



Value-Based Purchasing Program for FFY 2026

Performance period: Based on data collected as early as April 2021 and as recent as December 2024.

Baseline period: Based on data collected as early as April 2016 and as recent as December 2022.

Program scoring: Based on twenty-two measures across four domains and captures performance from Medicare and all-payer populations; minimum participation standards vary by measures/domain.

Payment impact: Up to plus/minus 2% applied to hospital base Medicare inpatient fee-for-service operating payments for FFY 2026 (Oct. 1, 2025 - Sept. 30, 2026).

Value-Based Purchasing Program Methodology

Measure Scoring Overview

Each measure in the Value-Based Purchasing Program is scored from 0 to 10 depending on where the hospital falls in relation to national performance standards (achievement points) and/or how much it has improved from historical rates/ratios (improvement points).



Quality Based Payment Reform Reference Guide

Value-Based Purchasing Program

Performance Standards

All VBP performance standards are set in advance of each program year based on previously reported quality data and are publicly posted in the Federal Register and on QualityNet. For each measure, CMS determines an achievement threshold and benchmark. Domain weights are reweighted proportionally when hospitals are not eligible for one or more domains. The benchmark is determined by averaging the top decile of hospitals in the baseline period data. Hospitals at or above the benchmark will receive the highest score possible on each measure. The achievement threshold is based on the median hospital performance in the baseline period data. Hospitals below the achievement threshold will receive the lowest score possible on each measure. Hospitals scoring between the benchmark and achievement threshold will receive a score ranging from 1 to 10.



Measure Scoring: Achievement Points

Achievement points are calculated based on where a hospital's performance for each measure falls relative to the achievement threshold (performance at the 50th percentile) and the benchmark (performance at the mean of the top decile), using the following equation, rounded to the nearest whole number.

$$\text{Achievement Points} = 9 \times \left[\frac{\text{Performance period score} - \text{Achievement threshold}}{\text{Benchmark} - \text{Achievement threshold}} \right] + 0.5$$

Example Calculation:

- A hospital scores 0.891 on COMP-HIP-KNEE measure
- The achievement threshold is 0.884
- The benchmark is 0.906
- The hospital would receive a score of 3.36 achievement points

$$\text{Achievement Points} = 9 \times \left[\frac{0.891 - 0.884}{0.906 - 0.884} \right] + 0.5$$



Measure Scoring: Improvement Points

Improvement points are awarded by comparing each hospital's performance in the performance period to its historical performance in the baseline period.

$$\text{Improvement Points} = 10 \times \left[\frac{\text{Performance period score} - \text{Baseline period score}}{\text{Benchmark} - \text{Baseline period score}} \right] - 0.5$$

Example Calculation:

- A hospital scores 0.888 on COMP-HIP-KNEE measure during the baseline period
- A hospital scores 0.891 on COMP-HIP-KNEE measure during the performance period
- The achievement threshold is 0.884
- The benchmark is 0.906
- The hospital would receive a score of 2.16 improvement points

$$\text{Improvement Points} = 10 \times \left[\frac{0.891 - 0.888}{0.906 - 0.888} \right] - 0.5$$



Quality Based Payment Reform Reference Guide

Value-Based Purchasing Program

Measure Scoring: Final Points and SSI Measure Calculation

After achievement and improvement points are calculated, the higher of the two determines final points for each measure. In addition, CMS combines performance for two measures in the program — Surgical Site Infection (HAI3) and Colon Surgical Site Infection - Abdominal Hysterectomy (HAI4) — by using a weighted average based on predicted infections for each measure.

