

Issue Brief

FEDERAL ISSUE BRIEF • May 1, 2017

CMS Proposes Skilled Nursing Facility FY 2018 Update

The Centers for Medicare and Medicaid Services has issued a proposed rule that would update the payment rates used under the prospective payment system for skilled nursing facilities, for fiscal year 2018.

The proposed rule also includes proposals that would update the requirements for the Skilled Nursing Facility Quality Reporting Program, additional proposals for the Skilled Nursing Facility Value-Based Purchasing Program, and clarification of requirements related to survey team composition and investigation of complaints under regulations 488.30, 488.301, 488.314, and 488.308. The proposed rule also includes one proposal related to the performance period for the National Healthcare Safety Network Healthcare Personnel Influenza Vaccination Reporting Measure included in the End-Stage Renal Disease Quality Incentive Program.

The document is currently on display at the *Federal Register* office. Publication is scheduled for May 4. A 60-day comment period ending June 26 is provided. A copy of the 294-page document is at: <https://s3.amazonaws.com/public-inspection.federalregister.gov/2017-08521.pdf>. This link will be superseded upon publication.

CMS notes that the overall economic impact of this proposed rule would be

an estimated increase of \$390 million in aggregate payments to SNFs during FY 2018.

SNF PPS RATE SETTING METHODOLOGY AND FY 2018 UPDATE

Section 411(a) of the Medicare Access and CHIP Reauthorization Act of 2015 requires CMS to use a 1.0 percent marketbasket percentage instead of an estimated 2.7 percent marketbasket percentage for FY 2018. Absent the enactment of MACRA, the resulting net SNF marketbasket update would equal 2.3 percent, or 2.7 percent less the 0.4 percentage point Multi Factor Productivity adjustment.

SNFs that fail to submit required quality data to CMS will be subject to a 2.0 percentage point reduction to the otherwise applicable annual marketbasket percentage update with respect to that fiscal year.

Forecast error correction

The SNF PPS is the only PPS that requires a marketbasket forecast for errors. However, CMS' rule only makes corrections if the error is 0.5 percent or more.

There will be no correction for FY 2018.

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continued

COMMENT

The SNF update is, for the most part, straight forward. The rule spends considerable effort explaining both the SNF quality reporting requirements and the potential adoption of a value-based measure. These are complex subjects and have lengthy discussions. Discussions that need in-depth review to understand and comprehend. Medicare is moving quickly to adopt quality and value-based measures. Such measures will dominate and impact payments.

FY 2017 ANNUAL UPDATE OF PAYMENT RATES UNDER THE PROSPECTIVE PAYMENT SYSTEM FOR SKILLED NURSING FACILITIES

Revising and Rebasing the SNF Marketbasket

CMS spends some 38 pages describing how it has recalculated an updated marketbasket to be used for FY 2018. The proposed labor-related share would be 70.8 percent. It's currently 69.1.

COMMENT

Yes, errors are possible in any calculation and the calculation methodology. CMS should be applauded for showing its calculations, but, one must wade through 38 pages to find out the only major element – the labor related share. Here is another example of material that would be better placed in an appendix and placed on CMS' website.

AIDS Add-on

The temporary increase of 128 percent in the per diem adjusted payment rates for SNF residents with AIDS, enacted by section 511 of the Medicare Modernization Act, remains in effect.

Case-Mix and Rates

The tables below contain the proposed case-mix adjusted RUG-IV payment rates, and provide labor/ non-labor values. These tables do not reflect the AIDS add-on, which CMS applies only after making all other adjustments (such as the wage index).

