a series of serious pitfalls hindering the healthcare industry. For instance, physicians' ratings may be incentivizing cardiologists to avoid difficult cases and not practice to their potential in an effort to keep ratings high. Additionally, it is possible physicians and nurses will be less likely to address lifestyle factors with patients to keep ratings from dropping, said Levinson.

According to its August letter addressed to CMS contractors, CRE states CMS has a legal obligation to develop the star ratings in compliance with such regulations as well as requirements of the Medicare Act and the Administrative Procedure Act. CRE references a letter from the Department of Health and Human Services (HHS) sent in response to a Request for Correction under the DQA filed by CRE additionally informs the World Health Organization (WHO) "the process lacked a high degree of transparency, and the data and analytic results contained within the Report were not subject to formal, independent, external peer review, among other criteria."

According to a synopsis of the contract, "Under multiple task orders, the contractors will assist CMS in developing, testing, refining, revising, maintaining, implementing, and publically reporting quality healthcare-specific measures. The development and use of clinical quality measures remains a critical healthcare priority and the tool of choice for improving quality of care at the national, community and facility levels." Levinson notes the contract includes many additional contractors.

CRE recommends the Yale-New Haven Health Services Corporation / Center for Outcomes Research and Evaluation and the Lantana Consulting Group address the following steps:

- Ensure that the collection of data used in developing the ratings was collected in accordance with the PRA and has an OMB Control Number.
- Ensure that all of the work you perform is reproducible by qualified third parties and publicly disclose for comment the data sets and documentation necessary for third-parties to conduct such verification.
- Work with CMS to develop a peer review plan for the analytical components of the program, designating the program as "highly influential" (HISA), and in sponsoring an independent, expert, external peer review in accordance with the OMB/OIRA peer review requirements.

"The public is being shut out of CMS's massive health care quality ratings projects. CMS's decision to bury requests for public comments on its website, avoiding the Federal Register and the Regulations.gov docket system, limits the ability of consumers and patient advocates to participate in the technical process of developing the ratings," says Levinson. "Because comments are not made publicly available, public oversight of the agency's star ratings projects is being quashed."

CMS discusses star ratings in August 13 teleconference

According to information presented during CMS's recent teleconference (<https://www.cms.gov/Outreach-and-Education/Outreach/NPC/Downloads/2015-08-13-Star-Ratings-Presentation.pdf>), although five-star ratings are both commonly used and easily recognizable, *Hospital Compare*'s information can prove both technical and intimidating for the average healthcare consumer.

"Patients and consumers have reacted favorably to other CMS star ratings efforts," claimed Kate Goodrich, MD, MHS, CMS's Director of Quality Measurement and Value-Based Incentives Group, during the teleconference.

Star ratings will evolve as various measure are either added or removed, stated Arjun Venkatesh, MD, MBA, MHS, Director of ED Quality and Safety Research and Strategy at Yale School of Medicine. "Current public reporting requirements result in heterogeneity in the number and types of measures reported by different hospitals," maintains Venkatesh, additionally confirming currently implemented measures may not portray "all" of hospital quality.

According to CMS, the majority of hospitals will fall into a three-star cluster – five stars being the maximum and one star being the minimum – which may prove confusing for patients and healthcare consumers to clearly comprehend. Over 70 percent (2,615) hospitals fall into the three-star cluster, confirms CMS. Only 17 hospitals (0.1 percent) fall into the five-star category. Similarly, 5 hospitals (0.1 percent) are categorized with one star.

In light of such information, the initial question remains: is the premise of rating hospitals on a scale of one to five stars the answer to advance the healthcare industry? Time will tell as more advancements and progressions manifest themselves as the healthcare industry continues to wish upon a star.

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