

OASIS Alert

Reimbursement: Prepare For More Pressure To Improve Outcomes

Ready or not, agencies face pay for performance.

Heads up, home health agencies: OASIS-based outcomes may soon affect your reimbursement in yet another way.

In its Jan. 12 meeting, the **Medicare Payment Advisory Commission** voted to recommend pay for performance for home health agencies, as well as hospitals and physicians. The P4P methodology would be based on a "starter set" of 11 currently collected, OASIS-based patient outcomes.

Watch for: The influential advisory body to Congress recommends basing only 1 to 2 percent of payments on outcomes to start. But that percentage could quickly increase. "As the information and data and mechanisms for doing this fairly and accurately improve, the size of the pot would get bigger and bigger," MedPAC Commissioner **Robert Reischauer** said in the meeting.

In earlier meetings, commissioners had voiced concerns over whether the patient outcomes could serve to distinguish between agencies. "In nine of the 11 publicly reported measures there was a range of 90 percentage points from the top to the bottom, and in 10 of the 11 there were standard deviations of about 10 percentage points," MedPAC staffer **Sharon Cheng** assured attendees.

MedPAC does rule out using emergent care and rehospitalization adverse events to influence payment rates. "The current measures cannot adequately identify cases that were due to poor care, nor are they adequately risk adjusted," Cheng noted in the meeting.

"We're not there with adverse events," Commissioner **Carol Raphael**, CEO of the **Visiting Nurse Service of New York**, agreed. "It's too small a sample. We need to do a better job in risk adjusting."

MedPAC's recognition of the problems with OBQM adverse events is a step in the right direction, says **Bob Wardwell** of the **Visiting Nurse Associations of America**. But don't expect that prohibition to last long. MedPAC has "a strong preference for using the measures for emergent care and hospitalization," Wardwell suspects.

Indeed, MedPAC voted to recommend that the **Centers for Medicare & Medicaid Services** develop a valid set of measures of home health adverse events and include adequate risk adjustment for them.

Yet to come: And if that's not enough, MedPAC commissioners expressed their displeasure with the accuracy of the home health PPS case mix system. The advisory body plans a report solely on that subject later this year.