**RUG-IV Case-Mix Adjusted Federal Rates and Associated Indexes
URBAN**

RUG-IV Category	Nursing Index	Therapy Index	Nursing Component	Therapy Component	Non-case Mix Therapy Comp	Non-case Mix Component	Labor Rate	Non-Labor Rate	Total Rate
RUX	2.67	1.87	\$473.02	\$249.53		\$90.42	\$575.58	\$237.39	\$812.97
RUL	2.57	1.87	\$455.30	\$249.53		\$90.42	\$563.04	\$232.21	\$795.25
RVX	2.61	1.28	\$462.39	\$170.80		\$90.42	\$512.32	\$211.29	\$723.61
RVL	2.19	1.28	\$387.98	\$170.80		\$90.42	\$459.63	\$189.57	\$649.20
RHX	2.55	0.85	\$451.76	\$113.42		\$90.42	\$464.16	\$191.44	\$655.60
RHL	2.15	0.85	\$380.89	\$113.42		\$90.42	\$413.99	\$170.74	\$584.73
RMX	2.47	0.55	\$437.59	\$73.39		\$90.42	\$425.79	\$175.61	\$601.40
RML	2.19	0.55	\$387.98	\$73.39		\$90.42	\$390.67	\$161.12	\$551.79
RLX	2.26	0.28	\$400.38	\$37.36		\$90.42	\$373.94	\$154.22	\$528.16
RUC	1.56	1.87	\$276.37	\$249.53		\$90.42	\$436.35	\$179.97	\$616.32
RUB	1.56	1.87	\$276.37	\$249.53		\$90.42	\$436.35	\$179.97	\$616.32
RUA	0.99	1.87	\$175.39	\$249.53		\$90.42	\$364.86	\$150.48	\$515.34
RVC	1.51	1.28	\$267.51	\$170.80		\$90.42	\$374.34	\$154.39	\$528.73
RVB	1.11	1.28	\$196.65	\$170.80		\$90.42	\$324.17	\$133.70	\$457.87

