



Licensing Policy for PQA Performance Measures

Policy Objective

The objective of this policy is to outline the criteria by which the Pharmacy Quality Alliance (PQA) will approve the use and licensing of the performance measures and drug codes lists (“Measures”) that PQA has developed and actively maintains.

Background

PQA develops and maintains numerous performance measures related to the medication use system. The Measures are the proprietary property of PQA, and it is in the interest of PQA to protect and promote the appropriate use of the Measures. PQA may approve an organization’s use of the measures; however, no organization may use the Measures without first obtaining permission from PQA prior to using the Measures. Certain uses of the Measures are only approved with a licensing agreement from PQA that specifies the terms of use and the licensing royalty. PQA reserves the right to determine the conditions under which it will approve and/or license the Measures.

Categories of Measure Users

All organizations that wish to use the Measures must seek approval from PQA and may only use the Measures if granted permission from PQA. Depending on the use, organizations will either sign a licensing agreement or sign a declaration of non-commercial use in order to obtain approval to use of the PQA Measures. Organizations that use the Measures are generally in one of the following categories: 1) Government agencies; 2) Accreditation organizations; 3) Healthcare provider organizations; 4) Commercial vendors/consultants; 5) Research entities.

Agreements may vary across different categories of users, and may differ between licensees within each category, since the licenses are tailored to each user’s needs. However, the following parameters are typical for each category of user:

- 1) *Government Agencies.* Government agencies may be approved by PQA to use the Measures for the purpose of evaluating the quality of healthcare organizations that are under the purview of those agencies and also for public reporting on the quality of those organizations. Government agencies do not pay a license royalty; however, they may enter into financial arrangements with PQA for measure maintenance and technical support.
- 2) *Accreditation Organizations.* Healthcare accreditation organizations may enter a licensing agreement that allows the Measures to be used within an accreditation program. The parameters of the license may include public reports on the quality of the accredited entities.
- 3) *Healthcare provider/health plan organizations.* This category includes health plans, pharmacies, physicians, hospitals, accountable care organizations (ACOs) or other entities engaged in the direct provision of healthcare services or healthcare benefits. These

organizations are expected to use the Measures for the purpose of self-assessment. PQA member organizations may use the Measures for self-assessment without payment of a licensing royalty. Healthcare provider organizations are not permitted to use the Measures for public reporting on the quality of their services or the quality of providers participating in a network for that organization without the explicit written permission of PQA.

- 4) *Commercial vendors/consultants.* This category includes any organization such as a pharmacy benefit manager that utilizes the Measures within a commercial product or service. A product or service is considered to be “commercial” if the organization receives remuneration, either directly or indirectly, for the product or service. These organizations are not permitted to engage in public reporting on the quality of specific organizations or providers without the explicit written permission of PQA. When the Measures are used within a commercial product or service, the licensing entity will pay a license royalty and be listed as an approved user on the PQA website.
- 5) *Researchers.* Researchers may be granted permission to use the Measures within a specific research project. PQA will grant permission for use of the Measures if the research is deemed to be useful for generating new knowledge regarding the quality of medication use, and if the researchers demonstrate their capability to conduct the research in a scientifically appropriate manner. When the research is funded through a grant, researchers are expected to include the licensing royalty for use of the Measures within the grant budget and provide a final report of their findings to PQA.

General Parameters of Licensees

Licenses are granted on a year-to-year basis. PQA reserves the right to audit the licensee’s use of the Measures and may revoke a license if it is determined that the licensee has used the Measures in a manner that is outside the scope of permitted use that was specified in the licensing agreement.

Licensed Content

The Measures are comprised of unique technical specifications as well as drug code lists for each performance measure. A typical licensing agreement will provide the licensee with permission to use the Measures within defined parameters and will provide them with regularly updated technical specifications and drug-code lists. Limited technical support on the use of the Measures is also available.

License Royalty

Certain licensees will be required to pay a royalty to PQA for the use of the Measures. The licensing royalty may be structured as a fixed annual amount or as a variable amount that is dependent on the volume of utilization of the Measures. As a benefit of membership, PQA members who use the Measures only for internal quality improvement initiatives (i.e., self-assessment) will not be assessed a licensing royalty.

For more information, please reach out to MeasureUse@PQAalliance.org