



## PDPM ACADEMY 2020

### BUILDING OPTIMAL OPERATIONAL CAPACITIES<sup>®</sup>

**AHCA**  
AMERICAN HEALTH CARE ASSOCIATION

## PDPM Academy Open Discussion Forum (ODF)

May 26, 2020



## PDPM Academy 2020 Offerings

- [Seven pre-recorded, one-hour educational webinars](#) starting in March 2020 with continuing education (CE) credits and accompanied by AHCA-developed guidance toolkits and other resources covering these topics:
  - Holistic person-centered care planning
  - Evidence-based approaches for improving mobility (*available*)
  - Effective care transitions at admission and discharge
  - Trend Tracker and other sources to monitor the quality impact of PDPM
  - Managing residents with complex nursing and NTA needs (*available May 2020*)
  - Restorative nursing and skilled maintenance nursing and therapy (*available*)
  - *TBD*
- [Five live PDPM Academy Open Discussion Forums](#)
- [Access to AHCA's complete library](#) of 2019 and new 2020 PDPM Academy materials



## Additional AHCA PDPM Resources

- [pdpm@ahca.org](mailto:pdpm@ahca.org) member PDPM helpdesk
  - PDPM Policy Questions
  - PDPM MDS-Related Items Questions
  - PDPM Claims-Related Questions
  - Location of AHCA, CMS, or other PDPM-Related Resources
  - Reporting PDPM-Related MDS or Claims Issues That Have Not Been Resolved by Provider State Agency or MAC Provider Support Representatives (no PHI)
  - Requesting Additional AHCA PDPM-Related Educational Resource Topics
- Initial Response From AHCA Within One Working Day
  - Detailed AHCA Subject-Matter Expert Response if Needed Depends on Complexity



## Additional AHCA PDPM Resources

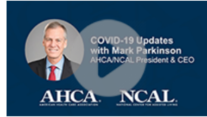
### AHCA a-La-Carte Fee-Based Resources

- PDPM ICD-10 Coding Training (February 2020) (Members and Non-Members)
  - AHCA/AHIMA ICD-10 Training for PDPM – Coder/Clinician
    - 2020 Full Version (16 Hours & CEs)
    - 2020 Refresher Version (Hours TBD & CEs)
  - AHCA/AHIMA ICD-10 Training for PDPM – Non-Coder – 2020 Full Version (4 Hours & CEs)
- High-Intensity Physical Rehabilitation In Medically Complex Populations (June 2020) (12+ Hours) (Members and Non-Members)
- Patient Pathway Platform (P3) Report Subscription (containing local market hospital referral data, SNF LOS data, SNF market PDPM data, and top referring hospital PDPM data) (TBD 2020) (Provider Members Only)
- PDPM Medicare Advantage Education & Negotiation Guidance (release TBD) (Provider Members Only)



# Additional COVID-19 Related PDPM Resources

[https://www.ahcancal.org/facility\\_operations/disaster\\_planning/Pages/Coronavirus.aspx](https://www.ahcancal.org/facility_operations/disaster_planning/Pages/Coronavirus.aspx)



Personal Protective Equipment (PPE)	
Finance & Reimbursement Issues	
<p><b>General</b></p> <ul style="list-style-type: none"> <li>▶ <b>Grant &amp; Loan Management Primer (member login required)</b> AHCA/NCAL has developed a basic primer for organizing oversight and day-to-day management of various federal grants and loans. This document will be developed as the federal government and states release new or updated guidance.</li> <li>▶ <b>COVID-19 Related Loss and Cost Calculator (member login required)</b> This excel workbook allows members to assess allowable costs already reimbursed by pre-COVID-19 payers (Medicare and Medicaid) and compare such reimbursement to shortfalls where grants and loans fill funding gaps. This tool will be particularly useful with reporting on and documenting use of the CARES Act Provider Relief Fund grants.</li> </ul> <p><b>CARES Act Provider Relief Fund</b></p> <ul style="list-style-type: none"> <li>▶ HHS Website: CARES Act Provider Relief Fund</li> <li>▶ FAQs on the Provider Relief Fund</li> </ul> <p><b>1135 Waivers</b></p> <ul style="list-style-type: none"> <li>▶ Federal-State Section 1135 Waivers</li> <li>▶ Documentation Guidance for Use of 1135 SNF Waivers</li> </ul>	<p><b>Medicare</b></p> <ul style="list-style-type: none"> <li>▶ Accelerated and Advance Payments FAQs</li> <li>▶ 3-Day Waiver and Spell of Illness FAQs</li> <li>▶ Coverage and Payment Related to COVID-19 Medicare</li> <li>▶ Medicare Fee for Service Coverage of COVID-19 Testing</li> <li>▶ Flowchart: Beneficiary is Hospital Inpatient (Community Admission or SNF Readmission)</li> <li>▶ Flowchart: Beneficiary is Admission from Community, ER, or Hospital Observation Stay</li> <li>▶ Flowchart: Beneficiary is SNF Long Term Care Resident (Skill-in-Place)</li> </ul> <p><b>Medicare Advantage and ACOs</b></p> <ul style="list-style-type: none"> <li>▶ MCO Template Letter</li> <li>▶ ACO Template Letter</li> </ul> <p><b>FMAP</b></p> <ul style="list-style-type: none"> <li>▶ Preparing for States' Use of Increased FMAP Funds</li> <li>▶ FMAP Increases by State</li> </ul>



