In Flex Year 4, FORHP will support states in increasing emphasis on program outcome measures through a phased approach. States may consider selecting **two or three** outcome measures to incorporate in their year 4 work plans to demonstrate the impact that the Flex Program has on CAHs. To begin thinking more about incorporating outcome measures into our work we have provided outcome measure examples for both Quality Improvement and Financial and Operational Improvement Activities. Outcomes differ from outputs in that outcomes are the level of performance that result from an activity, while outputs are the direct products of program activities (e.g., # of meetings, # of reports, etc.) FORHP aims to expand the states' capacity to incorporate outcome measures that can demonstrate impact of the Flex Program. State Flex Programs are encouraged to use these or other outcome measures that best fit their individual program activities.

### **Quality Improvement Outcome Measures**

Outcome measures for the Flex Quality Improvement (QI) Program Area 1 are based on the MBQIP core measure set. The examples included here include four MBQIP Core Measures (HCP/IMM-3, OP-18, HCAHPS, and EDTC) representing each of the four existing MBQIP domains. These measures were selected because they have high CAH reporting rates as well as clear activities associated with improvement for each measure. The below table lists the measures as well as example improvement goals (based on MBQIP Benchmarks) and quality improvement activities related to the measure.

HCAHPS allows for overall quality improvement activities as well as activities specific to individual Composite measures within the survey. Composite 6 and Question 9 were selected due to consistently being among the lowest of the HCAHPS measures for CAHs nationally.

### **Outcome Measures for Financial and Operational Improvement Activities**

Outcome measures for the Flex Financial and Operational Improvement (FOI) Program Area 2 included here are informed by the specific FOI activities proposed by State Flex Programs (SFPs). Given the range of activities that can be undertaken by SFPs, the length of time necessary to achieve long-term financial stability for many vulnerable CAHs, and the number of external factors that influence CAH finances, it is necessary to include short- and intermediate-term outcomes that reasonably support movement towards long-term goals. Examples are provided for specific activities identified in the Flex Program framework including: (1) revenue cycle management; (2) chargemaster reviews; (3) service line assessments; and (4) market share and outmigration analyses. The table provides an example for each activity category and corresponding examples of short-, intermediate-, and long-term outcome measures. The longer-term productivity, liquidity, service line, and operational measures were drawn from the FMT's CAHMPAS financial domains.

#### Conclusions

The key to measuring the impact of a QI or FOI initiative is to develop a <u>clear theory of change that</u> <u>describes how and why a set of activities are expected to lead to desired changes in the quality, financial and/or operational performance of CAHs over time</u>. The theory of change should reflect a causal pathway that can be used to identify a chain of short-, intermediate-, and long-term outcomes measures that can be used to monitor progress towards desired-long term goals over the course of the funding cycle. At the same time, we strongly suggest that SFPs reduce their emphasis on output and process measures as part of their monitoring strategies.

Note: Though both of the below tables include example outcome measures and activities, the tables are formatted differently. The QI table begins with an MBQIP measure, an improvement goal (MBQIP benchmark), and example activities. The FOI table lists an activity category, followed by a common Flex FOI improvement activity, and examples of short, intermediate, and long-term activity measures. The formats are different due to the nature of the MBQIP program, which has standardized measures and benchmarks that can be impacted by a variety of activities, while the FOI Program Area does not have the same structure with designated measures or benchmarks.

## **Quality Improvement**

Quality Outcome Measure	Example Improvement Goal	Example Activities
HCP/IMM-3 - Influenza Coverage	Attain MBQIP Benchmark for	Organize an influenza vaccination campaign
among Health Care Personnel	the percentage of hospital staff	Provide easy access to influenza vaccine to all health care
	with influenza vaccination	providers on all shifts as soon as vaccinations arrive
	(100%)	Document reasons for non-receipt of recommended vaccine
		Mandate vaccination among health care personnel
OP-18 - Median Time from ED	Attain MBQIP Benchmark for	Implement alternative patient flow model (including use of AHRQ
Arrival to ED Departure for	the median amount of time	resource Improving Patient Flow and Reducing Emergency
Discharged ED Patients	patients are in the ED (81	Department Crowding)
	minutes)	Synchronize all staff and equipment clocks in ED
HCAHPS – Hospital Consumer	Improve measure values across	Ensure patients are aware the survey is coming and which mode
Assessment of Healthcare Providers	the entire HCAHPS survey to	of communication will be used (e.g., phone, mail)
and Systems Survey	attain MBQIP Benchmarks for	Implement leadership rounding so hospital leadership see and
	each measure	hear firsthand issues that may impact patient safety and
		satisfaction
		Share HCAHPS results and actions taken as a result of the survey
		widely with staff and post in a public place for patients
		Work closely with HCAHPS vendor to monitor and improve survey response rates
HCAHPS – Composite 6 – Discharge Information	Attain MBQIP Benchmark for the communication between	Conduct pre-discharge assessment of ability of patient and/or family to provide self-care
	hospital staff and patients for	<ul> <li>Develop a comprehensive shared care plan using a shared</li> </ul>
	care after discharge from the	decision-making approach; consider patient values, preferences,
	facility (63.3% strongly	social, and medical needs
	understood care upon	Ensure written discharge plan is easy to read and includes only
	discharge)	essential education on health condition, using plain language and
		health literacy principles
		Use teach-back method to ensure patient/caregiver
		understanding of discharge instructions

