

# Payment Year 2027 ESRD QIP Fact Sheet

In 2022, the Centers for Medicare & Medicaid Services (CMS) established six pillars to support its [Strategic Pillars](#) plan, the [CMS National Quality Strategy](#), and the [CMS Meaningful Measures 2.0](#) framework. CMS' six pillars have been established to promote quality outcomes, safety, equity, and accessibility for all individuals, especially for people in historically underserved and under-resourced communities. The six pillars include:

- Advance equity
- Expand access
- Engage partners
- Drive innovation
- Protect Programs
- Foster excellence

CMS strives to ensure that all these complex pillars work together to improve health outcomes, advance health equity, and expand coverage for all beneficiaries. These various pillars share a common goal — the provision of high-quality services in renal dialysis facilities.

The End-Stage Renal Disease (ESRD) Quality Incentive Program (QIP) promotes high-quality care for outpatient dialysis facilities that treat patients with ESRD. The first of its kind in Medicare, this program changes the way CMS pays for the treatment of patients who receive dialysis by linking a portion of payment directly to facilities' performance on quality care measures. These types of programs are known as “pay-for-performance” or “value-based purchasing” programs.

The ESRD QIP reduces payments to renal dialysis facilities that do not meet certain performance standards on applicable measures. The maximum payment reduction CMS can apply to any facility is two percent. This reduction applies to all payment for services performed by the facility receiving the reduction during the applicable payment year (PY).

For more information about the ESRD QIP, visit Medicare's [ESRD Quality Incentive Program](#) web page. If you have questions about the program after reviewing this content, contact the CMS ESRD QIP Team via the [QualityNet Question & Answer Tool](#).

## ESRD QIP Final Rule Governing Payment Year 2027

This Fact Sheet is an informal reference only and does not constitute official CMS guidance. For additional information on renal dialysis care regulations, please refer to the [Calendar Year \(CY\) 2025 ESRD Prospective Payment System \(PPS\) Final Rule](#) that was published on November 12, 2024, online at the [Federal Register](#). This final rule applies updates and revisions to the ESRD PPS for CY 2025 that governs ESRD QIP PY2027. Additionally, the final rule outlines how CMS will implement program policies. The final rule specifies the following in detail:

- **Measures selected** – 15 total measures/measure topics (four Care Coordination, three Clinical Care, one Patient & Family Engagement, one Safety, and six Reporting) for assessing the quality of ESRD care.
- **Performance period** – Timeframe during which CMS will collect data to evaluate facility performance.
- **Methodology** – The process used to score facility performance.
- **Payment reduction scale** – Scale used to determine payment reductions for facilities not meeting established performance standards.

The final rules address public comments to earlier proposed rules. CMS has responded to those comments in the most current final rule.

## Measuring Quality

Section 153(c) of the [Medicare Improvements for Patients and Providers Act \(MIPPA\)](#) requires CMS to use certain types of quality measures as part of the ESRD QIP. These include the following:

- Measures on anemia management that reflect the labeling approved by the Food and Drug Administration (FDA) for administration of erythropoiesis-stimulating agents (ESAs)
- Measures on dialysis adequacy
- Other measures including iron management, bone mineral metabolism, vascular access, and patient satisfaction, as specified by the Secretary of the Department of Health and Human Services (HHS)

Note: CY 2025 is the performance period for PY 2027. For PY 2027, CMS has selected 15 measures/measure topics for evaluating each facility. Each measure/measure topic is assigned to one of the five ESRD QIP measure domains:

Care Coordination, Clinical Care, Patient & Family Engagement, Safety, and Reporting

The five ESRD QIP measure domains align with CMS’s Meaningful Measures Initiative, which identified the highest priorities for quality measurement and improvement. Each measure/measure topic is assigned an individual measure weight that contributes to the facility score; the resulting measure scores are combined to establish the facility’s Total Performance Score (TPS). Please refer to the *Facility Scoring* section of this document for additional details pertaining to the individual measure percentage weights. The 15 measures/measure topics are classified as either a “clinical” measure or a “reporting” measure:

