

SNF PPS FY 2021 Proposed Rule/MDS 3.0 Revisions

DISCUSSING THE SNF PROPOSED RULE AND KEEPING UP WITH THE
MDS CHANGES FOR FY 2021

Presenters



- **Joel VanEaton, BSN, RN, RAC-CT, RAC-CTA, MT**

Joel is a veteran of Long Term Care and is currently the VP of Compliance and Regulatory Affairs at Broad River Rehab serving facilities in TN, KY, OH, NC, SC and GA. Joel began his career in LTC as an MDS coordinator and worked for many years as the Director of Clinical Reimbursement and RAI for a group of nursing facilities in Tennessee and Kentucky. Joel has contributed to McKnight's LTC News and the AANAC LTC Leader. He currently serves as a board member on the AAPACN Education Foundation. Joel presents regularly for the Georgia Healthcare Association on all subjects related to the MDS and clinical reimbursement.

Presenters



• **Renee Kinder, MS, CCC-SLP, RAC-CT**

Renee is Vice President of Clinical Services for Broad River Rehab. Additionally, she serves as Gerontology Professional Development Manager for the American Speech Language Hearing Association's (ASHA) gerontology special interest group, is the ASHA STAMP for Kentucky, a member of the University of Kentucky College of Medicine community faculty, and is an alternate advisor to the American Medical Association's Relative Value Update Committee (RUC) Health Care Professionals Advisory Committee (HCPAC)

Agenda

1. Consider the key elements of the SNF PPS FY 2021 Proposed Rule

- Market Basket Update
- PPS Rates Updated
- Wage Index Changes
- Administrative Presumption
- ICD-10 Code Mapping Changes
- Value Based Purchasing

2. MDS v1.17.2 Revisions Effective 10/1/20

- Section GG
- Section I
- Section J

3. Q&A

SNF PPS FY 2021 Proposed Rule

- **FY 2021 Proposed rule posted April 10, 2020**
 - <https://s3.amazonaws.com/public-inspection.federalregister.gov/2020-07875.pdf>
- Contained generally only program updates related to payment and PDPM have been made.
- **Market Basket Update**
 - Every year CMS updates the PPS rate based on the overall cost of goods and services that contribute to expenditures required to run and maintain a nursing facility
 - This update is further revised by forecast error and multifactor productivity adjustments
 - For FY 2021, the final update to the PPS rate is proposed to be 2.3%
 - Accordingly the overall economic impact of this proposed rule is an estimated increase of \$784 million in aggregate payments to SNFs during FY 2021.
 - TABLE 16 in the proposed rule indicates Impact to the SNF PPS for FY 2021.

SNF PPS FY 2021 Proposed Rule

- Base Rates:
 - 2020 (Current)

TABLE 3: FY 2020 Unadjusted Federal Rate Per Diem--URBAN

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per Diem Amount	\$60.75	\$56.55	\$22.68	\$105.92	\$79.91	\$94.84

TABLE 4: FY 2020 Unadjusted Federal Rate Per Diem—RURAL

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per Diem Amount	\$69.25	\$63.60	\$28.57	\$101.20	\$76.34	\$96.59

- 2021 (Proposed)

TABLE 3: FY 2021 Unadjusted Federal Rate Per Diem--URBAN

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per Diem Amount	\$62.04	\$57.75	\$23.16	\$108.16	\$81.60	\$96.85

TABLE 4: FY 2021 Unadjusted Federal Rate Per Diem—RURAL

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per Diem Amount	\$70.72	\$64.95	\$29.17	\$103.34	\$77.96	\$98.63

SNF PPS FY 2021 Proposed Rule

- Example Proposed Rates:
 - 2020 (Current)