HCAHPS – Composite Q9 – Quietness of Hospital Environment	Attain the MBQIP Benchmark for the quietness of the hospital environment for patients (79.6% reporting area around room was always quiet at night)	<ul> <li>Eliminate use of overhead paging, particularly at night</li> <li>Provide single occupancy patient rooms</li> <li>Cultivate cultural expectation that everyone is responsible for quiet and that it is ok to remind each other</li> <li>Designate zones for staff conversation (e.g., nurses station) to help avoid hallway discussions that may be disruptive to nearby rooms</li> <li>Request that work involving heavy machinery only be done during the day (e.g., use of battery powered scrubbers, buffers)</li> </ul>
EDTC-ALL – Emergency Department Transfer Communication Composite	Attain the MBQIP Benchmark for the percentage of patients transferred to another facility whose medical record documentation indicated all of the relevant elements were communicated to the receiving hospital in a timely manner (100%)	<ul> <li>Identify and implement standardized process for documentation &amp; transfer of information to next care setting</li> <li>Update paper transfer forms to ensure capture of all the required data elements &amp; documentation for next care setting</li> <li>Implement prompts and documentation in the EHR to ensure elements are captured and communicated to the receiving facility, whether electronically or via printed paper form</li> <li>Develop standardized setting of care processes to report outstanding test or lab results to the next setting of care if not available prior to transfer</li> </ul>

# **Financial and Operational Improvement**

Activity Example Improvement Category Activity		Short-term (within one year) Outcome Measures	Intermediate (two to three years) Outcome Measures	Long-term (over three years) Outcome Measures	
Revenue cycle management	A cohort of CAHs engaged in a Flex-sponsored learning collaborative has implemented a project to reduce denied claims and improve collections from patients and third-party payers	<ul> <li>Reduced registration errors as a percent of total registrations</li> <li>Increased % of point-of- sale collections</li> </ul>	<ul> <li>Reduced percentage of claims denied</li> <li>Increase percentage of denied claims re-billed</li> <li>Improved clean claims rate</li> </ul>	<ul> <li>Improved days' net revenue in accounts receivable (CAHMPAS)</li> <li>Greater days cash on hand (CAHMPAS)</li> <li>Improved current ratio (CAHMPAS)</li> </ul>	

Chargemaster reviews	SFP funds periodic chargemaster reviews for select CAHs to Identify and correct errors/omissions in a CAH's list of procedures and related codes and charges	•	Changes to coding and billing systems identified through chargemaster reviews are implemented Reduced percentage of claims denied Improved clean claims rate	•	Improved net revenue per adjusted admission	•	Improved cash on hand (CAHMPAS) Improved operating margin (CAHMPAS)
Service line assessments	SFP funds consultants to assess a CAH's service lines to improve its performance and better meet community needs	•	Improved average daily census by service line Improved outpatient utilization by service line	•	Improved inpatient payer mix Higher acute care average daily census Higher swing bed average daily census Improved outpatient revenue to total revenue	•	Higher contribution margin (contribution to profitability) by service line Improved operating margin (CAHMPAS)
Market share and outmigration analyses	SFP funds consultants to assess the extent to which community residents are leaving the community for services that can be provided locally by the CAH and to understand the hospital's overall market share	•	Improvement in patient satisfaction (HCAHPS) Improvement in perception of quality (community survey) Improvement in community knowledge of available services (community survey)	•	Improved inpatient market share (by service line) Increase in utilization by individuals living in the community compared to local population growth (by zip code)	•	Improved total and/or operating margin (CAHMPAS) Greater days cash on hand (CAHMPAS) Improved return on equity Improved current ratio (CAHMPAS)