

**MOMENTUM** 2022 Annual Conference and Trade Show · August 30 – September 1, 2022

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Ohio

# What's Impacting Your Revenue?

## PDPM, QRP, VBP, QIP, CMI.....

September 1, 2022

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## Objectives

- Census – Impact of COVID-19
- Review potential impacts on revenue
  - Potential Withholdings/Offset
  - Potential Reimbursement and How To Optimize
- What to expect in the future

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## Where Do You Focus?

- Census – Does it still fix everything?
  - Reimbursement Rates
  - Potential Penalty and Takeback
  - Reimbursement tied to Quality
- Increased Expenses
  - PPE
  - Staffing
  - Increased Costs Across The Board



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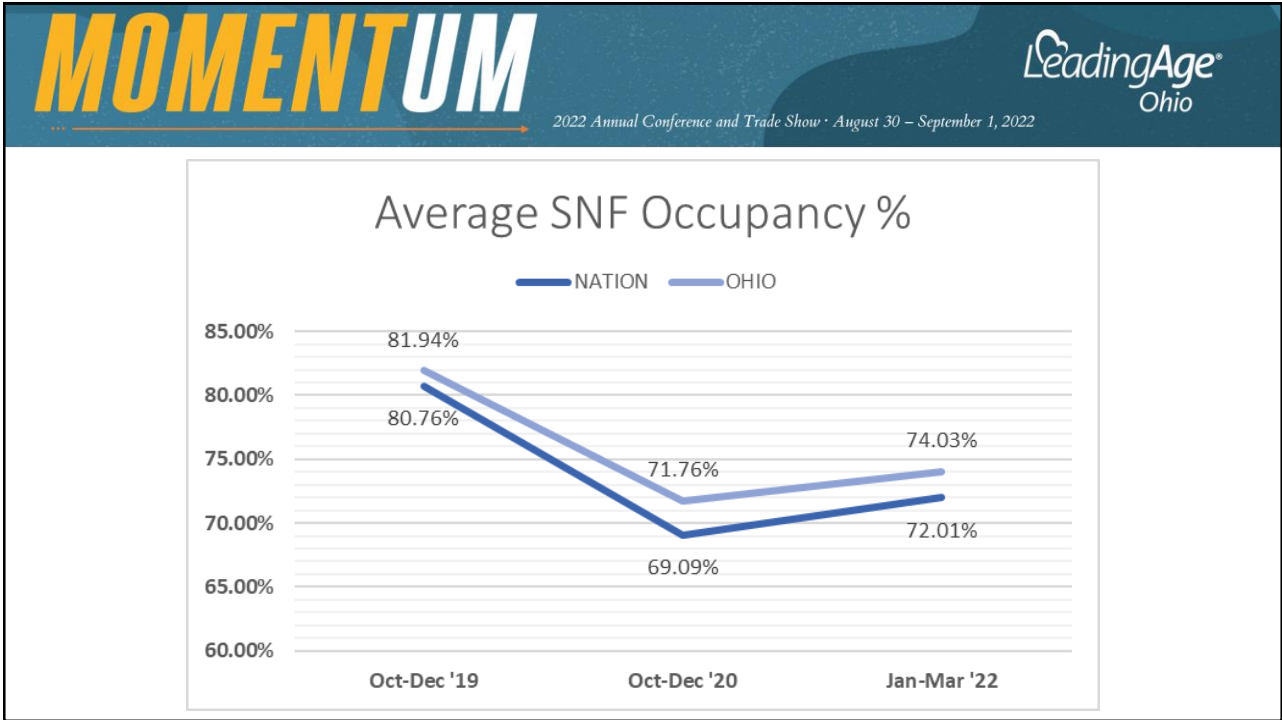
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# CENSUS

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Census Decline Financial Impact  
Equates to Approximately  
**\$1,000,000**  
per Year

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SNF ABC

VS.

SNF XYZ

\$\$\$	Performance		Performance	\$\$\$
\$8,502,800		Base Annual Revenue		\$8,502,800
(\$1,000,000)		Census Reduction		(\$1,000,000)
<b>\$7,502,800</b>		<b>New Annual Revenue</b>		<b>\$7,502,800</b>
		Medicaid Case-Mix		
		Medicaid QIP		
		PDPM - PT/OT		
		PDPM - SLP		
		PDPM - Nursing		
		PDPM - NTA		
		Sequestration		
		QRP		
		VBP		
		Managed Care		

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## Reimbursement Potential

- CMI  
Case Mix Index
- QIP  
Quality Incentive Program
- PDPM  
Patient Driven Payment Model

