

## Definitions Based on Estimated Payment Percentage Summary Report

- **Achievement Points** – the number of points awarded (from 0–10) for each measure or dimension based on where the hospital’s performance period rate falls on the achievement range, defined as the range from the achievement threshold to the benchmark. Achievement points are calculated for each Clinical Process measure and Patient Experience dimension.
- **Achievement Threshold (Achievement Performance Standard)** – the 50<sup>th</sup> percentile rate of all hospitals’ performance for a measure or dimension during the baseline period. This is the starting point for the achievement range, which is used to determine a hospital’s achievement points for each measure or dimension. A hospital whose performance during the performance period is greater than the achievement threshold on a measure or dimension will be awarded achievement points.
- **Baseline Rate (Baseline Period Rate)** – a hospital’s performance rate for a measure or dimension during the baseline period. The rate is based on the numerators and denominators for each measure or dimension in the baseline period. The rate is calculated by dividing each measure or dimension’s denominator by its numerator.
- **Baseline Time Period** – the time period used to establish the performance standards (i.e., thresholds and benchmarks) for a given program year.
- **Benchmark** – the mean of the top decile of all hospitals’ performance for a measure or dimension during the baseline period. This is the ending point for the achievement range, which is used to determine a hospital’s achievement points for each measure or dimension. A hospital whose performance during the performance period is greater than the benchmark on a measure or dimension will be awarded the full 10 achievement points.
- **Clinical Process of Care Domain score** – the sum of a hospital’s measure scores (i.e., the higher of improvement or achievement) for the Clinical Process of Care domain. This score is considered “unweighted” until the domain weighting is applied, then it becomes the “weighted” domain score. This presents a hospital’s score for the condition or procedure and is the sum of the measures for that condition or procedure.
- **Condition/Procedure Score** – this presents a hospital’s score for the condition or procedure and is the sum of the measures for that condition or procedure.
- **Denominator** – the number of measure-specific discharges used for quality measure calculations.
- **Domain** – a broad category of measures/dimensions used in evaluating hospitals. The scores for domains are aggregated together and, once weighted, are used to calculate a hospital’s Total Performance Score.
- **Dimension Score** – the score awarded to a hospital for each Patient Experience of Care dimension, based on the greater of the Improvement and Achievement points.
- **Eligible Clinical Process of Care Measures** – the number of measures from the Clinical Process of Care domain where the hospital met the minimum number of cases (10) for at least the minimum number of measures (4).
- **Eligible Hospital** – as defined in Section 1886(o)(1)(C) of the Social Security Act. Pursuant to finalized regulations, hospitals excluded from the Hospital VBP program include: hospitals not paid under the IPPS, hospitals subject to a payment reduction for failure to fulfill requirements under the Hospital IQR program, hospitals cited during a performance period for deficiencies that pose immediate jeopardy to patients’ health or safety, and hospitals that do not meet finalized case and measure minimums as required by the Program.
- **Estimated Percentage Summary Report** – the report sent to hospitals notifying each hospital participating in Hospital VBP of its estimated value-based incentive payment for FY 2013. This report must be sent at least 60 days

## Hospital VBP Report Definitions

before October 1, 2012 and uses a different performance period than CMS will use to compute the Hospital VBP scores for the FY 2013 Actual Percentage Payment Summary Report. The period of performance for the estimated percentage summary report is April 1, 2011 – December 31, 2011.

