



# ***New CMS Mandates on SNF's & the Impact for the Portable Diagnostic Sector***

Cynthia Morton, MPA

National Association for the Support of Long Term Care (NASL)

October 21, 2020

# ***Patient Driven Payment Model (Part A)***

- Second year of new model began 10-1-20
- CMS goal – Improve payment accuracy by focusing on the patient, rather than the volume of services provided
- CMS made no substantial changes for FY21
- Payment update of 2.2% effective 10/1/20

# *Value Based Payment Program (VBP)*

- Rewards SNFs with incentive payments based on the quality of care they provide to Medicare beneficiaries, as measured by a hospital readmissions measure.
- One measure: hospital readmissions
  - Scored on both improvement and achievement
- CMS withholds 2% of SNFs' fee-for-service (FFS) Part A Medicare payments to fund the program.
  - CMS redistributes 60% of the withhold to SNFs as incentive payments.

# *Quality Reporting Program (QRP)*

- Mandated by the IMPACT Act
    - Data comes from the MDS and claims
  - Includes many measures including re-hospitalization, functional change, pressure sores, driven by the IMAPCT Act.
  - No payment impact for now.
  - Measures are listed on Nursing Home Compare
- 
- Long stay measures – Measures are outside of the QRP

## *Impact on Part A*

- Medicare revenue generally cross subsidizes Medicaid revenue
- Census is down
- Medicare Advantage plans push for shorter stays
- Quality measures are now frozen through October 2021
  - Public reporting will resume in January 2022

# ***CY2021 Physician Fee Schedule Part B***

- Major reform of Evaluation/Management CPT codes
- Increases these codes by \$10.2 billion
- Forces offsetting cuts to non-E/M CPT codes commonly provided and billed for nursing facility patients
- Services to be cut help nursing facilities score better on quality measures, including function and mobility
- Services cut include:
  - Physician services
  - Nurse practitioner services
  - Physical, occupational and speech therapy services
  - Diagnostics including x-ray

## *Portable X-Ray Services*

- Portable x-ray services are also affected by the adjustment in the conversion factor (CF) for budget neutrality, estimated at a 6% cut in aggregate payments in 2021.
- Ten of the twelve portable x-ray codes of interest to NASL members will see payment rate decreases between 1% and 14% largely due to the reduction in the CF.
- This does not impact the transportation reimbursement that is set by the MACs.

# National Average Total Payment for Portable X-Ray Codes Being Cut for 2021

**Table 5. Payment Rate Decreases for Portable X Ray Codes**

			2020 Payment Rate	2021 Proposed Payment Rate	% Change in Payment Rate
HCPCS	Mod	Description			
71045		X-ray exam chest 1 view	\$ 25.98	\$ 24.52	-6%
71045	TC	X-ray exam chest 1 view	\$ 16.60	\$ 16.45	-1%
71045	26	X-ray exam chest 1 view	\$ 9.38	\$ 8.07	-14%
71046		X-ray exam chest 2 views	\$ 33.20	\$ 32.26	-3%
71046	TC	X-ray exam chest 2 views	\$ 22.01	\$ 22.26	1%
71046	26	X-ray exam chest 2 views	\$ 11.19	\$ 10.00	-11%
74018		X-ray exam abdomen 1 view	\$ 29.59	\$ 28.71	-3%
74018	TC	X-ray exam abdomen 1 view	\$ 20.21	\$ 20.32	1%
74018	26	X-ray exam abdomen 1 view	\$ 9.38	\$ 8.39	-11%
73501		X-ray exam hip uni 1 view	\$ 32.12	\$ 30.65	-5%
73501	TC	X-ray exam hip uni 1 view	\$ 22.38	\$ 22.26	-1%
73501	26	X-ray exam hip uni 1 view	\$ 9.74	\$ 8.39	-14%