**THE ODDS OF HITTING YOUR TARGET GO UP DRAMATICALLY WHEN YOU AIM AT IT.**

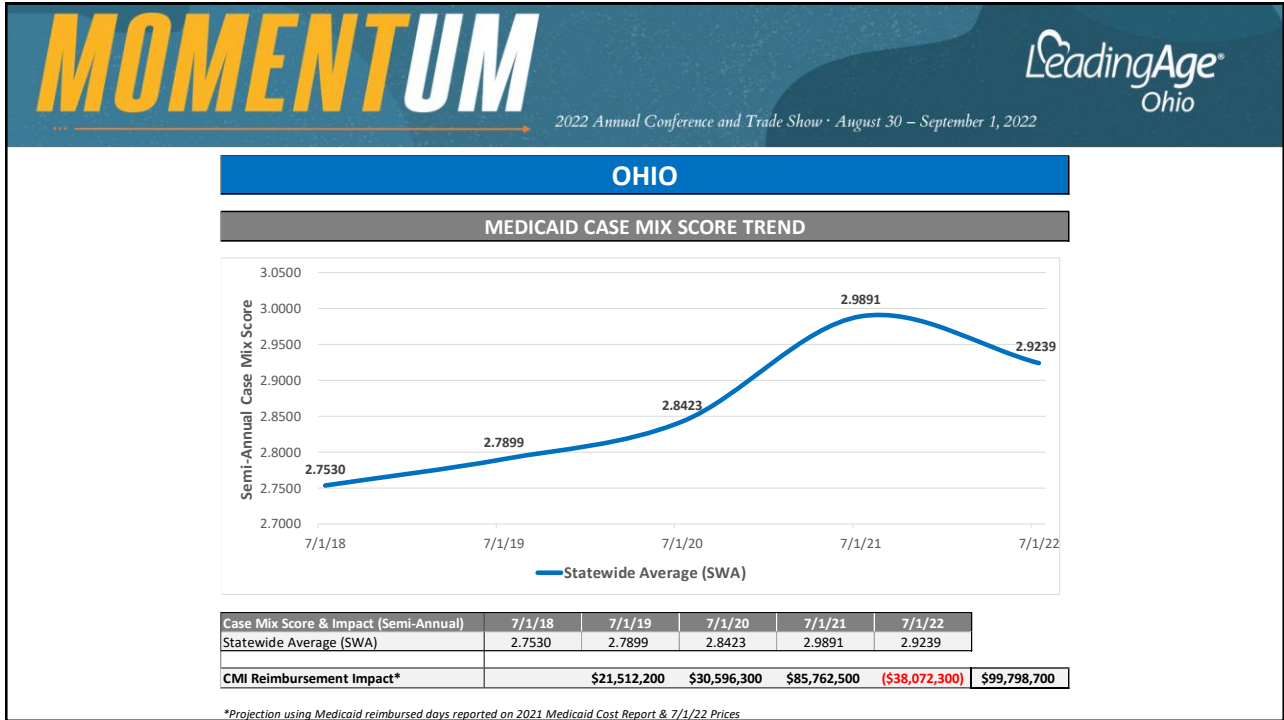
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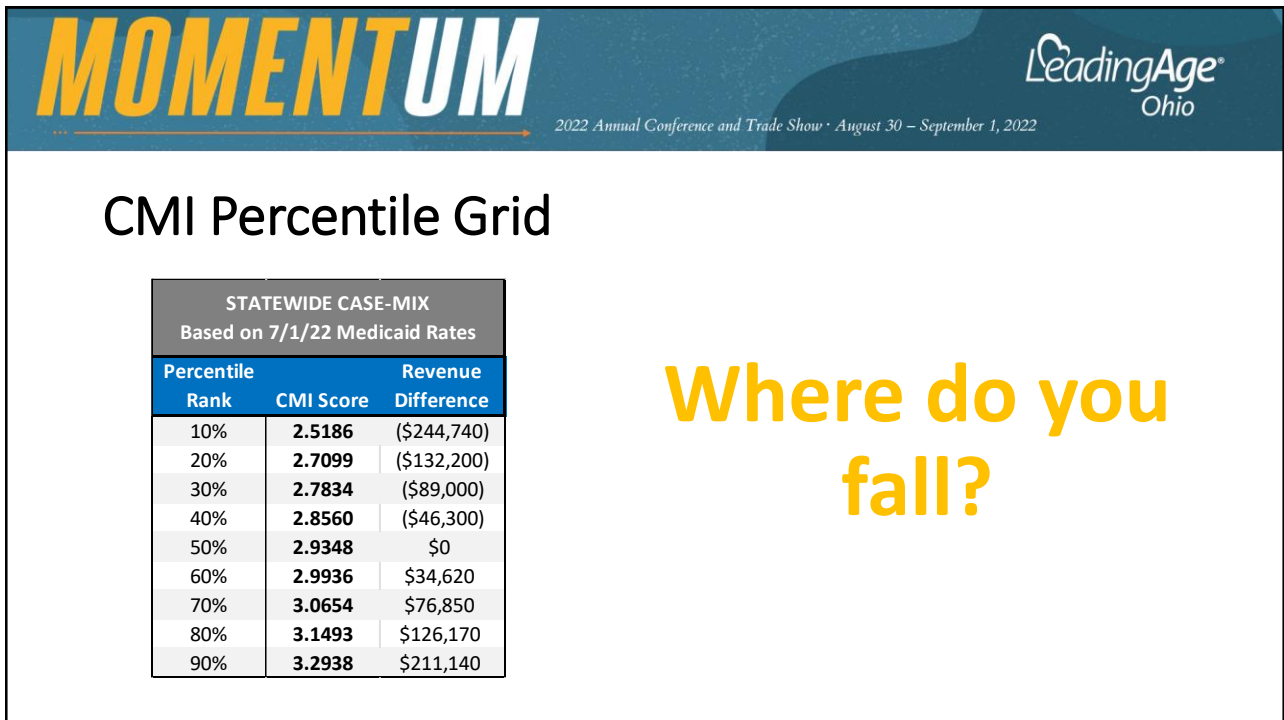
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# CASE-MIX

