

IQI Medicaid Inpatient Quality Incentive Criteria

State Fiscal Year 2026

Overview

The IQI SFY2026 Medicaid Inpatient Quality Incentive program aims to identify and reward hospitals that provide a higher level of care to Arkansas Medicaid beneficiaries. The program will focus on five performance measures: three submission measures, and one outcome measure.

Criteria

- Hospitals must submit data on **all** eligible measures and have a minimum of five Arkansas Medicaid cases per eligible topic for Q3 and Q4 of 2025.
- Hospitals must pass 80 percent of the eligible measures (see thresholds).
- If the measure denominator is zero after data analysis, the hospital will not be eligible for that measure.
- Hospitals must pass validation.

Bonus payments

- Qualifying PPS hospitals will receive 5.9 percent of their per diem, or up to \$50 per day, on their Medicaid primary discharge (excluding dual-eligible beneficiaries and those under one year of age).
- Hospitals not eligible for a bonus payment that would like to participate in the evaluation for recognition will have the same requirement.

Performance Measures: OBS 4 and 6; BHS 1 and 2; OPI 1

- **Threshold 1:** Performance in Q3 and Q4 of 2025 at or above the 95th percentile from Q3 and Q4 of 2024.
 - *Exceptions:* OBS 4 performance must be 2 percent or below; OBS 6 must be 23 percent or below; and OPI 1 must be 17 percent or below for combined Q3 and Q4 of 2025.
- **Threshold 2:** Hospitals must achieve a 35-percent reduction in failure rate based on submitted data from Q3 and Q4 of 2024.
 - *Exceptions:* OBS 4 performance must be 2 percent or below; OBS 6 must be 23 percent or below; and OPI 1 must be 17 percent or below for combined Q3 and Q4 of 2025.
- **BHS:** Hospitals must achieve 50 percent minimum performance to pass.

Submission measures: OBS 5, OBS 10, and TOB 3

- **OBS 5:** Hospitals will abstract and submit 100% of their OBS Newborn population.

- **OBS 10:** Hospitals will abstract and submit 100% of their OBS Mother population.
- **TOB 3:** Hospitals will abstract and submit the minimum sample required of their TOB population.

Outcome measure OBH 1

- **OBH 1:** Severe Maternal Morbidity
Threshold: 20 percent or below (per 1000 deliveries)

Sampling requirements

- AFMC will provide a monthly Arkansas Medicaid case count per topic.
- Hospitals will have the option to abstract 100 percent of the cases or select a random sample.
 - *Exception:* There will be no sampling option for OBS measures. Hospitals will abstract 100 percent of their OBS Medicaid population.
- The monthly patient list will be based on Arkansas Medicaid-**paid** claims (either primary or secondary if paid by Medicaid). This number may differ from the actual number of cases a hospital has during a quarter.

Validation

- Two randomly selected charts from each topic per quarter for Q3 and Q4 of 2025 will be requested for validation.
- OBH 1 will not have charts validated.
- A combined score of 80 percent across both quarters will be required to pass validation.

9 Quality Incentive Measures for SFY 2026

(Must pass 80 percent of the eligible measures)

PERFORMANCE MEASURES	CRITERIA TO PASS MEASURE	VALIDATION
BHS 1: SUICIDE RISK SCREENING	Must meet thresholds 1 or 2 listed above for combined Q3 and Q4, 2025	Two randomly selected charts from BHS from each quarter (Q3 and Q4, 2025)
BHS 2: SUICIDE RISK SCREENING FOLLOW UP	Must meet thresholds 1 or 2 listed above for combined Q3 and Q4, 2025	Two randomly selected charts from BHS from each quarter (Q3 and Q4, 2025)
OBS 4: EARLY ELECTIVE DELIVERY	Must be 2 percent or below for combined Q3 and Q4, 2025	Two randomly selected charts from OBS Mother from each quarter (Q3 and Q4, 2025)
OBS 6: CESAREAN SECTION: NULLIPAROUS WOMEN	Must be 23 percent or lower for combined Q3 and Q4, 2025	Two randomly selected charts from OBS Mother from each quarter (Q3 and Q4, 2025)
OPI 1: SAFE USE OF OPIOIDS	Must be 17 percent or below for combined Q3 and Q4, 2025	Two randomly selected charts from OPI from each quarter (Q3 and Q4, 2025)
OUTCOME MEASURES	CRITERIA TO PASS MEASURE	VALIDATION
OBH 1: SEVERE MATERNAL MORBIDITY	20 percent or below (per 1000 deliveries).	There will be no validation for this measure.
SUBMISSION MEASURES	CRITERIA TO PASS MEASURE	VALIDATION
OBS 5: EXCLUSIVE BREAST MILK FEEDING	Abstract and submit 100% of OBS Newborn cases for each quarter (Q3 and Q4, 2025)	Two randomly selected charts from OBS Newborn from each quarter (Q3 and Q4, 2025)
TOB 3: TOBACCO USE TREATMENT PROVIDED OR OFFERED AT DISCHARGE	Abstract and submit the minimum sample required of TOB cases for each quarter (Q3 and Q4, 2025)	Two randomly selected charts from TOB measure set from each quarter (Q3 and Q4, 2025)
OBS 10: SYPHILIS SCREENING AT ADMISSION FOR DELIVERY	Abstract and submit the minimum sample required of OBS Mother cases for each quarter (Q3 and Q4, 2025)	Two randomly selected charts from OBS Mother measure set from each quarter (Q3 and Q4, 2025)

# of Eligible Measures	# of Measures Required to Pass
9	8
4	4