- Nine of the measures/measure topics are “clinical” measures. The clinical measures evaluate the quality of services provided to patients by how well facilities meet clinical performance goals during the performance period (CY 2025 for PY 2027). CMS uses clinical measure outcomes from reported data to calculate measure scores.
- Six of the measures are “reporting” measures. The reporting measures evaluate the completeness of the data that are required to be submitted by facilities in the ESRD Quality Reporting System (EQRS) or the National Healthcare Safety Network (NHSN) system for the specified performance period. CMS uses reporting measures rates from reported data to calculate measure scores.

Not all facilities will be eligible for a TPS in PY 2027. To receive a TPS, a facility must be eligible to receive a score on at least one measure in two domains. For each measure, facilities must meet the minimum data requirements to receive a score. The Standardized Hospitalization Ratio (SHR) measure has a minimum data requirement of 5 patient-years at risk. The Standardized Readmission Ratio (SRR) measure has a minimum data requirement of 11 index discharges. The In-Center Hemodialysis Consumer Assessment of Healthcare Providers and Systems (ICH CAHPS®) Survey measure requires facilities to have 30 or more survey-eligible patients to receive a score on the measure. For the Standardized Transfusion Ratio (STrR) measure, the minimum data requirement is 10 patient-years at risk. For all other clinical measures, the minimum data requirement is 11 qualifying patients.

If a facility does not receive a TPS, this does not indicate that the facility provided low-quality care. It could mean that they did not treat enough eligible patients to receive a TPS. For additional information about exclusion criteria and measure calculations, refer to the [CMS ESRD QIP CY 2025 Measure Technical Specifications](#).

## Care Coordination Measure Domain

The Care Coordination Measure Domain has changed for PY 2027 and is composed of four clinical measures. This domain still represents 30 percent of a facility's TPS. The Care Coordination Measure Domain requires facilities to submit the following data:

1. **SRR:** The SRR evaluates the unplanned patient readmissions to the hospital (lower rate is desired).<sup>1</sup>
2. **SHR:** The SHR evaluates the hospitalization occurrences on a risk-adjusted basis (lower rate is desired).<sup>2</sup>
3. **PPPW:** The Percentage of Prevalent Patients Waitlisted (PPPW) evaluates the percentage of patients on the kidney or kidney-pancreas transplant waitlist (higher rate is desired).
4. **Clinical Depression Screening and Follow-Up:** This evaluates the percentage of eligible patients for which a facility reports one of four conditions related to clinical depression screening and follow-up in EQRS (higher rate is desired).<sup>3</sup>

Data to assess performance on these measures are extracted from EQRS, Medicare claims, Organ Procurement and Transplant Network (OPTN), Nursing Home Minimum Dataset, CMS Medical Evidence Forms, Medicare hospice claims, Enrollment Data Base (EDB), and other CMS ESRD administrative databases.

## Clinical Care Measure Domain

The Clinical Care Measure Domain has changed for PY 2027 and is now composed of three clinical measures/measure topics. The Standardized Fistula Rate (SFR) is removed from this domain and from the entire ESRD QIP measure set beginning with PY 2026.<sup>4</sup> The Comprehensive Kt/V Dialysis Adequacy clinical measure will be replaced with a Kt/V Dialysis Adequacy Measure Topic consisting of an adult HD Kt/V measure, an adult PD Kt/V measure, a pediatric HD Kt/V measure, and a pediatric PD Kt/V measure starting from PY 2027. The Clinical Care Measure Domain reflects quality measurement based on the [CMS Meaningful Measures 2.0](#) framework and still represents 35 percent of a facility's TPS. The Clinical Care Domain includes:

1. **Kt/V Dialysis Adequacy Topic** – This evaluates the percentage of patients whose delivered dose of dialysis met the specified thresholds (higher rate is desired). This topic consists of 4 individual Kt/V measures, which are: adult HD Kt/V measure, adult PD Kt/V measure, pediatric HD Kt/V measure, and pediatric PD Kt/V measure.
2. **Vascular Access Type: Long-Term Catheter Rate** – This evaluates the percentage of adult

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<sup>1</sup> The SRR measure is expressed as a rate. The SRR is expressed as a risk-standardized rate by multiplying the facility SRR by the national average readmission rate. The SRR measure has a covariate adjustment applied for patient history of COVID-19.