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## CMI – Focus for Review

- Average ADL Distribution
- PHQ-9 Total Severity Score
- Therapy RUG Distribution
  - Are you optimizing therapy RUGs in combination with ADL scores?
- Nursing RUG Distribution
- Walking rounds (therapy and nursing), asking staff and residents about changes in function may identify residents for screening

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# QUALITY INCENTIVE PAYMENT (QIP)

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## Medicaid Quality Incentive Payment

July 1, 2022 Rate

- 225 facilities did not meet the threshold to receive QIP reimbursement
- \$61 million in missed QIP opportunity
- Of the 225 facilities, 75 were non-profit
- That is a loss of \$21 million.

**33% of non-profit facilities did not receive QIP reimbursement**


PURPOSE. INSPIRED. RESULTS.

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## Medicaid Quality Incentive Payment


QIP is calculated using CMS assigned points for four long-stay measures

- Four Long Stay Measures
  - UTI, High Risk Pressure Ulcers, Catheters, Mobility Decline
- CMS assigned points are divided by 20, for max points of 22.5
  - UTI –  $100/20 = 5$  points
  - Mobility Decline –  $150/20 = 7.5$  points
  - Catheters –  $100/20 = 5$  points
  - High Risk Pressure Ulcers –  $100/20 = 5$  points
- Providers in the lowest percentile based on points assigned by CMS would receive zero points for each QM

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## Medicaid Quality Incentive Payment


Statistics & Averages

- Rate per point
  - FY22 was \$1.32
  - FY23 was \$1.82
- Average number of points
  - FY22 was 14.53
  - FY23 was 16.00

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## Medicaid Quality Incentive Payment FY23 & Future

- Budget for FY23 for QIP
  - FY23 - \$295 Million (7/1/22 to 6/30/23)
  - FY23 – rate per point is \$1.82
  - Bottom 25th percentile did not receive QIP funding
    - Cut Off QIP points FY22 9.5
    - Cut Off QIP points FY23 10.75
  
- Proposal going forward is to include all long-term quality measures in the calculation
  - Improving overall Quality Measures will improve reimbursement and 5-Star

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## Ohio Reimbursement and Quality Compared


Star Rating	Average Medicaid Case-Mix for Each Star Level						
	Overall	Survey	QM - Total	QM - LS	QM - SS	Staffing	RN Staffing
1	2.9840	2.9520	2.9440	3.0068	2.9319	3.0252	3.0295
2	2.9899	2.9976	2.9309	2.9646	3.0136	3.0406	3.0315
3	2.9750	2.9937	3.0243	3.0115	2.9978	2.9451	2.9774
4	3.0331	3.0200	2.9886	2.9574	3.0189	2.8970	2.9164
5	2.9632	2.9641	2.9933	3.0077	3.0102	2.6907	2.7414

*Statewide in Ohio, nursing home quality star rating does not decline with increased reimbursement*

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\$0	10 points	Medicaid QIP	16 points	\$425,160

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# PDPM

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## Fiscal Year 2023

- **Overall Net Rate Increase +2.7%**
  - SNF Market Basket +3.9%
  - Market Basket Error Adjustment +1.5%
  - Productivity Adjustment -0.3%
  - Recalibrated Parity Adjustment -2.3%
    - Case-Mix Adjustment
    - Two-Year phase in for this recalibration

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Average PDPM Component CMI Per Stay (FY2020-FY2021)				
PT	OT	SLP	Nursing	NTA
1.52	1.52	1.67	1.60	1.20

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# PDPM – PT/OT

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## PT/OT Components

**Primary Tier**


Collapsed PT and OT Clinical Category	PDPM Clinical Category
Major Joint Replacement or Spinal Surgery	Major Joint Replacement or Spinal Surgery
Non-Orthopedic Surgery and Acute Neurologic	Non-Orthopedic Surgery
	Acute Neurologic
Other Orthopedic	Non-Surgical Orthopedic / Musculoskeletal
	Orthopedic Surgery (Except Major Joint Replacement or Spinal Surgery)
Medical Management	Medical Management
	Acute Infections
	Cancer
	Pulmonary
	Cardiovascular and Coagulations

