

§ 412.163

value-based incentive payment percentage.

(3) *Calculation of the value-based incentive payment percentage.* The value-based incentive payment percentage is calculated as the product of: the applicable percent as defined in § 412.160, the hospital's Total Performance Score divided by 100, and the exchange function slope.

(c) *Methodology to calculate the value-based incentive payment adjustment factor.* The value-based incentive payment adjustment factor for each discharge is determined by subtracting the applicable percent as specified in § 412.160 from the value-based incentive payment percentage and then adding that difference to one.

§ 412.163 Process for making hospital-specific performance information under the Hospital Value-Based Purchasing (VBP) Program available to the public.

(a) CMS will make information available to the public regarding the performance of each hospital under the Hospital VBP Program.

(b) To ensure that a hospital has the opportunity to review and submit corrections for the information to be made public under this section, CMS will provide each hospital with confidential hospital-specific reports and discharge level information used in the calculation of its performance with respect to each measure, condition, and domain, and the calculation of its Total Performance Score.

(c) Hospitals will have a period of 30 days after CMS provides the information specified in paragraph (b) of this section to review and submit corrections for the information.

(d) CMS will post the information specified in paragraph (b) for each hospital on the *Hospital Compare* Web site.

§ 412.164 Measure selection under the Hospital Value-Based Purchasing (VBP) Program.

(a) CMS will select measures, other than measures of readmissions, for purposes of the Hospital VBP Program. The measures will be a subset of the measures specified under section 1886(b)(3)(B)(viii) of the Act (the Hospital Inpatient Quality Reporting Program).

42 CFR Ch. IV (10–1–12 Edition)

(b) CMS will post data on each measure on the *Hospital Compare* Web site for at least 1 year prior to the beginning of a performance period for the measure under the Hospital VBP Program.

§ 412.165 Performance scoring under the Hospital Value-Based Purchasing (VBP) Program.

(a) *Points awarded based on hospital performance.* (1) CMS will award points to hospitals for performance on each measure for which the hospital reports the applicable minimum number of cases during the applicable performance period.

(2) CMS will award from 1 to 9 points for achievement to each hospital whose performance on a measure during the applicable performance period meets or exceeds the achievement threshold but is less than the benchmark for that measure.

(3) CMS will award from 0 to 9 points for improvement to each hospital whose performance on a measure during the applicable performance period exceeds the improvement threshold but is less than the benchmark for that measure.

(4) CMS will award 10 points to a hospital whose performance on a measure during the applicable performance period meets or exceeds the benchmark for that measure.

(b) *Calculation of the Total Performance Score.* The hospital's Total Performance Score for a program year is calculated as follows:

(1) CMS will calculate a domain score for a hospital when it reports the minimum number of measures in the domain.

(2) CMS will sum all points awarded for each measure in a domain to calculate an unweighted domain score.

(3) CMS will normalize each domain score to ensure that it is expressed as a percentage of points earned out of 100.

(4) CMS will weight the domain scores with the finalized domain weights for each fiscal year.

(5) The sum of the weighted domain scores is the hospital's Total Performance Score for the fiscal year.