<sup>2</sup> The SHR measure is expressed as a rate. The SHR is expressed as a risk-standardized rate by multiplying the facility SHR by the national average hospitalization rate. The SHR measure has a covariate adjustment applied for patient history of COVID-19.

<sup>3</sup> The Clinical Depression and Follow-up measure facilities are required to select condition 1, 2, 4, or 5 for all eligible patients to be counted in the numerator, as specified in the [CY 2025 Technical Measure Specifications](#).

<sup>4</sup> The SFR measure was removed from the ESRD QIP measure set under measure removal factor 3, which allows measures to be removed when the measure no longer aligns with current clinical guidelines or practice.

hemodialysis patient-months that used a catheter for three months or longer (lower rate is desired).

3. **Standardized Transfusion Ratio (STrR)** – This evaluates the number of red blood cell transfusion events (lower rate is desired).<sup>5</sup>

Data to assess performance on these measures are extracted from EQRS, Medicare claims, EDB, Long Term Care Minimum Data Set, and other CMS ESRD administrative databases.

### Patient & Family Engagement Measure Domain

The Patient & Family Engagement Measure Domain for PY 2027 remains unchanged and is composed of one clinical measure, the ICH CAHPS Survey measure. The ICH CAHPS Survey measure assesses patients' self-reported experience of care. The higher the ICH CAHPS Survey scores, the better the facility will score towards the TPS. This domain represents 15 percent of a facility's TPS.

Data to assess performance on this measure will be extracted from the ICH CAHPS Survey, EQRS, and other CMS ESRD administrative databases.

Performance on this measure is calculated using data on the ICH CAHPS Survey administered by the facility, the reporting of facility survey administration in EQRS, and validation against other CMS ESRD administrative databases.

### Safety Measure Domain

The Safety Measure Domain for PY 2027 remains unchanged and is composed of one clinical measure, the NHSN Bloodstream Infection (BSI) in Hemodialysis Patients measure. The NHSN BSI in Hemodialysis Patients measure evaluates the number of BSIs incurred by in-center hemodialysis patients. The lower the BSI ratio, the better the facility will score towards the TPS. This domain represents 10 percent of the facility's TPS.

Data to assess performance on this measure will be extracted from NHSN, EQRS, EDB, Medicare claims, and other CMS ESRD administrative data.

The NHSN BSI in Hemodialysis Patients measure requires facilities to enter data according to the Centers for Disease Control and Prevention (CDC) [Dialysis Event Surveillance Protocol](#). Facilities that do not submit 12 months of data in accordance with the Dialysis Event Surveillance Protocol will receive zero points for this measure. Quarterly reporting in NHSN (as specified on the [MyCROWNWeb.org](#) web page) is required. A facility will receive maximum points by meeting the CDC deadlines and by having a lower number of BSIs. For additional information on how to report and submit data to NHSN, visit the [CDC NHSN Training](#) web page.

### Reporting Measure Domain

The Reporting Measure Domain has changed for PY 2027. This domain is now composed of six reporting measures. The NHSN Dialysis Event measure will be removed from this domain and the entire ESRD QIP measure set beginning with PY 2027.<sup>6</sup> Two new measures, the Screening for Social Drivers

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<sup>5</sup> STrR is expressed as a risk-standardized rate by multiplying the facility STrR by the national average transfusion rate. The STrR measure has a covariate adjustment applied for patient history of COVID-19.