- ICD-10 Code – over 65,000 diagnosis codes

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## PT/OT Components

**Secondary Tier**


- Section GG – ADL Function Score

Category - Items		Score
Eating	GG0130A1 Eating	0-4
Oral Hygiene	GG0130B1 Oral Hygiene	0-4
Toileting Hygiene	GG0130C1 Toileting Hygiene	0-4
Bed Mobility	GG0170B1 Sit to Lying	0-4 (average)
	GG0170C1 Lying to Sitting on Side of Bed	
Transfer	GG0170D1 Sit to Stand	0-4 (average)
	GG0170E1 Chair/Bed-to-Chair	
	GG0170F1 Toilet Transfer	
Walking	GG0170J1 Walk 50 Feet with Two Turns	0-4 (average)
	GG0170K1 Walk 150 Feet	

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## PT/OT Components

PT and OT Component Case Mix Groups				
Clinical Category	Function Score	PT OT Case Mix Group	PT CMI	OT CMI
Major Joint Replacement or Spinal Surgery	0-5	TA	1.53	1.49
Major Joint Replacement or Spinal Surgery	6-9	TB	1.70	1.63
Major Joint Replacement or Spinal Surgery	10-23	TC	1.88	1.69
Major Joint Replacement or Spinal Surgery	24	TD	1.92	1.53
Other Orthopedic	0-5	TE	1.42	1.41
Other Orthopedic	6-9	TF	1.61	1.60
Other Orthopedic	10-23	TG	1.67	1.64
Other Orthopedic	24	TH	1.16	1.15
Medical Management	0-5	TI	1.13	1.18
Medical Management	6-9	TJ	1.42	1.45
Medical Management	10-23	TK	1.52	1.54
Medical Management	24	TL	1.09	1.11
Non-Orthopedic Surgery and Acute Neurologic	0-5	TM	1.27	1.30
Non-Orthopedic Surgery and Acute Neurologic	6-9	TN	1.48	1.50
Non-Orthopedic Surgery and Acute Neurologic	10-23	TO	1.55	1.55
Non-Orthopedic Surgery and Acute Neurologic	24	TP	1.08	1.09

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# PDPM – SLP

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## SLP Component

### Primary Tier

### Three Criteria

1. Acute Neurologic Condition – nearly 2,000 ICD-10 Codes
2. SLP-Related Comorbidity
 

- I4300 Aphasia
  - I4500 CVA, TIA, Stroke
  - I4900 Hemiplegia or Hemiparesis
  - I5500 Traumatic Brain Injury
  - O0100E2 Tracheostomy Care While a Resident
  - O0100F2 Ventilator or Respirator While a Resident
  - I8000 Laryngeal Cancer
  - I8000 Apraxia
  - I8000 Dysphagia
  - I8000 ALS
  - I8000 Oral Cancers
  - I8000 Speech and Language Deficits
3. Cognitive Impairment
 

PDPM Cognitive Level	BIMS Score	Staff Assessment Score
1 - Cognitively Intact	13-15	0
2 - Mildly Impaired	8-12	1-2
3 - Moderately Impaired	0-7	3-4
4 - Severely Impaired	-	5-6

\*Note: Residents are classified as cognitively impaired when they are assessed to be mildly, moderately, or severely impaired

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## SLP Component

Comorbidities Included in SLP Component		
Condition	ICD-10-CM Code	Description
ALS	G12.21	Amyotrophic lateral sclerosis
Apraxia	I69.990	Apraxia following unspecified cerebrovascular disease
Dysphagia	I69.991	Dysphagia following unspecified cerebrovascular disease
Laryngeal Cancer	C32.0	Malignant neoplasm of glottis
Laryngeal Cancer	C32.1	Malignant neoplasm of supraglottis
Laryngeal Cancer	C32.2	Malignant neoplasm of subglottis
Laryngeal Cancer	C32.3	Malignant neoplasm of laryngeal cartilage
Laryngeal Cancer	C32.8	Malignant neoplasm of other specified sites of larynx
Laryngeal Cancer	C32.9	Malignant neoplasm of larynx, unspecified
Oral Cancers	C00.0	Malignant neoplasm of external upper lip
Oral Cancers	C00.1	Malignant neoplasm of external lower lip
Oral Cancers	C00.3	Malignant neoplasm of upper lip, inner aspect
Oral Cancers	C00.4	Malignant neoplasm of lower lip, inner aspect
Oral Cancers	C00.5	Malignant neoplasm of lip, unspecified, inner aspect


continued....