# RECENT CMS PDPM-RELATED UPDATES



## Transmittal Updates Due to Inaccurate Interrupted Stay-Related Payments

- MLN Matters Articles on 2/11/2020 and 4/1/2020 Provide Updates to CR 11152 to fix CMS pricer software errors that resulted in inaccurately calculated payments for some interrupted-stay related claims
  - <https://www.cms.gov/regulations-and-guidanceguidancetransmittals2020-transmittals/r2431otn>
  - <https://www.cms.gov/regulations-and-guidanceguidancetransmittals2020-transmittals/r10024otn>
- The corrected edits allow proper adherence to Medicare's interrupted stay policy. That policy is as follows for SNF PDPM and should only apply to SNF PPS providers:
  - If a resident is discharged from a SNF and returns to the same SNF by the end of the third day of the interruption window, the resident's stay is treated as a continuation of the previous stay for purposes of resident classification and the variable per diem adjustment schedule.
  - **Implementation date for both transmittals = 7/6/2020**



## Transmittal Updates to fix MSSP SNF Edits Related to Demonstration Code 77

- <https://www.cms.gov/files/document/r10083otn.pdf>
- On May 1, CMS posted a transmittal to fix an error related to claims from SNFs participating in an ACO under the Medicare Shared Savings Program (MSSP)
  - ***Policy** - For admissions on or after January 1, 2020, SNF affiliates to a two-sided risk model ACO shall submit demo code 77 on claims in the treatment authorization field. Submitting demo code 77 in the treatment authorization field will be considered as the SNF affiliate's attestation that the eligibility requirements for using a SNF 3-Day Rule Waiver have been met.*
- This transmittal fixes an edit that improperly applied the edit when there was a qualifying 3-day hospital stay
  - **Implementation date = 10/5/2020**



## Transmittal Updates to Fix PDPM VPD Rates When Beneficiary Leaves MA

- <https://www.cms.gov/files/document/mm11727.pdf>
- On May 8, CMS posted a MLN Matters article describing CMS systems changes being made to fix PDPM variable-per-diem (VPD) underpayment errors occurring since 10/1/2019 for beneficiaries that transition from Medicare Advantage to SNF fee-for-service PPS Part A benefits during a stay.
  - *Policy: The SNF PPS PDPM VPD payment schedule should restart at day 1 whenever a beneficiary transitions from MA to Part A SNF PPS during a continuous stay*
  - Per the MDS coding policy on page 2-46 of the MDS RAI manual v1.17.1
    - *If a resident changes payers from Medicare Advantage to Medicare Part A, the SNF must complete a 5-Day assessment with the ARD set for one of days 1 through 8 of the Medicare Part A stay, with the resident's first day covered by Medicare Part A serving as Day 1, unless it is a case of an interrupted stay.*
- **Effective date = 10/1/2019 Implementation date = 10/5/2020**
- **MACs will only adjust claims retroactive to 10/1/2019 if requested.**



## SNF PDPM Claims Sequencing VPD Issue

Issue: As identified by AHCA members, CMS confirmed that SNF PDPM initial claims that are processed out of sequence are not paying the correct Variable Per Diem (VPD)-adjusted rate. Also all adjustment claims are not processing correctly. Claims need to process in date of service order for each stay for the VPD to calculate correctly. **CMS will correct this issue in October.** In the interim CMS provides the following guidance:

- Submit claims in sequence by waiting at least 2 weeks before billing subsequent claims
- To adjust claims, cancel the initial claim and all subsequent claims in the SNF stay then rebill in sequential order; or, hold adjustments (when allowable) until October when they will process correctly



## SNF Claims Incorrectly Cancelled 1/26-2/16/2020

Issue: As identified by AHCA members, CMS confirmed that from January 26 through February 16, 2020, a software issue related to hospital audits caused some SNF claims to be incorrectly cancelled with a message that there was no three-day qualifying hospital stay. **This issue has been corrected.** If your claims were incorrectly cancelled, re-bill them in sequential order to receive payment.