Final Points = Higher of Achievement or Improvement

Final Points:

$$\left[\frac{\text{Final Points}_{\text{HAI3}} \times \text{Predicted Infections}_{\text{HAI3}} + \text{Final Points}_{\text{HAI4}} \times \text{Predicted Infections}_{\text{HAI4}}}{\text{Predicted Infections}_{\text{HAI3}} + \text{Predicted Infections}_{\text{HAI4}}} \right]$$

Consistency Points (Person and Community Engagement Domain Only)

In addition to individual measure scores, the Person and Community Engagement domain scores hospitals based on how consistently they perform across all measures within the domain. Each hospital can receive between 0 and 20 consistency points based on the measure with the lowest consistency multiplier calculated as shown below:

Consistency Points = $[20 \times \text{Lowest Measure Consistency Points Multiplier}] - 0.50$

$$\text{Consistency Points Multiplier} = \left[\frac{\text{Performance period score} - \text{Floor}}{\text{Achievement threshold} - \text{Floor}} \right]$$



Quality Based Payment Reform Reference Guide

Value-Based Purchasing Program

Domain Scores

Next, individual measure scores for similar measures are combined to find overall domain scores. On each domain, a minimum number of measures must be scored in order to be eligible for the domain. After domain scores are calculated, a total performance score is calculated, combining domain scores based on the program year's applicable domain weights.

$$\text{Overall Domain Score} = \left[\frac{\text{Sum of Final Points Earned on Each Scored Measure}}{\text{Maximum Possible Points on Each Scored Measure}} \right]$$

Total Performance Score

After domain scores are calculated, a total VBP performance score is calculated by combining domain scores based on each program year's applicable domain weights.

$$\text{Total Performance Score (TPS)} = [\text{Domain}_1 \text{ Score} \times \text{Domain}_1 \text{ Weight} + \text{Domain}_2 \text{ Score} \times \text{Domain}_2 \text{ Weight} \dots \text{Domain}_N \text{ Score} \times \text{Domain}_N \text{ Weight}]$$

FFY 2022 & FFY 2023 Program Weights (earliest year in tool)

- Clinical Outcomes (25%)
- Safety (25%)
- Person and Community Engagement (25%)
- Efficiency and Cost Reduction (25%)

$$\text{Proportionally Reweighted Domain Weight (FFY 2015+)} = \left[\frac{\text{Original Weight of Domain}}{\text{Sum of Original Weights for all Scored Domains}} \right]$$



Quality Based Payment Reform Reference Guide

Value-Based Purchasing Program

VBP Slope/Linear Function, Payout Percentage, Adjustment Factor and Program Impact Calculation

Once TPS scores are calculated for all eligible hospitals, the VBP slope is calculated such that all program contributions are paid out, making the program budget neutral nationally. The VBP slope/linear function is used to determine each hospital's payout percentage (the amount of their contribution to the VBP pool they receive back), final adjustment factors and impacts under the program.

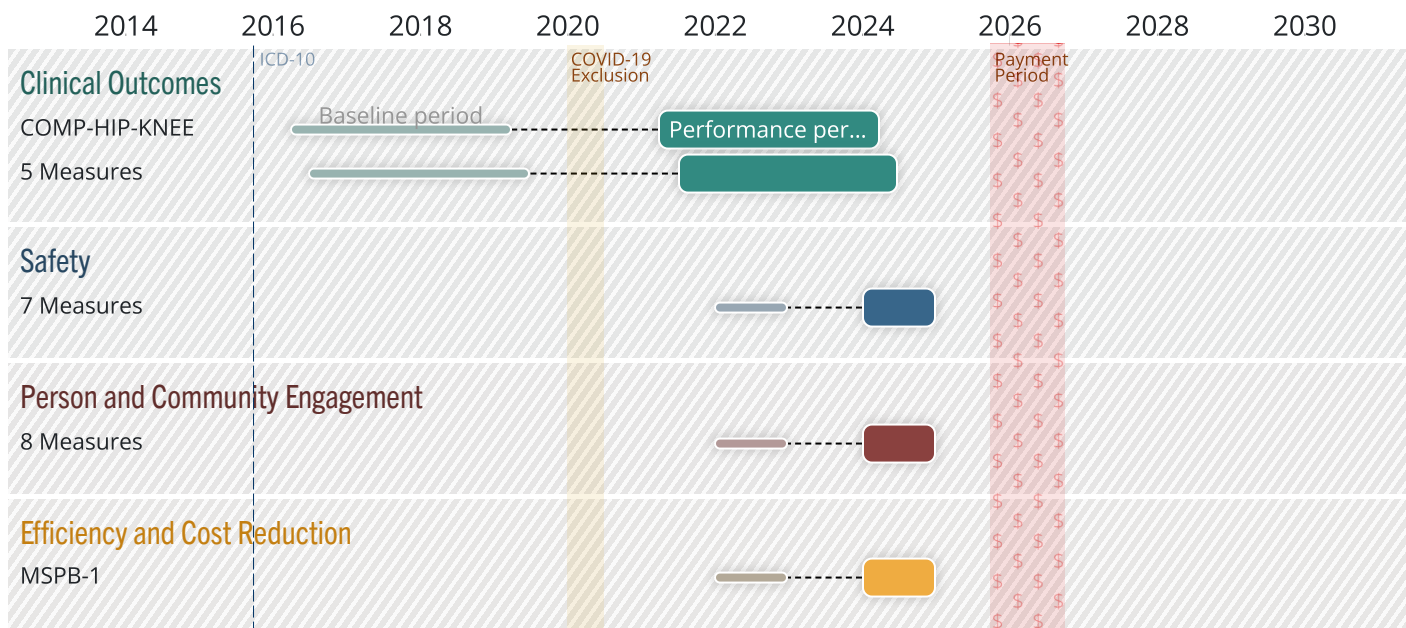
$$\text{VBP Linear Function (Payout Percentage)} = [\text{Total Performance Score} \times \text{VBP Slope}]$$