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## SLP Component

**Secondary Tier**


Two Criteria

1. Swallowing Disorder
  - K0100A Loss of liquids/solids from mouth when eating or drinking
  - K0100B Holding food in mouth/cheeks or residual food in mouth after meals
  - K0100C Coughing or choking during meals or when swallowing medications
  - K0100D Complaints of difficulty or pain with swallowing
  - K0100Z None of the above
2. Mechanically Altered Diet
  - K0510C2 Mechanically Altered Diet While a Resident

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## SLP Component

SLP Component Case Mix Group			
Presence of Acute Neurologic Condition, SLP-Related Comorbidity, or Cognitive Impairment	Mechanically Altered Diet or Swallowing Disorder	SLP Case Mix Group	CMI
None	Neither	SA	0.68
None	Either	SB	1.82
None	Both	SC	2.67
Any one	Neither	SD	1.46
Any one	Either	SE	2.34
Any one	Both	SF	2.98
Any two	Neither	SG	2.04
Any two	Either	SH	2.86
Any two	Both	SI	3.53
All three	Neither	SJ	2.99
All three	Either	SK	3.70
All three	Both	SL	4.21

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(\$59,500)	1.32	PDPM - SLP	1.98	\$52,800

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# PDPM – Nursing

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# Nursing Component

Nursing Component Case Mix Group					
Nursing Category	Conditions/ Services	Conditions/ Services Present	Section GG Function Score	PDPM RUG	CMI
Extensive Services	Tracheostomy Care and Vent/Respirator	Yes	0-14	ES3	4.06
Extensive Services	Tracheostomy Care or Vent/Respirator	Yes	0-14	ES2	3.07
Extensive Services	Infection Isolation	Yes	0-14	ES1	2.93
Special Care High	Depressed	Yes	0-5	HDE2	2.40
Special Care High	Depressed	No	0-5	HDE1	1.99
Special Care High	Depressed	Yes	6-14	HBC2	2.24
Special Care High	Depressed	No	6-14	HBC1	1.86
Special Care Low	Depressed	Yes	0-5	LDE2	2.08
Special Care Low	Depressed	No	0-5	LDE1	1.73
Special Care Low	Depressed	Yes	6-14	LBC2	1.72
Special Care Low	Depressed	No	6-14	LBC1	1.43
Clinically Complex	Depressed	Yes	0-5	CDE2	1.87
Clinically Complex	Depressed	No	0-5	CDE1	1.62
Clinically Complex	Depressed	Yes	6-14	CBC2	1.55
Clinically Complex	Depressed	Yes	15-16	CA2	1.09
Clinically Complex	Depressed	No	6-14	CBC1	1.34
Clinically Complex	Depressed	No	15-16	CA1	0.94
Behavioral Cognitive Symptoms	Restorative Nursing Services	2 or More	11-16	BAB2	1.04
Behavioral Cognitive Symptoms	Restorative Nursing Services	0-1	11-16	BAB1	0.99
Reduced Physical Function	Restorative Nursing Services	2 or More	0-5	PDE2	1.57
Reduced Physical Function	Restorative Nursing Services	0-1	0-5	PDE1	1.47
Reduced Physical Function	Restorative Nursing Services	2 or More	6-14	PBC2	1.22
Reduced Physical Function	Restorative Nursing Services	2 or More	15-16	PA2	0.71
Reduced Physical Function	Restorative Nursing Services	0-1	6-14	PBC1	1.13
Reduced Physical Function	Restorative Nursing Services	0-1	15-16	PA1	0.66

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(\$144,500)	1.36	PDPM - Nursing	1.81	\$126,500

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# PDPM – NTA

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## NTA Component

Comorbidities Included in NTA Comorbidity Score and Assigned Points		
Condition/Extensive Service	MDS Item	Points
HIV/AIDS	SNF Claim ICD-10 B20	8
Parenteral IV Feeding: Level High	K0510A2 K0710A2	7
Special Treatments/Programs: Intravenous Medication Post-admit Code	O0100H2	5
Special Treatments/Programs: Ventilator Post-admit Code	O0100F2	4
Parenteral IV feeding: Level Low	K0510A2 K0710A2 K0710B2	3
Lung Transplant Status	I8000	3
Special Treatments/Programs: Transfusion Post-admit Code	O0100I2	2
Major Organ Transplant Status, Except Lung	I8000	2
Active Diagnoses: Multiple Sclerosis Code	I5200	2
Opportunistic Infections	I8000	2
Active Diagnoses: Asthma COPD Chronic Lung Disease Code	I6200	2
Bone/Joint/Muscle Infections/Necrosis - Except: Aseptic Necrosis of Bone	I8000	2
Chronic Myeloid Leukemia	I8000	2
Wound Infection Code	I2500	2
Active Diagnoses: Diabetes Mellitus (DM) Code	I2900	2
Endocarditis	I8000	1
Immune Disorders	I8000	1
End-Stage Liver Disease	I8000	1
Other Foot Skin Problems: Diabetic Foot Ulcer Code	M1040B	1
Narcolepsy and Cataplexy	I8000	1
Cystic Fibrosis	I8000	1
Special Treatments/Programs: Tracheostomy Post-admit Code	O0100E2	1
Active Diagnoses: Multi-Drug Resistant Organism (MDRO) Code	I1700	1
Special Treatments/Programs: Isolation Post-admit Code	O0100M2	1
Specified Hereditary Metabolic/Immune Disorders	I8000	1

