

FY 2027 SNF PPS Proposed Rule

The Facts Beyond the Headlines



Date: 04/16/2026



APPROVAL STATEMENT DISCLOSURE

- This nursing continuing professional development activity was approved by Broad River Rehab, an accredited approver by the American Nurses Credentialing Center's Commission on Accreditation.
- This course has been approved for 1.5 contact hours.

CONFLICT OF INTEREST DISCLOSURE

- Broad River Rehab is not charging for this educational offering and has no financial or other conflicts of interest regarding this program.

SUCCESSFUL COMPLETION REQUIREMENTS

- **Live, virtual**
 - In order to obtain nursing contact hours, you must participate in the entire program, participate in audience polling and/or Q&A and complete the evaluation.

DISCLOSURE OF THE EXPIRATION DATE FOR AWARDING CONTACT HOURS FOR ENDURING PROGRAMS

- Contact hours for this program will not be awarded after 1 week

FY 2027 SNF PPS Proposed Rule

Learning Objectives

- Understand the rate changes
- Interpret the wage index changes
- Describe the changes to the SNF QRP
- Grasp the updates to the SNF VBP
- Recognize the financial impacts

FY 2027 SNF PPS

Proposed Rule

Agenda

- FY 2027 Updates to the SNF Payment Rates
- Wage Index Adjustments
- Administrative Level of Care Presumption of Coverage
- Changes in PDPM ICD-10 Code Mappings
- Skilled Nursing Facility Quality Reporting Program (SNF QRP) update
- Skilled Nursing Facility Value-Based Purchasing (SNF VBP) Program update
- RFI's
- Financial Impact

FY 2027 Proposed SNF Payment Rates

- **Market Basket Update**

- Every year CMS updates the PPS rate based on changes in the Market Basket (the overall cost of goods and services that contribute to expenditures required to run and maintain a nursing facility). This is then adjusted by a forecast error adjustment and productivity adjustment as applicable.
- For FY 2027, CMS has proposed an update to the **Market Basket of 3.2%** which has not been adjusted due forecast error of -0.2% which did not meet the >0.5% threshold.
- Finally, CMS has proposed reducing the **FY 2027 Market Basket update to 2.4%** due to a 0.8% productivity adjustment
- The overall economic impact of this final is an estimated increase of **\$888 million aggregate payments to SNFs during FY 2027.**

FY 2027 SNF Proposed Rates

FY 2026 Final Base Rates

TABLE 4: FY 2026 Unadjusted Federal Rate Per Diem—URBAN

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per Diem Amount	\$75.73	\$70.49	\$28.28	\$132.00	\$99.59	\$118.21

TABLE 5: FY 2026 Unadjusted Federal Rate Per Diem—RURAL

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per Diem Amount	\$86.33	\$79.29	\$35.63	\$126.12	\$95.15	\$120.40

TABLE 3: FY 2027 UNADJUSTED FEDERAL RATE PER DIEM—URBAN

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per Diem Amount	\$77.45	\$72.09	\$28.92	\$134.99	\$101.85	\$120.89

TABLE 4: FY 2027 UNADJUSTED FEDERAL RATE PER DIEM—RURAL

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per Diem Amount	\$88.29	\$81.09	\$36.44	\$128.98	\$97.31	\$123.13

FY 2027 Proposed Base Rates

FY 2027 Proposed SNF Payment Rates

TABLE 5: PDPM CASE-MIX ADJUSTED FEDERAL RATES AND ASSOCIATED INDEXES—URBAN

PT	PDPM Group	PT CMI	PT Rate	OT CMI	OT Rate	SLP CMI	SLP Rate	Nursing CMG	Nursing CMI	Nursing Rate	NTA CMI	NTA Rate
		\$77.45	A	1.45	\$112.30	1.41	\$101.65	0.64	\$18.51	ES3	3.84	\$518.36
	B	1.61	\$124.69	1.54	\$111.02	1.72	\$49.74	ES2	2.90	\$391.47	2.39	\$243.42
	C	1.78	\$137.86	1.60	\$115.34	2.52	\$72.88	ES1	2.77	\$373.92	1.74	\$177.22
	D	1.81	\$140.18	1.45	\$104.53	1.38	\$39.91	HDE2	2.27	\$306.43	1.26	\$128.33
	E	1.34	\$103.78	1.33	\$95.88	2.21	\$63.91	HDE1	1.88	\$253.78	0.91	\$92.68
	F	1.52	\$117.72	1.51	\$108.86	2.82	\$81.55	HBC2	2.12	\$286.18	0.68	\$69.26
	G	1.58	\$122.37	1.55	\$111.74	1.93	\$55.82	HBC1	1.76	\$237.58	-	-
	H	1.10	\$85.20	1.09	\$78.58	2.70	\$78.08	LDE2	1.97	\$265.93	-	-
	I	1.07	\$82.87	1.12	\$80.74	3.34	\$96.59	LDE1	1.64	\$221.38	-	-
	J	1.34	\$103.78	1.37	\$98.76	2.83	\$81.84	LBC2	1.63	\$220.03	-	-
	K	1.44	\$111.53	1.46	\$105.25	3.50	\$101.22	LBC1	1.35	\$182.24	-	-
	L	1.03	\$79.77	1.05	\$75.69	3.98	\$115.10	CDE2	1.77	\$238.93	-	-
	M	1.20	\$92.94	1.23	\$88.67	-	-	CDE1	1.53	\$206.53	-	-
	N	1.40	\$108.43	1.42	\$102.37	-	-	CBC2	1.47	\$198.44	-	-
	O	1.47	\$113.85	1.47	\$105.97	-	-	CA2	1.03	\$139.04	-	-
	P	1.02	\$79.00	1.03	\$74.25	-	-	CBC1	1.27	\$171.44	-	-
	Q	-	-	-	-	-	-	CA1	0.89	\$120.14	-	-
	R	-	-	-	-	-	-	BAB2	0.98	\$132.29	-	-
	S	-	-	-	-	-	-	BAB1	0.94	\$126.89	-	-
	T	-	-	-	-	-	-	PDE2	1.48	\$199.79	-	-
	U	-	-	-	-	-	-	PDE1	1.39	\$187.64	-	-
	V	-	-	-	-	-	-	PBC2	1.15	\$155.24	-	-
	W	-	-	-	-	-	-	PA2	0.67	\$90.44	-	-
	X	-	-	-	-	-	-	PBC1	1.07	\$144.44	-	-
	Y	-	-	-	-	-	-	PA1	0.62	\$83.69	-	-

