



Payment Rate Changes

- The proposed payment increase was 1.3%, to which CMS finalized a 1.2% increase, which equates to an additional \$410 million for Medicare Part A SNF payments.
- The Rule states "Providers in the rural South Atlantic region would experience the largest estimated increase in payments of approximately 2.6 percent.
- Providers in the rural New England region would experience the smallest estimated increase in payments of 0.2 percent."
- The base rates for both Urban and Rural are located on page 30 of the FR with computation examples on page 44.
- The Final Rule estimates a reduction in payments as well through the SNF VBP of ~\$191 million for 2022, with an increase in costs to SNF through the SNF QRP of \$6.63 million.
- It includes a forecast error adjustment (.8) and productivity adjustment (0.7) for FY 2022
- Note: CMS received several comments from stakeholders regarding how a payment adjustment should unfold. The comments will be taken under advisement by CMS to develop a revised method to be included in the 2023 SNF PPS Proposed Rule. No parity adjustment has been implemented at this time.

ICD-10 Code

Technical mapping updates are finalized in this Final Rule having an impact on how specific diagnosis will be categorized within the PT and OT case mix groups. Many "Return to Provider" codes are being re-classified to result in one of the 4 categories. It is imperative that sites download the most updated mapping files and confirm that their software is also updated to correctly assign coded diagnosis. Daily clinical meetings continue to be extremely valuable to verify all conditions.

SNF QRP Changes

- A table with 13 SNF QRP measures is present as finalized on page 125 of the FY2022 SNF Final Rule. Given the publicly declared health emergency has impacted data collection, CMS confirmed through this rule that Q1 and Q2 2020 data were excepted related to the COVID-19 PHE, therefore these quarters of data will not be used for purposes of the QRP.
- Infection prevention remains high on the agenda for CMS, as a new QRP measure was finalized in this rule. SNF Healthcare-Associated Infections requiring hospitalization measure will be impacting SNFs as of FY2023. Several of the infections included in the measure are; sepsis, urinary tract infection, and pneumonia. SNF protocols and characteristics are the key factor to having



reduced numbers of Medicare Fee for service claims denoting the rate of SNF initiated infections that result in SNF to hospital transfers.

- The COVID-19 vaccination coverage measure will also begin in FY2023 SNF QRP as proposed in an effort to assess SNFs actions for reducing the spread of the corona virus among their sites. An initial data submission period from October 1, 2021 through December 31, 2021. SNFs would submit data for the measure through the CDC/NHSN web-based surveillance system. SNFs would use the COVID-19 vaccination data collection module in the NHSN Long-term Care (LTC) Component to report the cumulative number of

Numerator: cumulative number of HCP eligible to work in the SNF for at least 1 day during the reporting period and who received a complete vaccination course against COVID-19

Denominator: HCP eligible to work in the healthcare facility for at least 1 day during the reporting period, excluding persons with contraindications to COVID-19 vaccination

- The Transfer of Health Information to Patient – Post Acute care was updated in the form of the denominator will no longer include patients who are discharged home under the care of an organized home health service or hospice.

MDS accuracy and clinician collaborations need to be a major initiative for providers to assure the current QRP measures are accurately represented. HPH offers tools and guidance for infection prevention which can be further promoted.

Value Based Purchasing Program

- CMS discussed the flexibility required for this program to account for the impact of changing conditions that are beyond participating facilities' or practitioners' control. The expectation is that the program targets actual performance and not be impacted by external factors. The PHE is a clear example of an external factor beyond the Provider's control. Given the varying impact of the virus across the country CMS expressed concern that the readmission measure scores would be distorted resulting in skewed incentives and inequitable payment. Therefore, CMS announced through this ruling that they would be adopting the measure suppression policy as outlined in the FY2022 Proposed Rule.
- This will take shape by assigning a performance score of zero to all participating SNFs, regardless of how they perform using the previously finalized scoring methodology. CMS will reduce the otherwise applicable federal per diem rate for each SNF by 2%, then award SNFs 60% of that withhold, which results in a 1.2% payback percentage for SNFs. If your site qualifies for the low-volume adjustment, you will continue to receive 100 percent of the 2% withhold.



CMS Final Rule Fact Sheet

- Return to hospital occurrence is measured in more than just the VBP program. Prevention, early ID of clinical changes and ER division programs are effective but require leadership to spearhead.

Fast Healthcare Interoperability Resources RFIs on Digital Quality Measurement (dQM) & Health Equity

- CMS posed 10 questions to providers (5 for Digital Quality Measurement and 5 for Health Equity) to assist in transformation of CMS' quality measurement enterprise to be fully digital. CMS did not respond to any of the specific comments responding the – Fast Healthcare Interoperability Resources (FHIR) in support of Digital Quality Measurement (dQM) in Quality Programs RFI + the Closing the Health Equity Gap in Post-Acute Care Quality Reporting Programs RFI. CMS will consider all comments, concerns and suggestions for developing policies on these topics.

Advancing Health Information Exchange

- CMS highlights a number of health IT initiatives in the Final Rule. No policy change here. CMS references work of the PACIO Project and the Data Element Library (DEL). CMS highlights this as an important way to enable bi-directional health information exchange in the future. CMS recommends providers learn more about these important developments and how they are likely to affect SNFs.

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