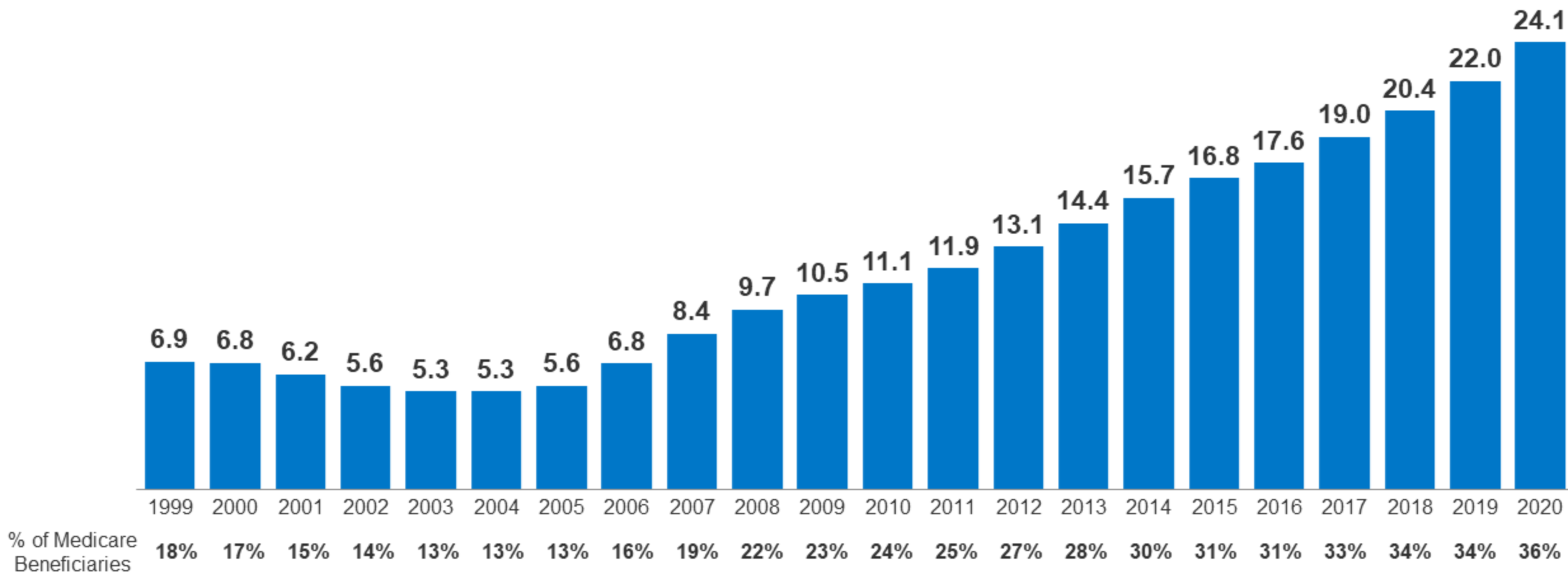


## ***Current and Future Reductions of Part B Services Furnished to Nursing Facility Patients***

Year	Policy	Provider	Net Reduction
2011	Multiple Procedure Payment Reduction	Rehab Therapy	-50% to the second and subsequent practice expense
2011	Sequestration	All providers	-2%
2013	Differential for Nurse Practitioners billing physician codes	Nurse Practitioners	-15%
2015	MACRA	All providers	0% increase x 5yrs
2015	MIPS- Unable to participate in quality bonus program	Rehab Therapy in Nursing Facilities, Portable x-ray	0% increase indefinitely
2020	Portable x-ray transportation reimbursement	Portable x-ray	Up to -56%
2021	PFS Proposed Rule	Rehab Therapy	-9%
2021	PFS Proposed Rule	Portable x-ray	-6%
2021	Physicians seeing nursing facility patients	Physicians/Nurse Practitioners	-8-10%
2022	Differential for Therapy Assistants	Rehab Therapy (OT & PT)	-15%

Figure 1

## Total Medicare Advantage Enrollment, 1999-2020 (in millions)



NOTE: Includes cost plans as well as Medicare Advantage plans. About 68 million people are enrolled in Medicare in 2020.

SOURCE: KFF analysis of CMS Medicare Advantage Enrollment Files, 2008-2020, and MPR, 1999-2007; enrollment numbers from March of the respective year, with the exception of 2006, which is from April.

# *Medicare Advantage*

- About 1/3 of nursing facility patients are under Medicare Advantage plans.
  - Plan penetration varies around the country.
- Plans will reflect the Part B cuts that CMS implements.
- Nursing facilities under pressure from the Plans for a shorter length of stay (mostly refers to a Part A stay).

# *CMS Mandates*

- Current PHE extended to January 22<sup>nd</sup>
- COVID testing
- Vaccines—
  - COVID vaccine will arrive next year delivered by 2 national retail pharmacies not connected to the facility
  - Flu vaccination this fall could have a new emphasis.
- Survey and Certification
- Visitation – CMS wants to encourage this.

# Congress

## Chairman Chuck Grassley (R-IA)-

- Chair of the Senate Finance Committee, released a [report](#) entitled, *COVID-19 and Nursing Homes: What Went Wrong and Next Steps*, which reviews U.S. nursing home performance during the first eight months of the pandemic. Data indicate that more than two out of five deaths due to COVID-19 in the United States are linked to nursing homes and other long-term care facilities.

## Senators Wyden (D-OR) and Casey (D-PA)

- Ranking Member of the Senate Aging Committee and Ron Wyden (D-OR), and Ranking Member of the Senate Finance Committee together released a report entitled, [\*The Cost of Inaction: 11 Deaths An Hour An Update on the Trump Administration's Response to COVID-19 in Nursing Homes\*](#). The report also outlines problems, findings, and solutions.

# *Outlook*

- Election on November 3<sup>rd</sup>
  - Likely won't know results on election night
- 'Lame duck' period is expected to last from about November 9 to December 18, with a week off for Thanksgiving.
- How long Congress stays in town and how much will be accomplished legislatively is highly contingent on the results of the elections.
  - NASL lobbying heavily to deal with PFS cut
- Republicans hoping to vote on the Supreme Court seat either immediately before the election or during the lame duck session.
- Congress must also pass another government funding measure before the current resolution expires on December 11.

# Questions?

Contact:

Cynthia K. Morton, MPA

[Cynthia@nasl.org](mailto:Cynthia@nasl.org)

[www.NASL.org](http://www.NASL.org)