Urban Case Mix Adjusted Rates and Associated indexes

FY 2027 Proposed SNF Payment Rates

TABLE B5: PDPM CASE-MIX ADJUSTED FEDERAL RATES AND ASSOCIATED INDEXES—RURAL

PDPM Group	PT CMI	PT Rate	OT CMI	OT Rate	SLP CMI	SLP Rate	Nursing CMG	Nursing CMI	Nursing Rate	NTA CMI	NTA Rate
A	1.45	\$128.02	1.41	\$114.34	0.64	\$23.32	ES3	3.84	\$495.28	3.06	\$297.77
B	1.61	\$142.15	1.54	\$124.88	1.72	\$62.68	ES2	2.90	\$374.04	2.39	\$232.57
C	1.78	\$157.16	1.60	\$129.74	2.52	\$91.83	ES1	2.77	\$357.27	1.74	\$169.32
D	1.81	\$159.80	1.45	\$117.58	1.38	\$50.29	HDE2	2.27	\$292.78	1.26	\$122.61
E	1.34	\$118.31	1.33	\$107.85	2.21	\$80.53	HDE1	1.88	\$242.48	0.91	\$88.55
F	1.52	\$134.20	1.51	\$122.45	2.82	\$102.76	HBC2	2.12	\$273.44	0.68	\$66.17
G	1.58	\$139.50	1.55	\$125.69	1.93	\$70.33	HBC1	1.76	\$227.00	-	-
H	1.10	\$97.12	1.09	\$88.39	2.70	\$98.39	LDE2	1.97	\$254.09	-	-
I	1.07	\$94.47	1.12	\$90.82	3.34	\$121.71	LDE1	1.64	\$211.53	-	-
J	1.34	\$118.31	1.37	\$111.09	2.83	\$103.13	LBC2	1.63	\$210.24	-	-
K	1.44	\$127.14	1.46	\$118.39	3.50	\$127.54	LBC1	1.35	\$174.12	-	-
L	1.03	\$90.94	1.05	\$85.14	3.98	\$145.03	CDE2	1.77	\$228.29	-	-
M	1.20	\$105.95	1.23	\$99.74	-	-	CDE1	1.53	\$197.34	-	-
N	1.40	\$123.61	1.42	\$115.15	-	-	CBC2	1.47	\$189.60	-	-
O	1.47	\$129.79	1.47	\$119.20	-	-	CA2	1.03	\$132.85	-	-
P	1.02	\$90.06	1.03	\$83.52	-	-	CBC1	1.27	\$163.80	-	-
Q	-	-	-	-	-	-	CA1	0.89	\$114.79	-	-
R	-	-	-	-	-	-	BAB2	0.98	\$126.40	-	-
S	-	-	-	-	-	-	BAB1	0.94	\$121.24	-	-
T	-	-	-	-	-	-	PDE2	1.48	\$190.89	-	-
U	-	-	-	-	-	-	PDE1	1.39	\$179.28	-	-
V	-	-	-	-	-	-	PBC2	1.15	\$148.33	-	-
W	-	-	-	-	-	-	PA2	0.67	\$86.42	-	-
X	-	-	-	-	-	-	PBC1	1.07	\$138.01	-	-
Y	-	-	-	-	-	-	PA1	0.62	\$79.97	-	-

Rural Case Mix Adjusted Rates and Associated indexes

FY 2027 Wage Index Adjustments

- **Wage Index**

- CMS is required to adjust the Federal rates to account for differences in area wage levels, using a wage index that the Secretary determines appropriate.
- Since the inception of the SNF PPS, CMS has used hospital inpatient wage data in developing a wage index to be applied to SNFs. CMS will continue this practice for FY 2027.
- CMS continues to believe that in the absence of SNF-specific wage data, using the hospital inpatient wage index data is appropriate and reasonable for the SNF PPS.
- The proposed wage index data for FY 2027 can be found at:
<https://www.cms.gov/medicare/payment/prospective-payment-systems/skilled-nursing-facility-snf/list-federal-regulations/cms-1843-p>
- The applicable SNF PPS wage index is assigned to the labor related portion of the rate using the area hospital labor market.
- On July 21, 2023, OMB issued Bulletin No. 2301 which updates CBSA data from Bulletin No. 20-01 based upon the 2020 Standards for Delineating Core Based Statistical Areas.

FY 2027 Proposed Wage Index Adjustments

- **Wage Index (cont.)**

- The revisions OMB published on July 21, 2023 contained a number of significant changes. For example, under the proposed revised OMB delineations, there would be new CBSAs, urban counties that would become rural, rural counties that would become urban, and existing CBSAs that would split apart.
- OMB has not published further delineation revisions since OMB Bulletin No. 23 -01. Therefore, for FY 2027, CMS will maintain the current CBSA delineations.
- CMS recognizes that changes to the wage index have the potential to create instability and significant negative impacts on certain providers even when labor market areas do not change. In addition, year-to-year fluctuations in an area's wage index can occur due to external factors beyond a provider's control.
- In the FY 2023 final rule, CMS finalized a permanent 5 percent cap on any decreases to a provider's wage index from its wage index in the prior year, regardless of the circumstances causing the decline. **Subsequent year adjustments will be based on any applicable 5% cap from the prior year.**
- Additionally, CMS finalized a policy that a new SNF would be paid the wage index for the area in which it is geographically located for its first full or partial FY with no cap applied because a new SNF would not have a wage index in the prior FY.

FY 2027 Proposed WI Impact

All CBSAs

- 54% of all counties will have a negative adjustment to their wage index
- 46% of all counties will have a positive adjustment to their wage index
- 0% of all counties had no change to their wage index
- 7% of all counties will have a wage index capped at 5%

FY 2027
Proposed
Wage Index
changes

FY 2027 Proposed WI Impact

Urban CBSAs

- 56% of urban counties will have a negative adjustment to their wage index
- 44% of urban counties will have a positive adjustment to their wage index
- 0% of urban counties had no change to their wage index
- 12% of urban counties will have a wage index capped at 5%

FY 2027
Proposed
Wage Index
changes

FY 202 Proposed WI Impact

Rural CBSAs

- 54% of rural counties will have a negative adjustment to their wage index
- 46% of rural counties will have a negative adjustment to their wage index
- 0% of rural counties had no change to their wage index
- 4% of rural counties will have a wage index capped at 5%

FY 2027
Proposed
Wage Index
changes

FY 2027 Proposed Wage Index Adjustments

- **Labor Related Share of the Rate**

- The wage index adjusts the labor related portion of the case mix adjusted base rate.
- CMS defines the labor-related share (LRS) as those expenses that are labor-intensive and vary with, or are influenced by, the local labor market. Each year, CMS calculates a revised labor related share based on the relative importance of labor-related cost categories in the input price index.
- For FY 2027, CMS has proposed the labor-related share to reflect the fourth quarter 2025 IHS Global Inc. forecast of the 2022-based SNF market basket cost categories that they believe are labor-intensive and vary with, or are influenced by, the local labor market. These are:
 - (1) Wages and Salaries (including allocated contract labor costs as described above);
 - (2) Employee Benefits (including allocated contract labor costs as described above);
 - (3) Professional fees: Labor-related;
 - (4) Administrative and Facilities Support Services;
 - (5) Installation, Maintenance, and Repair Services;
 - (6) All Other: Labor-Related Services; and
 - (7) Capital-related expenses

Wage Index Adjustments

TABLE 7: LABOR-RELATED SHARE, FY 2026 AND FY 2027

	Relative Importance, Labor-related Share, FY 2026 25:2 Forecast ¹	Relative Importance, Proposed Labor-related Share, FY 2027 25:4 Forecast ²
Wages and Salaries	53.4	53.5
Employee Benefits	8.9	8.9
Professional Fees: Labor-Related	3.6	3.6
Administrative & Facilities Support Services	0.4	0.4
Installation, Maintenance & Repair Services	0.5	0.5
All Other: Labor-Related Services	2.0	2.0
Capital-Related (0.391* Capital RI)	3.1	5.1
Total	71.9	72.0

¹ Published in the **Federal Register**; Based on the second quarter 2025 IHS Global Inc. forecast of the 2022-based SNF market basket.

² Based on the fourth quarter 2025 IHS Global Inc. forecast of the 2022-based SNF market basket. The relative importance of capital for FY 2027 is forecasted to be 8.0 percent.

