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Centers for Medicare & Medicaid Services  
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**Office of Communications**



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## MEDICARE NEWS

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### **CMS announces first results for program to improve care for dialysis patients**

The Centers for Medicare & Medicaid Services (CMS) today released the first results for a new Federal pay-for-performance or “value-based purchasing” program for dialysis facilities that is designed to give facilities payment incentives to improve the quality of care furnished to patients diagnosed with End-stage Renal Disease (ESRD). Nearly 70 percent of dialysis facilities that were evaluated under the program will receive no payment reduction in payment year (PY) 2012, while the remaining 30 percent will receive reductions ranging from 0.5 percent to 2.0 percent depending on their final performance scores.

The ESRD Quality Incentive Program (QIP) evaluates dialysis facility performance on a set of quality measures which reflect key areas of dialysis care. Facilities that fail to meet the QIP performance standards during a performance year received a reduction in their payment rates for dialysis services under the ESRD Prospective Payment System (PPS) in the upcoming year.

Authorized by the Medicare Improvements for Patients and Providers Act of 2008, the ESRD QIP enables Medicare to pay dialysis facilities based on the quality of care provided to Medicare patients with ESRD, rather than simply based on the amount of care provided. This release includes quality data that reflects the performance of dialysis facilities in 2010 and is designed to complement existing CMS initiatives that seek to incentivize improved clinical outcomes by measuring the quality of care provided to Medicare patients on dialysis.

“The real purpose of value-based purchasing is to raise the bar on quality and that’s exactly what CMS is aiming to do for Medicare patients who have ESRD,” said CMS Acting Administrator Marilyn Tavenner. “This is one of many efforts CMS is making to drive quality improvement in all settings in communities across the country.”

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For the PY 2012 program, CMS assessed a facility's performance during 2010 on a total of three quality measures: two measures of anemia management and one of dialysis adequacy:

- Percentage of Medicare patients with an average hemoglobin less than 10 grams per deciliter (g/dL) (low percentage desired)
- Percentage of Medicare patients with an average hemoglobin greater than 12 g/dL (low percentage desired)
- Percentage of Medicare patients with an average Urea Reduction Ratio (URR) of at least 65 percent (high percentage desired)

For the first year of the ESRD QIP, the performance of each facility on each measure in 2010 was assessed against the lesser of the performance "norm" for dialysis facilities across the country during 2008 or the facility's own performance during 2007.

Facilities that fail to meet the performance standards will receive a Medicare payment reduction of up to 2 percent during 2012. Medicare patients, as well as their families and caregivers, will benefit from this program and will have access to the performance results through public reporting.

For the PY 2012 ESRD QIP, 4,939 facilities were assessed and received a Total Performance Score, which determines if the facility met the requirements under the program and can avoid receiving a payment reduction. Of these facilities, over two-thirds (69.1 percent) will receive no payment reduction as a result of achieving a high enough Total Performance Score, which for 2012 is 26 out of 30 points.

The payment reductions for the remaining facilities are as follows:

- 16.6 percent will receive a 0.5 percent reduction
- 6.0 percent will receive a 1.0 percent reduction
- 7.7 percent will receive a 1.5 percent reduction
- 0.6 percent will receive a 2.0 percent reduction

An additional 625 facilities (11.2 percent of all facilities) did not receive a Total Performance Score due to insufficient data. These facilities will not receive a payment reduction.

Each dialysis facility is required to post a certificate displaying its performance on the ESRD QIP measures in a prominent location accessible to the public. In addition, performance information will be posted on the Dialysis Facility Compare website ([link below](#)). CMS encourages Medicare beneficiaries to discuss these results with their dialysis care team and hopes that this information will help these patients to make informed decisions about their care.

“The ESRD QIP program’s overarching goal is the continual improvement of dialysis care provided to Medicare beneficiaries nationwide to drive better outcomes,” said Patrick Conway, M.D., Chief Medical Officer and Director of the CMS Office of Clinical Standards and Quality. “The ESRD QIP will evolve over time to include additional measures that promote high quality of care and outcomes for Medicare beneficiaries.”

The data for the PY 2012 ESRD QIP can be found at: <https://www.cms.gov/center/esrd.asp>.

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