

## **Preliminary Notification of Upcoming CMS Confidential Reporting Period for Results that Reveal Disparities in Quality for the Pneumonia Readmission Measure**

The Centers for Medicare & Medicaid Services is notifying hospitals that a confidential hospital-specific report will be provided for hospitals to review two disparity methods that assess hospital performance for patients with social risk factors in the Hospital 30-day, All-Cause, Risk-Standardized Readmission Rate Following Pneumonia Hospitalization (NQF #0506) (the READM-30-PN or Pneumonia Readmission measure). Results from these two methods will reveal differences in outcomes for patient groups based on social risk factors in order to provide hospitals with information that could illuminate any disparities in care and outcome that can be targeted through quality improvement efforts. The confidential HSR will be provided for hospitals to preview from August 24 through September 24, 2018.

In the Fiscal Year 2018 Inpatient Prospective Payment System/Long Term Care Hospital Prospective Payment System Final Rule (82 FR 38237 through 38239), CMS discussed the importance of improving beneficiary outcomes including reducing health disparities. CMS also discussed their commitment to ensure that medically complex patients, as well as those with social risk factors, receive excellent care. Studies show that social risk factors, such as being near or below the poverty level as determined by the Department of Health and Human Services, belonging to a racial or ethnic minority group, or living with a disability, can be associated with poor health outcomes and how some of this disparity is related to the quality of health care.

Among CMS's core objectives, CMS aims to improve health outcomes, attain health equity for all beneficiaries, and ensure that complex patients as well as those with social risk factors receive excellent care. CMS considered options to improve health disparities among patient groups within and across hospitals by increasing the transparency of disparities as shown by quality measures.

As a result of the options CMS considered, CMS is providing hospitals with a confidential HSR containing results that reveal disparities in health care quality by dual eligibility for the Pneumonia Readmission measure using data from the FY 2019 measurement period (July 1, 2014 through June 30, 2017). In the confidential HSR provided by CMS, we apply the two methods to the Pneumonia Readmission measure and use dual eligibility as the social risk factor:

1. Dual-eligible disparity method **for within** hospital comparison:  
CMS will calculate the disparity between readmission rates among dual-eligible patients and non-dual eligible patients to compare performance for these two patient groups within an individual hospital.
2. Dual-eligible outcome method **for across** hospital comparison:  
CMS will calculate readmission rates for dual-eligible patients separate from non-dual eligible patients, allowing performance for dual-eligible patients to be compared across hospitals.

Hospitals do not need to take any action at this time to participate in the confidential reporting period; CMS will send additional announcements to hospitals describing how to receive the confidential HSR prior to the reports being made available by August 24, 2018.

Hospitals should be aware that the results from this confidential HSR do not impact hospital reimbursements and the data captured in the reports will not be publicly reported. CMS will privately share the disparity method results with the hospitals by distributing the HSR to eligible hospitals. The HSR will be available for download through the *QualityNet Secure Portal* through the duration of the confidential HSR preview period.

As part of the confidential HSR preview period, CMS will provide several educational resources on the *QualityNet Secure Portal* to support hospitals' understanding of the disparity methods, such as technical reports and Frequently Asked Questions (FAQs). CMS will also host a National Provider Call to review the disparity methods and host a question-and-answer (Q&A) session for attendees. In addition, CMS will provide a monitored email inbox to receive and address questions from hospitals for the duration of the confidential reporting period.

Please note that more detailed information about the disparity methods and logistics of confidential reporting will follow in July 2018. A Q&A period will take place from August 24 through September 24, 2018.