$$\text{VBP Adjustment Factor} = [1 + (\text{Program Contribution Percentage} \times \text{Payout Percentage}) - \text{Program Contribution Percentage}]$$

$$\text{Annual Program Impact} = [\text{IPPS Base Operating Dollars} \times \text{VBP Adjustment Factor} - \text{IPPS Base Operating Dollars}]$$

Data Collection Timeframe

[Click to filter tables below](#)





Quality Based Payment Reform Reference Guide

Value-Based Purchasing Program

Clinical Outcomes Domain (6 measures, 25% domain weight)

Measure	Baseline period	Performance period	Threshold	Benchmark	Floor	Min. Standard
COMP-HIP-KNEE: Hospital-Level Risk-Standardized Complication Rate Following Elective Primary Total Hip Arthroplasty and Total Knee Arthroplasty Inpatient Medicare	4/2016 - 3/2019	4/2021 - 3/2024	0.024	0.017	N/A	25 cases
MORT-30-AMI: Acute Myocardial Infarction 30-Day Mortality Rate Inpatient Medicare	7/2016 - 6/2019	7/2021 - 6/2024	0.874	0.891	N/A	25 cases
MORT-30-CABG: Coronary Artery Bypass Graft 30-Day Mortality Rate Inpatient Medicare	7/2016 - 6/2019	7/2021 - 6/2024	0.971	0.980	N/A	25 cases
MORT-30-COPD: Chronic Obstructive Pulmonary Disease 30-Day Mortality Rate Inpatient Medicare	7/2016 - 6/2019	7/2021 - 6/2024	0.915	0.932	N/A	25 cases
MORT-30-HF: Heart Failure 30-Day Mortality Rate Inpatient Medicare	7/2016 - 6/2019	7/2021 - 6/2024	0.886	0.913	N/A	25 cases
MORT-30-PN: Pneumonia 30-Day Mortality Rate Inpatient Medicare	7/2016 - 6/2019	7/2021 - 6/2024	0.843	0.877	N/A	25 cases

Safety Domain (7 measures, 25% domain weight)

Measure	Baseline period	Performance period	Threshold	Benchmark	Floor	Min. Standard
---------	-----------------	--------------------	-----------	-----------	-------	---------------



