Evaluation Plan for Quality Incentive Payment Program (QIPP)

As Required by

42 C.F.R. §438.6(c)

Texas Health and Human Services Commission

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1. Background

The Quality Incentive Payment Program (QIPP) is a state directed payment program (DPP) which serves as a performance-based initiative to help nursing facilities achieve transformation in the quality of their services through implementation of innovative program-wide improvement processes for which facilities are compensated for meeting or exceeding certain goals. Improvement is based upon several indices of success, including quality metrics that are collected by the Centers for Medicare and Medicaid Services (CMS).

Two classes of Nursing Facility (NF) Provider types are eligible to participate:

1. **Non-state owned governmental entities**: A non-state governmental entity includes nursing facilities operated by a hospital authority, hospital district, health district, city, or county.

2. **Other providers:** QIPP Year 8 (SFY25) requires a 65% Medicaid utilization to participate as a privately-owned facility.

QIPP includes four components and funds are paid through the STAR+PLUS Medicaid managed care per member per month capitation rates:

Component 1 is open only to non-state government owned (NSGO) providers and funds are distributed quarterly. NFs must meet performance targets in at least two of the five metrics to earn all component funds. The five metrics are:

- Metric 1: (CMS N031.04) Percent of residents who received an antipsychotic medication.
- Metric 2: (CMS N013.02) Percent of residents experiencing one or more falls with major injury.
- Metric 3: (CMS N029.03) Percent of residents who lose too much weight.
- Metric 4: (CMS N024.02) Percent of residents with a urinary tract infection.
- Metric 5: (CMS N035.04) Percent of residents whose ability to walk independently worsened.

Component 2 serves as a performance incentive payment based on achievement of quality metrics focused on workforce development. It is open to all provider types, and funds are distributed quarterly. All three measures relate to staff-to-patient ratios and are measured in Hours Per Resident Day (HPRD) based on data NFs provide quarterly to CMS through the Payroll Based Journal (PBJ)[1]. The three equally-weighted metrics are:

- Metric 1: Reported Total Nursing Staff HPRD
- Metric 2: Reported Certified Nursing Assistant (CNA) HPRD
- Metric 3: Reported Licensed Nursing HPRD

Component 3 serves as a performance incentive payment wherein all provider types are eligible to earn quarterly payments upon meeting program-wide and facility-specific targets on Long-Stay MDS quality measures. The three metrics are:

- Metric 1: (CMS N030.03) Percent of residents who have depressive symptoms.
- Metric 2: (CMS N046.01) Percent of residents with new or worsened bowel or bladder incontinence.
- Metric 3: (CMS N036.03) Percent of residents who used antianxiety or hypnotic medication.

Component 4 is open only to NSGO providers as a performance incentive payment. Funds are distributed quarterly based on achievement in two equally-weighted metrics:

- Metric 1: (CMS N045.01) Percent of residents with pressure ulcers.
- Metric 2: (CMS N026.03) Percent of residents who have/had a catheter inseted and left in their bladder.

[1] Definitions and technical specifications for the PBJ-based quality measures can be found in the Five-Star Technical Users Guide available at: https://www.cms.gov/medicare/providerenrollment-and-certification/certificationandcomplianc/downloads/usersguide.pdf

2. Methodology

Evaluation Questions and Hypotheses

QIPP was designed to help advance transformation in the quality of services provided by nursing facilities through implementation of program-wide improvement. This aligns with HHSC's goals of promoting effective practices for people with chronic, complex, and serious conditions and keeping patients free from harm. Texas developed three evaluation questions and five corresponding hypotheses to evaluate the extent to which QIPP helps advance these goals.

Evaluation Question 1. Does QIPP keep patients free from harm?

- Hypothesis 1.1. QIPP will reduce the rate of avoidable complications or adverse healthcare events
- Hypothesis 1.2. QIPP will reduce rate of avoidable hospitalizations for NF residents

Evaluation Question 2. Does QIPP promote effective practices for people with chronic, complex, and serious conditions?

- Hypothesis 2.1. QIPP will reduce rate of avoidable hospital and emergency department visits for individuals with medical complexity

Evaluation Question 3. Does QIPP attract and retain high-performing Medicaid providers?

