

## MDS Alert

### Quality: Upcoming Rulemaking: Prepare Now For Heavy Quality-Measure Scrutiny

**Proposed rule will slash your reimbursement if you don't report on these quality items.**

All the talk about reporting standardized assessment data across post-acute care (PAC) settings is no longer just talk ☐ the **Centers for Medicare & Medicaid Services** (CMS) announced a Notice of Proposed Rulemaking (NPRM) for the fiscal year (FY) 2016 SNF Prospective Payment System (PPS).

**Tara McMullen, PhD**, with the CMS Division of Chronic and Post Acute Care, detailed the proposed rule's fine points in a May 14 SNF/LTC Open Door Forum (ODF).

**Background:** The FY 2016 SNF PPS proposed rule stems largely from the requirements contained in the Improving Medicare Post-Acute Care Transformation Act of 2014 (IMPACT Act), which includes SNF data submissions to CMS. The proposed rule applies to SNFs that meet the Medicare requirements for Part A coverage.

#### Get Ready to Report on These Areas

The IMPACT Act requires PAC providers, including SNFs, home health agencies, long-term care hospitals and independent rehab facilities, to report standardized assessment data on:

- **Specified Assessment Instrument Domains:**

- o Functional status;
- o Cognitive function and mental status;
- o Special services, treatments and interventions;
- o Medical conditions and co-morbidities;
- o Impairments; and
- o Other categories.

- **Quality Measure Domains:**

- o Functional status and changes in function;
- o Cognitive function and changes in cognitive function;
- o Skin integrity and changes in skin integrity;
- o Medication reconciliation;
- o Incidence of major falls;
- o Transfer of health information when the individual transitions from the hospital/critical access hospital to PAC provider or home, or from PAC provider to another setting.

- **Resource Use and Other Measures:**

- o Total estimated Medicare spending per beneficiary discharged to the community; and
- o All condition risk-adjusted potentially presentable hospital readmission rates.

### **How Proposed Rule Affects Your Bottom Line**

**Take heed:** Most important, beginning in FY 2018, SNFs that do not submit the required quality reporting data to CMS will have their annual payment update reduced by 2 percentage points, McMullen said. This is a 2-percent reduction to your FY 2018 market basket percentage.

**Exception:** The proposed rule does, however, allow a quality reporting program (QRP) submission exception and extension, which requires that you submit a written request within 90 days of the date extraordinary circumstances occurred.

The proposed rule contains three proposed PAC cross-setting measures addressing skin integrity, major falls, and functional status and cognitive function.



### **Heads Up: Quality Measures Will Keep Coming**

**Look ahead:** McMullen announced in the ODF possible additional quality measures for future consideration; these include:

- SNF 30-Day All-Cause Readmission Measure (NQF #2510);
- Application of the Payment Standardized Medicare Spending Per Beneficiary (MSPB); and
- Percentage residents/patients at discharge assessment who are discharged to a higher level of care or to the community.

In the ODF, McMullen also detailed the following considerations for meeting the October 2016 implementation date for the measure domains:

- Addressing a current area for improvement tied to a stated domain;
- Considering measures previously reported by the Measures Application Partnership (MAP);
- Endorsing and implementing/finalizing the pressure ulcer (NQF #0678) and major falls (NQF #0674) measures for use in the PAC QRPs;
- Minimizing added burden to the providers;
- Where possible, avoiding any impact on current assessment items already collected; and
- Avoiding duplication of existing assessment concepts.

CMS accepted comments on the proposed rule until June 19. Stay tuned to future issues of MDS Alert for updates on changes to the proposed rule and the pending publication of a final rule.

**Resource:** The text of the proposed rule is available at [www.federalregister.gov/articles/2015/04/20/2015-08944/medicare-program-prospective-payment-system-and-consolidated-billing-for-skilled-nursing-facilities](http://www.federalregister.gov/articles/2015/04/20/2015-08944/medicare-program-prospective-payment-system-and-consolidated-billing-for-skilled-nursing-facilities). Also, you can access more information regarding the IMPACT Act at [www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Post-Acute-Care-Quality-Initiatives/IMPACT-Act-of-2014-and-Cross-Setting-Measures.html](http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/Post-Acute-Care-Quality-Initiatives/IMPACT-Act-of-2014-and-Cross-Setting-Measures.html).