**RUG-IV Case-Mix Adjusted Federal Rates and Associated Indexes
URBAN**

RUG-IV Category	Nursing Index	Therapy Index	Nursing Component	Therapy Component	Non-case Mix Therapy Comp	Non-case Mix Component	Labor Rate	Non-Labor Rate	Total Rate
RVA	1.10	1.28	\$194.88	\$170.80		\$90.42	\$322.92	\$133.18	\$456.10
RHC	1.45	0.85	\$256.88	\$113.42		\$90.42	\$326.19	\$134.53	\$460.72
RHB	1.19	0.85	\$210.82	\$113.42		\$90.42	\$293.58	\$121.08	\$414.66
RHA	0.91	0.85	\$161.22	\$113.42		\$90.42	\$258.46	\$106.60	\$365.06
RMC	1.36	0.55	\$240.94	\$73.39		\$90.42	\$286.56	\$118.19	\$404.75
RMB	1.22	0.55	\$216.14	\$73.39		\$90.42	\$269.00	\$110.95	\$379.95
RMA	0.84	0.55	\$148.81	\$73.39		\$90.42	\$221.33	\$91.29	\$312.62
RLB	1.50	0.28	\$265.74	\$37.36		\$90.42	\$278.61	\$114.91	\$393.52
RLA	0.71	0.28	\$125.78	\$37.36		\$90.42	\$179.52	\$74.04	\$253.56
ES3	3.58		\$634.23		\$17.58	\$90.42	\$525.50	\$216.73	\$742.23
ES2	2.67		\$473.02		\$17.58	\$90.42	\$411.36	\$169.66	\$581.02
ES1	2.32		\$411.01		\$17.58	\$90.42	\$367.46	\$151.55	\$519.01
HE2	2.22		\$393.30		\$17.58	\$90.42	\$354.92	\$146.38	\$501.30
HE1	1.74		\$308.26		\$17.58	\$90.42	\$294.71	\$121.55	\$416.26
HD2	2.04		\$361.41		\$17.58	\$90.42	\$332.34	\$137.07	\$469.41
HD1	1.60		\$283.46		\$17.58	\$90.42	\$277.15	\$114.31	\$391.46
HC2	1.89		\$334.83		\$17.58	\$90.42	\$313.52	\$129.31	\$442.83
HC1	1.48		\$262.20		\$17.58	\$90.42	\$262.10	\$108.10	\$370.20
HB2	1.86		\$329.52		\$17.58	\$90.42	\$309.76	\$127.76	\$437.52
HB1	1.46		\$258.65		\$17.58	\$90.42	\$259.59	\$107.06	\$366.65
LE2	1.96		\$347.23		\$17.58	\$90.42	\$322.30	\$132.93	\$455.23
LE1	1.54		\$272.83		\$17.58	\$90.42	\$269.63	\$111.20	\$380.83
LD2	1.86		\$329.52		\$17.58	\$90.42	\$309.76	\$127.76	\$437.52
LD1	1.46		\$258.65		\$17.58	\$90.42	\$259.59	\$107.06	\$366.65
LC2	1.56		\$276.37		\$17.58	\$90.42	\$272.13	\$112.24	\$384.37
LC1	1.22		\$216.14		\$17.58	\$90.42	\$229.49	\$94.65	\$324.14
LB2	1.45		\$256.88		\$17.58	\$90.42	\$258.34	\$106.54	\$364.88
LB1	1.14		\$201.96		\$17.58	\$90.42	\$219.45	\$90.51	\$309.96
CE2	1.68		\$297.63		\$17.58	\$90.42	\$287.19	\$118.44	\$405.63
CE1	1.50		\$265.74		\$17.58	\$90.42	\$264.61	\$109.13	\$373.74
CD2	1.56		\$276.37		\$17.58	\$90.42	\$272.13	\$112.24	\$384.37
CD1	1.38		\$244.48		\$17.58	\$90.42	\$249.56	\$102.92	\$352.48
CC2	1.29		\$228.54		\$17.58	\$90.42	\$238.27	\$98.27	\$336.54
CC1	1.15		\$203.73		\$17.58	\$90.42	\$220.70	\$91.03	\$311.73
CB2	1.15		\$203.73		\$17.58	\$90.42	\$220.70	\$91.03	\$311.73
CB1	1.02		\$180.70		\$17.58	\$90.42	\$204.40	\$84.30	\$288.70
CA2	0.88		\$155.90		\$17.58	\$90.42	\$186.84	\$77.06	\$263.90
CA1	0.78		\$138.18		\$17.58	\$90.42	\$174.30	\$71.88	\$246.18
BB2	0.97		\$171.85		\$17.58	\$90.42	\$198.13	\$81.72	\$279.85
BB1	0.90		\$159.44		\$17.58	\$90.42	\$189.35	\$78.09	\$267.44
BA2	0.70		\$124.01		\$17.58	\$90.42	\$164.26	\$67.75	\$232.01

**RUG-IV Case-Mix Adjusted Federal Rates and Associated Indexes
URBAN**

RUG-IV Category	Nursing Index	Therapy Index	Nursing Component	Therapy Component	Non-case Mix Therapy Comp	Non-case Mix Component	Labor Rate	Non-Labor Rate	Total Rate
BA1	0.64		\$113.38		\$17.58	\$90.42	\$156.74	\$64.64	\$221.38
PE2	1.50		\$265.74		\$17.58	\$90.42	\$264.61	\$109.13	\$373.74
PE1	1.40		\$248.02		\$17.58	\$90.42	\$252.06	\$103.96	\$356.02
PD2	1.38		\$244.48		\$17.58	\$90.42	\$249.56	\$102.92	\$352.48
PD1	1.28		\$226.76		\$17.58	\$90.42	\$237.01	\$97.75	\$334.76
PC2	1.10		\$194.88		\$17.58	\$90.42	\$214.44	\$88.44	\$302.88
PC1	1.02		\$180.70		\$17.58	\$90.42	\$204.40	\$84.30	\$288.70
PB2	0.84		\$148.81		\$17.58	\$90.42	\$181.82	\$74.99	\$256.81
PB1	0.78		\$138.18		\$17.58	\$90.42	\$174.30	\$71.88	\$246.18
PA2	0.59		\$104.52		\$17.58	\$90.42	\$150.46	\$62.06	\$212.52
PA1	0.54		\$95.67		\$17.58	\$90.42	\$144.20	\$59.47	\$203.67

