

Collaborative Quality Initiatives Fact Sheet Value-Based Reimbursement 2026



Michigan Surgical Quality Collaborative (MSQC)

The Value Partnerships program at Blue Cross Blue Shield of Michigan (BCBSM) develops and maintains quality programs to align practitioner reimbursement with quality of care standards, improve health outcomes and control health care costs. Practitioner reimbursement earned through these quality programs is called value-based reimbursement (VBR). The VBR Fee Schedule sets fees at greater than 100% of the Standard Fee Schedule. VBR opportunities are available PGIP practitioners who participate in the Michigan Surgical Quality Collaborative (MSQC), and that meet specific eligibility criteria. The coordinating center clinical leaders, jointly with Blue Cross, set quality and performance metrics for the VBR. Each Collaborative Quality Initiative, or CQI, uses unique measures and population-based scoring to receive BCBSM VBR. The CQI VBR is applied in addition to any other VBR the specialist may be eligible to receive. The CQI VBR applies only to reimbursement associated with commercial PPO BCBSM members. This is an annual incentive program.

Population-Based Scoring Methodology

The CQI coordinating center (*not* the physician organization) determines which practitioners have met the appropriate performance targets and notifies Blue Cross. Each physician organization will notify practitioners who will receive CQI VBR, just as the POs do for other types of specialist VBR.

Participants can only receive VBR for one CQI, even if they are participating in more than one CQI, with the following exceptions:

- 1) Practitioners that participate in one of the four population-health based CQIs - INHALE, MCT2D, MIBAC, MIMIND – can receive the related VBR in addition to other CQI VBR
- 2) Practitioners can receive 102% VBR for tobacco cessation in addition to other CQI VBR, but can only receive one tobacco cessation VBR, even if they are eligible for it through multiple CQIs. The tobacco cessation VBR is limited to one reward per practitioner but can be earned in addition to other CQI VBR.

If a practitioner is eligible for rewards through multiple CQIs (those that are not one of the population-health CQIs), the practitioner will be awarded the highest level of CQI VBR.

VBR Reward Opportunities

MSQC Practitioners can be eligible to earn CQI VBR equivalent to 102%, 103% or 105% of the standard fee schedule.

- To be eligible for **102%** CQI VBR, practitioners must achieve target on **2 of 2 measures** listed in **Table 2** below at the **PGIP hospital level**.
- To be eligible for **103%** CQI VBR, practitioners must achieve target on **2 of 2 measures** listed in **Table 1** below at the **PGIP hospital level**.

- To be eligible for **105% CQI VBR**, practitioners must **achieve all targets in both Tables 1 and 2** below.

VBR measures

Table 1. Hospital level measures

Measure	Measurement Period	Target Performance
Increase the use of multi-modal pain medication	3/1/2025 - 6/30/2025	≥ 75% or a 5% relative improvement
Avoid catheter use in Category A patients (Elective laparoscopic cholecystectomy, laparoscopic appendectomy, and open groin hernia repair)	3/1/2024 - 6/30/2025	≤ 7% or a relative reduction of 10%

The MSQC CQI also participates in tobacco cessation incentive. Those measures are detailed below:

Table 2. 102% Tobacco Cessation Measures – PGIP Physician Organization level

Measure	Measurement Period	Target Performance
Decrease the number of patients who are smoking at the time of their (elective) procedure	7/1/2024 - 6/30/2025	≤ 15.0%
Increase the number of patients who report that they are smoking tobacco "0 days per week" in the 30 days following their surgery. This information is based on patient report information collected in PROs survey.	7/1/2024- 6/30/2025	≥ 15%

Both measures must be met in order for a PO to receive the 2% VBR for tobacco measures.

VBR selection process

To be eligible for 2026 CQI VBR, the provider must:

- Be on the PGIP winter 2025 and summer 2025 snapshots (as well as in PGIP as of February 2026)
- Have a PGIP Combined Specialty Type listed as one of the following:
 - General Surgery
 - Vascular Surgery
 - Colon/Rectal Surgery
 - Gynecologic Oncology
 - Obstetrics/Gynecology
- Be affiliated with a PO which met the performance scoring methodology set by the MSQC Coordinating Center.

4) As well as meet one of the following criteria:

- a. Have at least an abstracted case in the MSQC database during BOTH periods:
 - i. 7/1/2024-6/30/25
 - ii. 7/1/2024-6/30/25
- b. Have at least four BCBSM claims for MSQC abstracted procedures (refer to list of CPT codes), during the periods mentioned above, establishing that the surgeon is doing the same work as those colleagues found in the MSQC database.

Are practitioners participating in CQIs eligible for other specialist VBR?

Yes. Specialists are eligible to receive additional VBR if they meet the stated criteria. See the *Specialist VBR fact sheets* for specialty-specific information.

About MSQC

MSQC is comprised of surgeons and hospitals throughout Michigan dedicated to collection and analysis of data to improve the quality of care for patients undergoing surgery in Michigan.

Most recently their quality improvement goals have focused on:

- Reducing morbidity rates
- Reducing sepsis rates
- Reducing surgical site infection rates
- Reducing readmissions
- Reducing ED visits
- Reducing length of stay in hospital
- Reducing opioid prescribing

About the coordinating center

Michigan Medicine serves as MSQC coordinating center to collect and analyze comprehensive clinical data from participating hospitals to identify specific care components associated with better patient outcomes. It uses these analyses to examine practice patterns, generate new knowledge linking processes of care to outcomes, and identify best practices and opportunities to improve quality and efficiency. The center also supports participants in establishing quality improvement goals and in disseminating and implementing best practices. MSQC leadership:

Program director:	Michael Englesbe, MD
Program associate director:	Michael McGee, MD
Program manager:	Amanda Stricklen, MS, RN Rachel Ross, MS, RN

For more information on MSQC and VBR measures, please contact Amanda Stricklen aoreilly@med.umich.edu and Rachel Ross rachacoo@med.umich.edu.

About the CQI Program

Collaborative Quality Initiatives and Collaborative Process initiatives bring together Michigan physicians and hospital partners to address common and costly areas of medical-surgical care, BCBSM and Blue Care Network supports this effort and funds each collaborative data registry, that include data on patient risk factors, processes, and outcomes of care. Collection, analysis, and dissemination of such data helps inform participants on best practices. This, in turn, helps increase efficiencies, improve outcomes, and enhance value. For more information, please contact the BCBSM CQI team at CQIprograms@bcbsm.com.

About Value Partnerships

Value Partnerships is a collection of programs among physicians and hospitals across Michigan and Blue Cross, that make health care better for everyone. This unique, collaborative model enables robust data collection and sharing of best practices, so practitioners can improve patient outcomes. It is value and outcomes-based health care – a movement away from fee-for-service that instead pays practitioners for successfully managing their patient's health. We invite you to visit us at valuepartnerships.com.

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