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OASIS Alert

QUALITY IMPROVEMENT ~ P4P Prosperity Requires OASIS Success

Surgical wound status could become more important.

Here is your chance to profit from all the hard work you've put into OASIS accuracy.

Agencies that have improved their OASIS outcomes will be glad to hear that the proposed pay for performance demonstration project will use existing data collection and OASIS quality measures to evaluate performance. And agencies that haven't focused on performance improvement may find it easier to justify putting quality improvement in the budget.

In a **Centers for Medicare & Medicaid Services'** Dec. 13 special Open Door Forum on the upcoming home health P4P demo, **Henry Goldberg** from CMS contractor **Abt Associates** told listeners that "a small number of measures will be used so quality efforts are not diluted." These measures will be derived from OASIS assessments, he added. All except one are currently reported on Home Health Compare. Only the surgical wound item is not.

The eight measures Abt proposes using are:

• Incidence of Acute Hospitalization

• Incidence of Emergent Care

• Improvement in Bathing

• Improvement in Ambulation/Locomotion

• Improvement in Transferring

• Improvement in Urinary Incontinence

• Improvement in Management of Oral Medication

• Improvement in Status of Surgical Wounds

Payment to the top performing agencies will come from "savings generated from reductions in Total Medicare home care health costs," Abt proposes. This is similar to the method used in CMS' physician group practice demo and proposed for the nursing home demo, the company says.

In determining the payout for the top agencies, 25 percent of the funds will go to the top performers in acute care hospitalization, Abt proposes. Fifteen percent will go to those at the top in emergent care and 10 percent for top performers in each of the other six measures.

Upside: In contrast to one scenario CMS suggested earlier -- having the incentive funds come from reduced payments to lower performing agencies -- the performance payout funds do not come from all home health agencies to then be distributed to a few, says consultant **Judy Adams** with Charlotte, NC-based **LarsonAllen.** This is positive, because it doesn't penalize agencies that take even the sickest patients, rather than "cherry pick," she says.

Downside: The number of agencies that will benefit from the incentive is very limited, Adams says. First, there has to

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be some cost savings to generate the "reward funds" and also the project has to be budget neutral, she says.

This is different from the hospital quality incentive project, in which CMS paid $8.9 million in November 2005 -- in incentive bonuses not dependent on savings -- to the 123 top-performing hospitals that showed significant improvement on the 34 quality indicators during the first year of the project, launched in July 2003.

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