**RUG-IV Case-Mix Adjusted Federal Rates and Associated Indexes
RURAL**

RURAL RUG-IV Category	Nursing Index	Therapy Index	Nursing Component	Therapy Component	Non-case Mix Therapy Comp	Non-case Mix Component	Labor Rate	Non Labor Rate	Total Rate
RUX	2.67	1.87	\$451.87	\$287.74		\$92.09	\$588.84	\$242.86	\$831.70
RUL	2.57	1.87	\$434.95	\$287.74		\$92.09	\$576.86	\$237.92	\$814.78
RVX	2.61	1.28	\$441.72	\$196.95		\$92.09	\$517.38	\$213.38	\$730.76
RVL	2.19	1.28	\$370.64	\$196.95		\$92.09	\$467.05	\$192.63	\$659.68
RHX	2.55	0.85	\$431.56	\$130.79		\$92.09	\$463.34	\$191.10	\$654.44
RHL	2.15	0.85	\$363.87	\$130.79		\$92.09	\$415.42	\$171.33	\$586.75
RMX	2.47	0.55	\$418.02	\$84.63		\$92.09	\$421.08	\$173.66	\$594.74
RML	2.19	0.55	\$370.64	\$84.63		\$92.09	\$387.53	\$159.83	\$547.36
RLX	2.26	0.28	\$382.48	\$43.08		\$92.09	\$366.50	\$151.15	\$517.65
RUC	1.56	1.87	\$264.01	\$287.74		\$92.09	\$455.84	\$188.00	\$643.84
RUB	1.56	1.87	\$264.01	\$287.74		\$92.09	\$455.84	\$188.00	\$643.84
RUA	0.99	1.87	\$167.55	\$287.74		\$92.09	\$387.55	\$159.83	\$547.38
RVC	1.51	1.28	\$255.55	\$196.95		\$92.09	\$385.57	\$159.02	\$544.59
RVB	1.11	1.28	\$187.86	\$196.95		\$92.09	\$337.65	\$139.25	\$476.90
RVA	1.10	1.28	\$186.16	\$196.95		\$92.09	\$336.44	\$138.76	\$475.20
RHC	1.45	0.85	\$245.40	\$130.79		\$92.09	\$331.54	\$136.74	\$468.28
RHB	1.19	0.85	\$201.40	\$130.79		\$92.09	\$300.39	\$123.89	\$424.28
RHA	0.91	0.85	\$154.01	\$130.79		\$92.09	\$266.84	\$110.05	\$376.89
RMC	1.36	0.55	\$230.17	\$84.63		\$92.09	\$288.08	\$118.81	\$406.89
RMB	1.22	0.55	\$206.47	\$84.63		\$92.09	\$271.30	\$111.89	\$383.19
RMA	0.84	0.55	\$142.16	\$84.63		\$92.09	\$225.77	\$93.11	\$318.88
RLB	1.50	0.28	\$253.86	\$43.08		\$92.09	\$275.43	\$113.60	\$389.03
RLA	0.71	0.28	\$120.16	\$43.08		\$92.09	\$180.77	\$74.56	\$255.33
ES3	3.58		\$605.88		\$18.78	\$92.09	\$507.46	\$209.29	\$716.75



