CMS Proposed Payment Rule FY 2017

Cheryl Phillips, MD

Evvie Munley

LeadingAge™

Key Points

- The link for the full rule: https://www.gpo.gov/fdsys/pkg/FR-2016-04-25/pdf/2016-09399.pdf
- Comments due CoB 6/20/16
- You do not need to comment on the whole – you can focus on one or more specific areas you wish
- It is always helpful to give a few examples of what impact there would be on the people you serve (residents, families, staff)

LeadingAge™

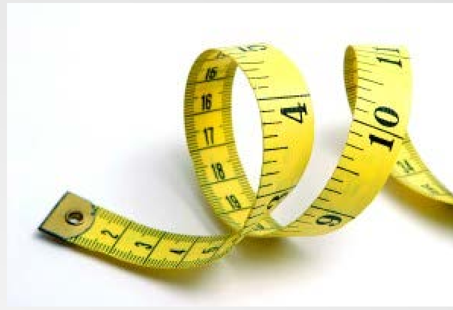
Update to Payment Rates

- **CMS expects payment will increase by 2.1 % (we like that)**

- **New value-based purchasing measures which will be applied to payments for services furnished on or after 10/1/18, but for which data will begin to be collected 10/1/16**

LeadingAge™

VBP Measures



- **SNF 30-day All-cause Readmission Measure (SNFRM)**
  - This is already in place (was finalized in the 2016 PPS final rule).
  - Is risk adjusted
  - Applies only to Medicare Fee-For-Service SNF payment
  - Claims-based
  - Looks at SNF readmissions within 30 days of DC from an acute hospital

- **This measure will be replaced "as soon as practicable by an all-condition risk-adjusted potentially preventable hospital readmission measure"**

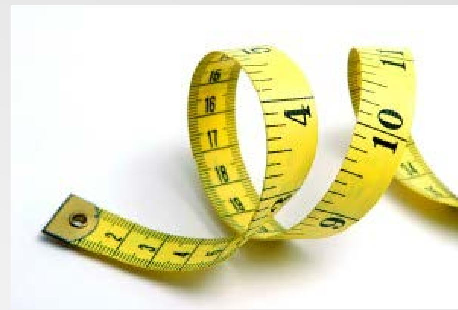
VBP Measures

- **Skilled Nursing Facility 30-day Potentially Preventable Readmission Measure (SNFPPR – proposed)**
  - This will eventually be risk-adjusted and count from a list of potentially preventable admissions
  - It will look at 30 days post hospital discharge and the SNF admission must occur within 1 day after that hospital DC
  - “Potentially preventable” readmissions will be broken into two groups:
    - 1) within stay
    - 2) post SNF discharge until the 30 days post hospital discharge ends

  - If the readmission was planned or not deemed preventable by the criteria, then it is not counted.
  - The measure is to be risk-adjusted for sociodemographic characteristics, dx, LOS in the hospital and co-morbidities and the number of prior hospitalizations in the past year
  - **Our concern is with the benchmarking**

LeadingAge™

VPB Measures



- **Benchmarking SNFPPR**

  - **"Achievement threshold" – 25th percentile of national SNF performance**
  - **Have asked for public comment on changing this to 50th percentile – harder to achieve, but more $$ for top performers vs 15th percentile which would be easier to achieve, but less $$ distributed**
  - **SNFs would need to reach achievement threshold and then would increase their achievement score based on higher levels of performance by deciles**
  - **There will also be an "improvement score" to create incentives for continuous improvement**
  - **Performance standards must be published 60 days in advance prior to the measurement period (but these may fall outside of rule-making)**
  - **Calendar year 2015 will be baseline and calendar year 2017 will be performance period for 2019 SNF VBP**

VBP Measures

- **Scoring SNF Readmission Measure**
  - **Scoring would be on a 0-100 point scale for achievement and 0-90 point scale for improvement…with the achievement threshold at 25th percentile**
  - **The Proposed Rule gives the formula for calculation. CMS will use the higher of a SNFs achievement and improvement score as the SNF performance score for a given year**
  - **The total payments must be greater or equal to 50%, but not more than 70% of the total amount withheld for that FY. …. i.e. even for top performers there is a payment penalty**