- Hypothesis 3.1. QIPP will encourage providers to actively monitor patient outcomes and perspectives to address their needs and improve healthcare delivery

Evaluation Design

Since 2002, the Institute for Child Health Policy (ICHP) has been the external quality review organization (EQRO) for Texas Medicaid and CHIP. Per CMS recommendation, Texas has contracted with the EQRO, to conduct the annual program evaluation for SFY22 – SFY23. Texas is exploring the feasibility of extending the contract for SFY24.

Texas will use six validated Minimum Data Set (MDS) Long-Stay Quality Measures submitted by facilities to CMS and available publicly on the Care Compare website

(previously Nursing Home Compare website), self-reported data on direct-care RN staffing hours, and validation reports outlining use of data-driven QAPI practices and development of PIPs.

The QIPP evaluation will rely on pre-post study design to compare pre-QIPP and QIPP periods. The performance target for all MDS measures is to exceed average baseline performance and demonstrate improvement from program implementation to program completion. Subsequent sections provide additional information on the evaluation population, evaluation period, evaluation measures, data sources, and analytic methods.

Facility-specific quarterly targets for MDS-based quality measures will be set at a 5% escalating relative improvement upon an NF's initial baseline, while targets for HPRD measures will be set at 1% escalating relative improvement upon a NF's baseline Program-wide targets will be set at the most recently published national or Texas average for each quality metric as of the beginning of the program year.

To "meet" a quality metric, the NF must perform either (i) Equal to or better than its facility-specific target; or (ii) Equal to or better than the program-wide target without declining in performance beyond an allowed margin from the NF's initial baseline. Each metric-specific margin will be defined as an absolute 2% change from the NF's initial baseline.

Evaluation Population

The QIPP program population includes nursing facilities serving adults in the STAR+PLUS Medicaid managed care program. Nursing facilities provide services with the goal to maximize resident autonomy, function, dignity and comfort. The unit of analysis for QIPP evaluation measures will be the nursing facility and the QIPP evaluation population will consist of QIPP-participating facilities. The EQRO has recommended that, when feasible, analysis should also include an additional comparative group based on NFs that do not participate in QIPP and to consider facilities that enrolled at different times as separate enrollment cohorts for trend analyses across program years.

Evaluation Period

The table below presents the planned reporting schedule for program evaluation. for state fiscal year (SFY) 2025 (September 1, 2024 through August 31, 2025). Two types of data are used to evaluate provider performance and for annual program evaluations.

- Both MDS and PBJ data are aligned on federal fiscal year (FFY) quarters, and beginning, in SFY 2025, the measurement periods for all measures in QIPP will be aligned on FFY quarters as well.

Texas plans to submit annual pre-prints for program continuation and evaluation reports every February. The measurement period to be included in each evaluation report is dependent on the periodicity of the source data and time required to analyze it. Interim evaluations will be submitted for evaluations due before full program year data can be analyzed.

The Year 8 interim evaluation report will be submitted according to the table below. The full Year 8 evaluation will be submitted with the Year 10 preprint submission (subject to MDS data availability). See the table below for the planned reporting cycle and evaluation timeline.

Table 1. QIPP Evaluation Timeline

Report Name	Data Type	Data Available	Measurement Periods Available	Able to Demonstrate a Trend[2]
February 2025: Year 7 Interim Evaluation	MDS	2 Quarters	FFY 2024, Q1-Q2	No
	Provider Reported	1 Year	SFY 2024	No
February 2026: Year 7 Final Evaluation	MDS	1 Year	FFY 2024	Yes
	Provider Reported	1 Year	SFY 2024	Yes
February 2026: Year 8 Interim Evaluation	MDS/PBJ	2 Quarters	FFY 2025, Q1-Q2	YES
February 2027: Year 8 Interim Evaluation	MDS/PBJ	1 Year	FFY 2025	Yes

[2] For interim evaluations of MDS measures retained from earlier program years and measures based on claims data, trend analysis will be provided where possible, subject to data availability.

Evaluation Measures

Table 2 provides an overview of the measures, study populations, data sources, and analytic methods by evaluation hypothesis. **Table 3 includes the evaluation measures, baselines, and performance targets as required in the preprint, 44b, Table 8**.

Table 2: Evaluation Question 1. Does QIPP keep patients free from harm?