- **Floor** – the performance of the worst-performing hospital for each Patient Experience of Care dimension. The floor is used to calculate each hospital’s Consistency Score for the Patient Experience of Care domain.
- **HCAHPS Base Score** – one of two components of the Patient Experience of Care domain, this is the sum of a hospital’s scores from the eight (8) Patient Experience of Care dimensions. A hospital can earn a total of 80 points towards their Patient Experience of Care domain.
- **HCAHPS Consistency Score** – one of two components of the Patient Experience of Care domain, consistency points, which range from 0–20; provide an added incentive for hospitals to achieve at least median performance (i.e., the 50<sup>th</sup> percentile) on all eight dimensions of the Patient Experience of Care domain. Consistency Points are awarded based on the single lowest of a hospital’s eight dimensions compared to the floor.
- **Hospital VBP Exclusion** – the hospital did not report minimum measures and/or cases that apply to the hospital for the performance period for the fiscal year under Sections 1886(o)(1)(C)(ii)(III) and 1886(o)(1)(C)(ii)(IV). Excluded hospitals also include those that are defined in the ineligible hospitals definition below.
- **Improvement Points** – the number of points awarded (from 0–9) for each measure or dimension based on where the hospital’s performance period rate falls on the improvement range, defined as the range from the hospital’s performance on that measure or dimension during the baseline period to the benchmark. These are calculated for each Clinical Process measure and Patient Experience dimension.
- **Ineligible Hospital** – a hospital that does not meet the statutory requirements for inclusion in the Hospital VBP Program. Examples include but are not limited to: Critical Access Hospitals, PPS-exempt cancer hospitals, and children’s hospitals.
- **Measure Score** – the score awarded to a hospital for each Clinical Process of Care measure, based on the greater of the Improvement and Achievement points.
- **N/A** – Not applicable or not available. This is displayed in the Value-Based Percentage Payment Summary report to illustrate that the hospital did not provide numerators and denominators for that measure or dimension, and because of that, improvement points, achievement points, domain scores, Total Performance Score, and the incentive adjustment will not be displayed.
- **Normalized Clinical Process of Care Domain Score** – the result of a calculation that only takes into account the measures from the Clinical Process of Care domain that a hospital had the minimum number of cases for. So as not to penalize a hospital that does not meet the minimum number of cases for a particular measure, this calculation includes the points for only those measures that a hospital had the minimum number of cases for, divided by the total possible points from those measures with the minimum number of cases.
- **Numerator** – number of patients that received the specified care on a given quality measure.
- **Patient Experience of Care Domain Score** – the sum of a hospital’s dimension scores (i.e., the higher of improvement or achievement) and its consistency score for the Patient Experience of Care domain. This score is considered “unweighted” until the domain weighting is applied, when it becomes the “weighted” domain score.
- **Performance Rate** – based on the numerators and denominators for each measure or dimension in the performance period. The rate is calculated by dividing each measure or dimension’s denominator by its numerator.

## Hospital VBP Report Definitions

- **Performance Time Period** – the time period used to identify a hospital’s performance rate for a given program year.
- **Total Performance Score** – a calculation of the hospital’s overall performance score based on a weighted total of the hospital’s Clinical Process of Care domain score and the Patient Experience of Care Domain Score.
- **Unweighted Domain Score** – the sum of a hospital’s measure scores for all 12 measures, for the Clinical Process of Care Domain. For the Patient Experience of Care domain, this is the sum of a hospital’s dimension scores for all eight measures and the hospital’s consistency score.
- **Value-Based Percentage Payment Summary Report** – a detailed report that CMS will provide to each IPPS hospital summarizing the hospital’s performance for a specific Hospital VBP program year. The report will provide a hospital with its Total Performance Score, its incentive adjustment (i.e., “the percent of base-operating DRG earned back”), its performance on all Hospital VBP measures and dimensions from the baseline and performance periods, and the Hospital VBP-calculated points for the hospital’s performance on the measures and dimensions.
- **Value-Based Multiplier** – the number that CMS will multiply by the base-operating DRG amount for each discharge at a hospital in FY2013. If this number is greater than 1, then the hospital will have higher FY2013 payments because of its Hospital VBP performance. If this value is less than 1, then the hospital will have lower FY2013 payments due to the Hospital VBP program.
- **Weighted Domain Score** – the result of multiplying a domain’s unweighted domain score by the domain weighting.
- **Weighting** – the percentage assigned to each domain, with the sum of the domain weights totaling 100 percent.