

MDS Alert

PDPM: Use These Tips for PDPM Implementation Workflow

The countdown to Oct. 1 is getting shorter every day, and regardless of how many factsheets you've read or seminars you've attended, you may still have questions about the Patient-Driven Payment Model (PDPM). Converting to an entirely new process is going to take some getting used to, but, unfortunately, neither resident care nor reimbursement will wait.

Read on to find out exactly what you need to do on Oct. 1 for current residents and new admissions.

Understand These Basics

There are a lot of new terms to become familiar with before PDPM begins.

Definition: One acronym you will see frequently as the industry moves to PDPM is IPA, which stands for Interim Payment Assessment.

"As discussed in the FY 2019 SNF PPS Final Rule, there is no transition period between RUG-IV and PDPM, given that running both systems at the same time would be administratively infeasible for providers and CMS," says **Jane Belt, MS, RN, RAC-MT, RAC-MTA, QCP**, curriculum development specialist at **American Association of Post-Acute Care Nursing (AAPACN)** in Denver.

"Under PDPM (effective October 1, 2019), there are 3 SNF PPS assessments: the 5-Day Assessment, the Interim Payment Assessment (IPA) and the PPS Discharge Assessment. The 5-Day assessment and the PPS Discharge Assessment are required. The IPA is optional and will be completed when providers determine that the patient has undergone a change in their PDPM classification that would require a new PPS assessment," says the Centers for Medicare & Medicaid Services (CMS) in a PDPM fact sheet on MDS changes.

Growing Pains Probably Apply

Note that the IPA will be required for all Medicare Part A residents in a facility during the transition to PDPM.

"If a Medicare Part A resident is in the facility at the end of September and will still be in the facility on Oct. 1, the facility must complete a "transitional" IPA - they must do that so they can bill for the days in October. RUG-IV billing only goes until 11:59 p.m. on Sept. 30, so they need an MDS with a HIPPS code for September and one for October," Belt says. "It will be important to consider carefully the scheduling of the ARDs for these transitional IPAs so that the work can be distributed over the transition window."

"To receive a PDPM HIPPS code that can be used for billing beginning October 1, 2019, all providers will be required to complete an IPA with an ARD no later than October 7, 2019 for all SNF Part A patients," CMS says. "October 1, 2019, will be considered day 1 of the variable per diem (VPD) schedule under PDPM, even if the patient began their stay prior to October 1, 2019."

Beware: "Any 'transitional IPAs' with an ARD after October 7, 2019, will be considered late and relevant penalty for late assessments would apply," CMS warns.

Plan for the Transition

In terms of completing the actual MDS, however, things won't be so different. Even if the lookback period for MDS items spans the transition in payment systems from RUG-IV to PDPM, you'll fill out the MDS as usual.

"The NAC still uses the ARD to count back just like always. Depending on the item and the observation period, some info

will come from September and some from October. Nothing about the gathering of information for the MDS will change," Belt says.

Even if you don't need to fill out many or any transitional IPAs, you should make sure that the assessment is stored in the respective resident's medical record just like any other, Belt says. Remember, the federal requirement that the facility must maintain all assessments completed within the previous 15 months in the active clinical record is not going away (RAI User's Manual pages 2-6).

CMS is trying to smooth out any potential disasters by making the transition a hard stop: When the clock strikes 11:59 p.m. on Sept. 30, RUG-IV is out, and at 12:00 a.m. on Oct. 1, PDPM is in, Belt says.

"For success, the facilities must have a plan to gather the data that will be critical for accurate completion of the five-day assessment and the transitional IPA depending on when the resident is admitted to the facility. The transitional IPA is not optional for those Medicare Part A residents who were admitted in September and their stay continues into October," she explains.

For any new resident admitted on Oct. 1 or after, a five-day assessment will be needed for billing. Belt says the following are key areas to plan to capture, in order to make certain the data will be there when completing the assessments:

- Primary reason for the skilled services,
- Secondary diagnoses to further support the skilled services provided,
- Treatments and procedures,
- Section GG, and
- Resident interviews.

Understand These Assessments

The IPA, as previously mentioned, will be a big part of PDPM, but CMS is also introducing another new assessment.

"The IPA has its own IPA item set. This item set contains the critical payment items and demographic items, as necessary to attain a billing code under PDPM and authorizes payment for the remainder of the PPS stay, beginning on the ARD," Belt explains.

For states that rely on the RUG-III or RUG-IV assessment schedule for calculating case mix group for nursing facility patients, CMS has created an Optional State Assessment (OSA) so that Medicaid payments are not adversely impacted when PDPM is implemented, Belt says. States will have the ability to determine the policy associated with this assessment to meet your Medicaid payment needs, she adds.

"It's important to remember is that the OSA is a stand-alone assessment. It cannot be combined with any other type of assessment. Individual states will determine their own requirements for the use of the OSA," she says.

OSA "is the set of items that may be required by a State Medicaid agency to calculate the Resource Utilization Group (RUG) III or RUG IV Health Insurance Prospective Payment System (HIPPS) code. This is not a federally required assessment; rather, it is required at the discretion of the State Agency for payment purposes," CMS said, in an August SNF quality reporting program (QRP) training.