continued

RUG-IV Case-Mix Adjusted Federal Rates and Associated Indexes
RURAL

RURAL RUG-IV Category	Nursing Index	Therapy Index	Nursing Component	Therapy Component	Non-case Mix Therapy Comp	Non-case Mix Component	Labor Rate	Non Labor Rate	Total Rate
ES2	2.67		\$451.87		\$18.78	\$92.09	\$398.42	\$164.32	\$562.74
ES1	2.32		\$392.64		\$18.78	\$92.09	\$356.49	\$147.02	\$503.51
HE2	2.22		\$375.71		\$18.78	\$92.09	\$344.50	\$142.08	\$486.58
HE1	1.74		\$294.48		\$18.78	\$92.09	\$286.99	\$118.36	\$405.35
HD2	2.04		\$345.25		\$18.78	\$92.09	\$322.93	\$133.19	\$456.12
HD1	1.60		\$270.78		\$18.78	\$92.09	\$270.21	\$111.44	\$381.65
HC2	1.89		\$319.86		\$18.78	\$92.09	\$304.96	\$125.77	\$430.73
HC1	1.48		\$250.48		\$18.78	\$92.09	\$255.84	\$105.51	\$361.35
HB2	1.86		\$314.79		\$18.78	\$92.09	\$301.37	\$124.29	\$425.66
HB1	1.46		\$247.09		\$18.78	\$92.09	\$253.44	\$104.52	\$357.96
LE2	1.96		\$331.71		\$18.78	\$92.09	\$313.35	\$129.23	\$442.58
LE1	1.54		\$260.63		\$18.78	\$92.09	\$263.02	\$108.48	\$371.50
LD2	1.86		\$314.79		\$18.78	\$92.09	\$301.37	\$124.29	\$425.66
LD1	1.46		\$247.09		\$18.78	\$92.09	\$253.44	\$104.52	\$357.96
LC2	1.56		\$264.01		\$18.78	\$92.09	\$265.42	\$109.46	\$374.88
LC1	1.22		\$206.47		\$18.78	\$92.09	\$224.68	\$92.66	\$317.34
LB2	1.45		\$245.40		\$18.78	\$92.09	\$252.24	\$104.03	\$356.27
LB1	1.14		\$192.93		\$18.78	\$92.09	\$215.09	\$88.71	\$303.80
CE2	1.68		\$284.32		\$18.78	\$92.09	\$279.79	\$115.40	\$395.19
CE1	1.50		\$253.86		\$18.78	\$92.09	\$258.23	\$106.50	\$364.73
CD2	1.56		\$264.01		\$18.78	\$92.09	\$265.42	\$109.46	\$374.88
CD1	1.38		\$233.55		\$18.78	\$92.09	\$243.85	\$100.57	\$344.42
CC2	1.29		\$218.32		\$18.78	\$92.09	\$233.07	\$96.12	\$329.19
CC1	1.15		\$194.63		\$18.78	\$92.09	\$216.29	\$89.21	\$305.50
CB2	1.15		\$194.63		\$18.78	\$92.09	\$216.29	\$89.21	\$305.50
CB1	1.02		\$172.62		\$18.78	\$92.09	\$200.71	\$82.78	\$283.49
CA2	0.88		\$148.93		\$18.78	\$92.09	\$183.94	\$75.86	\$259.80
CA1	0.78		\$132.01		\$18.78	\$92.09	\$171.96	\$70.92	\$242.88
BB2	0.97		\$164.16		\$18.78	\$92.09	\$194.72	\$80.31	\$275.03
BB1	0.90		\$152.32		\$18.78	\$92.09	\$186.34	\$76.85	\$263.19
BA2	0.70		\$118.47		\$18.78	\$92.09	\$162.37	\$66.97	\$229.34
BA1	0.64		\$108.31		\$18.78	\$92.09	\$155.18	\$64.00	\$219.18
PE2	1.50		\$253.86		\$18.78	\$92.09	\$258.23	\$106.50	\$364.73
PE1	1.40		\$236.94		\$18.78	\$92.09	\$246.25	\$101.56	\$347.81
PD2	1.38		\$233.55		\$18.78	\$92.09	\$243.85	\$100.57	\$344.42
PD1	1.28		\$216.63		\$18.78	\$92.09	\$231.87	\$95.63	\$327.50
PC2	1.10		\$186.16		\$18.78	\$92.09	\$210.30	\$86.73	\$297.03
PC1	1.02		\$172.62		\$18.78	\$92.09	\$200.71	\$82.78	\$283.49
PB2	0.84		\$142.16		\$18.78	\$92.09	\$179.15	\$73.88	\$253.03
PB1	0.78		\$132.01		\$18.78	\$92.09	\$171.96	\$70.92	\$242.88
PA2	0.59		\$99.85		\$18.78	\$92.09	\$149.19	\$61.53	\$210.72
PA1	0.54		\$91.39		\$18.78	\$92.09	\$143.20	\$59.06	\$202.26