FY 2027 Proposed Labor Related Share of the PPS Rate

The FY 2027 Proposed Non-Labor-Related portion of the rate = 28%

FY 2027 Proposed Wage Index Adjustments

FY 2027 Proposed PDPM Variable Perdiem Adjustment Rate Table						County	CBSA	FY 27 WI	FY 2026 WI	27/26 Diff	5% Cap	
Day	PT	OT	SLP	NSG	NTA	MD, FREDERICK County	Urban	0.9346	0.9736	-4.01%		
HIPPS	TN/N		SH/H	CBC2/N	NC/C	27 Non-CM	27 Labor	27 N-Labor	27 U Rate	27 WI Rate	27 ADR	27 Total \$\$
1	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 531.66	\$ 120.89	\$ 820.71	\$ 319.16	\$ 1,139.87	\$ 1,086.20	\$ 1,086.20	\$ 1,086.20
2	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 531.66	\$ 120.89	\$ 820.71	\$ 319.16	\$ 1,139.87	\$ 1,086.20	\$ 1,086.20	\$ 2,172.40
3	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 531.66	\$ 120.89	\$ 820.71	\$ 319.16	\$ 1,139.87	\$ 1,086.20	\$ 1,086.20	\$ 3,258.60
4	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 1,001.76	\$ 4,007.05
5	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 951.10	\$ 4,755.50
6	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 917.33	\$ 5,503.95
7	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 893.20	\$ 6,252.40
8	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 875.11	\$ 7,000.85
9	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 861.03	\$ 7,749.30
10	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 849.78	\$ 8,497.75
11	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 840.56	\$ 9,246.20
12	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 832.89	\$ 9,994.65
13	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 826.39	\$ 10,743.10
14	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 820.83	\$ 11,491.55
15	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 816.00	\$ 12,240.00
16	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 811.78	\$ 12,988.45
17	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 808.05	\$ 13,736.90
18	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 804.74	\$ 14,485.35
19	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 801.78	\$ 15,233.80
20	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 748.45	\$ 799.11	\$ 15,982.25

FY 2027 Proposed Wage Index Adjustments

FY 2027 Proposed PDPM Variable Perdiem Adjustment Rate Table						County	CBSA	FY 27 WI	FY 2026 WI	27/26 Diff	5% Cap	
Day	PT	OT	SLP	NSG	NTA	WV, BOONE County	Urban	0.8405	0.7576	10.94%		
HIPPS	TN/N	SH/H	CBC2/N	NC/C	27 Non-CM	27 Labor	27 N-Labor	27 U Rate	27 WI Rate	27 ADR	27 Total \$\$	
1	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 531.66	\$ 120.89	\$ 820.71	\$ 319.16	\$ 1,139.87	\$ 1,008.97	\$ 1,008.97	\$ 1,008.97
2	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 531.66	\$ 120.89	\$ 820.71	\$ 319.16	\$ 1,139.87	\$ 1,008.97	\$ 1,008.97	\$ 2,017.94
3	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 531.66	\$ 120.89	\$ 820.71	\$ 319.16	\$ 1,139.87	\$ 1,008.97	\$ 1,008.97	\$ 3,026.91
4	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 930.54	\$ 3,722.14
5	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 883.47	\$ 4,417.37
6	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 852.10	\$ 5,112.60
7	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 829.69	\$ 5,807.83
8	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 812.88	\$ 6,503.06
9	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 799.81	\$ 7,198.29
10	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 789.35	\$ 7,893.52
11	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 780.80	\$ 8,588.75
12	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 773.67	\$ 9,283.98
13	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 767.63	\$ 9,979.21
14	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 762.46	\$ 10,674.44
15	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 757.98	\$ 11,369.67
16	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 754.06	\$ 12,064.90
17	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 750.60	\$ 12,760.13
18	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 747.52	\$ 13,455.36
19	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 744.77	\$ 14,150.59
20	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 695.23	\$ 742.29	\$ 14,845.82

FY 2027 Proposed Wage Index Adjustments

FY 2027 Proposed PDPM Variable Perdiem Adjustment Rate Table												
Day	PT	OT	SLP	NSG	NTA	County		CBSA	FY 27 WI	FY 2026 WI	27/26 Diff	5% Cap
						GA, GLYNN County		Urban	0.8364	0.9534	-12.27%	0.9057
HIPPS	TN/N		SH/H	CBC2/N	NC/C	27 Non-CM	27 Labor	27 N-Labor	27 U Rate	27 WI Rate	27 ADR	27 Total \$\$
1	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 531.66	\$ 120.89	\$ 820.71	\$ 319.16	\$ 1,139.87	\$ 1,062.52	\$ 1,062.52	\$ 1,062.52
2	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 531.66	\$ 120.89	\$ 820.71	\$ 319.16	\$ 1,139.87	\$ 1,062.52	\$ 1,062.52	\$ 2,125.04
3	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 531.66	\$ 120.89	\$ 820.71	\$ 319.16	\$ 1,139.87	\$ 1,062.52	\$ 1,062.52	\$ 3,187.56
4	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 979.92	\$ 3,919.69
5	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 930.36	\$ 4,651.82
6	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 897.33	\$ 5,383.95
7	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 873.73	\$ 6,116.08
8	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 856.03	\$ 6,848.21
9	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 842.26	\$ 7,580.34
10	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 831.25	\$ 8,312.47
11	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 822.24	\$ 9,044.60
12	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 814.73	\$ 9,776.73
13	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 808.37	\$ 10,508.86
14	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 802.93	\$ 11,240.99
15	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 798.21	\$ 11,973.12
16	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 794.08	\$ 12,705.25
17	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 790.43	\$ 13,437.38
18	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 787.20	\$ 14,169.51
19	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 784.30	\$ 14,901.64
20	\$ 108.43	\$ 102.37	\$ 78.08	\$ 198.44	\$ 177.22	\$ 120.89	\$ 565.51	\$ 219.92	\$ 785.43	\$ 732.13	\$ 781.69	\$ 15,633.77

FY 2027 Soliciting Comments on SNF WI Adjustments

- While CMS is proposing to continue to use the concurrent pre-floor, pre-reclassified IPPS hospital wage index as the basis for the SNF wage index, CMS is interested in exploring whether other methodologies using publicly available wage data could be adapted to better reflect the geographic variation in labor costs for Skilled Nursing Facilities.
- CMS is soliciting comments on whether they should consider using alternative data sources to construct an SNF-specific wage index for potential use in future years.
- CMS seeks feedback to better understand the potential advantages and limitations of using alternative data sources, such as Bureau of Labor and Statistics (BLS) data and SNF cost reports, as well as other methodologies that stakeholders believe could appropriately reflect the geographic variation in labor costs for skilled nursing facilities.

Administrative Level of Care Presumption of Coverage

- **Presumption of Coverage**

- Annually CMS designates those specific classifiers under the casemix classification system that represent the required SNF level of care. This designation reflects an administrative presumption that those beneficiaries who are correctly assigned one of the designated case-mix classifiers on the initial Medicare assessment are automatically classified as meeting the SNF level of care definition up to and including the assessment reference date (ARD) for that assessment
- This presumption recognizes the strong likelihood that those beneficiaries who are assigned one of the designated case-mix classifiers during the immediate post-hospital period would require a covered level of care, which would be less likely for other beneficiaries.
- This administrative presumption policy does not supersede the SNF's responsibility to ensure that its decisions relating to level of care are appropriate and timely, including a review to confirm that any services prompting the assignment of one of the designated case-mix classifiers (which, in turn, serves to trigger the administrative presumption) are themselves medically necessary.
- See [CMS Pub 100-2 Ch. 8](#) for detailed explanation of the Administrative level of Care Presumption of Coverage.
- See the [CMS PDPM website](#) for a detailed Administrative Level of Care Presumption of Coverage FAQ.

Administrative Level of Care Presumption of Coverage

- **Presumption of Coverage (Cont.)**

- For services furnished on or after October 1, 2019, the following are the designated case-mix classifiers under the Patient Driven Payment Model (PDPM) relative to the administrative presumption of coverage:
 - Nursing groups encompassed by the Extensive Services, Special Care High, Special Care Low, and Clinically Complex nursing categories;
 - PT and OT groups TA, TB, TC, TD, TE, TF, TG, TJ, TK, TN, and TO;
 - SLP groups SC, SE, SF, SH, SI, SJ, SK, and SL; and
 - NTA component's uppermost (12+) comorbidity group.

