

Collaborative Quality Initiatives Fact Sheet Value-Based Reimbursement 2027



Michigan Hospital Medicine Safety Consortium (HMS)

The Value Partnerships program at Blue Cross develops and maintains quality programs to align practitioner reimbursement with quality-of-care standards, improve health outcomes and control health care costs. Practitioner reimbursement earned through these quality programs is referred to as value-based reimbursement, (VBR). The VBR Fee Schedule sets fees at greater than 100% of the Standard Fee Schedule. VBR opportunities are available to PGIP practitioners who participate in the Michigan Hospital Medicine Safety Consortium, also known as HMS. The HMS collaborative, in collaboration with Blue Cross, developed quality and performance metrics for HMS's value-based reimbursement. Each participating CQI uses unique measures and population-based scoring methods to best fit their collaborative for value-based reimbursement. The CQI VBR is applied in addition to any other VBR the specialist may be eligible to receive. The CQI VBR applies only to reimbursement associated with commercial PPO BCBSM members. This is an annual incentive program.

Population-Based Scoring Methodology

The CQI coordinating center (*not* the physician organization) determines which practitioners have met the appropriate performance targets and notifies Blue Cross. Each physician organization will notify practitioners who will receive CQI VBR, just as the PO does for other forms of specialist VBR.

Participants are scored on CQI performance measures according to the methodologies developed by each respective CQI and are eligible for CQI VBR of 103%, of the standard fee schedule if they meet performance targets in one or more of those initiatives.

Participants can only receive VBR for one CQI, even if they are participating in more than one CQI, with the following exceptions:

- 1) Practitioners that participate in one of the four population-health based CQIs - INHALE, MCT2D, MIMIND – can receive the related VBR in addition to other CQI VBR
- 2) Practitioners can receive 102% VBR for tobacco cessation in addition to other CQI VBR, but can only receive one tobacco cessation VBR, even if they are eligible for it through multiple CQIs. The tobacco cessation VBR is limited to one reward per practitioner but can be earned in addition to other CQI VBR.

If a practitioner is eligible for rewards through multiple CQIs (those that are not one of the population-health CQIs), the practitioner will be awarded the highest level of CQI VBR.

VBR Reward Opportunities

HMS will group physicians by their participating hospital and all physicians will be assessed based on the hospital score. Hospital scores are based on the average of all providers using an adjusted scoring methodology.

Practitioners can be eligible to earn CQI VBR equivalent to 103% of the standard fee schedule. To be eligible for HMS VBR, practitioners must meet the following scoring criteria:

- **To be eligible for 103% VBR**, practitioners must meet one of the following:
 - Hospitalists and Infectious Diseases Physicians must achieve target on 1 of 1 measure in the table below
 - Critical Care Physicians must achieve target on 1 of 1 measure in the table below

The collective average for each group of hospital-affiliated physicians must achieve either one of the following conditions to be eligible for the 103% of the standard fee schedule:

VBR Measures

Measure	Population Based Scoring Methodology	Measurement Period	Target Performance
Specialty: Hospitalists and Infectious Diseases Physicians* <small>*Infectious Diseases Physicians participating in Antimicrobial Stewardship Team</small>			
1. Increase Use of Appropriate Antibiotic Treatment Duration (3 – 5 days) in Uncomplicated CAP (Community Acquired Pneumonia) Cases (i.e., reduce excess durations)	Hospital	Q3 2026 Performance: 6/20/2026 - 9/11/2026 Antimicrobial Patient Discharges: 5/7/2026 - 7/29/2026	>=75% of uncomplicated CAP cases receive appropriate duration of antibiotics
Specialty: Critical Care Physicians			
2. Transitions of Care - ICU to Floor Composite Measure <ul style="list-style-type: none"> • Temporary CVC removal or documentation of need to keep prior to transfer out of ICU • Urinary catheter removal or documentation of need to keep prior to transfer out of ICU • Communication of fluid volume status at ICU transfer • Communication of antibiotic plan at ICU transfer 	Hospital	Q3 2026 Performance: 6/20/2026 - 9/11/2026 Sepsis Patient Discharges: 5/7/2026 - 7/29/2026	>=72% of sepsis patients must meet all 4 directives

VBR selection process

To be eligible for 2027 CQI VBR, the practitioner must:

- Meet the performance targets set by the coordinating center
- Be on the PGIP winter 2026 and summer 2026 snapshots (as well as in PGIP as of February 2027)
- Submit NPI number to the HMS Coordinating Center via the HMS Semi-Annual Fall QI Survey

Are practitioners participating in CQIs eligible for other specialist VBR?