Wage Index

The area wage index budget neutrality factor for FY 2018 would be 1.0003. The proposed wage indexes applicable to FY 2017 is set forth in Tables A and B available on CMS' website at <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/WageIndex.html>.

COMMENT

CMS spends some 134 pages discussing quality measures and policy issues. The following are highlights of the material. With the continued focus on quality, those involved in this area need to review the material in detail.

SNF QUALITY REPORTING PROGRAM

Measures Currently Adopted

The SNF QRP currently has seven adopted measures as outlined in table below.

Quality Measures Currently Adopted for the SNF QRP	
Short Name	Measure Name and Data Source
	Resident Assessment Instrument Minimum Data Set
Pressure Ulcers	Percent of Residents or Patients with Pressure Ulcers that are New or Worsened (Short Stay) (NQF #0678)
Application of Falls	Application of the NQF-endorsed Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay) (NQF #0674)
Application of Functional Assessment/ Care Plan	Application of Percent of LTCH Patients with an Admission and Discharge Functional Assessment and a Care Plan That Addresses Function (NQF #2631)
DRR	Drug Regimen Review Conducted with Follow-Up for Identified Issues-Post Acute Care Skilled Nursing Facility Quality Reporting Program*
	Claims-based
MSPB	Total Estimated Medicare Spending Per Beneficiary – Post Acute Care Skilled Facility Quality Reporting Program*
DTC	Discharge to Community-Post Acute Care Skilled Nursing Facility Quality Reporting Program*
PPR	Potentially Preventable 30-Day Post-Discharge Readmission Measure for Skilled Nursing Facility Quality Reporting Program*

SNF QRP Quality Measures Proposed Beginning with the FY 2020 SNF QRP

Beginning with the FY 2020 SNF QRP, CMS is proposing to remove the current pressure ulcer measure entitled Percent of Residents or Patients with Pressure Ulcers that Are New or Worsened (Short Stay) (NQF #0678) and to replace it with a modified version of the measure entitled Changes in Skin Integrity Post-Acute Care: Pressure Ulcer/Injury and to adopt four function outcome measures on resident functional status.

The proposed four outcome measures are:

- Application of IRF Functional Outcome Measure: Change in Self-Care Score for Medical Rehabilitation Patients (NQF #2633).
- Application of IRF Functional Outcome Measure: Change in Mobility Score for Medical Rehabilitation Patients (NQF #2634).
- Application of IRF Functional Outcome Measure: Discharge Self-Care Score for Medical Rehabilitation Patients (NQF #2635).
- Application of IRF Functional Outcome Measure: Discharge Mobility Score for Medical Rehabilitation Patients (NQF #2636).

Proposed Standardized Resident Assessment Data Reporting Beginning with the FY 2020 SNF QRP

SNFs would be required to report data for SNF admissions at the start of the Medicare Part A stay and SNF discharges at the end of the Medicare Part A stay that occur between October 1, 2018 and December 31, 2018, with the exception of two data elements (Hearing and Vision) that would be required for SNF admissions at the start of the Medicare Part A stay only that occur between October 1, 2018, and December 31, 2018.

The following items are subjects that CMS has identified for standardized data reporting compliance:

- Application of Percent of Long-Term Care Hospital Patients with an Admission and Discharge Functional Assessment and a Care Plan That Addresses Function (NQF #2631).
- Brief Interview for Mental Status meet the definition of standardized patient assessment data for cognitive function and mental status.