Evaluation Hypothesis	Measures	Study Population	Data Sources	Analytic Methods
1.1. QIPP will reduce rate of avoidable complications or adverse health events	1.1.1 (CMS N031.04) Percent of residents who received an antipsychotic medication 1.1.2 (CMS N035.04) Percent of residents whose ability to walk independently has worsened 1.1.3 (CMS N030.03) Percent of residents who have depressive symptoms 1.1.4 (CMS N046.01) Percent of residents with new or worsened bowel or bladder incontinence 1.1.5 (CMS N036.03) Percent of residents who used antianxiety or hypnotic medication 1.1.6 (CMS N045.01) Percent of residents with pressure ulcers 1.1.7 (CMS N026.03) Percent of residents who have/had a catheter inserted and left in their bladder	QIPP participating nursing facilities	Long-Stay MDS data from CMS	Descriptive statistics Descriptive trend analysis
1.2. QIPP will reduce rate of avoidable hospitalizations for NF residents	1.2.1 Number of hospitalizations per 1,000 Long-Stay Nursing Home Resident Days	Residents of Texas Medicare or Medicaid certified NFs	Medicaid and CHIP Scorecard/ Nursing Home Compare website	Descriptive statistics Descriptive trend analysis

Table 3: Evaluation Question 2. Does QIPP promote effective practices for people with chronic, complex, and serious conditions

Evaluation Hypothesis	Measures	Study Population	Data Sources	Analytic Methods
2.1. QIPP will reduce rate of avoidable hospital and emergency department visits for individuals with medical complexity	2.1.1. (CMS N024.02) Percent of residents with a urinary tract infection 2.1.2. (CMS N013.02) Percent of residents experiencing one or more falls with major injury 2.1.3. (CMS N029.03) Percent of residents who lose too much weight 2.1.4 Number of Outpatient Emergency Department Visits per 1,000 Long-Stay Resident Days	QIPP participating nursing facilities	Long-Stay MDS data from CMS Medicaid and CHIP Scorecard/ Nursing Home Compare website	Descriptive statistics Descriptive trend analysis

Table 4: Evaluation Question 3. Does QIPP attract and retain high-performing Medicaid providers?

Evaluation Hypothesis	Measures	Study Population	Data Sources	Analytic Methods
3.1. QIPP will encourage providers to actively monitor patient outcomes and perspectives to address their needs and improve healthcare delivery	3.1.1 Reported Total Nursing Staff (HPRD) 3.1.2 Reported Certified Nursing Assistants (CNA) HPRD 3.1.3 Reported Licensed Nursing HPRD	QIPP participating nursing facilities	PBJ data from CMS	Descriptive statistics Descriptive trend analysis

Table 5: QIPP Evaluation Measures, Baseline, and Performance Targets (Response to Question 44b, Table 8 in QIPP SFY25 Preprint)

Measure Name and NQF # (if applicable)	Baseline[3] Year	Baseline[3] Statistic	Performance Target[4]
1.1.1 Percent of residents who received an antipsychotic medication.	SFY 2020 as of final metric calculation in Q2	11.67%	Absolute 3% improvement in average participating NF performance
1.1.2 Percent of residents whose ability to walk independently has worsened.	CY 2023	*Data Available April 2024*	Relative 5% improvement in average participating NF performance
1.1.3 Percent of residents who have depressive symptoms	CY 2023	*Data Available April 2024*	Relative 5% improvement in average participating NF performance
1.1.4 Percent of residents with new or worsened bowel or bladder incontinence	CY 2023	*Data Available April 2024*	Relative 5% improvement in average participating NF performance
1.1.5 Percent of residents who used antianxiety or hypnotic medication	CY 2023	*Data Available April 2024*	Relative 5% improvement in average participating NF performance
1.1.6 Percent of residents with pressure ulcers.	CY 2023	*Data Available April 2024*	Relative 5% improvement in average participating NF performance

[3] If state-developed, list State name for Steward/Developer.
[4] Facility-specific targets will be published in August for the given Program Year - SFY 2022, SFY 2023, SFY 2024 and SFY 2025.