<sup>6</sup> The NHSN Dialysis Event measure was removed from the ESRD QIP measure set under measure removal factor 1, which allows measures to be removed when meaningful distinctions in improvements or performance can no longer be made.<sup>7</sup> For additional information on HCP COVID-19 Vaccination data reporting to NHSN and for guidance documents including definitions for up-to-date vaccination, visit the [Weekly HCP COVID-19 Vaccination](#) web page.

of Health measure and the Screen Positive Rate for Social Drivers of Health measure, will be added to this domain starting from PY 2027. This domain still represents 10 percent of the facility's TPS. The Reporting Measure Domain requires facilities to submit the following data:

1. **Hypercalcemia** examines the percentage of patient-months of uncorrected calcium values reported by the facility (higher rate is desired).
2. **Medication Reconciliation (MedRec)** examines facility reporting of the percentage of MedRec performed and documented by an eligible professional. This measure is scored based on the number of eligible patient-months (higher rate is desired).
3. **COVID-19 HCP Vaccination** examines the percentage of months of COVID-19 HCP vaccination data reported to NHSN by the facility (higher rate is better). Reporting for at least one week of data collection a month for each of the three months in a quarter, as specified in the [NHSN HCP COVID-19 Vaccination Protocol](#) is required. A facility will receive maximum points by meeting the CDC data submission deadlines and reporting requirements.<sup>7</sup>
4. **Facility Commitment to Health Equity** assesses facility commitment to health equity using a suite of equity-focused organizational competencies aimed at achieving health equity for all populations. Facilities are scored on affirmative attestations submitted for all elements in five domains. Each domain represents a competency aimed at achieving health equity and is worth two points for a total of 10 possible points. To receive the full 10 points, facilities must complete and attest to all elements in each domain.
5. **Screening for Social Drivers of Health** assesses the percentage of patients, aged 18 years and older, screened for health-related social needs (HRSNs) (specifically, food insecurity, housing instability, transportation needs, utility difficulties, and interpersonal safety) during established care in dialysis facilities. This measure is scored based on the number of eligible patients (higher rate is desired).
6. **Screen Positive Rate for Social Drivers of Health** provides information on the percent of patients that were screened for all five HRSNs, and who screen positive for one or more of the following five HRSNs: Food insecurity, housing instability, transportation needs, utility difficulties, or interpersonal safety. For ESRD QIP, facilities will receive credit for reporting 'Yes' or 'No' (non-missing) responses.

Data to assess performance on these measures will be extracted from EQRS, EDB, facility medical records, Medicare claims, NHSN, and other CMS ESRD administrative data.

## Facility Scoring

### Performance Period

The performance period for PY 2027 is CY 2025 and the improvement period for determining improvement scores is CY 2024. This allows enough time for CMS to:

1. Ensure that all data sources used in calculations are complete and accurate.
2. Calculate facility performance scores.
3. Allow facilities to view their performance scores before public release and obtain additional information if needed.

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<sup>7</sup> For additional information on HCP COVID-19 Vaccination data reporting to NHSN and for guidance documents including definitions for up-to-date vaccination, visit the [Weekly HCP COVID-19 Vaccination](#) web page.

For additional PY 2027 scoring policies, refer to the CY 2024 ESRD PPS Final Rule, published on November 6, 2023, online at the [Federal Register](#).

### Scoring for Clinical Measures

CMS will evaluate facility performance against each measure. The performance period for the PY 2027 clinical measures will be CY 2025 and the improvement period for determining improvement scores will be CY 2024. CY 2023 will be the baseline period for establishing the achievement thresholds and benchmarks. Facilities will be awarded achievement and improvement points for each measure based on their position within the achievement and improvement ranges. The final score will be determined by the higher of the achievement or improvement score.

