




Increasing Organ Transplant Access (IOTA) Model Financial Factsheet



IOTA Model Overview and Payment Approach

-  The IOTA Model is a mandatory model testing whether payment incentives for selected kidney transplant hospitals can increase the total number of kidney transplants, thereby **reducing Medicare costs and improving quality of care.**
-  For each PY, the IOTA Model participant's **final performance score determines the performance-based payment they receive** for each **Medicare kidney transplant**, defined as a kidney transplant furnished to an attributed patient in the IOTA Model whose primary or secondary insurance is Medicare fee for service (FFS), as identified in Medicare FFS claims with Medicare Severity Diagnosis Related Groups (MS-DRGs) 008, 019, 650, 651, and 652.
-  Performance-based payments exist on a continuous scale, with a **maximum upside risk payment of \$15,000 per Medicare kidney transplant for high performers** and, beginning Performance Year (PY) 2, a **maximum downside risk payment of \$2,000 per Medicare kidney transplant for low performers.**

IOTA participants are assessed based on their performance across three domains:



The **achievement domain** assesses the number of kidney transplants the IOTA participant performed relative to a participant-specific transplant target.



The **efficiency domain** assesses the IOTA participant's kidney organ offer acceptance rate ratio, scored based on past participant performance and national ranking.



The **quality domain** assesses the quality of care provided based on the IOTA participant's composite graft survival rate, ranked nationally.

Refer to the IOTA Model's [Final Rule](#) and [Overview Factsheet](#) for more information on performance domains.

Performance-Based Payments

Upside Risk Payment: The upside risk payment is a lump sum payment CMS makes to an IOTA participant if the IOTA participant's final performance score for a PY is 60 or greater.

Neutral Zone – No Payment: IOTA participants with a final performance score below 60 in PY 1 and with a final performance score of 41-59 (inclusive) in PYs 2-6 qualify for the neutral zone and neither owe a downside risk payment to CMS nor receive an upside risk payment from CMS.

Downside Risk Payment: Beginning PY 2, the downside risk payment will be a lump sum payment an IOTA participant must pay to CMS after the close of a PY if the IOTA participant's final score is 40 or lower.

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Payment Formulas

CMS determines if an IOTA participant qualifies for an upside risk payment, downside risk payment, or the neutral zone for each PY based on the IOTA participant's final performance score.

Performance Score	PY 1 Adjustment	PY 2-6 Adjustment
60-100	Upside Risk Payment	Upside Risk Payment
41-59	No Payment	No Payment
0-40	No Payment	Downside Risk Payment

Upside Risk: Payments for final performance scores greater than or equal to 60 are calculated using the formula:

$$\text{Payment CMS issues to IOTA participant per Medicare kidney transplant} = \$15,000 \times \frac{\text{Score} - 60}{40}$$





Neutral Zone: Scores between 41 and 59 (inclusive) receive no adjustment.

Downside Risk: Beginning PY 2, payments for final performance scores less than or equal to 40 will be calculated using the formula:



$$\text{Payment IOTA participant owes to CMS per Medicare kidney transplant} = \$2,000 \times \frac{40 - \text{Score}}{40}$$

Payment Operations and Timelines

Upside Risk Payment and Downside Risk Payment Timeline

-  CMS notifies the IOTA participant of their **preliminary performance assessment and payment calculations** in a form and manner determined by CMS at least 5 to 9 months after each PY.
-  CMS gives IOTA participants 30 days to review preliminary performance assessment and payment calculations and request **targeted reviews**.
-  An IOTA participant may request a **targeted review** for one or more of the calculations made by CMS within the preliminary performance assessment and payment calculations if the IOTA participant believes an error occurred in calculations due to 1) data quality or other issues, or 2) misapplication of the methodology.
-  CMS notifies the IOTA participant of their **final performance score** and any associated upside risk payment or downside risk payment at least 30 days after notifying the IOTA participant of their preliminary performance assessment and payment calculations.

Extreme and Uncontrollable Circumstances

-  In the event of an **extreme and uncontrollable circumstance**, as determined by the Quality Payment Program, CMS may reduce the downside risk payment, if applicable, prior to recoupment by an amount determined by multiplying the downside risk payment by the percentage of total months during the PY affected by the circumstances, by the percentage of attributed patients who reside in the affected area.
-  CMS has sole discretion to determine the period during which an extreme and uncontrollable circumstance occurred and the percentage of attributed patients residing in affected areas.

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Example A: IOTA Participant Qualifying for Upside Risk Payment During PY 1

IOTA PARTICIPANT A CHARACTERISTICS

- 97.5% one-year survival rate after transplantation
- 154 successful kidney transplants in one year, which is greater than their number of kidney transplants in prior years
- **Example factor contributing to IOTA participant A's performance:** Invested in advanced practice providers to help with post-transplant follow-ups



PERFORMANCE PERIOD METRICS



Achievement Domain: 115% of transplant target



Efficiency Domain: Points are awarded based on the scoring system that yields the highest allocation, which is the achievement scoring system in this example.

- 56th percentile performance relative to national ranking, which would yield 10 points according to the achievement scoring system
- Performed below their third baseline year rate, automatically receiving zero points according to the improvement scoring system



Quality Domain: 74th percentile composite graft survival rate relative to national ranking

View [Performance Assessment and Scoring](#) in the Code of Federal Regulations for details on how performance scores are calculated.

PERFORMANCE SCORES

Domain	Metrics Included	Points
Achievement	Number of transplants performed relative to transplant target	50/60
Efficiency	Organ offer acceptance rate ratio	10/20
Quality	Post-transplant composite graft survival rate	18/20
Total Performance Score		78/100

PY 1 payment CMS issues to IOTA participant A per Medicare kidney transplant

$$= \$15,000 \times \frac{78-60}{40} = \$6,750$$




Example B: IOTA Participant Qualifying for Downside Risk Payment During PY 2

IOTA PARTICIPANT B CHARACTERISTICS

- 89.19% one-year survival rate after transplantation
- 330 successful kidney transplants in one year, which is less than their number of kidney transplants in prior years
- **Example factor contributing to IOTA participant B's performance:** Did not internally discuss hospital strategy and potential changes to increase the number of transplants performed relative to historical benchmark, as their high historical rate informed their benchmark



PERFORMANCE PERIOD METRICS

-  **Achievement Domain:** 75% of transplant target
-  **Efficiency Domain:** Points are awarded based on the scoring system that yields the highest allocation, which is the improvement scoring system in this example.
 - 43rd percentile performance relative to national ranking, which would yield 10 points according to the achievement scoring system
 - Performed above their improvement benchmark rate, automatically receiving 15 points according to the improvement scoring system
-  **Quality Domain:** 15th percentile composite graft survival rate relative to national ranking

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PERFORMANCE SCORES		
Domain	Metrics Included	Points
Achievement	Number of transplants performed relative to transplant target	10/60
Efficiency	Organ offer acceptance rate ratio	15/20
Quality	Post-transplant composite graft survival rate	12/20
Total Performance Score		37/100

PY 2 payment IOTA participant B owes to CMS per Medicare kidney transplant

$$= \$2,000 \times \frac{40-37}{40} = \$150$$

Additional Resources