FY 2027 Proposed Clinical Category Changes for New ICD-10 Codes

- Each year, CMS reviews the clinical category assigned to new ICD-10 diagnosis codes makes changes to the clinical category assignment if warranted.
- For FY 2027, For FY 2027, CMS did not identify any substantive changes to the PDPM ICD-10 code mappings. CMS identified only non-substantive updates, which do not alter policy or payment methodology. Consistent with prior practice, we implemented these non-substantive updates through a sub-regulatory process by posting the [revised PDPM ICD-10 code mappings on the CMS website.](#)

RFI for Achieving PDPM Parity

- In this **Request for information (RFI)** CMS indicates, *“As with prior system transitions, we proposed and finalized implementing PDPM in a budget neutral manner . This means that the transition to PDPM, along with the related policies finalized in the FY 2019 SNF PPS final rule, were not intended to result in an increase or decrease in the aggregate amount of Medicare Part A payment to SNFs. We believe ensuring parity is integral to the process of providing “for an appropriate adjustment to account for case-mix”, such mix shall be based on appropriate data in accordance with section 1888(e)(4)(G)(i) of the Act. Section V.I. of the FY 2019 SNF PPS final rule (83 FR 39255 through 39256) discusses the methodology that we used to implement PDPM in a budget neutral manner.”*
- CMS also indicated that, *“Subsequent monitoring indicated that actual payments under PDPM exceeded expected levels, leading CMS to implement a 4.6 percent parity adjustment recalibration phased in over two years.”*
- As PDPM has matured, CMS has continued to monitor case-mix trends to ensure that payment remains aligned with actual patient acuity rather than changes in coding practices.

RFI for Achieving PDPM Parity

- Section 1888(e)(4)(F) of the Social Security Act authorizes CMS to address “changes in the coding or classification of residents that do not reflect the real changes in case mix” by adjusting SNF per-diem rates to “eliminate the effect of such coding or classification changes.”
- Consistent with that authority, CMS is developing a framework to quantify the extent to which recent case-mix trends may reflect nominal coding changes, commonly referred to as “case mix creep.”
- These data suggest some significant and some less significant increases in certain case mix indexes (CMIs) that are unlikely to reflect underlying health status trends in the patient population. For example,
 - reporting of the **malnutrition** item (I5600) increased from a rate of 5 percent of stays prior to PDPM implementation to 47 percent in FY 2024.
 - **swallowing disorder** (K0100) increased from 4 percent to 21 percent and
 - **depression** (D0160 or D0600) increased from 4 percent to 19 percent.
 - Some items also show declines, such as **fever** (J1550A) which decreased from 2 percent to 1 percent.

RFI for Achieving PDPM Parity

- CMS has observed that average CMI's have increased at a rate that exceeds what would be expected based solely on changes in patient health status or clinical expectations, while median per-diem costs, which reflect patient resource utilization, have declined.

Table 1: Median Cost per Day by PDPM Component

PDPM Component	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
PT	\$67	\$67	\$56	\$53	\$51	\$51	\$51
OT	\$58	\$58	\$48	\$45	\$43	\$43	\$45
SLP	\$34	\$34	\$31	\$29	\$27	\$27	\$28
NTA	\$43	\$43	\$40	\$38	\$35	\$36	\$39

- This divergence suggests a potential disconnect between reported acuity and observed resource utilization.
- Collectively, these patterns underscore the need for a systematic approach to evaluating how much observed case-mix growth reflects real changes versus changes in coding or documentation.
- CMS is exploring a potential approach that addresses the issue and considers the changing patient caseload as well as underlying real-time trends. This Request for Information is intended to receive feedback from stakeholders on CMS observations of case-mix creep issue in the PDPM and of the approach to address it.

RFI for Achieving PDPM Parity

- Patient acuity reflects a combination of diagnostic factors, comorbidities, functional status, and treatment needs. The payment items, relying on both claims and assessment data, are designed to capture differences in resource needs across patient acuity groups, or PDPM case-mix groups (CMGs)
- CMGs are determined by the composition of payment items across the five case-mix adjusted components: PT, OT, SLP, NTA, and Nursing. Each component has its own set of clinical complexity factors or payment items, and by extension, its own set of CMGs.
- Changes in case-mix over time can be assessed by examining changes in the distribution of CMGs. **The Case-Mix Index (CMI)**, a numerical representation of CMGs, provides a summary measure of casemix for each component. Increases in average CMIs indicate higher reported patient acuity and higher expected resource needs.

RFI for Achieving PDPM Parity

- For analytic purposes, "Total Case Mix Change" is defined as the overall observed change in CMGs and CMIs. This total change can be separated into three components.
 - **Real Population Health and Utilization Changes (RPHU):** Changes in beneficiary demographics, clinical conditions, service needs, and system-level utilization patterns.
 - **Real Time Trends:** Systematic changes over time that occur independently of PDPM.
 - **Nominal Change:** Changes in coding or classification that do not reflect real change in patient acuity and may indicate case-mix upcoding.
- Using these data points CMS research contractor, Acumen, developed a methodology to evaluate the effect of coding incentives induced by PDPM.

RFI for Achieving PDPM Parity

- **Results:**

TABLE 11: PDPM COMPONENT-LEVEL CASE-MIX CREEP ADJUSTMENT FACTORS

Component	Average Actual CMI	Average Target CMI	Case-Mix Creep Adjustment Factor
PT	1.440	1.487	1.033 (3.3% increase)
OT	1.439	1.498	1.041 (4.1% increase)
SLP	1.714	1.441	0.841 (15.9% decrease)
NTA	1.227	1.204	0.981 (1.9% decrease)
Nursing	1.661	1.485	0.894 (10.6% decrease)
Case-Mix Total	-	-	0.957 (4.3% decrease)

- **The Average Actual CMI** represents the actual case-mix index that occurred between FY 2020 and FY 2024 after adjusting for parity, reflecting real population health changes, utilization patterns, real-time trends, and nominal changes. The
- **Average Target CMI** represents the estimated case-mix index over the same period that accounts for real population and utilization changes and real-time trends but removes nominal shifts in coding or classification.
- **Case-Mix Creep Adjustment Factor** is the ratio of Target to Actual.

RFI for Achieving PDPM Parity

- **Alternatively** , using the same data analytics, if a systemwide PDPM case-mix creep adjustment factor is implemented, the resulting adjustment factor would be 0.957, which can also be interpreted as a blanket 4.3 percent reduction in CMIs or base rates, or a 3.6 percent reduction in total payment across the payment system, which also includes the non-case-mix portion of payment.

RFI for Achieving PDPM Parity

- **CMS is requesting information on the aforementioned approach to identify and address case-mix creep. Specifically, CMS invites the public to comment on the following:**
 - The overall methodology for quantifying case -mix creep, including the conceptual framework that separates total case-mix change into real population health and utilization changes, real-time trends, and nominal changes.
 - The data sources and measures used to assess real population health and utilization changes, including the use of pre-SNF inpatient claims and selected non-payment MDS items.
 - The approach to estimating real-time trends using a study period spanning FY 2017 through FY 2024.
 - Alternative approaches to implementing case -mix creep adjustments, including component - specific adjustments versus a system-wide adjustment factor.
 - Any other considerations CMS should consider when finalizing a methodology to address case-mix creep in future rulemaking.

SNF QRP Updates

TABLE 12: QUALITY MEASURES CURRENTLY ADOPTED FOR THE SNF QRP

Short Name	Measure Name and Data Source
Assessment-Based	
Pressure Ulcer/Injury	Changes in Skin Integrity Post-Acute Care: Pressure Ulcer/Injury
Application of Falls	Application of Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay)
Discharge Mobility Score	Application of IRF Functional Outcome Measure: Discharge Mobility Score for Medical Rehabilitation Patients
Discharge Self-Care Score	Application of IRF Functional Outcome Measure: Discharge Self-Care Score for Medical Rehabilitation Patients
DRR	Drug Regimen Review Conducted With Follow-Up for Identified Issues–Post Acute Care (PAC) Skilled Nursing Facility (SNF) Quality Reporting Program (QRP)
TOH-Provider	Transfer of Health (TOH) Information to the Provider Post Acute Care (PAC)
TOH-Patient	Transfer of Health (TOH) Information to the Patient Post Acute Care (PAC)
DC Function	Discharge Function Score
Patient/Resident COVID-19 Vaccine	COVID-19 Vaccine: Percent of Patients/Residents Who Are Up to Date
Claims-Based	
MSPB SNF	Medicare Spending Per Beneficiary (MSPB)–Post Acute Care (PAC) Skilled Nursing Facility (SNF) Quality Reporting Program (QRP)
DTC	Discharge to Community (DTC)–Post Acute Care (PAC) Skilled Nursing Facility (SNF) Quality Reporting Program (QRP)
PPR	Potentially Preventable 30-Day Post-Discharge Readmission Measure for Skilled Nursing Facility (SNF) Quality Reporting Program (QRP)
SNF HAI	SNF Healthcare-Associated Infections (HAI) Requiring Hospitalization
National Healthcare Safety Network	
HCP COVID-19 Vaccine	COVID-19 Vaccination Coverage among Healthcare Personnel (HCP)
HCP Influenza Vaccine	Influenza Vaccination Coverage among Healthcare Personnel (HCP)