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## NTA Component

Comorbidities Included in NTA Comorbidity Score and Assigned Points		
Condition/Extensive Service	MDS Item	Points
Morbid Obesity	I8000	1
Special Treatments/Programs: Radiation Post-admit Code	O0100B2	1
Highest Stage of Unhealed Pressure Ulcer - Stage 4	M0300X1	1
Psoriatic Arthropathy and Systemic Sclerosis	I8000	1
Chronic Pancreatitis	I8000	1
Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	I8000	1
Other Foot Skin Problems: Foot Infection Code, Other Open Lesion on Foot Code, Except Diabetic Foot Ulcer Code	M1040A M1040B M1040C	1
Complications of Specified Implanted Device or Graft	I8000	1
Bladder and Bowel Appliances: Intermittent catheterization	H0100D	1
Inflammatory Bowel Disease	I8000	1
Aseptic Necrosis of Bone	I8000	1
Special Treatments/Programs: Suctioning Post-admit Code	O0100D2	1
Cardio-Respiratory Failure and Shock	I8000	1
Myelodysplastic Syndromes and Myelofibrosis	I8000	1
Systemic Lupus Erythematosus, Other Connective Tissue Disorders, and Inflammatory Spondylopathies	I8000	1
Diabetic Retinopathy - Except : Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	I8000	1
Nutritional Approaches While a Resident: Feeding Tube	K0510B2	1
Severe Skin Burn or Condition	I8000	1
Intractable Epilepsy	I8000	1
Active Diagnoses: Malnutrition Code	I5600	1
Disorders of Immunity - Except : RvCC97: Immune Disorders	I8000	1
Cirrhosis of Liver	I8000	1
Bladder and Bowel Appliances: Ostomy	H0100C	1
Respiratory Arrest	I8000	1
Pulmonary Fibrosis and Other Chronic Lung Disorders	I8000	1

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## NTA Component

NTA Component Case Mix Group		
NTA Comorbidity Score	NTA Case Mix Group	CMI
12+	NA	3.24
9-11	NB	2.53
6-8	NC	1.84
3-5	ND	1.33
1-2	NE	0.96
0	NF	0.72


### Length of Stay Adjustment

Variable Per-diem Adjustment Factors and Schedule	
Medicare Payment Days	Adjustment Factor
1-3	3.00
4-100	1.00

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(\$144,500)	1.36	PDPM - Nursing	1.81	\$126,500
(\$68,100)	1.05	PDPM - NTA	1.31	\$50,000

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## PDPM – Best Practices

- Under PDPM – Team Approach
  - Skilled Services Not Only About Therapy
  - Should Not Hear “Therapy Cut Them” as the reason no longer skilled
  - Other Questions
    - What Nursing Services Are Needed?
    - What Are The Comorbidities?
    - Does the diagnosis, coding, and resident history all correlate?

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# Sequestration

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## Revenue – CMS Offsets/Withholdings

- Sequestration – 2%
  - Was suspended April 2020 to March 2022
  - Phased back in with 1% effective April 2022 to June 2022
  - Full 2% is now effective July 2022
- QRP (Quality Reporting Program) – 2%
- VBP (Value Based Purchasing) – 2%

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(\$56,600)	-2%	Sequestration	-2%	(\$68,300)

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# QRP

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## Revenue – CMS Offsets/Withholdings

QRP (Quality Reporting Program) – 2%

The Improving Medicare Post-Acute Care Transformation (IMPACT) Act of 2014 modified the Social Security Act requiring that SNFs be required to submit data for public reporting. In response, the Centers for Medicare & Medicaid Services (CMS) established the SNF QRP and authorized the Secretary to report quality measures that relate to care provided by SNFs on a CMS website.

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## Revenue – CMS Offsets/Withholdings


QRP (Quality Reporting Program) – 2%

For Fiscal Year (FY) 2018, and each subsequent year, if a SNF fails to submit the required quality data, the SNF will be subject to a two percentage (2%) point reduction in the Annual Payment Update (APU) for the applicable performance year.

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SNF ABC

VS.

SNF XYZ

\$\$\$	Performance		Performance	\$\$\$
\$8,502,800		Base Annual Revenue		\$8,502,800
(\$1,000,000)		Census Reduction		(\$1,000,000)
\$7,502,800		New Annual Revenue		\$7,502,800
(\$89,000)	2.7834	Medicaid Case-Mix	3.0654	\$76,850
\$0	10 points	Medicaid QIP	16 points	\$425,160
(\$41,200)	1.42	PDPM - PT/OT	1.62	\$41,300
(\$59,500)	1.32	PDPM - SLP	1.98	\$52,800
(\$144,500)	1.36	PDPM - Nursing	1.81	\$126,500
(\$68,100)	1.05	PDPM - NTA	1.31	\$50,000
(\$56,600)	-2%	Sequestration	-2%	(\$68,300)
(\$56,600)	-2%	QRP	0%	\$0

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# VBP

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## Revenue – CMS Offsets/Withholdings

VBP (Value Based Purchasing) – 2%

The Centers for Medicare & Medicaid Services (CMS) awards incentive payments to skilled nursing facilities (SNFs) through the SNF VBP Program to encourage SNFs to improve the quality of care they provide to Medicare beneficiaries. Performance in the SNF VBP Program is currently based on a single measure of all-cause hospital readmissions.