  - **CMS will develop feedback reports and requested comments from providers on what information would be most useful to SNFs**
  - **CMS will publish the performance scores from low to high in both *Nursing Home Compare* and QualityNet web sites.**

  - **LeadingAge would like to see testing of this benchmarking and scoring prior to payment and public reporting**

LeadingAge™

Proposed Quality Reporting Measures

- Resource Use Measures for FY 2018
  - Medicare Spending per Beneficiary
  - Discharge to Community
  - Potentially Preventable 30-day post discharge readmission measure (SNFPPR)
  - All will be claims-based measures
  - All 3 are stated to have risk adjustment, however socioeconomic status (SES) is not included and it is unclear how medical complexity, functional limitations and cognitive impairment will factor in…all of which will have a significant impact on the 3 measures. CMS has asked for comments on the importance of SES adjustment in resource use and other measures.
  - We would like to see all measures fully tested to ensure validity and reliability

Proposed Quality Measures

- **Medicare Spending per Beneficiary**
  - To be included in FY 2018 payment determination and subsequent years
  - Providers to be responsible for the costs accrued during the SNF stay and "for a defined period after the end of the SNF care"
  - Medicare Part A and Part B services will be included
  - CMS says they will account for "differences between settings, types of data available and the underlying health characteristics of the beneficiaries"
  - We believe SES adjustment is critical – since dually-eligible and low income individuals are already documented to have a greater burden of multiple chronic conditions, have limited social support, and have greater challenges with care coordination post discharge – beyond the scope of the SNF to completely manage

LeadingAge™

Proposed Quality Measures

- **Discharge to Community**
  - To be included in FY 2018 payment determination and subsequent years
  - Risk-standardized rate of Medicare FFS residents who are discharged to the community and who do not have an unplanned readmission within 31 days
  - Will use FFS claims and "Patient Discharge Status Code"
  - Will be reported with 1 year of data and a minimum of 25 events.
  - Will be reported as a ratio – with the denominator being the risk-adjusted estimate of the number of resident who are discharge to the community without an unplanned readmission
  - We are concerned as to how this "estimate' will be calculated
  - SES is critical to include for all the reasons mention in the Resource Use measure

LeadingAge™

Proposed Quality Measures

- **Medication Reconciliation: Drug Regimen Review Intended to meet the IMPACT ACT measure**
    - **CMS must specify a measure by 10/1/18 for FY 2020 payment**
    - **This measure assesses whether providers were responsive to potential or actual signif medication issues by measuring the % of resident stays where the meds were reviewed on admission and timely follow-up with a physician occurred each time there was an issue**
    - **We are concerned that the time frame is vague, as would be such definitions as "clinically significant"**
    - **This has significant workforce issues, particularly for rural providers where access to pharmacists for immediate med regimen review may be a challenge**
    - **We request that this measure be adequately tested before use in quality reporting**

LeadingAge™

Related "Stuff"

- The CMS summary Evvie sent out this week included details regarding
  - Timelines and requirement for data submissions, data validation, and payment determinations
  - Procedures for data review and correction prior to public display

LeadingAge™

Unintended Consequences

- Failure to adequately account for complex-care individuals will result in poorer quality scores for these 3 proposed measures
- Many providers may seek to avoid such risk by "screening" referrals prior to admission
- Our concern is that providers who take medically-complex and socioeconomic disadvantaged residents may be penalized
- Avoidance of "high-risk" admissions could easily result in access issues – particularly in rural areas where choices are limited

And if you want to comment more….

- CMS is inviting comment on the following for future inclusion in the SNF QRP:
  - Accurately communicating the existence of and providing for the transfer of health information and care preferences of an individual to the individual, family caregiver of the individual, and providers of services furnishing items and services to the individual, when the individual transitions.
  - Transfer of health information and care preferences when an individual transitions.
  - Patient- and Caregiver-Centered Care.
  - Percent of Residents Who Self-Report Moderate to Severe Pain.
  - Application of the Change in Self-Care Score for Medical Rehabilitation Patients.
  - Application of the Change in Mobility Score for Medical Rehabilitation Patients

LeadingAge™

Discussion

LeadingAge™