

## Department of Health Care Services Plan

### Quality and Accountability Supplemental Payment (QASP) Scoring Methodology- Three-Tiered with Improvement Scoring

Senate Bill 853 (Chaptered 717, Statutes of 2010) codified the Quality and Accountability Supplemental Payment Program (QASP). The program's intent is to encourage and incentivize Skilled Nursing Facilities (SNF) to implement quality improvements. The program uses concrete indicators of quality to incentivize improvement benefiting not only Medi-Cal patients, but all SNF patients. Medi-Cal is the payer for two thirds of the SNF days in California and can be used as a driver for quality of care improvement.

This document presents the Department of Health Care Services' final direction on how the supplemental payment scoring will be calculated.

*Please note that facility scores and payment calculations are based on proposed methodologies that are pending State Plan Amendment approval. Bed day payment amounts reflected below are for illustrative purposes only and are tentative, pending final staffing audit determinations and A/AA citation determinations. Final amounts for State Fiscal Year (SFY) 2013 will be developed in early 2014.*

#### **Three Tiered Scoring**

100 Points will be divided among the measurements with point values distributed for each quality indicator. Facilities that meet the benchmark as set at the statewide average would receive half the points allocated for a measure, while those meeting the 75<sup>th</sup> percentile would get the full allocation. Facilities receive an overall quality of care score when points from each of the quality measures are totaled. Facilities must score at least 50 points to be eligible for QASP payments. Facilities receiving 66.67 points or above receive 1 1/2 times the payout as those in the lower tier.

Incentive Payments	Ineligible	Tier 1	Tier 2	Tier 3	Tier 2 & Tier 3 Totals
Total Payout	<b>\$38,700,000</b>				
Total Payout Amount per Tier	Ineligible	Does Not Qualify	\$19,192,003.97	\$19,507,996.03	\$38,700,000
Points Needed to Earn Incentive or Percentile for Improvement Payments	Ineligible	Below Tier 2 qualifying points (<50.00)	= or > Tier 2 qualifying points (>=50.00) but < Tier 3 qualifying points (< 66.670)	= or > Tier 3 qualifying points (>=66.670)	
SNF's Qualifying for Incentive (or Not Qualifying)	190	478	227	205	432
Payout per MCBBD	\$0.00	\$0.00	\$4.88	\$7.32	
Total MCBBDs per Tier	2,471,517	10,431,971	3,933,293	2,665,369	6,598,662
Average MCBBDs per Facility	23,316.20	21,824.21	17,327.28	13,001.80	
Average Payout per SNF	\$0.00	\$0.00	\$84,546.27	\$95,160.96	

All facilities were included in calculating the benchmark and 75th percentile. No points were awarded for meeting the 3.2 Nursing Hours Per Patient Day (NHPPD) requirement; however, facilities not meeting the NHPPD will not receive a QASP payment.

### Improvement Scoring

Another component of the QASP program is the improvement scoring. A pre-determined amount (i.e. 10% of \$43 Million = \$4.3 Million) is set aside for facility improvement from the baseline year. Improvement scoring provides incentive to facilities to improve quality, from the previous year, which is consistent with the legislative intent of the QASP program. It also would be in line with national initiatives. CMS provides improvement scoring in their Nursing Home Value Based Payment Demonstration.

Below is an example of the improvement scoring methodology DHCS is adopting;

10 Facilities Ranked by Improvement (20<sup>th</sup> Percentile Line):

(Method: Subtract Baseline from Current Score equals Improvement)

Scores:	<u>Current Score</u>		<u>Baseline</u>	=	<u>Improvement Score</u>	
<b>Facility A</b>	<b>65</b>	<b>minus</b>	<b>45</b>	<b>=</b>	<b>20</b>	<b>Receives</b>
<b>Facility B</b>	<b>44</b>	<b>minus</b>	<b>25</b>	<b>=</b>	<b>19</b>	<b>Payment</b>
<b>Facility C</b>	<b>52</b>	<b>minus</b>	<b>35</b>	<b>=</b>	<b>17</b>	
<b>Facility D</b>	<b>50</b>	<b>minus</b>	<b>34</b>	<b>=</b>	<b>16</b>	<b>Does</b>
<b>Facility E</b>	<b>56</b>	<b>minus</b>	<b>42</b>	<b>=</b>	<b>14</b>	<b>not</b>
<b>Facility F</b>	<b>49</b>	<b>minus</b>	<b>35</b>	<b>=</b>	<b>14</b>	<b>Receive</b>
<b>Facility G</b>	<b>46</b>	<b>minus</b>	<b>33</b>	<b>=</b>	<b>13</b>	<b>Payment</b>
<b>Facility H</b>	<b>64</b>	<b>minus</b>	<b>51</b>	<b>=</b>	<b>13</b>	
<b>Facility I</b>	<b>48</b>	<b>minus</b>	<b>36</b>	<b>=</b>	<b>12</b>	
<b>Facility J</b>	<b>67</b>	<b>minus</b>	<b>57</b>	<b>=</b>	<b>10</b>	

QASP payments will be made to eligible facilities by April 30, 2014.

If you have any questions about the QASP scoring/payment methodology, please forward them to [AB1629@dhcs.ca.gov](mailto:AB1629@dhcs.ca.gov)