The **achievement range** begins at the achievement threshold, which is defined as the 15th percentile of facilities during the baseline period (CY 2023 for PY 2027). It ends at the benchmark, which is defined as the 90th percentile of facilities during the baseline period. A facility will receive an achievement score of zero points if its performance on that measure falls below the achievement threshold, one to nine points if the facility's performance falls within this range, and 10 points if it is at or above the benchmark.

The **improvement range** begins at the facility's prior performance rate on the measure during the improvement period (CY 2024 for PY 2027) and ends at the benchmark. A facility will receive an improvement score of zero points if its performance falls below the facility's improvement period rate, and one to nine points if its performance falls within this range.

### Scoring for Reporting Measures

Facilities are scored on the reporting measures based on whether they submit certain reporting data and meet the reporting requirements for those data. For each of the reporting measure, facilities may be able to earn partial points for satisfying some of the reporting requirements. For addition information, please refer to the [CMS ESRD OIP CY 2025 Measure Technical Specifications](#) and the [CMS ESRD Measures Manual for the 2025 Performance Period](#).

### Measure Weighting

The 15 measures/measure topics for PY 2027 do not contribute equally to the TPS. Each facility's score will be calculated according to the following domain weights:

- Clinical Care Measure Domain – 35 percent
- Care Coordination Measure Domain – 30 percent
- Patient & Family Engagement Measure Domain – 15 percent
- Safety Measure Domain – 10 percent
- Reporting Measure Domain – 10 percent

In CY 2019, the ESRD PPS final rule finalized a policy to assign weights to individual measures and to allow weight redistribution for unscored measures. If a facility does not meet the eligibility requirements for a measure, the facility is not scored on the measure. If a facility is not scored on any measures (or measure topics) in a domain, then that domain's weight is redistributed evenly across the remaining domains and then evenly across the eligible measures within those domains. Table 1 on the following page lists the measure weights as a percent of the TPS.

**Table 1: ESRD QIP Measure Domains and Weights as a Percent of TPS**

<b>Measure Weights as a Percent of TPS</b>		
<b>Measure Topics by Domain</b>	<b>Measure Weight as a Percent of Domain</b>	<b>Measure Weight as a Percent of TPS</b>
<b>Care Coordination Measure Domain</b>		
SRR measure	25.00%	7.50%
SHR measure	25.00%	7.50%
PPPW measure	25.00%	7.50%
Clinical Depression Screening and Follow-Up measure	25.00%	7.50%
		<b>30% of TPS</b>
<b>Clinical Care Measure Domain</b>		
Kt/V Dialysis Adequacy measure topic	31.43%	11.00%
Long-term Catheter Rate measure	34.29%	12.00%
STrR measure	34.29%	12.00%
		<b>35% of TPS</b>
<b>Patient &amp; Family Engagement Measure Domain</b>		
ICH CAHPS measure	100.00%	15.00%
		<b>15% of TPS</b>
<b>Safety Measure Domain</b>		
NHSN BSI measure	100.00%	10.00%
		<b>10% of TPS</b>
<b>Reporting Measure Domain</b>		
Facility Commitment to Health Equity measure	16.67%	1.67%
Hypercalcemia measure	16.67%	1.67%
MedRec measure	16.67%	1.67%
Screening for Social Drivers of Health measure	16.67%	1.67%
Screen Positive Rate for Social Drivers of Health measure	16.67%	1.67%
COVID-19 HCP Vaccination measure	16.67%	1.67%
		<b>10% of TPS</b>