### Note:

- Claims need to process in date of service order for each stay for the Variable Per Diem (VPD) to calculate correctly
- Submit claims in sequence and wait at least 2 weeks before billing subsequent claims
- Some of the affected claims with older dates of service will require a timely filing exception; enter "Resubmission due to non-qualifying stay" in the remarks field
- This issue was not caused by the recent implementation of the SNF Patient Driven Payment Model
- Contact your MAC to receive the Medicare Beneficiary Identifier (MBI) for deceased beneficiaries



## Updates to FY 2020 PDPM ICD-10 Mappings Due to COVID-19

- <https://www.cms.gov/files/zip/fy-2020-pdpm-icd-10-mappings.zip>
- On March 31, CMS posted an updated FY 2020 PDPM ICD-10 Mappings file adding ICD-10-CM codes adding U070 Vaping-related disorder and U071 2019-nCoV acute respiratory disease (COVID-19) with an **effective date of 4/1/2020**
  - U070 maps to "return to provider"
  - U071 maps to the PDPM "pulmonary" condition group
- This update to PDPM mapping for the new U071 ICD-10 code permits providers to code COVID-19 as the primary reason for SNF stay in MDS item I0020B which will result in the generation of an appropriate PDPM HIPPS case mix code for billing purposes.
- **Prior to 4/1/2020**, the SNF must select a permissible code that applies to the resident condition and that best maps to an available PDPM condition category.



## CMS Changes Course on MDS Updates For October 1, 2020

- **December 20, 2019** DRAFT version of the 2020 MDS item sets (v1.18.0) was posted.
  - Planned Section G removal from OBRA items – new SPADES and THI QM items.
- **March 19, 2020** – CMS Announces delay of release of 2020 MDS item sets (v1.18.0).
- **April 1, 2020** – CMS updates MDS 3.0 Data Specifications (effective immediately) to permit the use of the new COVID-19 U017.1 ICD-10 code to be used on the MDS.
- **May 5 & 15, 2020** – CMS issues updated MDS 3.0 item sets (version 1.17.2) and related technical data specifications – **Effective October 1, 2020.**
  - Will only impact providers in states where the state requires the reporting of PDPM HIPPS codes on OBRA assessments for Medicaid purposes.
  - Will support the calculation of PDPM payment codes on OBRA assessments, 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.

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



## MDS Changes For October 1, 2020

MDS 1.17.1 (October 2019)	MDS 1.17.2 (October 2020)
<b>Section GG</b>	<b>Section GG</b>
<b>Functional Abilities and Goals - Admission</b> (Start of SNF PPS Stay)	<b>Functional Abilities and Goals - Start of SNF PPS Stay or State PDPM</b>
<b>GG0130. Self-Care</b> (Assessment period is days 1 through 3 of the SNF PPS Stay starting with A2400B) <i>Complete only if A0310B = 01</i>	<b>GG0130. Self-Care</b> (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.)
<b>GG0170. Mobility</b> (Assessment period is days 1 through 3 of the SNF PPS Stay starting with A2400B) <i>Complete only if A0310B = 01</i>	<b>GG0170. Mobility</b> (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.)
<b>I0020. Indicate the resident's primary medical condition category</b> Complete only if A0310B = 01 <del>or 08</del>	<b>I0020. Indicate the resident's primary medical condition category</b> Complete only if A0310B = 01 or if state requires completion with an OBRA assessment
<b>J2100. Recent Surgery Requiring Active SNF Care -</b> Complete only if A0310B = 01 <del>or 08</del>	<b>J2100. Recent Surgery Requiring Active SNF Care -</b> Complete only if A0310B = 01 or if state requires completion with an OBRA assessment

