

ESRD Disease Management Demonstration

Quality Incentive Payment

The following is an overview of the details of the Quality Incentive Payment Method for the ESRD Disease Management Demonstration.

CMS withholds five percent of the MA risk-adjusted ESRD capitation payment rate for a quality incentive payment for participants in the ESRD Disease Management demonstration. Organizations will be able to earn back withheld payment through the achievement of two types of performance targets for each quality measure, an improvement target and a national target.

Organizations will be able to earn all or part of the five percent withheld for quality by meeting or exceeding performance targets. They must meet performance targets for four clinical indicators (adequacy of hemodialysis, anemia management, serum calcium, and serum phosphorus) each counting for one percent of the capitation payment. Meeting the performance targets for two clinical indicators (patients with catheters and patients with AV fistula) each count for one-half of one percent.

Clinical Indicators

For determining the quality incentive payment, CMS will use the following clinical indicators:

1. Adequacy of Hemodialysis

Percent of patients with $spKt/V \geq 1.2$

2. Anemia Management

Percent of patients with Hgb ≥ 11 g/dL

3. Albumin-Corrected Serum Calcium (Calcium_{alb})

Percent of patients with Albumin-Corrected Serum Calcium < 10 mg/dL

4. Serum Phosphorus

Percent of patients with Serum Phosphorus < 6 mg/dL

Vascular Access

5. Percent of patients with catheter in use (Not including catheters used while a fistula (AVF) or graft (AVG) is maturing, or catheters in place less than 90 days).

6. Percent of patients with AV Fistula in use

There are two types of performance targets for each of the six clinical indicators, each counting for one-half of the amount of payment accounted for by the

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indicator, the improvement target and the national target. There is a specific **threshold percent** defined for each clinical indicator that will be used in the calculation of both targets.

Indicator	2006	2007	2008	2009
spKt/V \geq 1.2	92%	92%	95%	95%
Hgb \geq 11 g/dl	85%	85%	90%	90%
Calcium _{Alb} < 10 mg/dl	90%	90%	95%	95%
Phosphorus < 6 mg/dl	65%	65%	70%	70%
Catheter (%)	15%	15%	12%	12%
AVF (%)	45%	50%	55%	60%

Improvement Target

The **improvement target** is calculated as:

Percent of patients in the six-month period in the prior year meeting clinical indicator + (10 percent * [*threshold percent* – percent of patients in six-month period in the prior year meeting clinical indicator]).

National Target

The **national target** is calculated as:

Lower Limit of 95% confidence interval of the National percent of patients meeting clinical indicator + (10 percent * [*threshold percent* – lower limit of 95% confidence interval of the national percent of patients meeting clinical indicator]).

For this calculation, the lower limit of the 95% confidence interval of the national percent of patients meeting the clinical indicator in the formula will be used for all measures except for catheters, which will use the upper limit of the 95% confidence interval.

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Reconciliation Methodology

Five percent of the total payments made to the organization are withheld and included in the reconciliation. The total payments are calculated as the sum of the monthly plan payment made by CMS to the plan during January - June and July - December each year. The quality data are submitted from the participating organizations within 30 days of the end of each 6 month period. After receipt of the data, Arbor Research, CMS' Implementation contractor, validates the data and performs the payment incentive calculation in collaboration with CMS.

Measurements pertaining to patients during their initial 4 months of enrollment will not be used to determine if the quality incentive is earned. Once a patient has been enrolled for 4 months, patient's monthly measurements will be included in all subsequent calculations pertaining to the organizations' meeting the performance targets. The calculations exclude home hemodialysis patients, patients whose usual prescribed dialysis schedule is other than three times a week, transplant patients and peritoneal dialysis patients. Improvement and national target comparisons are made at the organization or service area level, not at the facility or patient level (this determination is to be made by the organization). The minimum enrollee requirement for calculation of incentive payment is 30 patients.

For each 6 month period, the demonstration's performance on each clinical indicator is compared to the appropriate improvement and national target to determine if the performance incentive is earned.