

MDS Alert

Payment Trends: Time For Another Time Study--CMS Pushes To Get The RUG System Up To Speed

CMS to consider high-cost ancillaries.

Imagine a revamped set of RUGs that reflect more accurately residents' nursing, therapy--and ancillary service requirements.

It's been a long time coming, but the **Centers for Medicare & Medicaid Services** recently awarded a contract to the **Iowa Foundation for Medical Care** to run a staff time measurement study for the purposes of recalibrating the RUGs. The goal is to produce a RUG system that more accurately accounts for variations in residents' resource requirements. CMS did the last time study in 1997 before implementation of the SNF PPS.

In the upcoming study, nursing home staff will use hand-held computers to measure their actual hands-on nursing and therapy time. The study will also include some non-resident-specific time, such as time spent by nurses checking the medication cart, according to **Sheila Lambowitz** in a presentation at the annual fall **National Association of Subacute and Post Acute Care** conference. Checking the med cart doesn't represent direct care to a specific resident, "but it's definitely a nursing task," she said.

The new study will also take a look at residents' utilization of high-cost ancillaries, such as expensive IV meds. "We know that's a problem," Lambowitz conceded. "We're looking to see if the drugs are being given to a subset of patients--or if it's a few [high-priced] drugs."

Unlike previous staff time studies that focused only on general nursing home patients, CMS plans to also look at resource requirements for special populations, such as residents with high-end acuity, cognitive impairment or behavioral symptoms. While those issues may not be big ones under Medicare, they are for RUG-based Medicaid systems in place in over half the states, Lambowitz noted. "CMS has heard complaints for a long time that RUGs in the lower end of the hierarchy don't reflect patients coming into nursing homes," she said. "Even residents in the lower end of the [reduced] physical functioning have greater acuity than they did in the 1990s" when the last time studies were performed.