Quality Based Payment Reform Reference Guide

Value-Based Purchasing Program

HAI-1: Central Line-Associated Blood Stream Infection (ICU + Select Wards) Inpatient All	1/2022 - 12/2022	1/2024 - 12/2024	0.760	0	N/A	1 Predicted Infection
HAI-2: Catheter-Associated Urinary Tract Infection (ICU + Select Wards) Inpatient All	1/2022 - 12/2022	1/2024 - 12/2024	0.615	0	N/A	1 Predicted Infection
HAI-3: SSI from Colon Surgery Inpatient All	1/2022 - 12/2022	1/2024 - 12/2024	0.747	0	N/A	1 Predicted Infection on One of the Two Strata*
HAI-4: SSI from Abdominal Hysterectomy Inpatient All	1/2022 - 12/2022	1/2024 - 12/2024	0.763	0	N/A	1 Predicted Infection on One of the Two Strata*
HAI-5: Methicillin-resistant Staphylococcus aureus Inpatient All	1/2022 - 12/2022	1/2024 - 12/2024	0.793	0	N/A	1 Predicted Infection
HAI-6: Clostridium difficile Inpatient All	1/2022 - 12/2022	1/2024 - 12/2024	0.423	0	N/A	1 Predicted Infection
SEP-1: Severe Sepsis and Septic Shock Inpatient All	1/2022 - 12/2022	1/2024 - 12/2024	0.597	0.844	N/A	25 cases

Person and Community Engagement Domain (8 measures, 25% domain weight)

Measure	Baseline period	Performance period	Threshold	Benchmark	Floor	Min. Standard
H-CLEAN: Cleanliness of hospital environment Inpatient All	1/2022 - 12/2022	1/2024 - 12/2024	62.61%	77.49%	38.59%	100 Surveys



Quality Based Payment Reform Reference Guide

Value-Based Purchasing Program

H-COMP-1:

Patients who reported that their nurses always communicated well

1/2022 - 12/2022

1/2024 - 12/2024

76.41%

85.57%

55.23%

100 Surveys

Inpatient | All

H-COMP-2:

Patients who reported that their doctors always communicated well

1/2022 - 12/2022

1/2024 - 12/2024

76.83%

85.93%

58.04%

100 Surveys

Inpatient | All

H-COMP-3:

Patients who reported that they always received help as soon as they wanted

1/2022 - 12/2022

1/2024 - 12/2024

59.56%

77.19%

36.52%

100 Surveys

Inpatient | All

H-COMP-5:

Patients who reported that staff always explained about medicines before giving it to them

1/2022 - 12/2022

1/2024 - 12/2024

58.06%

70.11%

39.27%

100 Surveys

Inpatient | All

H-COMP-6:

Patients who reported that yes, they were given information about what to do during their recovery at home

1/2022 - 12/2022

1/2024 - 12/2024

85.54%

91.10%

63.22%

100 Surveys

Inpatient | All

H-COMP-7:

Patients who agree they understood their care when they left the hospital

1/2022 - 12/2022

1/2024 - 12/2024

48.55%

60.85%

19.98%

100 Surveys

Inpatient | All

H-HSP-RATING:

Patients who gave their hospital a rating of 9 or 10 on a scale from 0 (lowest) to 10 (highest)

1/2022 - 12/2022

1/2024 - 12/2024

67.59%

83.16%

31.58%

100 Surveys

Inpatient | All



Quality Based Payment Reform Reference Guide

Value-Based Purchasing Program

Efficiency and Cost Reduction Domain (1 measures, 25% domain weight)

Measure	Baseline period	Performance period	Threshold	Benchmark	Floor	Min. Standard
MSPB-1: Spending Per Hospital Patient With Medicare Inpatient Medicare	1/2022 - 12/2022	1/2024 - 12/2024	N/A**	N/A**	N/A	25 Cases

Notes and COVID-19 exclusions:

- To see how scores are calculated, visit our [Program Methodologies \(./referenceGuide/calculations#\)](#) page.
- According to the interim final rule, CMS will not use data from Jan. 1, 2020, to June 30, 2020, (first and second quarter 2020) for performance or use in quality programs.
- Transition to ICD-10 is noted as it impacts measure definitions.
- * In VBP, the surgical site infection measures are combined. The minimum standard of one or more predicted infections must be met in either of the two individual SSI measures.
- ** Performance standards for the Medicare Spending Per Beneficiary-1 measure are based on the performance period and are not released in advance of the program.