**Calculating a Facility’s Total Performance Score**

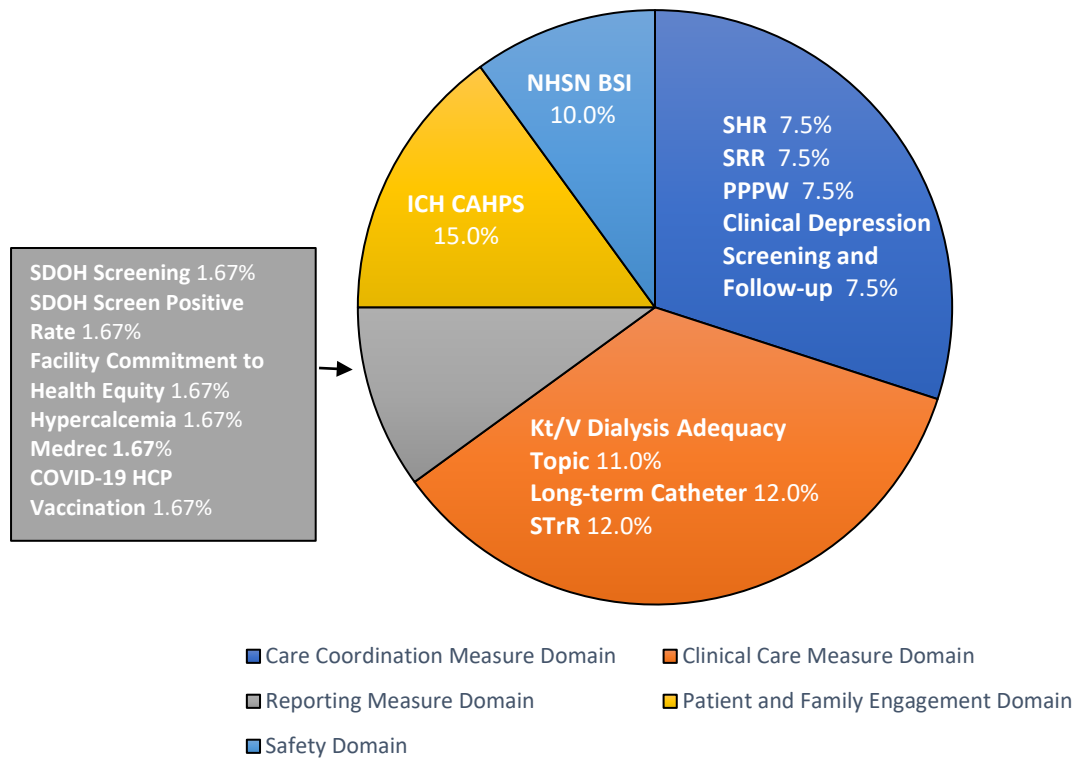
A facility’s TPS in PY 2027 is calculated by the following steps:

1. Multiply each measure score by its appropriate weight.
2. Add these weighted measure scores.
3. Multiply the sum of the weighted measure scores by 10.

A facility’s TPS can range from 0–100 points.

Image 1 below illustrates the measure weights as of TPS by domain that CMS uses for calculating PY 2027 performance scores and payment reductions.

**Image 1: Measure Weights by Domains**



## Payment Adjustments

Section 153(c) of MIPPA directs the Secretary of HHS to develop a method to assess the quality of dialysis care provided by facilities and to link this performance to possible payment reductions. To receive full payment for PY 2027, facilities must have a TPS of at least 51 points. Facilities that fail to meet this standard may receive a payment reduction of up to two percent. This payment reduction will apply to all Medicare payments to that facility for services rendered in CY 2027.

### Scale for Payment Reductions

PY 2027 payment reductions will apply to a facility according to the following chart.

Total Performance Score	Payment Reduction
100–51	No reduction
50–41	0.5%
40–31	1.0%
30–21	1.5%
20–0	2.0%

### Preview Period

Facilities will have the opportunity to preview their scores and any resulting payment reductions prior to public release. The PY 2027 ESRD QIP preview period will last for approximately 30 days and is scheduled to occur in the summer of 2026. During this time, facilities may submit an unlimited number of inquiries about how the system calculates measure results. If a facility believes an error has occurred on the scoring calculations or the data used for a facility’s results, the facility can submit inquiries to



CMS about their preview period results and/or scores during the preview period via the ESRD QIP user interface in EQRS.