

TEXAS HEALTH AND HUMAN SERVICES
COMMISSION
OFFICE OF VALUE BASED INITIATIVES

Notice of Proposed Change to the Calculation of
Potentially Preventable Readmission Performance
for the Hospital Quality Based Program

Proposed to be Effective September 1, 2021

SUMMARY OF PROPOSED CHANGE

To be Effective September 1, 2021

Included in this document is information relating to the proposed change in the calculation of potentially preventable readmission (PPR) performance for eligible hospitals in the Hospital Quality Based Program (HQBP). The Texas Health and Human Services Commission (HHSC) intends to submit an amendment to the Texas State Plan for Medical Assistance under Title XIX of the Social Security Act to update the program methodology to reflect these proposed adjustments. The change is proposed to be effective September 1, 2021.

Hearing. The Texas Health and Human Services Commission (HHSC) will conduct a public hearing on July 15, 2021, at 9:00 a.m., to receive public comments on the proposed use of unweighted potentially preventable readmissions (PPR) results instead of weighted in order to assess hospital performance and potential reimbursement reductions.

Due to the declared state of disaster stemming from COVID-19, this hearing will be conducted online only. Physical entry to the hearing will not be permitted. To join the hearing from your computer, tablet, or smartphone, register for the hearing in advance using the following link:

<https://attendee.gotowebinar.com/register/2969210675799879184>

After registering, you will receive a confirmation email containing information about joining the hearing. You can also dial in using your phone at (914) 614-3221, access code 479-377-166.

If you are new to GoToWebinar, please download the GoToMeeting app at <https://global.gotomeeting.com/install/626873213> before the hearing starts.

The hearing will be held in compliance with Texas Human Resources Code §32.0282, which requires public notice of and hearings on proposed Medicaid reimbursements. HHSC will archive the public hearing; the archive can be accessed on demand after the hearing at <https://hhs.texas.gov/about-hhs/communications-events/live-archived-meetings>.

Background. The Texas HHSC Medicaid/CHIP HQBP measures hospital performance on potentially preventable complications (PPCs) and readmissions every state fiscal year (SFY). Eligible hospitals are subject to a reimbursement adjustment for poor performances in relation to state norms. Poor performance for PPRs is subject to a one or two percent reimbursement reduction depending on the magnitude of the result (see the schematic at the end of this document). In years past, HHSC has weighted PPR rates.

Proposal. The purpose of this amendment is to revise the Texas HHSC HQBP for reimbursement reductions for eligible hospitals. With the revision, HHSC would no longer weight PPRs when calculating a hospital's performance in relation to statewide norms. The proposed amendment is effective September 1, 2021.

Methodology and Justification. The proposed methodologic change is in accordance with the findings of Senate Bill (SB) 1207, 86th Legislature, Regular Session, 2019, which required HHSC to evaluate risk adjustment methods for used for PPRs. Based on this investigation, staff determined that hospitals treating a high proportion of STAR Kids members (who because of their medical complexity are more likely to have multiple readmissions associated with a single initial hospital stay) are likely disadvantaged by the current method for calculating risk adjusted PPR rates. The Hospital Quality Based Program (HQBP) rule for PPRs are filed under Texas Administrative Code Title 1, Part 15, Chapter 354, Subchapter A, Division 35, Rule §354.1445.

Written Comments. Written comments regarding the payment rates may be submitted in lieu of, or in addition to, oral testimony until 5:00 p.m. the day of the hearing. Written comments may be sent by U.S. mail, overnight mail, special delivery mail, fax, or e-mail.

U.S. Mail

Health and Human Services Commission
Value Based Initiatives, Mail Code H-250
Dupont Building
6330 East Hwy 290 Suite 100
Austin, Texas 78723

Fax

Attention: Value Based Initiatives at (512) 380-4380

E-mail

MCD_PPR_PPC@hhsc.state.tx.us

Preferred Communication. During the current state of disaster due to COVID-19, physical forms of communication are checked with less frequency than during normal business operations. For the quickest response, please use email or phone, if possible, for communication with HHSC related to this public hearing.

PPR Schematic.

POTENTIALLY PREVENTABLE READMISSION METRICS IN TEXAS MEDICAID

		ACTUAL-TO-EXPECTED RATIO										
		◀	0.84	0.85	0.90	0.91	1.00	1.09	1.10	1.25	1.26	▶
PERFORMANCE		Distinguished				Satisfactory			Unsatisfactory			
POTENTIALLY PREVENTABLE READMISSIONS (PPR)		No penalty.				No penalty.			LOW Penalty: -1.0%		HIGH Penalty: -2.0%	