- Confusion Assessment Method.
- Behavioral Signs and Symptoms data elements.
- PHQ-2 data elements.

CMS is proposing 15 special services, treatments, and interventions as presented below grouped by cancer treatments, respiratory treatments, other treatments, and nutritional approaches that meet the definition of standardized patient assessment data for special services, treatments, and interventions under section 1899B(b)(1)(B)(iii) of the Act.

1. Cancer Treatment: Chemotherapy (IV, Oral, Other)
2. Cancer Treatment: Radiation
3. Respiratory Treatment: Oxygen Therapy (Continuous, Intermittent)
4. Respiratory Treatment: Suctioning (Scheduled, As needed)
5. Respiratory Treatment: Tracheostomy Care
6. Respiratory Treatment: Non-invasive Mechanical Ventilator (BiPAP, CPAP)
7. Respiratory Treatment: Invasive Mechanical Ventilator
8. Other Treatment: Intravenous (IV) Medications (Antibiotics, Anticoagulation, Other)
9. Other Treatment: Transfusions
10. Other Treatment: Dialysis (Hemodialysis, Peritoneal dialysis)
11. Other Treatment: Intravenous (IV) Access (Peripheral IV, Midline, Central line, Other)
12. Nutritional Approach: Parenteral/IV Feeding
13. Nutritional Approach: Feeding Tube
14. Nutritional Approach: Mechanically Altered Diet
15. Nutritional Approach: Therapeutic Diet

Please refer to the proposal for explicit details.

SNF VALUE-BASED PURCHASING PROGRAM

Section 1888(h)(1)(B) of the Act requires that the SNF VBP Program apply to payments for services furnished on or after October 1, 2018 (FY 2019).

CMS is proposing to implement requirements for the SNF VBP Program, as well as codify some of those requirements at §413.338, including certain definitions, the process for making value-based incentive payments, limitations on review, and other requirements.

In the FY 2016 SNF PPS final rule, CMS finalized the Skilled Nursing Facility 30-Day All-Cause Readmission Measure (NQF #2510) that it will use for the SNF VBP Program.

Scoring & Operational Updates

The SNF VBP Program's scoring and operational policies for its first year (FY 2019) include:

- The Program is limited to one readmission measure for each year.
- The Program requires the Secretary to reduce the total amount of Medicare payments to SNFs in a fiscal year by 2.0 percent reduction to fund the value-based incentive payments for that fiscal year.
- The total amount of value-based incentive payments that can be made to SNFs in a fiscal year is statutorily limited to between 50 percent and 70 percent of the total amount of the reduction to SNF Medicare payments for that fiscal year.
- The Program must pay SNFs ranked in the lowest 40 percent less than the amount they would otherwise be paid in the absence of the SNF VBP.
- Both public and confidential facility performance reporting will be conducted.

CMS is providing estimates of the numerical values of the achievement threshold and the benchmark for the FY 2020 program year as shown below.

Estimated FY 2020 SNF VBP Program Performance Standards			
Measure ID	Measure Description	Achievement Threshold	Benchmark
SNFRM	SNF 30-Day All-Cause Readmission Measure (NQF #2510)	0.80218	0.83721

PROPOSAL TO CORRECT THE PERFORMANCE PERIOD FOR THE NATIONAL HEALTHCARE SAFETY NETWORK HEALTHCARE PERSONNEL INFLUENZA VACCINATION IMMUNIZATION REPORTING MEASURE IN THE END-STAGE RENAL DISEASE QUALITY INCENTIVE PROGRAM FOR PAYMENT YEAR 2020

CMS is proposing that for the PY 2020 ESRD QIP, the performance period for this measure would be October 1, 2017, through March 31, 2018, which is consistent with the length of the 2017-2018 influenza season.

Analysis provided for MHA
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