Variable Perdiem Adjustment Rate Table						N-Casemix					Wage Index
Day	PT	OT	SLP	NSG	NTA	Rural					0.7076
HIPPS	K		F	G	D	Non-CM	Labor	N-Labor	U Rate	WI Rate	
1	\$ 105.26	\$ 97.94	\$ 85.14	\$ 188.23	\$ 304.60	\$ 96.59	\$ 622.33	\$ 255.43	\$ 877.76	\$ 695.79	
2	\$ 105.26	\$ 97.94	\$ 85.14	\$ 188.23	\$ 304.60	\$ 96.59	\$ 622.33	\$ 255.43	\$ 877.76	\$ 695.79	
3	\$ 105.26	\$ 97.94	\$ 85.14	\$ 188.23	\$ 304.60	\$ 96.59	\$ 622.33	\$ 255.43	\$ 877.76	\$ 695.79	
4	\$ 105.26	\$ 97.94	\$ 85.14	\$ 188.23	\$ 101.53	\$ 96.59	\$ 478.36	\$ 196.34	\$ 674.70	\$ 534.82	
5	\$ 105.26	\$ 97.94	\$ 85.14	\$ 188.23	\$ 101.53	\$ 96.59	\$ 478.36	\$ 196.34	\$ 674.70	\$ 534.82	
6	\$ 105.26	\$ 97.94	\$ 85.14	\$ 188.23	\$ 101.53	\$ 96.59	\$ 478.36	\$ 196.34	\$ 674.70	\$ 534.82	

- 2021 (Proposed)

Variable Perdiem Adjustment Rate Table						N-Casemix	Facility				Wage Index
Day	PT	OT	SLP	NSG	NTA	Rural	Sweetwater				0.7165
HIPPS	TK/K		SF/F	HBC1/G	ND/D	Non-CM	Labor	N-Labor	U Rate	WI Rate	
1	\$ 107.49	\$ 100.02	\$ 86.93	\$ 192.21	\$ 311.06	\$ 98.63	\$ 639.09	\$ 257.25	\$ 896.34	\$ 715.16	
2	\$ 107.49	\$ 100.02	\$ 86.93	\$ 192.21	\$ 311.06	\$ 98.63	\$ 639.09	\$ 257.25	\$ 896.34	\$ 715.16	
3	\$ 107.49	\$ 100.02	\$ 86.93	\$ 192.21	\$ 311.06	\$ 98.63	\$ 639.09	\$ 257.25	\$ 896.34	\$ 715.16	
4	\$ 107.49	\$ 100.02	\$ 86.93	\$ 192.21	\$ 103.69	\$ 98.63	\$ 491.23	\$ 197.73	\$ 688.97	\$ 549.70	
5	\$ 107.49	\$ 100.02	\$ 86.93	\$ 192.21	\$ 103.69	\$ 98.63	\$ 491.23	\$ 197.73	\$ 688.97	\$ 549.70	
6	\$ 107.49	\$ 100.02	\$ 86.93	\$ 192.21	\$ 103.69	\$ 98.63	\$ 491.23	\$ 197.73	\$ 688.97	\$ 549.70	

SNF PPS FY 2021 Proposed Rule

- **Wage Index Changes**

- In this proposed rule, CMS is proposing to adopt the revised OMB delineations identified in OMB Bulletin No. 18-04 in order to identify a facility's urban or rural status: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/WageIndex>
- CMS believes that these updated OMB delineations more accurately reflect the contemporary urban and rural nature of areas across the country, and that use of such delineations would allow them to more accurately determine the appropriate wage index and rate tables to apply under the SNF PPS, in order to enhance the accuracy of payments under the SNF PPS. Changes to the OMB statistical area delineations include some new CBSAs, urban counties that would become rural, rural counties that would become urban, and existing CBSAs that would be split apart. Tables 11-14 in the proposed rule include Urban counties that would become Rural, counties that would gain Urban status, CBSA's that change name or number and Urban counties that would move to another Urban CBSA.
- CMS has proposed a 1-year transition for FY 2021 under which we would apply a 5% cap on any decrease in a SNFs wage index compared to its wage index for the prior fiscal year (FY 2020).
- Specific Wage index data may be found in the wage index tables including a table that indicates any revised Wage index data and the 5% capped wage indexes.
- OMB Memo: <https://www.whitehouse.gov/wp-content/uploads/2018/09/Bulletin-18-04.pdf>

