

**Means and Standard Deviations Used to Compute  
Quality and Cost Composite Scores  
for the Calendar Year 2015-2018**

**Value-Based Payment Modifier (Value Modifier) as shown in the  
Annual Quality and Resource Use Reports (QRURs)**

**Overview**

The Quality Composite Score and Cost Composite Score are the two summary scores used to calculate the Value Modifier under the quality-tiering methodology for groups and solo practitioners, as identified by their Medicare-enrolled Taxpayer Identification Number (TIN). Each composite score, if it could be calculated, standardizes the TIN’s performance relative to the mean for the TIN’s peer group, such that zero represents the peer group mean and the TIN’s composite score indicates how many standard deviations a TIN’s performance is from the mean.

The table below displays the peer group means and standard deviations used to calculate the Quality and Cost Composite Scores for each payment adjustment period under the Value Modifier. In each case, peer groups include only those TINs that had the minimum number of required eligible cases for a Quality or Cost Composite Score to be calculated.

**Table 1. 2015-2018 Value Modifier Peer Group Means and Standard Deviations**

Value Modifier Payment Adjustment Period	Composite Score	Peer Group	Peer Group Mean	Standard Deviation
<b>2018<sup>a</sup></b>	<b>Quality Composite Score</b>			
	TINs subject to the 2018 Value Modifier	All TINs with a Quality Composite Score that was used to determine the 2018 Value Modifier	0.30	0.69
	TINs not subject to the 2018 Value Modifier	All TINs except those that participated in a Value Modifier-waived Innovation Center Model in 2016	0.33	0.73
	<b>Cost Composite Score</b>			
TINs subject to the 2018 Value Modifier	All TINs subject to 2018 Value Modifier except those that participated in the Shared Savings Program in 2016	-0.24	1.45	
TINs not subject to the 2018 Value Modifier	All TINs except those that participated in the Shared Savings Program or a Value Modifier-waived Innovation Center Model in 2016	-0.26	1.43	

Value Modifier Payment Adjustment Period	Composite Score	Peer Group	Peer Group Mean	Standard Deviation
<b>2017<sup>b</sup></b>	<b>Quality Composite Score</b>			
	TINs subject to the 2017 Value Modifier	All TINs subject to the 2017 Value Modifier	0.12	0.77
	TINs not subject to the 2017 Value Modifier	All TINs except those that participated in a Value Modifier-waived Innovation Center Model in 2015	0.15	0.81
	<b>Cost Composite Score</b>			
	TINs subject to the 2017 Value Modifier	All TINs subject to the 2017 Value Modifier except those that participated in the Shared Savings Program in 2015	-0.28	1.37
	TINs not subject to the 2017 Value Modifier	All TINs except those that participated in the Shared Savings Program or a Value Modifier-waived Innovation Center Model in 2015	-0.27	1.39
<b>2016<sup>c</sup></b>	<b>Quality Composite Score</b>			
	TINs subject to the 2016 Value Modifier	All TINs subject to the 2016 Value Modifier	-0.15	1.27
	TINs not subject to the 2016 Value Modifier, with 10 or more eligible professionals	All TINs subject to the 2016 Value Modifier	-0.15	1.27
	TINs not subject to the 2016 Value Modifier, with fewer than 10 eligible professionals	All TINs with at least one physician except those that participated in the Shared Savings Program or a Value Modifier-waived Innovation Center Model in 2014	0.17	1.08
	<b>Cost Composite Score</b>			
	TINs subject to the 2016 Value Modifier	All TINs subject to the 2016 Value Modifier	-0.27	1.53
	TINs not subject to the 2016 Value Modifier, with 10 or more eligible professionals	All TINs subject to the 2016 Value Modifier	-0.27	1.53
TINs not subject to the 2016 Value Modifier, with fewer than 10 eligible professionals	All TINs with at least one physician except those that participated in the Shared Savings Program or a Value Modifier-waived Innovation Center Model in 2014	-0.25	1.49	

Value Modifier Payment Adjustment Period	Composite Score	Peer Group	Peer Group Mean	Standard Deviation
<b>2015<sup>d</sup></b>	<b>Quality Composite Score</b>			
	TINs subject to the 2015 Value Modifier	All TINs with 100 or more eligible professionals	0.18	0.61
	TINs not subject to the 2015 Value Modifier, with 100 or more eligible professionals	All TINs with 100 or more eligible professionals	0.18	0.61
	TINs not subject to the 2015 Value Modifier, with fewer than 100 eligible professionals	All TINs with at least one physician	0.17	0.57
	<b>Cost Composite Score</b>			
	TINs subject to the 2015 Value Modifier	All TINs with 100 or more eligible professionals	0.07	1.98
	TINs not subject to the 2015 Value Modifier, with 100 or more eligible professionals	All TINs with 100 or more eligible professionals	0.07	1.98
	TINs not subject to the 2015 Value Modifier, with fewer than 100 eligible professionals	All TINs with at least one physician	-0.30	1.53

<sup>a</sup> The 2018 Value Modifier will apply to TINs with at least one physician, physician assistant, nurse practitioner, clinical nurse specialist, or certified registered nurse anesthetist. The 2018 Value Modifier is waived for TINs that participated in the Pioneer Accountable Care Organization (ACO) Model, the Comprehensive Primary Care initiative, the Next Generation ACO Model, or the Comprehensive End Stage Renal Disease Care Model in 2016.

<sup>b</sup> The 2017 Value Modifier was applied to TINs with at least one physician. The 2017 Value Modifier was waived for TINs that participated in the Pioneer Accountable Care Organization (ACO) Model or the Comprehensive Primary Care initiative in 2015.

<sup>c</sup> The 2016 Value Modifier was applied to TINs with 10 or more eligible professionals and 1 or more physicians. The 2016 Value Modifier did not apply to TINs that participated in the Medicare Shared Savings Program, the Pioneer Accountable Care Organization (ACO) Model, or the Comprehensive Primary Care initiative in 2014.

<sup>d</sup> The 2015 Value Modifier was applied to TINs with 100 or more eligible professionals and at least 1 physician. The 2015 Value Modifier did not apply to TINs that participated in the Medicare Shared Savings Program, the Pioneer Accountable Care Organization (ACO) Model, or the Comprehensive Primary Care initiative in 2013.

For more information on the computation of the Quality and Cost Composite Scores used to determine the Value Modifier for each payment adjustment period, please see the relevant sections of the Detailed Methodologies listed in the table below.

**Table 2. Detailed Methodologies for the 2015-2018 Value Modifiers**

Value Modifier Payment Adjustment Period	Detailed Methodology Link	Page Location of Composite Score Computation Methodology
2018	<a href="https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Downloads/Detailed-Methodology-for-the-2018-Value-Modifier-and-2016-Quality-and-Resource-Use-Report-.pdf">https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Downloads/Detailed-Methodology-for-the-2018-Value-Modifier-and-2016-Quality-and-Resource-Use-Report-.pdf</a>	9-20
2017	<a href="https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Downloads/Detailed-Methodology-for-the-2017-Value-Modifier-and-2015-Quality-and-Resource-Use-Report-.pdf">https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Downloads/Detailed-Methodology-for-the-2017-Value-Modifier-and-2015-Quality-and-Resource-Use-Report-.pdf</a>	10-17
2016	<a href="https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Downloads/2014QRUR-2016VM-DetailedMethodology.pdf">https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Downloads/2014QRUR-2016VM-DetailedMethodology.pdf</a>	9-15
2015	<a href="https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Downloads/2013-Detailed-Methodology.pdf">https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram/Downloads/2013-Detailed-Methodology.pdf</a>	12-14, 17-30