Yes. Specialists are eligible to receive additional VBR if they meet the stated criteria. See the *Specialist VBR fact sheets* for specialty-specific information.

For more detailed information about PGIP, including VBR selection or the methodology, please contact your PGIP physician organization. If you have other questions, please contact your provider consultant.

How will the Physician NPI's for each provider specialty be obtained?

HMS collects data on a sample of patients at each hospital and therefore do not collect provider specific data. Each Fall in our HMS semi-annual quality improvement (QI) survey we will ask hospital participants to provide a list of physician NPI's for each specialty provider who have practiced (or billed) at your hospital within the measurement period. Additionally, we will require that the physician champion for each hospital attest to the list of names provided in the survey. If a hospital does not provide the NPI's, even if the hospital meets the measure, their affiliated practitioners will not be eligible for the VBR reward.

About the HMS CQI

The Michigan Hospital Medicine Safety Consortium (HMS) was established in 2010. HMS is a data-driven collaborative is comprised of hospitals across Michigan. The goal of the consortium is to improve the quality of care for hospitalized medical patients who are at risk for adverse events. The Collaborative currently focuses on 3 main initiatives including improving appropriate antimicrobial use, improving care and outcomes for patients hospitalized with Sepsis and care of critically ill patients.

Today, HMS encompasses 69 hospitals working in collaboration with multiple stakeholders responsible for the care of any given hospitalized medical patient. Currently, HMS is comprised of hospitalists, general internists, infectious diseases physicians, pharmacists, vascular access nursing teams, interventional radiologists, emergency medicine physicians, critical care physicians, infection preventionists, nursing, hospital leaders, and a patient advocate. This multidisciplinary approach ensures all relevant perspectives are incorporated into our improvement efforts and that our solutions are workable for all team members and thus sustainable across diverse care settings.

About the Coordinating Center

Michigan Medicine serves as the Coordinating Center for HMS and is responsible for collecting and analyzing comprehensive clinical data from the participating hospitals. It uses these analyses to examine practice patterns, to generate new knowledge linking processes of care to outcomes, and to identify best practices and opportunities to improve quality and efficiency. The center also supports participants in establishing quality improvement goals and in disseminating and implementing best practices. Center leadership:

- Scott Flanders, MD, Chief Clinical Strategy Officer for Michigan Medicine, Vice Chair of External Relations in the Department of Internal Medicine, and hospitalist in the Division of Hospital Medicine serves as a Program Director.
- Elizabeth McLaughlin, MS, RN serves as Program Manager.
- Tawny Czilok, MHI, BSN, RN serves as Assistant Program Manager

For detailed information regarding the HMS CQI and specific details to the measures and methodology of HMS VBR, please contact Elizabeth McLaughlin, MS, RN at emcnair@med.umich.edu.

About the CQI Program

Collaborative Quality Initiatives bring together Michigan physicians and hospital partners to address common and costly areas of medical-surgical care, BCBSM and Blue Care Network supports this effort and funds each collaborative data registry that include data on patient risk factors, processes, and outcomes of care. Collection, analysis, and dissemination of such data helps inform participants on best practices. This, in turn, helps increase efficiencies, improve outcomes, and enhance value. For more information, please contact the BCBSM CQI team at CQIprograms@bcbsm.com.

About Value Partnerships

Value Partnerships is a collection of programs among physicians and hospitals across Michigan and Blue Cross, that make health care better for everyone. This unique, collaborative model enables robust data collection and sharing of best practices, so practitioners can improve patient outcomes. It is value and outcomes-based health care -- a movement away from fee-for-service that instead pays practitioners for successfully managing their patient's health. We invite you to visit us at valuepartnerships.com.

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