SNF PPS FY 2021 Proposed Rule

- Wage Index Changes

Provider CCN	Provider Name	State	FY 2020 CBSA	FY 2021 CBSA	CBSA Changed	FY 2020 Wage Index	FY 2021 Wage Index	FY 2021 Wage Index (+ 5% Cap)
245314	GOOD SAMARITAN SOCIETY - WINTHROP	MN	33460	99924	Yes	1.1356	0.8971	1.0788
245473	OAK TERRACE HEALTH CARE CENTER	MN	33460	99924	Yes	1.1356	0.8971	1.0788
245598	GOOD SAMARITAN SOCIETY - ARLINGTON	MN	33460	99924	Yes	1.1356	0.8971	1.0788
445252	LIFE CARE CENTER OF CENTERVILLE	TN	34980	99944	Yes	0.8841	0.7165	0.8399
495317	HERITAGE HALL DILLWYN	VA	16820	99949	Yes	0.9502	0.7748	0.9027
55199	HORIZON HEALTH AND SUBACUTE CENTER	CA	23420	23420	No	1.1484	0.9508	1.091

SNF PPS FY 2021 Proposed Rule

- **Administrative Presumption of Coverage**

- Annually CMS designates those specific classifiers under the case-mix 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) of the 5-Day 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.

SNF PPS FY 2021 Proposed Rule

- **Administrative Presumption of Coverage**

- For services furnished on or after October 1, 2019, the following are 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
 - The NTA component's uppermost (12+) comorbidity group.

SNF PPS FY 2021 Proposed Rule

• ICD-10 Mapping Changes

- CMS is proposing several changes to the PDPM ICD-10 code mappings and lists.
 - In the current ICD-10 to clinical category mapping being used in FY 2020, **ICD-10 codes associated with certain cancers** that could require a major procedure do not include the option of a major procedure in the prior inpatient stay that may impact the plan of care. CMS is proposing to add the surgical clinical category options of “May be Eligible for the Non-Orthopedic Surgery Category” or “May be Eligible for One of the Two Orthopedic Surgery Categories” to the clinical category mapping these diagnoses when a major procedure is identified on the MDS because a major procedure for these codes in a prior inpatient stay could affect the plan of care.
 - **Certain fracture codes** map to the surgical default clinical categories such as “Orthopedic Surgery (Except Major Joint Replacement or Spinal Surgery)” or “Major Joint Replacement or Spinal Surgery” even if no surgery was performed. The specific codes are S32.031D, S32.19XD, S82.001D, and S82.002D through S82.002J. Because of this, CMS is proposing to change the default clinical category to “Non-Surgical Orthopedic”, with the surgical option of “May be Eligible for One of the Two Orthopedic Surgery Categories”, for these codes.
 - CMS is proposing to change the default clinical category of the following **fracture codes** to “Return to Provider” because these codes are unspecific and lack the level of detail provided by more specific codes as to whether the condition is on the right or left side of the body: S82.009A, S82.013A, S82.016A, S82.023A, S82.026A, S82.033A, S82.036A, and S82.099A.

SNF PPS FY 2021 Proposed Rule

• ICD-10 Mapping Changes

- In the FY 2020 ICD-10 to clinical category mapping, the M48.00 through M48.08 **spinal stenosis codes** have a default clinical category mapping of “Non-Surgical Orthopedic/Musculoskeletal” and no surgical option, which does not allow for coding in cases where patients have spinal stenosis and spinal laminectomy surgery. For this reason, CMS is proposing to add the surgical option of “May be Eligible for One of the Two Orthopedic Surgery Categories” to M48.00 through M48.08 spinal stenosis codes.
- In the FY 2020 ICD-10 to clinical category mapping, Z48 **surgery aftercare codes** map to the default clinical categories of “Return to Provider” or “Medical Management” even if a surgical procedure was indicated in J2100 of the MDS. Although Z48 codes are not very specific, CMS understands that aftercare of some major non-orthopedic surgeries is coded through Z48 codes. Therefore, CMS is proposing to add the surgical option of “May be Eligible for the Non- Orthopedic Surgery Category” to the following surgery aftercare codes: Z48.21, Z48.22, Z48.23, Z48.24, Z48.280, Z48,.288, Z48.290, Z48.298, Z48.3, Z48.811, Z48.812, Z48.813, Z48.815, Z48.816, and Z48.29, to promote more accurate clinical category assignment.