Measure Name and NQF # (if applicable)	Baseline[3] Year	Baseline[3] Statistic	Performance Target[4]
1.1.7 Percent of residents who have/had a catheter inserted and left in their bladder	CY 2023	*Data Available April 2024*	Relative 5% improvement in average participating NF performance
1.2.1 Number of hospitalizations per 1,000 Long-Stay Nursing Home Resident Days	CY 2020	1.93 per 1,000 Resident Days	1.5 per 1,000 Resident Days
2.1.1 Percent of residents with a urinary tract infection.	SFY 2020 as of final metric calculation in Q2	1.53%	Absolute 0.25% improvement in average participating NF performance
2.1.2 Percent of residents experiencing one or more falls with major injury.	CY 2023	*Data Available April 2024*	Relative 5% improvement in average participating NF performance
2.1.3 Percent of residents who lose too much weight.	CY 2023	*Data Available April 2024*	Relative 5% improvement in average participating NF performance
2.1.4 Number of Outpatient Emergency Department Visits per 1,000 Long-Stay Resident Days	CY 2023	*Data Available October 2024*	Relative 5% improvement in average participating NF performance
3.1.1 Reported Total Nursing Staff (HPRD)	CY 2023	*Data Available April 2024*	Relative 2% improvement in average participating NF performance

Measure Name and NQF # (if applicable)	Baseline[3] Year	Baseline[3] Statistic	Performance Target[4]
3.1.2 Reported Certified Nursing Assistants (CNA) HPRD	CY 2023	*Data Available April 2024*	Relative 2% improvement in average participating NF performance
3.1.3 Reported Licensed Nursing HPRD	CY 2023	*Data Available April 2024*	Relative 2% improvement in average participating NF performance

Analytic Methods

HHSC will primarily evaluate the program's impact by assessing whether the participating facilities are improving their performance on CMS-verified MDS-based quality measures. For state-developed metrics, the QIPP evaluation measures will use provider-reported data for analysis at the facility level.

Based on feasibility analyses in the interim evaluation of Year 5, the EQRO recommended to add, wherever necessary analytic conditions are met, a causal inference method called "difference-in-differences" (DiD). Briefly, DiD combines the traditional pre-post evaluation approach and the traditional treatment-comparison group approach. The DID would compare never-enrolled facilities (Privately Owned nursing facilities, "POs") with, alternatively, NSGOs or POs continuously enrolled in QIPP since Year 1.

For performance measures not based on MDS data, HHSC will conduct content analysis and desk review of submitted data and documentation on a sample of NFs participating in QIPP during each program year.

Anticipated Limitations

Results from the QIPP evaluation will need to be interpreted alongside several limitations. The most salient threat to the internal validity of the evaluation is the possibility that factors external to the QIPP program will influence the evaluation measures. For example, several additional programs (e.g. STAR+PLUS Nursing Facility Minimum Performance Standards) will be implemented at the same time as QIPP. Accordingly, it is not possible to isolate the impact of QIPP through these evaluation measures. Additionally, the CMS and Long-Term Care Regulatory Department at Texas began requiring monitoring of various infection control policies and practices in response to COVID-19 pandemic. It is not possible to isolate the impact of QIPP from impacts associated with changes in requirements due to the pandemic.

HHSC anticipates the COVID-19 pandemic may continue to have a direct or indirect impact on many of the MDS Long-Stay measures used in this evaluation. At the time of writing, it is unknown how long the most severe effects of the pandemic will last. The QIPP evaluation will take care to present pertinent findings within the appropriate context.

A final limitation is that QIPP and the evaluation operate on different calendars. QIPP will begin on September 1, 2024, and operate on state fiscal years, whereas

the evaluation reports will be due in February and will include interim reports and final reports to account for the difference in timelines for availability of data from MDS Long-stay performance measures.

Despite these limitations, this evaluation will demonstrate how QIPP advances select goals identified in the Texas Managed Care Quality Strategy and aim to identify opportunities to further strengthen the program.