SNF QRP Updates – Removal of QRP Measures

- **CMS is proposing to remove the HCP COVID-19 Vaccine measure** beginning with the FY 2028 SNF QRP as it no longer aligns with current clinical guidelines or practice
 - With the end of the PHE and decrease in COVID–19 deaths, CMS believes the continued costs and burden to providers of reporting on this measure outweighed the benefit of continued information collection on the HCP COVID -19 Vaccine measure
 - **Since the end of the PHE, the CDC’s clinical recommendations for COVID -19 vaccination have changed.** The parameters in effect during the pandemic no longer apply, due to evolving circumstances.
 - The latest CDC COVID-19 vaccination recommendations for the 2025–2026 season are now based on shared clinical decision-making (also known as individual-based decision-making).
 - There is now no single default recommendation to vaccinate a defined population . Now, both receipt and nonreceipt of vaccination may be consistent with the application of shared clinical decision-making.

SNF QRP Updates – Removal of QRP Measures

- If finalized as proposed, SNFs would no longer be required to report **CY 2026 HCP COVID-19 Vaccine measure** data for purposes of the FY 2028 payment determination (that is, SNFs that do not report CY 2026 HCP COVID -19 Vaccine measure data **would not be penalized for the FY 2028 annual payment update under the SNF QRP**).
- Any CY 2026 HCP COVID-19 Vaccine measure data received by CMS would not be used for SNF QRP compliance or public reporting.

SNF QRP Updates – Removal of QRP Measures

- **CMS is proposing to remove the Patient/Resident COVID -19 Vaccine measure beginning with the FY 2028 SNF QRP as it no longer aligns with current clinical guidelines or practice.**
- Vaccination parameters that were developed during the pandemic no longer apply in light of current CDC clinical guidance
- Due to evolving circumstances, the latest CDC COVID-19 vaccination recommendations for the 2025 –2026 season are now based on shared clinical decision-making (also known as individual-based decision-making).
- For shared clinical decision-making, there is not a default decision to vaccinate for a defined population .
- Therefore, both vaccination and non-vaccination may be consistent with the application of shared clinical decision-making. This differs from the guidance in place when this measure was finalized.

SNF QRP Updates – Removal of QRP Measures

- CMS is proposing that beginning with residents discharged on or after October 1, 2026, SNFs would no longer be required to collect and submit the Patient/Resident COVID –19 Vaccine measure data to CMS.
- CMS is also proposing to remove the Resident's COVID–19 vaccination is up to date data element (O0350) from the MDS effective October 1, 2027 .
- However, under this proposal, this data element would become voluntary and SNFs would not be required to collect and submit Patient/Resident COVID –19 Vaccine measure data beginning with residents discharged on or after October 1, 2026.

SNF QRP Updates – Removal of QRP Measures

- **Due to the proposal to remove HCP COVID -19 Vaccine measure from the SNF QRP, CMS is proposing to end public display of the HCP COVID-19 Vaccine measure data on the Care Compare tool at Medicare.gov.**
 - If finalized, a SNFs' HCP COVID-19 Vaccine measure data would be publicly reported for the last time with the October 2026 Care Compare refresh on Medicare.gov, based on data from Q4 of 2025.
- **Due to the proposal to remove Patient/Resident COVID -19 Vaccine measure from the SNF QRP, CMS is proposing to End the Public Display of the COVID-19 Vaccine: Percent of Patients/Residents Who Are Up to Date Measure data on the Care Compare tool at Medicare.gov.**
 - If finalized as proposed, the reporting of data for the “Resident’s COVID-19 vaccination is up to date” data would be publicly reported for the last time with the October 2026 Care Compare refresh on Medicare.gov, based on data from Q4 of 2025.

SNF QRP Updates – Measures Under Consideration

- CMS is seeking input on the importance, relevance, appropriateness, and applicability of the quality measure concepts related to **Advanced Care Planning**.
- Advance care planning is a continuous process that supports people in understanding and communicating their goals, values, and preferences regarding future medical decisions.
- In post-acute care (PAC) settings, where residents recover from acute illness, injury, or major procedures, their needs and goals may evolve as their condition changes
- Factors such as **clinical stability, functional status, therapy tolerance, cognition function, prognosis, and personal preferences** can all shift during recovery.
- Regular reassessment and transparent communication are essential to maintaining person-centered care, while advance care planning facilitates shared decision making by documenting resident preferences and ensuring **goal-concordant care** throughout care transitions.

SNF QRP Updates – Proposed Submission Timing Change

- Public reporting of data collected under quality programs, such as the SNF QRP, is designed to provide consumers and their families with the most current information to empower them to make quality -informed decisions about where to receive their care.
- CMS has identified that the time between when data on measures is submitted to us and when those data are publicly reported (approximately nine months) may be too long to provide the most accurate and up to date information for the public.
- Currently, SNFs have approximately 4.5 months after each quarterly data collection period to complete their data submissions and make corrections to such data where necessary.

SNF QRP Updates – Proposed Submission Timing Change

- Currently, the largest contributing factor to the 9-month lag between the end of the data collection period and when measures are publicly reported is the 4.5-month timeframe for data submission.
- Reducing the data submission timeframe from 4.5 months to require data submission the 15th day of the second month after the end of the calendar quarter could **reduce this lag by up to 3 months**, resulting in more timely public reporting of data for consumers and increasing the value of publicly reported data.
- Additionally, this timeframe provides SNFs with more recent data in support of their quality improvement activities.
- **Beginning with the FY 2029 SNF QRP**, CMS is proposing that SNFs must complete their data submissions and make corrections to their MDS assessment data where necessary no later than the 15th day of the second month after the end of the calendar quarter. However, if the 15th day of the second month falls on a Friday, weekend, or Federal holiday, the date is delayed until 11:59 p.m. EST on the next business day

SNF QRP Updates – Proposed Submission Timing Change

Current

Data Collection Time Frame	Final Submission Deadlines†
January 1, 2025 – December 31, 2025	
January 1 – March 31, 2025	August 18, 2025
April 1 – June 30, 2025	November 17, 2025
July 1 – September 30, 2025	February 17, 2026
October 1 – December 31, 2025	May 18, 2026

Proposed

TABLE 13: PROPOSED DATA COLLECTION TIMEFRAME AND DATA SUBMISSION DEADLINES FOR MDS ASSESSMENT DATA AFFECTING THE FY 2029 PAYMENT DETERMINATION

Calendar Year (CY) Quarter	Data Collection Timeframe	Final Data Submission Deadlines for FY 2029 Payment Determination*
CY 2027 Quarter 1	January 1–March 31, 2027	May 17, 2027
CY 2027 Quarter 2	April 1–June 30, 2027	August 16, 2027
CY 2027 Quarter 3	July 1–September 30, 2027	November 15, 2027
CY 2027 Quarter 4	October 1–December 31, 2027	February 15, 2028

* Data submission deadlines will follow a similar quarterly schedule for subsequent CYs.

