

## Long-Term Care Survey Alert

### Prospective Payment System: Are You Ready To Protect Your Pay?

#### Aligning quality measures in the post-acute care settings to become real.

If you are not ready with your staffing data and quality measures, you stand to jeopardize your reimbursement in the coming years. The **Centers for Medicare & Medicaid Services** (CMS) is adding teeth to its Value-Based Purchasing (VBP) Program, while also amending the requirements that you must fulfill to qualify for participation as a skilled nursing facility (SNF) in the Medicare program.

CMS released its Final Rule for FY 2016 for Prospective Payment System (PPS) for SNFs on August 4 in the Federal Register, Rules and Regulations 46409. In its summary, the agency "specifies a SNF all-cause all-condition hospital readmission measure, as well as adopts that measure for a new SNF Value-Based Purchasing (VBP) Program," while including a discussion on its forthcoming policies, in particular the upcoming VBP program.

#### Quality Measures Could Hit Your Bottom Line

The Improving Medicare Post-Acute Care Transformation Act of 2014 (IMPACT Act) required the implementation of a new quality reporting program for SNFs, namely, the reduction in pay of those PACs that do not submit quality measure data. CMS has adopted "measures meeting three quality domains specified in section 1899B(c)(1) of the Act: Functional status, skin integrity, and incidence of major falls." It also seeks to "implement the provision in the Affordable Care Act regarding the submission of staffing information based on payroll data."

"The 2% payment reduction will be calculated with the market basket percentage for SNFs that do not meet the 80% threshold for completed MDS assessments, including reporting all of the SNF QRP quality measures... They will be finalizing details in the Electronic Staffing Data Submission Payroll-Based Journal (PBJ)," says the **American Speech-Language-Hearing Association** (ASHA) in an August 5 press release. ASHA adds that data collection will begin on July 1, 2016.

#### Guns/Butter Choice For SNFs

In the final rule comments section, the agency referred to a commenter who raised concerns about the changed scenario in which SNFs operate leading to facilities and their staff spending more time and effort in determining the Resource Utilization Group (RUG) levels of residents than in actual care giving. CMS agrees that there should be greater focus on individual requirements and goals of patients, rather than budgets.

More than one commenter pressed CMS to "revise the SNF PPS to account for the potentially increased intensity or cost of services for medically complex residents, some of which may result from the provision of non-therapy ancillary services.... (and) move forward with a revised PPS design or provide a timeline for when such revisions will be ready."

The agency expressed its desire to move forward with improvements to the payment policy and help improve patient care. It added that its SNF payment model research will help "establish a strong basis for examining potential improvements and refinements to the overall SNF PPS," since they have "recently expanded the scope of this research to focus not only on therapy payment but nursing and non-therapy ancillary payments as well." (To read the research, go to <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPSP/therapyresearch.html>).

### **Stay On Top Of Your Assessment Schedules Or Suffer**

However, if you were hoping that the policy would remove penalties for not completing assessments, you'll be disappointed. CMS insists that Change of Therapy (COT) and Other Medicare-Required Assessment (OMRA), uncovered during MDS audits, and inability to complete an MDS after the resident's Medicare-covered SNF stay has ended, will be retained. CMS confirms that these audits have been launched to help "identify such errors and are necessary to ensure that SNFs take seriously the responsibility of ensuring that accurate information is coded on the MDS."

**Editor's note:** Keep an eye on these pages for more on the SNF PPS and how it will impact you.

**Resources:** The CMS announcement can be viewed at <https://federalregister.gov/a/2015-18950>. ASHA's press release can be viewed at [www.asha.org/about/news](http://www.asha.org/about/news)