Ohio Department of Medicaid – Bureau of LTCSS
Nursing Facility Provider Update

Fact Sheet - ORC 5165.25 *[Effective 7/1/2016]* Determination of Per Medicaid Day Quality Payment and RUGS-IV Grouper Selection

December 20, 2015

RUGS-IV Grouper Selection

- The Ohio Department of Medicaid (ODM) has elected to utilize the MDS 3.0 RUGS-IV 57-Grouper for payments effective July 1, 2016 at which time rates will be based on case mix scores for quarters ending December 31, 2015 and March 31, 2016. ODM will continue to use the hierarchical methodology for determining case mix scores.
  - Weights for RUGs IV 57 can be found here:
    - Under Ratesetting, select RUGs IV 57 Derivation of CMIs
    - Go to pages 10-12 of this pdf
- Billing for PA1-PA2s will be based on RUGS-III 44-Grouper through June 30, 2016.

Quality Indicator Criteria for 5165.25 [Effective 7/1/2016] Determination of per Medicaid day quality payment rate

Measurement Period:

ODM will use data from the following measurement periods to determine quality points:

(1) For state fiscal year 2017, the period beginning July 1, 2015 and ending December 31, 2015.

(2) For state fiscal year 2018 and thereafter, the calendar year immediately preceding the state fiscal year.

Data Selection for Minimum Data Set Quality Measures:

Percentages are obtained from https://data.medicare.gov/Nursing-Home-Compare/Quality-Measures/djen-97ju. These are the same percentages displayed on the Centers for Medicare and Medicaid Services Nursing Home Compare. ODM calculates target percentiles using Ohio data.

Target Percentiles:

Target percentiles are based on Ohio nursing facilities who have reportable data.

Quality Indicator - Preferences for Everyday Living Inventory (PELI):
To earn a quality point for this indicator, a nursing facility must implement a PELI tool as developed by the Polisher Research Institute and check the appropriate box on the Nursing Facility Annual Medicaid Cost Report indicating that such a tool has been implemented. Facilities may choose to use either the full or mid-level version of the PELI; these tools and instructions can be obtained on the following webpage:

https://www.abramsoncenter.org/research/applications/assessment-instruments/

The intent of this measure is to promote person-centered care and the information is self-attested on the cost report. It will be left up to individual facilities to develop and implement person-centered care processes to meet the needs' of their residents. ***To reiterate***, ODM is accepting an individual's self-attestation to this quality indicator on the annual cost report.

No quality point will be awarded for this indicator if a facility fails to check the "yes" box on the Attachment 8 on the Nursing Facility Annual Medicaid Cost Report indicating that the facility uses the PELI.

Quality Indicator – Pressure Ulcers:
To earn a quality point, a nursing facility must be at or below the target percentages for pressure ulcers for both short-stay and long-stay residents. For state fiscal years 2017 and 2018, the target percentage is at the twenty-fifth percentile of all facilities in the measurement period. For state fiscal year 2019 and thereafter, the target will be the number value at the twenty-fifth percentile in state fiscal year 2018. No quality point will be awarded for this indicator if a facility has insufficient data.

Quality Indicator – Antipsychotic Medications:
To earn a quality point, a nursing facility must be at or below the target percentages for antipsychotic medications for both short-stay and long-stay residents. For state fiscal years 2017 and 2018, the target rate is at the twenty-fifth percentile of all facilities in the measurement period. For state fiscal year 2019 and thereafter, the target will be the number value at the twenty-fifth percentile in state fiscal year 2018.

Quality Indicator – Employee Retention:
The employee retention number reported on the Nursing Facility Annual Medicaid Cost Report will be used to calculate this indicator. To earn a quality point for this quality

indicator, a nursing facility must be at or above the target percentage. For state fiscal years 2017 and 2018, the target rate is at the seventy-fifth percentile of all facilities in the measurement period. For state fiscal year 2019 and thereafter, the target will be the number value at the seventy-fifth percentile in state fiscal year 2018. No quality point will be awarded for this indicator if a facility fails to complete this portion of the Nursing Facility Annual Medicaid Cost Report.

The following information will be collected on the cost report for 2015 for calculating employee retention:

Line 4 - Number of employees on full payroll ending date on or near 7/1/2015 or on the first full payroll ending date of the cost reporting period
Line 5 - Of those of those in Line 4, number of employees on last payroll ending date of the cost reporting period
Line 6 – Employee retention rate ((Line 5 divided by Line 4)*100)

No quality point will be awarded for this quality indicator if a facility fails to complete this section of the Nursing Facility Annual Medicaid Cost Report.

Quality Indicator – Potentially Preventable Admissions (PPAs):

To earn a quality point, a facility's actual hospital admission rate must be at or below the risk-adjusted Expected PPA (EPPA) Rate calculated for their facility. For each facility, three values will be computed:

1. Actual Hospital Admission Rate – this will be calculated using Medicaid hospital claims (including crossover claims) for nursing facility residents who meet specific criteria for the measurement period.
2. Expected Admissions Rate (EAR) – this will be calculated using Medicaid hospital claims (including crossover claims) for nursing facility residents who meet specific criteria as noted below for the 12 month period prior to the measurement period. The DRG determined by the hospital will be used to assign each resident to one of 26 Aggregate Clinical Risk Groups (ACRG). The EAR will be calculated, and risk adjusted, for each of the ACRGs using claims data for all facilities. Each facility's EAR will be individually calculated based on the number of residents in each of the CRGs during the time period.
3. Actual-to-Expected PPA which is the Facility's Actual Rate / EAR.

A quality point is awarded to a NF who achieves a ratio 1.0 or less meaning that the facility's admission rate was equal to, or better than the expected admission rate.

Resident criteria - In the calculations, residents are exempt who have a DRG with catastrophic conditions and dominant, metastatic and complicated malignancies. Claims selection criteria include residents admitted to the facility for at least 14 days and who reside in the facility in the two days prior to the hospital admission.