SNF QRP Updates – Proposed Submission Timing Change

- **Currently, the COVID -19 Vaccination Coverage among HCP measure** is reported to the CDC through the NHSN at least 1 week per month, with the CDC reporting data to CMS quarterly and allowing for corrections in the NHSN application in alignment with the CMS data submission deadlines
- **Beginning with the FY 2029 SNF QRP**, CMS is proposing that SNFs must complete their data submissions and make corrections to their CDC NHSN data where necessary no later than the 15th day of the second month after the end of the calendar quarter. However, if the 15th day of the second month falls on a Friday, weekend, or Federal holiday, the date is delayed until 11:59 p.m. EST on the next business day.

SNF QRP Updates – Proposed Submission Timing Change

Current

Influenza Vaccination Coverage among Healthcare Personnel [CMIT Measure ID #00390 (CBE-endorsed)] ^	October 1, 2025 – March 31, 2026	May 18, 2026
COVID-19 Vaccination Coverage among Healthcare Personnel (HCP) [CMIT Measure ID #00180 (not-endorsed)]^	January 1, 2025 – December 31, 2025	
	January 1 – March 31, 2025	August 18, 2025
	April 1 – June 30, 2025	November 17, 2025
	July 1 – September 30, 2025	February 17, 2026
	October 1 – December 31, 2025	May 18, 2026

TABLE 14: PROPOSED DATA COLLECTION TIMEFRAME AND DATA SUBMISSION DEADLINES FOR CDC NHSN SNF QRP MEASURES AFFECTING THE FY 2029 PAYMENT DETERMINATION

Measure	Data Collection Timeframe	Final Data Submission Deadlines for FY 2029 Payment Determination*
COVID-19 Vaccination Coverage among HCP**	January 1–March 31, 2027	May 17, 2027
	April 1–June 30, 2027	August 16, 2027
	July 1–September 30, 2027	November 15, 2027
	October 1–December 31, 2027	February 15, 2028
Influenza Vaccination Coverage among HCP	October 1, 2027–March 31, 2028	May 15, 2028

* Data submission deadlines will follow a similar quarterly schedule for subsequent CYs.

** In section VI.C. of this proposed rule, we are proposing to remove this measure effective with the FY 2028 SNF QRP.

Proposed

(Note: no change in the data submission deadline for the Influenza Vaccination Coverage among HCP measure)

SNF QRP Updates – Proposed Submission for All Payers

- CMS is proposing to require the submission of MDS data on each resident receiving covered skilled care in a SNF, regardless of payer, beginning with the FY 2031 SNF QRP.
- Specifically, CMS is proposing that SNFs would be required to submit these data for all SNF residents, regardless of payer, beginning with residents admitted on October 1, 2029 for purposes of the FY 2031 SNF QRP
- Starting in CY 2030, SNFs would be required to submit data for the entire calendar year beginning with the FY 2032 SNF QRP.
- CMS is also proposing that SNFs would submit these data on all non-Medicare FFS SNF residents at admission and discharge using the Nursing Home PPS (NP) and the Nursing Home Part A PPS Discharge (NPE) assessments and the corresponding Swing Bed assessments (SP and SD) in use at the time of data collection.

SNF QRP Updates – Proposed Submission for All Payers

- If finalized, this proposal would give consumers a more complete picture of quality within a SNF and that ensuring quality of care is essential to the overall well-being of all SNF residents and should not be conditional on the payer source.
- Submitting such data on all SNF residents, regardless of payer, in the SNF setting would align the SNF QRP with the data submission practices of other CMS programs.
- Submitting MDS data on all SNF residents, regardless of payer, would provide the most robust and accurate representation of SNF quality.
- Requiring submission of MDS data on all SNF residents, regardless of payer, could promote higher quality more efficient healthcare for all residents through standardization of data submission and support for the exchange of longitudinal information between SNFs and other providers. This information exchange could facilitate coordinated care, continuity in care planning, and the discharge planning process.

SNF QRP Updates – Proposed Submission for All Payers

- Expanding data collection to all SNF residents regardless of payer could support SNFs in their quality improvement activities .
- Adopting this policy could contribute to better healthcare outcomes for our beneficiaries, enabling them to make more informed decisions about where to receive SNF care.

SNF QRP Updates – Proposed Submission for All Payments

- If finalized, this proposal would require certain considerations including:
 - Providers would need to know how to identify the resident population for whom they would be required to submit MDS data under an expanded policy.
 - Specifically, how “skilled services” would be defined for non-Medicare Part A FFS residents receiving skilled care
 - Therefore, CMS is not proposing to change the coverage criteria for a Medicare Part A FFS covered stay.
 - However, given the SNFs’ familiarity with the definition of covered skilled services in the Medicare Benefits Policy Manual, CMS believes a modified version of Chapter 8, § 30 will work for determining whether an expanded resident population meets a skilled nursing facility level of care.

SNF QRP Updates – Proposed Submission for All Payers

- CMS is proposing that SNFs would submit MDS data on all SNF residents regardless of payer when all of the following four criteria are met.
- When the resident is admitted to the SNF for covered skilled nursing services or skilled rehabilitation services, that is, services that must be performed by or under the supervision of professional or technical personnel (see MBPM §§ 30.2 through 30.4) and those services are ordered by a physician ~~and the services are rendered for a condition for which the beneficiary received inpatient hospital services or for a condition that arose while receiving care in a SNF for a condition for which he received inpatient hospital services.~~
- The resident requires these skilled services on a daily basis (see MBPM § 30.6).
- As a practical matter, considering economy and efficiency, the daily skilled services can be provided only on an inpatient basis in a SNF (see MBPM § 30.7).
- The services delivered are reasonable and necessary for the treatment of a resident's illness or injury, that is, are consistent with the nature and severity of the individual's illness or injury, the individual's particular medical needs, and accepted standards of medical practice, and are reasonable in terms of duration and quantity.

SNF QRP Updates – Proposed Submission for All Payers

- CMS is proposing to require submission of MDS data on residents admitted or readmitted for covered skilled services regardless of payer.
- This would not include long-term resident residing in the facility who becomes skilled in place, that is requiring skilled services without leaving the facility, or long-term residents who take a leave of absence and return to the facility requiring skilled care
- However, long-term residents that are discharged from the facility, and are subsequently readmitted for covered skilled care would trigger the submission of MDS data.
- Under this proposal, CMS would not require the submission of MDS data if the services were not covered.

SNF QRP Updates – Proposed Submission for All Payers

- Additionally, a short-term resident who was admitted for covered skilled care, who left the facility for any reason and returned to the same SNF requiring skilled services before the end of the interruption window, would not require a new MDS assessment as long as their services remained skilled and were covered. Instead, their subsequent stay is considered a continuation of the previous skilled care stay for purposes of the SNF QRP.
- CMS understands that limiting the submission of MDS data to residents admitted or readmitted to the SNF for covered skilled services would align the SNF QRP population with other PAC QRPs, and meet the goal of obtaining **full and complete data** regarding the quality of care provided by the SNF to the residents receiving care in that facility.
- In order to facilitate the collection of this new data, CMS would revise the current MDS, modifying one item and adding two new items to the MD for SNFs to submit data pursuant to the proposed policy.

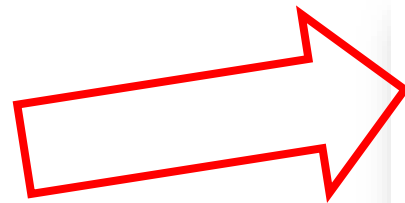
SNF QRP Updates – Proposed Submission for All Payers

- **A0310 would be modified to facilitate identifying the type of Assessment section to indicate whether the assessment is being completed for a non-Medicare FFS resident at the time of discharge from covered skilled services**

A0310.	A0310. Type of Assessment
Enter Code <input type="checkbox"/> <input type="checkbox"/>	B. PPS Assessment
	<u>PPS Scheduled Assessment for a Medicare Part A Stay</u>
	01. 5-day scheduled assessment
	<u>PPS Unscheduled Assessment for a Medicare Part A Stay</u>
	08. IPA – Interim Payment Assessment
	<u>Not PPS Assessment</u>
	91. SCA – Other Skilled Care Admission Assessment
	99. None of the above
Enter Code <input type="checkbox"/>	E. Is this assessment the first assessment (OBRA, Scheduled PPS Other Skilled Care Assessment, or Discharge) since the most recent admission/entry or reentry?
	0. No
	1. Yes
Enter Code <input type="checkbox"/>	I. Is this an SCD - Other Skilled Care Discharge Assessment (Not PPS Discharge Assessment)?
	0. No
	1. Yes

SNF QRP Updates – Proposed Submission for All Payers

- A1405 would be added to collect information on the resident's primary payer for the skilled stay at admission, and at discharge from covered skilled services.