SNF PPS FY 2021 Proposed Rule

- **ICD-10 Mapping Changes**

- With regard to the **NTA comorbidity** to ICD-10 code mappings, in the FY 2020 NTA comorbidity mapping, ICD-10 codes T82.310A through T85.89XA for initial encounter codes map to the NTA comorbidity CC176 “**Complications of Specified Implanted Device or Graft**”. This mapping only includes ICD-10 codes for acute encounters for complications of internal devices. It has been requested that CMS add to the mappings the ICD-10 codes in this range with the seventh digit of D (subsequent encounter) or S (sequela) for subsequent care. We are proposing to add codes in this range with the seventh digit of D (but not the seventh digit of S, because sequela can be coded years after the event and are likely not a reason for SNF treatment) for use in the ICD-10 code mapping to the NTA comorbidity CC176 “Complications of Specified Implanted Device or Graft” on the NTA conditions and extensive services list for the purpose of calculating the PDPM NTA score.

SNF PPS FY 2021 Proposed Rule

- **Value Based Purchasing**

- Annually, CMS reduces each SNF bill by 2%. CMS Pays back 60+% of those funds back to SNFs in the form of VBP incentives. SNFs receive a VBP incentive payment based on prior years rehospitalization performance. VBP reports are posted on each facility’s CASPER page in QIES.
- **FY 2020: Baseline CY 2016, Performance CY 2018FY**

TABLE 40: Final 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

- **2021: Baseline FY 2017, Performance FY 2019**

TABLE 41: Final FY 2021 SNF VBP Program Performance Standards

Measure ID	Measure Description	Achievement Threshold	Benchmark
SNFRM	SNF 30-Day All-Cause Readmission Measure (NQF #2510)	0.79476	0.83212

SNF PPS FY 2021 Proposed Rule

- Value Based Purchasing

- FY 2022: Baseline FY 2018, Performance FY 2020

TABLE 15: Final FY 2022 SNF VBP Program Performance Standards*

Measure ID	Measure Description	Achievement Threshold	Benchmark
SNFRM	SNF 30-Day All-Cause Readmission Measure (NQF #2510)	0.79025	0.82917

- FY 2023: Baseline FY 2019, Performance FY 2021

TABLE 15: Estimated FY 2023 SNF VBP Program Performance Standards

Measure ID	Measure Description	Achievement Threshold	Benchmark
SNFRM	SNF 30-Day All-Cause Readmission Measure (NQF #2510)	0.79025	0.82917

SNF PPS FY 2021 Proposed Rule

- **Value Based Purchasing**

- CMS has finalized in prior rulemaking that they intend to use the **Skilled Nursing Facility 30-Day Potentially Preventable Readmission Measure (SNFPPR)** for the SNF VBP Program instead of the SNFRM as soon as practicable, as required by statute. CMS intends to submit the measure for NQF endorsement review during the Fall 2021 cycle, and to assess transition timing of the SNFPPR measure to the SNF VBP program after NQF endorsement review is complete.
- Considerations are being mad regarding a separate reporting site for VBP data.
- TABLE 17 in the proposed rule indicates SNF VBP Program Estimated Impacts for FY 2021.

MDS 3.0 v1.17.2

- **MDS 3.0 v1.17.2 Posted on May 15, 2020**

- <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/NursingHomeQualityInits/NHQIMDS30TechnicalInformation>

- In response to State Medicaid Agency and stakeholder requests, CMS has updated the MDS 3.0 item sets (version 1.17.2) and related technical data specifications. These changes will support the calculation of PDPM payment codes on OBRA assessments when not combined with the 5-day SNF PPS assessment, specifically the OBRA comprehensive (NC) and OBRA quarterly (NQ) assessment item sets, which was not possible with item set version 1.17.1. This will allow State Medicaid Agencies to collect and compare RUG-III/IV payment codes to PDPM ones and thereby inform their future payment models.

- **Please confirm with your State Medicaid Agency if your State will be requiring the calculation of the PDPM payment codes on the OBRA assessments when not combined with a 5-day SNF PPS assessment.**

MDS 3.0 v1.17.2

- **MDS 3.0 v1.17.2 Posted on May 15, 2020**

- The revised Comprehensive data set it is still 51 pages and the revised Quarterly data set is still 45 pages.
- Keep in mind that we don't have a revised RAI Manual yet so more instruction to come?
- Included in the downloaded zip file that you can access at the link noted in the previous slide, you will find a change table that details the revisions that will occur. The updates are centered around items that will be activated on these assessments that will allow for PDPM HIPPS calculation when these assessments **are not** combined with a 5-day PPS assessment.
- Section I and J revisions in, particular, refer to these items in reference to the post-acute period after a recent hospital stay. Either the states or the RAI Manual will need to offer further guidance as to how these items will apply to long term patients.

