

FY 2023 SNF Payment Rule: Submit Your Comments to CMS

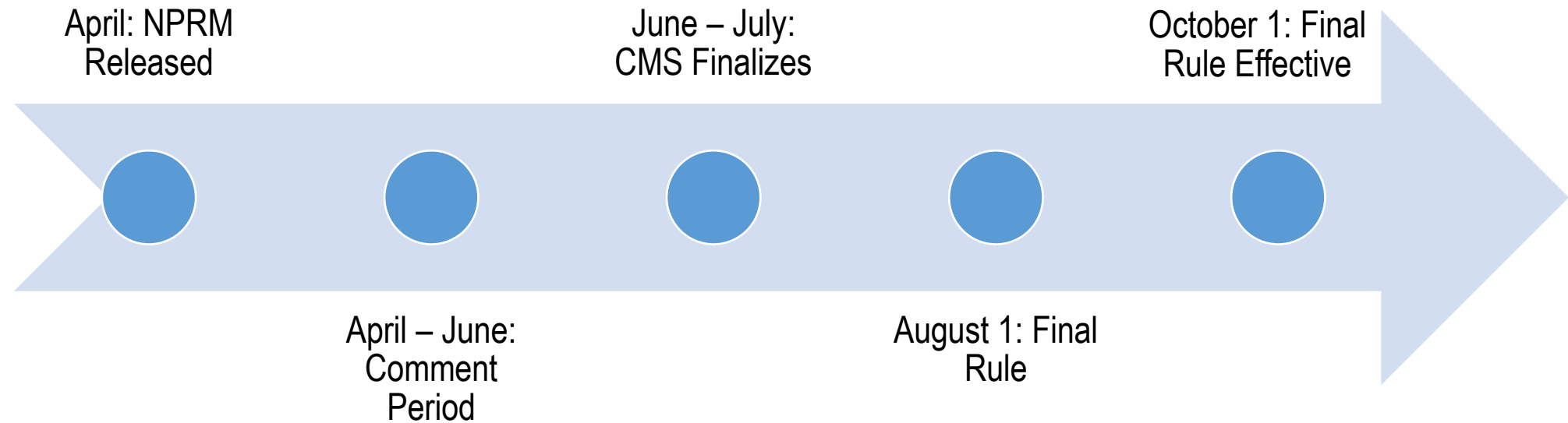
April 21, 2022

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Annual Timeframe





Understanding Parity Adjustment

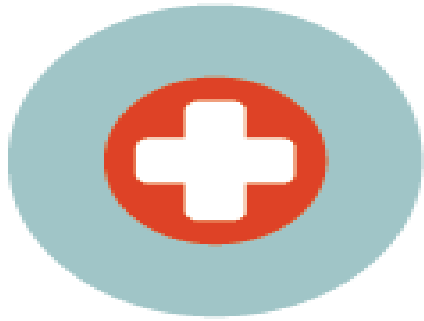
- CMS Transitions from a Previous SNF Payment System to a New System in a **Budget Neutral** Manner
 - **Budget Neutral** Means no More Medicare Dollars are Spent under the New System Than Spend Under the Old System
 - **Parity Adjustment** is Payment Reduction Used When CMS Believes the Transition was not Budget Neutral
-

RUG Spending < **PDPM Spending**



FY 2022 Final Rule Refresher

- CMS proposed a parity adjustment of 5%
- CMS paused parity adjustment due to commenter concern about data adequacy and continued PHE impacts
- Noted would be revisited in FY 2023



Market Basket Higher Than Normal but Proposed Parity Offsets

Market Basket Term	Figure
Unadjusted Market Basket	2.8%
Forecast Error	1.5%
Total Productivity Factor*	(0.4%)
Adjusted Market Basket Before Proposed Parity Adjustment	3.9%
Proposed Parity Adjustment	4.6%
Possible Final Market Basket Update	(0.7%)

**Bureau of Labor Statistics (BLS) moved to “Total Productivity Adjustment Factor” from “Multifactor Productivity Adjustment” – change in name, only*

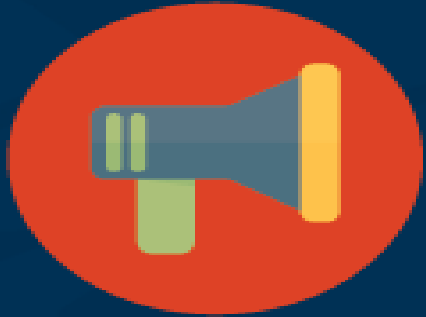


Request For Information: Establishing Mandatory Minimum Staffing Levels



CMS is Seeking Input on...

- Which individuals should be considered direct care staff
- 17 specific questions as well as invite other aspects of staffing related considerations
- Comments from NH residents/caretakers, nursing staff, CNAs, physicians, NH admins, owners/operators, & researchers



Suggestions for Your Comments



Proposed Outline for Your Comments

- Describe yourself and your operation
- Explain your commitment to quality
- Discuss how difficult the past two years were
- Explain the impact of a 4.6% reduction on your residents
- Discuss your workforce challenges



Describe Yourself & Your Operation

- What you do and how long you have been in this line of work
- Why you work in long term care
- Location of your building
- Describe your building
 - Number of units
 - Profile of your residents
- Discuss how you and your team feel about your residents



Explain Your Commitment to Quality

- If you are 3-Star or better let them know that
- Discuss any AHCA Quality Award or other award you have received
- Discuss any particular quality efforts underway
- Explain what your residents mean to you and your team



Discuss How Difficult the Past Two Years Were

- Tell them about the sacrifices you and your team have made
- Give a specific example of a team member who has worked tirelessly
- Discuss the tragedy of the losses you have seen



Explain Impact of 4.6% reduction

- Explain that a phased in reduction would be better
- Discuss how the pandemic is not over in our buildings
- Explain your loss in census and increased labor costs
- If you are worried about closing, let them know
 - Discuss the impact on your residents



Discuss Your Workforce Challenges

- Let them know how many open positions you have
- Discuss your inability to fill shifts
- Discuss your use of agency staff and related costs
- Let them know how hard it is to recruit new hires
- Tell them that a staffing mandate will not create workers – the workers are not out there



Comment Deadline is June 10

- Send through **Voter Voice**
<https://www.votervoice.net/AHCA/Campaigns/93978/Respond>
- Or submit to **Regulations.gov**
<https://www.regulations.gov/document/CMS-2022-0069-0001>
 - Subject: FY 2023 Skilled Nursing Facility (SNFs) Prospective Payment System Rate Update and Quality Reporting Requirements (CMS-1765)
 - Please send copy to ACHA at ahcaadvocacy@ahca.org

**Post your questions in the
chat**

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