A1405. Payer Information- Primary Payer	
Enter Code	
<input type="checkbox"/>	01. Medicare – Part A (traditional fee-for-service)
<input type="checkbox"/>	02. Medicare – Part C (Medicare Advantage)
	03. Medicaid – fee-for-service
	04. Medicaid – other (e.g., managed care)
	05. Workers' compensation
	06. Title programs (e.g., Title III, V, or XX)
	07. Other government (e.g., TRICARE, VA, etc.)
	08. Private insurance – not managed care insurance
	09. Private managed care insurance (e.g., PPO, HMO)
	10. Self-pay
	98. Other payer
	99. Unknown

SNF QRP Updates – Proposed Submission for All Payers

- A2404 would be added to capture the start and end dates of a covered skilled stay for a non-Medicare-FFS resident

A2405. Other Skilled Care Stay

A2405. Other Skilled Care Stay

B. Start date of most recent Other Skilled Care stay:

-- -
Month Day Year

C. End date of most recent Other Skilled Care stay – Enter dashes if stay is ongoing:

-- -
Month Day Year

SNF QRP Updates – Proposed Submission for All Payers

- CMS is proposing that the MDS data SNFs submit under this proposal for all SNF residents, regardless of payer, would be used to calculate SNF QRP compliance.
- Including 90 percent of the MDS assessments SNFs submitted through the CMS designated data system must contain 100 percent of the required data
- Including SNF QRP data submission deadline for MDS which is currently approximately 4.5 months after each quarterly data collection period. (*In section VI.F.2. of this proposed rule, CMS is proposing to revise the data submission deadline from 4.5 months to the 15th day of the second month after the end of the calendar quarter, which would have implications for this proposal if finalized.*)
- **A reduction in the annual payment update applicable to a SNF for a fiscal year of 2 percentage points would occur if the SNF does not submit data in accordance with the ese requirements regardless of payer if this proposal is finalized.**

SNF QRP Updates – Proposed Submission for All Payers

- While this proposal to expand the submission of MDS data to include all SNF residents admitted or readmitted for skilled covered care regardless of payer would permit the SNF QRP to make publicly available information regarding the quality of services furnished to the SNF population as a whole, CMS is not proposing any changes to our policies related to publicly reporting SNF QRP data collected on non-Medicare FFS residents at this time. CMS routinely monitor the SNF QRP data and any future changes related to the public reporting of the SNF QRP all payer data would be communicated through our normal communication channels.

Current SNF VBP Measures

TABLE 15: SNF VBP PROGRAM MEASURES AND STATUS IN THE SNF VBP PROGRAM FOR THE FY 2027 PROGRAM YEAR THROUGH THE FY 2030 PROGRAM YEAR

Measure	FY 2027 Program Year	FY 2028 Program Year	FY 2029 Program Year	FY 2030 Program Year
Skilled Nursing Facility 30-Day All-Cause Readmission Measure (SNFRM)	Included			
Skilled Nursing Facility Healthcare-Associated Infections Requiring Hospitalization (SNF HAI) measure	Included	Included	Included	Included
Total Nurse Staffing Hours per Resident Day (Total Nurse Staffing) measure	Included	Included	Included	Included
Total Nursing Staff Turnover (Nursing Staff Turnover) measure	Included	Included	Included	Included
Discharge to Community – Post-Acute Care Measure for Skilled Nursing Facilities (DTC PAC SNF)	Included	Included	Included	Included
Percent of Residents Experiencing One or More Falls with Major Injury (Long-Stay) (Falls with Major Injury (Long-Stay)) measure	Included	Included	Included	Included
Discharge Function Score for SNFs (DC Function) measure	Included	Included	Included	Included
Number of Hospitalizations per 1,000 Long Stay Resident Days (Long Stay Hospitalization) measure	Included	Included	Included	Included
Skilled Nursing Facility Within-Stay Potentially Preventable Readmissions (SNF WS PPR) measure		Included	Included	Included

TABLE 16: ESTIMATED FY 2029 SNF VBP PROGRAM PERFORMANCE STANDARDS

Measure Short Name	Achievement Threshold	Benchmark
SNF HAI Measure	0.92183	0.94491
Total Nurse Staffing Measure	3.29119	5.87448
Nursing Staff Turnover Measure	0.42696	0.76652
Falls with Major Injury (Long-Stay) Measure	0.95455	0.99951
Long Stay Hospitalization Measure	0.99768	0.99963
DC Function Measure	0.41935	0.80879

TABLE 17: ESTIMATED FY 2030 SNF VBP PROGRAM PERFORMANCE STANDARDS

Measure Short Name	Achievement Threshold	Benchmark
DTC PAC SNF Measure	0.43478	0.68049
SNF WS PPR Measure	0.86219	0.92400

SNF VBP Updates – Proposed Review and Corrections

Revisions

- **Currently**, Before any data in the quarterly confidential feedback reports are publicly reported, SNFs have an opportunity to review their results and request corrections; this is known as the SNF VBP Program Review and Correction (R&C) policy. The SNF VBP Program R&C process has two phases:
 - **Phase 1** Review and submit corrections to the calculation of the measure results for the baseline and performance periods (applies to Full-Year Workbooks only). Corrections during Phase 1 of the R&C process are limited to errors made by CMS or its contractors when calculating a SNF's measure results SNFs are not able to correct any of the underlying administrative claims data, Payroll-Based Journal (PBJ) data, and Minimum Data Set (MDS) data used to calculate a SNF's measure results during Phase 1 of the R&C process.
 - **Phase 2**: Review and submit corrections to performance scores and ranking (applies to Performance Score Reports only). Corrections during Phase 2 of the R&C process are limited to errors made by CMS or its contractors when calculating a SNF's performance score and ranking.
- SNFs must submit correction requests to the SNF VBP Program Help Desk at SNFVBPquestions@cms.hhs.gov within 30 calendar days after dissemination of the applicable report.

SNF VBP Updates – Proposed Review and Corrections

Revisions

- The request must contain the SNF's CMS Certification Number (CCN), the SNF's name, the correction requested, and the reason for requesting the correction.
- CMS will review all requests and notify the requesting SNF of the final decision.
- CMS will implement any approved corrections before any affected data become publicly available.

SNF VBP Updates – Proposed Review and Corrections Revisions

- CMS finalized in previous rule making that beginning with the FY 2027 SNF VBP Program year, they will implement a reconsideration request process that allows SNFs to seek reconsideration of a review and correction request if they are not satisfied with CMS's decision. The process is an additional appeal process available to SNFs beyond the existing R&C process.
- SNFs may request this additional reconsideration only if they first submit a valid review and correction request (specified above) and are dissatisfied with CMS's decision. SNFs must submit reconsideration requests within 15 calendar days of receiving CMS's decision on the valid review and correction request. Reconsideration request instructions, including where to send the request and what information is needed in the request, will be included in decision letters provided in response to SNFs' review and correction requests.
- CMS will review all reconsideration requests and provide the requesting SNF a written decision before any affected data becomes publicly available.

SNF VBP Updates – Proposed Review and Corrections Revisions

- **Currently, In the phase one review and correct process,** measure results included in those reports are calculated using data current as of specified dates for each measure. These specified dates are referred to as “snapshot dates” If a SNF desires to correct their underlying data used to calculate a particular measure result, the underlying data must be corrected by the specified snapshot date to confirm the correction will be reflected in the SNF VBP Program’s quarterly confidential feedback reports.
- **In this proposed rule, CMS is proposing to update the “snapshot dates”** for two MDS-based measures, Falls with major injury and Discharge function score, beginning with FY 2027 data, to maintain alignment with the proposed revisions to SNF QRP submission deadlines for MDS assessment data included in this proposed rule.
- **Currently,** the snapshot date is 4.5 months after the last day of the applicable baseline or performance period.
- **CMS is proposing to redefine the “snapshot date”** as the 15th day of the second month after the last day of the applicable baseline or performance period.

