



Talking Points

Hospital Rankings

July 2016

Issue

The Centers for Medicare & Medicaid Services (CMS) will include overall quality star ratings as part of a July update to its *Hospital Compare* website. *Hospital Compare* provides consumers hospital-specific Medicare data on indicators of quality. To provide information about several measures of quality in a single rating, CMS will assign hospitals 1 to 5 stars to indicate overall performance, with 5 being best.

Talking points

- Due to the wide variation between Maryland's unique model and the systems in other states (Maryland does not participate in CMS' Inpatient Prospective Payment System, for example), CMS has elected to not include Maryland's hospitals in this year's star ratings. Although there are differences in the way data are captured for Maryland compared to the rest of the nation, Maryland's hospitals have made significant progress on several quality measures since the start of the modernized all-payer model in January 2014:
 - Readmissions rates are dropping faster than the national decline
 - Hospital-acquired conditions are down by one-third
 - Avoidable hospital visits are down more than 17 percent
- Maryland's hospitals are part of a unique payment model that has generated substantial savings and quality gains. Unfortunately, the proposed star rating system does not adequately account for the way Maryland's hospitals have reported data under this model. For example, hospitals in Maryland did not begin to report whether or not certain conditions were present on admission (an important consideration for quality determination) until 2014. Hospitals in the rest of the nation began reporting these indicators far earlier. Given the time lag in reported data used to calculate these star rankings, this consideration can impact Maryland hospitals' ratings.
- Hospitals in Maryland are engaged in a far-reaching initiative known as population health management. This is a statewide effort to help people get and stay healthy, so they can avoid unnecessary hospital visits. As a result, Maryland's hospitals are treating more patients who have highly complex illnesses, often with multiple comorbidities. This is one example of why simple star ratings do not tell the whole story.
Suggestion: Only discuss this point if pressed; it could be seen as defensive, even though it is merely explanatory.