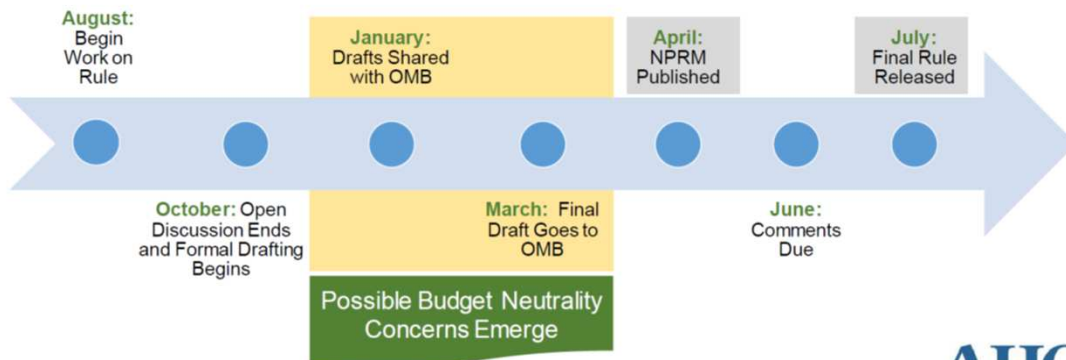


# FY 2021 SNF PPS NPRM

## Major Provisions



### CMS SNF PPS Rulemaking Timeline







## Proposed SNF PPS Rate Increase

- **The proposed rule provides for a net market basket increase for SNFs of 2.3 percent beginning October 1, 2021.**
- **CMS estimates that the net market basket update would increase Medicare SNF payments by approximately \$784 million in FY 2021.**
- This update:
  - Reflects: an unadjusted market basket increase of 2.7 percent reduced by 0.4 percentage points, in accordance with the multifactor productivity adjustment required by Section 3401(b) of the Affordable Care Act (ACA).
  - The unadjusted market basket is based on the IHS Global Insight, Inc. (IGI) first quarter 2020 forecast with historical data through fourth quarter 2019. This figure could change when CMS issues the final rule in July 2020 using more recent IGI data.
- No forecast error was incurred.



## Proposed Wage Index Changes

- **CMS proposes to adopt revised OMB delineations for SNF PPS Wage Index**
  - Will result in
    - Some SNF CBSAs changing from Urban to Rural or vice versa
    - Some SNFs changing CBSAs
  - If adopted,
    - CMS proposes to use a 5 percent cap on significant wage index decreases in CBSAs with notable declines for the first year (FY 2021).
- CMS proposes to use a budget neutrality factor to account for the 5 percent cap on significant decreases and ensure the overall transition is budget neutral.



## PDPM Case-Mix Methodology Unchanged

- **CMS is not proposing changes to the PDPM case-mix adjustment methodology but is closely monitoring.**
  - Current data is insufficient
  - CMS intention to ensure that PDPM is implemented in a budget neutral manner
- May recalibrate case-mix weights in the future as CMS did in FY 2011



## PDPM ICD-10 Mappings

- **CMS proposes numerous technical updates to PDPM ICD-10 Mappings for the Primary Reason for SNF Care**
  - Proposed changes were based on recommendations from stakeholders and address codes that
    - Could be eligible for reassignment into a surgical category, based on MDS Section J2100-J5000 major procedure items,
    - Were incorrectly identified as “return to provider”, or
    - Were listed in an inappropriate default clinical category.
- Minor technical changes to NTA component ICD-10 mappings were also proposed.



## Consolidated Billing

- **CMS is not proposing changes to SNF Consolidated Billing policy**
  - CMS invites public comments identifying HCPCS codes in any of these four service categories representing recent medical advances that might meet their criteria for exclusion from SNF consolidated billing:
    - chemotherapy items,
    - chemotherapy administration services,
    - radioisotope services, and
    - customized prosthetic devices)



## SNF QRP & VBP Programs

- **CMS is not proposing changes to the SNF Quality Reporting Program.**
- **In the SNF Value Based Purchasing Program**
  - No measures, scoring policies, or payment policies are proposed to be changed.
  - The 2023 benchmarks were estimated,
  - A 30-day correction period is proposed for the baseline period report, and
- Some previously finalized policies are proposed to be codified.



## To Submit Comments

<https://www.federalregister.gov/documents/2020/04/15/2020-07875/medicare-program-prospective-payment-system-and-consolidated-billing-for-skilled-nursing-facilities>

### Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities; Updates to the Value-Based Purchasing Program for Federal Fiscal Year 2021 (CMS-1737-P)

**DATES:** To be assured consideration, comments must be received at one of the addresses provided below, no later than 5 p.m. on June 9, 2020.

**ADDRESSES:** In commenting, please refer to file code CMS-1737-P.

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-1737-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.
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-1737-P, Mail Stop C4-26-05, 7500 Security Boulevard, Baltimore, MD 21244-1850.



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## Open Discussion Forum (ODF)

Please submit questions as described by our webinar moderator