In Section 215 of the [Protecting Access to Medicare Act of 2014 \(PAMA\)](#), Congress added sections 1888(g) and (h) to the Social Security Act, which required the Secretary of the Department of Health and Human Services (HHS) to establish a SNF VBP Program. The Program began affecting SNF payments on October 1, 2018.

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## Revenue – CMS Offsets/Withholdings

VBP (Value Based Purchasing) – 2%

As required by statute, CMS withholds 2% of SNFs' Medicare fee-for-service (FFS) Part A payments to fund the program. This 2% is referred to as the "withhold".

CMS is required to redistribute between 50% and 70% of this withhold to SNFs as incentive payments. CMS redistributes 60% of the withhold to SNFs as incentive payments, and the remaining 40% of the withhold is retained in the Medicare Trust Fund.

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## Revenue – CMS Offsets/Withholdings

VBP (Value Based Purchasing) – 2%

The SNF VBP Program currently awards incentive payments to SNFs based on their performance on the SNF 30-Day All-Cause Readmission Measure, the rate of all-cause, unplanned hospital readmissions for SNF residents within 30 days of discharge from a prior hospital stay. It is risk adjusted for patient demographics, comorbidities, and other health status variables that affect the probability of a hospital readmission, including diagnoses of COVID-19.

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Final FY 2025 SNF VBP Program Performance Standards			
Measure ID	Measure Description	Achievement Threshold	Benchmark
SNFRM	SNF 30-Day All-Cause Readmission Measure	20.86%	17.09%

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## Revenue – CMS Offsets/Withholdings

VBP (Value Based Purchasing) – 2%

In the [FY 2023 SNF PPS final rule](#), CMS adopted two additional measures for use beginning in the FY 2026 SNF VBP Program year:

- 1) Skilled Nursing Facility Healthcare-Associated Infections (SNF HAI) Requiring Hospitalization measure
- 2) Total Nurse Staffing Hours per Resident Day (Total Nurse Staffing) (including Registered Nurse [RN], Licensed Practical Nurse [LPN], and Nurse Aide hours) measure.

CMS also adopted one additional measure for use beginning in the FY 2027 SNF VBP Program year: Discharge to Community (DTC)

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DIRECT CARE STAFFING HOURS PER RESIDENT DAY				
Percentile Breakdown - For the Period of 1/1/22-3/31/22				
NATIONAL	NURSE AIDE	LPN	RN	TOTAL NURSING
10%	1.547	0.455	0.268	2.787
20%	1.738	0.604	0.356	3.062
30%	1.871	0.702	0.428	3.251
40%	1.993	0.788	0.497	3.433
50%	2.120	0.868	0.575	3.613
60%	2.263	0.947	0.658	3.804
70%	2.430	1.031	0.757	4.023
80%	2.610	1.140	0.894	4.332
90%	2.929	1.306	1.149	4.914

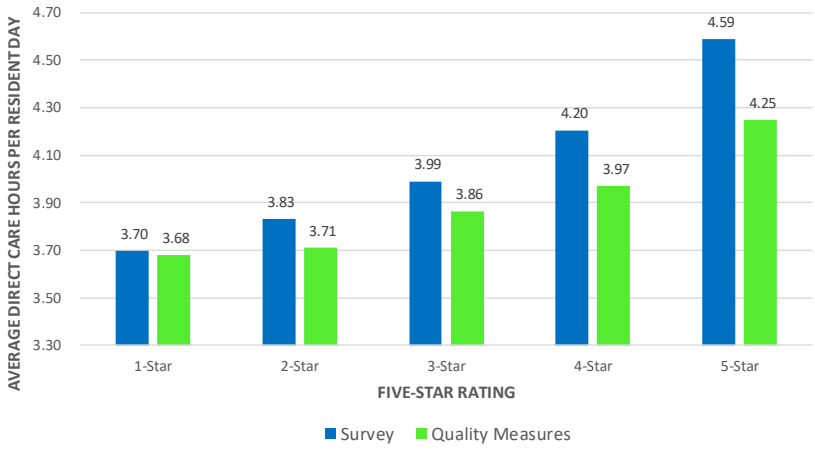
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### Survey Rating Correlation to Staffing Levels



Five-Star Rating	Survey (Hours/Resident/Day)	Quality Measures (Hours/Resident/Day)
1-Star	3.70	3.68
2-Star	3.83	3.71
3-Star	3.99	3.86
4-Star	4.20	3.97
5-Star	4.59	4.25

Source: Based upon January 2021 data derived from data.medicare.gov and analyzed by Squared Business Solutions, LLC.


## Why Staffing Matters – Correlated to Quality

Where do you fall?