Appendix A: History of QIPP Measures

Process & Outcome Measures

Measure	SFY18	SFY19	SFY20	SFY21	SFY22	SFY23	SFY24	SFY25
High-risk long-stay residents with pressure ulcers	All NFs	All NFs	-	-	-	-	-	-
Percentage of residents who received an antipsychotic medication	All NFs	All NFs	All NFs	All NFs	All NFs	All NFs	All NFs	NSGOs
Residents experiencing one or more falls with major injury	All NFs	All NFs	-	-	-	-	-	NSGOs
Residents who were physically restrained	All NFs	All NFs	-	-	-	-	-	-
Percent of residents with a urinary tract infection	-	-	NSGOs	NSGOs	All NFs	All NFs	All NFs	NSGOs
Percent of residents whose pneumococcal vaccine is up to date	-	-	NSGOs	NSGOs	-	-	-	-
Percent of high-risk residents with pressure ulcers, including unstageable pressure ulcers	-	-	All NFs	All NFs	All NFs	All NFs	-	-
Percent of residents whose ability to move independently has worsened.	-	-	All NFs	All NFs	All NFs	All NFs	-	-
Percent of Residents Assessed and Appropriately Given the Pneumococcal Vaccine	-	-	NSGOs	NSGOs	NSGOs	NSGOs	NSGOs	-
Percent of Residents Assessed and Appropriately Given the Seasonal Influenza Vaccine	-	-	-	-	NSGOs	NSGOs	NSGOs	-
Percent of residents who lose too much weight	-	-	-	-	-	-	-	NSGOs
Percent of residents whose ability to walk independently worsened	-	-	-	-	-	-	-	NSGOs
Percent of residents who have depressive symptoms	-	-	-	-	-	-	-	All NFs
Percent of residents with new or worsened bowel or bladder incontinence	-	-	-	-	-	-	-	All NFs
Percent of residents who used antianxiety or hypnotic medication	-	-	-	-	-	-	-	All NFs
Percent of residents with pressure ulcers	-	-	-	-	-	-	-	NSGOs
Percent of residents who have/had a catheter inserted and left in their bladder	-	-	-	-	-	-	-	NSGOs
Number of hospitalizations per 1,000 Long-Stay Nursing Home Resident Days (Evaluation measure)	-	-	-	-	-	-	-	-
Number of Outpatient Emergency Department Visits per 1,000 Long-Stay Resident Days (Evaluation measure)	-	-	-	-	-	-	-	-

Structure Measures

Measure	Reporting Frequency	Data Source	SFY18	SFY19	SFY20	SFY21	SFY22	SFY23	SFY24	SFY25
Monthly Quality Assurance Performance Improvement (QAPI) Meetings	Monthly	Provider	NSGOs	NSGOs	NSGOs	NSGOs	NSGOs	NSGOs	NSGOs	-
NF maintains four additional hours of registered nurse (RN) staffing coverage per day, beyond the CMS mandate	Monthly	Provider	-	-	All NFs	All NFs	All NFs	All NFs	All NFs	-
NF maintains eight additional hours of RN staffing coverage per day, beyond the CMS mandate	SFY2020 – 2024: Monthly SFY2025: Annual	Provider	-	-	All NFs	All NFs	All NFs	All NFs	All NFs	All NFs Bonus[5]
NF has a staffing recruitment and retention program that includes a self-directed plan and monitoring outcomes-	Monthly	Provider	-	-	All NFs	All NFs	-	-	-	-
Facility has an infection control program	Quarterly	Provider	-	-	NSGOs	NSGOs	-	-	-	-
NF has a workforce development program in the form of a PIP that includes a self-directed plan and monitoring outcomes.	SFY20: Monthly SFY2021 – 22: Twice a Year	Provider	-	-	-	-	All NFs	All NFs	All NFs	-
Performance Improvement Project (PIP) for a CMS long-stay MDS quality measure	SFY2020: Monthly SFY2021 – 22: Twice a Year	Provider	-	-	-	-	NSGOs	NSGOs	NSGOs	-
Antibiotic stewardship program activities	Twice a Year	Provider	-	-	-	-	NSGOs	NSGOs	NSGOs	-
Nursing Home Infection Preventionist Training Course	Annual	Provider	-	-	-	-	NSGOs	NSGOs	NSGOs	-
Reported Total Nursing Staff Hours per Resident Day	Quarterly	Payroll-Based Journal	-	-	-	-	-	-	-	All NFs
Reported Certified Nursing Assistant (CNA) Hours per Resident Day	Quarterly	Payroll-Based Journal	-	-	-	-	-	-	-	All NFs
Reported Licensed Nursing Hours per Resident Day	Quarterly	Payroll-Based Journal	-	-	-	-	-	-	-	All NFs

[5] Measure is reported at application and used to determine eligibility to receive non-disbursed funds