Proposed Wage Index Impact to SNF PPS FY 2027

TABLE 25: IMPACT TO THE SNF PPS FOR FY 2027

Impact Categories	Number of Facilities	Update Wage Data	Total Change
Group			
Total	14,868	0.0%	2.4%
Urban	10,803	0.0%	2.4%
Rural	4,065	0.3%	2.7%
Hospital-based urban	301	0.5%	2.9%
Freestanding urban	10,502	-0.1%	2.3%
Hospital-based rural	339	0.4%	2.8%
Freestanding rural	3,726	0.3%	2.7%
Urban by region			
New England	678	0.1%	2.5%
Middle Atlantic	1,426	1.4%	3.8%
South Atlantic	1,863	-0.9%	1.5%
East North Central	2,085	-0.8%	1.6%
East South Central	548	-0.8%	1.5%
West North Central	905	-0.1%	2.3%
West South Central	1,378	-0.8%	1.6%
Mountain	526	-0.4%	1.9%
Pacific	1,388	0.1%	2.5%
Outlying	6	1.9%	4.4%
Rural by region			
New England	112	2.1%	4.6%
Middle Atlantic	214	0.7%	3.1%
South Atlantic	524	1.7%	4.1%
East North Central	848	0.2%	2.6%
East South Central	482	-0.2%	2.2%
West North Central	934	0.7%	3.1%
West South Central	685	-1.4%	1.0%
Mountain	182	-1.8%	0.5%
Pacific	83	1.7%	4.2%
Outlying	1	-0.1%	2.3%
Ownership			
For -profit	10,819	0.0%	2.4%
Non-profit	3,090	-0.1%	2.3%
Government	959	-0.5%	1.9%

Note: The Total column includes the proposed FY 2027 SNF market basket update of 2.4 percent. The values presented in Table 25 may not sum due to rounding.

SNF QRP Financial Impact due to FY 2027 Proposals

TABLE 26: ESTIMATED IMPACTS FOR THE FY 2028 SNF QRP

	Per SNF		All SNFs	
	Estimated Change in Annual Burden Hours	Estimated Change in Annual Cost	Estimated Change in Annual Burden Hours	Estimated Change in Annual Cost
Estimated Impacts for the FY2028 SNF QRP				
Estimated Change in Burden Associated with Removal of the HCP COVID-19 Vaccine Measure Beginning with the FY 2028 SNF QRP	-12.00	-\$525.84	-178,416	-\$7,818,189.12
Estimated Change in Burden Associated with Removal of the Patient/Resident COVID-19 Vaccine Measure Beginning with the FY 2028 SNF QRP	-0.50	-\$39.04	-7,425.58	-\$580,383.33
Total Estimated Change in Burden Beginning with the FY 2028 SNF QRP	-12.50	-\$564.88	-185,841.58	-\$8,398,572.45

TABLE 27: ESTIMATED IMPACTS FOR THE FY 2031 SNF QRP

	Per SNF		All SNFs	
	Estimated Change in Annual Burden Hours	Estimated Change in Annual Cost	Estimated Change in Annual Burden Hours	Estimated Change in Annual Cost
Estimated Impacts for the FY2031 SNF QRP				
Estimated Change in Burden Associated with Collection and Submission of Two MDS Items at Admission and Discharge and One MDS Item at Discharge Beginning with the FY 2031 SNF QRP	+2.57	+\$200.39	+38,117.75	+\$2,979,283.34
Estimated Change in Burden Associated with Proposed Collection and Submission of MDS Data on All Residents Admitted for Covered Skilled Care Beginning with the FY 2031 SNF QRP	+64.81	+\$5,721.47	+963,601.65	+\$85,066,753.66
Total Estimated Change in Burden Beginning with the FY 2031 SNF QRP	+67.38	+\$5,921.86	+1,001,719.40	+\$88,046,037.00

SNF VBP Financial Impact due to FY 2027 Proposals

TABLE 30: ESTIMATED SNF VBP PROGRAM IMPACTS FOR FY 2027

Characteristic	Number of Facilities	Mean Performance Score	Mean Incentive Payment Multiplier	Percent of Total Payment
Group				
Total*	13,257	35.6850	0.99067	100.00
Urban	9,790	36.0063	0.99088	86.60
Rural	3,467	34.7778	0.99009	13.40
Hospital-based urban	227	48.3943	1.00011	1.65
Freestanding urban	9,563	35.7123	0.99066	84.95
Hospital-based rural	126	47.8633	0.99954	0.31
Freestanding rural	3,341	34.2843	0.98973	13.09
Urban by region				
New England	655	37.8333	0.99175	5.38
Middle Atlantic	1,348	37.7825	0.99177	19.84
South Atlantic	1,768	35.0550	0.99024	16.25
East North Central	1,788	33.6982	0.98933	10.41
East South Central	511	33.1952	0.98907	2.85
West North Central	781	36.6894	0.99168	3.60
West South Central	1,166	29.8160	0.98720	6.47
Mountain	473	42.7563	0.99550	3.75
Pacific	1,298	41.4817	0.99437	18.04
Outlying	2	55.5748	1.00503	0.00
Rural by region				
New England	101	38.6689	0.99234	0.56
Middle Atlantic	198	34.4592	0.98943	0.97
South Atlantic	459	32.9504	0.98893	2.18
East North Central	738	35.0783	0.99035	2.83
East South Central	421	33.3598	0.98907	1.68
West North Central	742	36.4913	0.99126	1.80
West South Central	549	30.4066	0.98725	2.09
Mountain	175	40.7058	0.99401	0.60
Pacific	84	46.3840	0.99817	0.70
Outlying	N/A	N/A	N/A	N/A
Ownership				
Government	733	39.1976	0.99313	3.01
Profit	9,948	33.5631	0.98919	81.32
Non-Profit	2,576	42.8799	0.99571	15.67

TABLE 34: ACCOUNTING STATEMENT: CLASSIFICATION OF ESTIMATED EXPENDITURES FOR THE FY 2027 SNF VBP PROGRAM

Category	Transfers
Annualized Monetized Transfers	\$305.11 million*
From Whom To Whom?	Federal Government to SNF Medicare Providers

Ways to Comment on this Proposed Rule

- **Comments, including mass comment submissions, must be submitted in one of the following three ways (please choose only one of the ways listed):**
 - **1. Electronically.** You may submit electronic comments on this regulation to <http://www.regulations.gov>. Follow the "Submit a comment" instructions.
 - **2. By regular mail.** You may mail written comments to the following address ONLY :
Centers for Medicare & Medicaid Services,
Department of Health and Human Services,
Attention : CMS-1843-P,
P.O. Box 8016,
Baltimore, MD 21244-8016.

Please allow sufficient time for mailed comments to be received before the close of the comment period.

Ways to Comment on this Proposed Rule

- **3. By express or overnight mail.** You may send written comments to the following address ONLY:
Centers for Medicare & Medicaid Services,
Department of Health and Human Services,
Attention : CMS-1843-P,
Mail Stop C4-26-05,
7500 Security Boulevard,
Baltimore , MD 21244-1850
- To be assured consideration, comments must be received at one of the addresses provided, by **June 1, 2026**.
- For information on viewing public comments, see <http://www.regulations.gov/>. Follow the search instructions on that website to view public comments.

The background of the slide features a close-up, top-down view of water ripples. The ripples are concentric and spread out from the bottom left towards the center, creating a sense of movement and depth. The colors range from light blue to white, with highlights and shadows that give the water a three-dimensional appearance.

QUESTIONS?
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Find out More!

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