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(\$68,100)	1.05	PDPM - NTA	1.31	\$50,000
(\$56,600)	-2%	Sequestration	-2%	(\$68,300)
(\$56,600)	-2%	QRP	0%	\$0
(\$31,400)	-1%	VBP	0%	\$0

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(\$56,600)	-2%	Sequestration	-2%	(\$68,300)
(\$56,600)	-2%	QRP	0%	\$0
(\$31,400)	-1%	VBP	0%	\$0
<b>\$6,955,900</b>		<b>REVISED REVENUE</b>		<b>\$8,207,110</b>

Potential Variance  
\$1,251,210

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## Managed Care

- Enrollment in Plans continues to increase
- Some Plans require 3-Star and have Quality Requirements
- Management of each case based on reimbursement and care needs
- Reimbursement Challenges
  - PDPM
  - Negotiated Rates

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## Managed Care

PROFIT ANALYSIS - PER DAY	Medicare A	Medicare Managed Care	Managed Care	TOTAL
Total Days	1,781	979	756	3,516
Utilization %	65%	35%		
Utilization %	51%	28%	22%	
<b>REVENUE</b>				
Rate Per Day	\$556.88	\$369.72	\$258.27	\$440.56
<b>EXPENSE</b>				
Routine + Capital	\$230.55	\$230.55	\$230.55	\$230.55
Therapy	\$138.90	\$138.90	\$0.00	\$109.04
Pharmacy	\$40.71	\$40.71	\$40.71	\$40.71
Other Ancillary	\$33.90	\$33.90	\$33.90	\$33.90
Expense Per Day	\$444.06	\$444.06	\$305.16	\$414.19
<b>PROFIT MARGIN PER DAY</b>				
	\$112.81	(\$74.34)	(\$46.89)	\$26.36
<b>PROFIT MARGIN - TOTAL DOLLARS</b>				
	\$400,700	(\$145,200)	(\$70,700)	\$184,900

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### Five-Star Overview

SURVEY				
Cycle Dates	# Citations	Total Score	Weighting	Final Score
Cycle 1 - 05/28/22	10	40	1/2	20,000
Cycle 2 - 04/28/21	15	88	1/3	29,333
Cycle 3 - 08/30/19	11	56	1/6	9,333
<b>Total</b>	<b>36</b>	<b>184</b>		<b>58,666</b>
Star Rating Potential	5-Star	4-Star	3-Star	2-Star
Score Threshold	< 10	< 22	< 36	< 65.67
Points from Each Rating	48.67	36.67	22.67	(7.00)

**SURVEY RATING = 2-Stars**

STAFFING				
Hours PRD Calculation	Aide Hours	LPN Hours	RN Hours	Total Hours
Reported Hours PRD	2,555	0,830	0,683	4,068
Expected Hours PRD	2,070	0,681	0,295	3,047
Adjusted Hours PRD			0,911	4,229
RATIO - Reported vs. Case-Mix			2.31	1.34
STATE AVERAGE			1.96	1.33
NATIONAL AVERAGE			1.73	1.19

**Staffing Rating = 5-Stars**

QUALITY MEASURES				
LONG-STAY	QM %	Points	Opp/Risk	
High Risk Pressure Ulcers	9.68%	40	Risk	
Catheter	1.09%	80	Risk	
Urinary Tract Infection	2.11%	60	Opportunity	
Injurious Falls	1.24%	100	None	
Antipsychotic Medications	7.37%	135	Risk	
ADL Decline	9.80%	120	Opportunity	
Mobility decline	10.79%	135	Risk	
Hospitalizations per 1,000 Residents	1.12	120	None	
ED Visits per 1,000 Residents	0.30	150	None	
SHORT-STAY	QM %	Points	Opp/Risk	
Antipsychotic Medications	0.70%	115	Risk	
Functional Improvement	85.63%	216	Risk	
New or Worsening Pressure Ulcers	0.00%	144	None	
Successful community discharge (short-stay)	61.90%	194	Opportunity	
ED Visits	5.82%	194	Risk	
Hospital readmission	29.22%	43	Risk	
<b>TOTAL POINTS</b>		<b>1,846</b>		
Star Rating Potential	1-Star	2-Star	3-Star	4-Star
Score Threshold	656	907	1,151	1,510
Points from Each Rating	880	879	685	515

**QUALITY MEASURES RATING = 5-Stars**

**OVERALL RATING = 4-Stars**

OVERALL RISK SCORE

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## Next Steps:

- Where does your facility currently stand?  
CMI, QIP, 5-Star, VBP, QRP
- What is your current average PDPM rate?
- Who is responsible for these outcomes?  
Team Approach
- Provide Education-Tools for Your Team
- Create dashboard or management tools  
Check-in/Monitor

—Peter Drucker

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## Future Reimbursement

- CMS pushing for States to hold providers accountable for better quality of care and the push for minimum staffing
- Additional Quality Measures being added for VBP and QRP
- Quality Incentive Payment (QIP) expanding to all long-term measures

# REIMBURSEMENT TIED TO QUALITY

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## THANK YOU

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