MDS 3.0 v1.17.2

- **MDS 3.0 v1.17.2 Posted on May 15, 2020**

- The footer has changed as it always does with an update. However, Since the changes to the new version are hard to spot, ensuring that you are using the correct version will be essential.

MDS 3.0 Nursing Home Quarterly (NQ) Version 1.17.2 Effective 10/01/2020

- Section GG: Items GG0130 and GG0170 Headers have been changed to read “Start of SNF Stay or State PDPM”, and new completion instructions include, “(If state requires completion with an OBRA assessment, the assessment period is the ARD plus 2 previous days; complete only column 1.)”.

- **GG0130 Current v1.17.1**

Section GG	Functional Abilities and Goals - Admission (Start of SNF PPS Stay)
GG0130. Self-Care (Assessment period is days 1 through 3 of the SNF PPS Stay starting with A2400B) Complete only if A0310B = 01	

- **GG0130 New v1.17.2**

Section GG	Functional Abilities and Goals - Start of SNF PPS Stay or State PDPM
GG0130. Self-Care (If A0310B = 01, the assessment period is days 1 through 3 of the SNF PPS Stay starting with A2400B. If state requires completion with an OBRA assessment, the assessment period is the ARD plus 2 previous days; complete only column 1.)	

MDS 3.0 v1.17.2

- **MDS 3.0 v1.17.2 Posted on May 15, 2020**
 - **GG0170 Current v1.17.1**

Section GG	Functional Abilities and Goals - Admission (Start of SNF PPS Stay)
GG0170. Mobility (Assessment period is days 1 through 3 of the SNF PPS Stay starting with A2400B) Complete only if A0310B = 01	

- **GG0170 New v1.17.2**

Section GG	Functional Abilities and Goals - Start of SNF PPS Stay or State PDPM
GG0170. Mobility (If A0310B = 01, the assessment period is days 1 through 3 of the SNF PPS Stay starting with A2400B. If state requires completion with an OBRA assessment, the assessment period is the ARD plus 2 previous days; complete only column 1.)	

MDS 3.0 v1.17.2

- **MDS 3.0 v1.17.2 Posted on May 15, 2020**

- Section I: Item I0020 instructions for completion have been revised to read, “Complete only if A0310B = 01 or if state requires completion with an OBRA assessment”.

- **I0020 Current v1.17.1**

Section I	Active Diagnoses
I0020. Indicate the resident's primary medical condition category Complete only if A0310B = 01 or 08	

- **I0020 New v1.17.2**

Section I	Active Diagnoses
I0020. Indicate the resident's primary medical condition category Complete only if A0310B = 01 or if state requires completion with an OBRA assessment	

MDS 3.0 v1.17.2

- **MDS 3.0 v1.17.2 Posted on May 15, 2020**

- Section J: Item J2100 instructions for completion have been revised to indicate, “Complete only if A0310B = 01 or if state requires completion with an OBRA assessment.

- **J2100 Current v1.17.1**

J2100. Recent Surgery Requiring Active SNF Care - Complete only if A0310B = 01 or 08	
Enter Code <input type="checkbox"/>	Did the resident have a major surgical procedure during the prior inpatient hospital stay that requires active care during the SNF stay? 0. No 1. Yes 8. Unknown

- **J2100 New v1.17.2**

J2100. Recent Surgery Requiring Active SNF Care - Complete only if A0310B = 01 or if state requires completion with an OBRA assessment	
Enter Code <input type="checkbox"/>	Did the resident have a major surgical procedure during the prior inpatient hospital stay that requires active care during the SNF stay? 0. No 1. Yes 8. Unknown

MDS 3.0 v1.17.2

- **MDS 3.0 v1.17.2 Posted on May 15, 2020**
 - **Do not wait until October** to ask your state whether they will require PDPM data to be tabulated with completion of Comprehensive and Quarterly assessments. With this revision, getting ready for October begins now. Contact your state Medicaid office soon to find out what they will require.

QUESTIONS?