

2021 Skilled Nursing Facilities Prospective Payment System CMS Proposed Rule

On April 15, 2020, the Centers for Medicare and Medicaid Services (CMS) issued a proposed rule for Medicare Program; Prospective Payment System (PPS) and Consolidated Billing for Skilled Nursing Facilities (SNFs); Updates to the Value-Based Purchasing (VBP) Program for Federal Fiscal Year 2021. The proposed rule includes proposed changes to the case-mix classification mappings of ICD-10 codes under SNF PPS, to the wage index, to the Patient Driven Payment Model (PDPM) unadjusted federal rate component, as well as updated statistical area delineations, insignificant changes to SNF VBP, and more.

PT/OT Case Mix Groups (CMGs)

Some of the more notable changes are to the case-mix classification mapping of primary diagnoses. These include:

- Remapping of select cancer diagnoses that may require surgical intervention with the option to map to a surgical category instead of the lowest paying category (Medical Management) when surgical intervention occurred.
- Remapping of the certain fracture codes that have a default category that maps directly to Major Joint Replacement/Spinal Surgery (with or without surgery) to the Non-Surgical Orthopedic/Musculoskeletal with options to map to one of the orthopedic surgery categories when surgery was performed.
- Spinal stenosis codes that did not previously have the potential to map into a surgical category, are proposed to be remapped with the option to select one of the two orthopedic surgery categories when surgery occurred.
- CMS is reinforcing the importance of laterality, as more “unspecified” codes that relate to laterality are being proposed as becoming “Return to Provider” codes.

- Remapping of some of the surgical aftercare codes (select Z48 codes) that previously mapped only to Medical Management into the higher paying category, Non-orthopedic surgery when applicable. This will permit capture of cardiac, respiratory, neurologic, gastrointestinal, genitourinary and other surgical aftercare into a surgical category.

Non-Therapy Ancillary (NTA) CMGs

A common problem in post-acute care was the mapping of one of the NTA comorbidities, Complications of Specified Implanted Device or Graft. These codes (T82.310A through T85.89XA) currently only have the A modifier for the code signifying initial encounter, which often presents a problem for post-acute care providers who are still treating these problems as a subsequent encounter. CMS has proposed to include mapping of these same codes when coded as (T82.310D through T85.89XD), or subsequent encounters, which are more prevalent in the post-acute care setting.

Federal Unadjusted Rate Updates for FY 2021

Table 3—FY 2021 Unadjusted Federal Rate Per Diem URBAN

PT	OT	SLP	Nursing	NTA	Non-Case-Mix
\$62.04	\$57.75	\$23.16	\$108.16	\$81.60	\$96.85

Table 4—FY 2021 Unadjusted Federal Rate Per Diem RURAL

PT	OT	SLP	Nursing	NTA	Non-Case-Mix
\$70.72	\$64.95	\$29.17	\$103.34	\$77.96	\$98.63

Proposed updates to the wage index for FY 2021

Federal rates must be adjusted annually to account for differences in area wages. Since the inception of the SNF PPS, CMS has used hospital inpatient wage data to develop a wage index that is applied to SNFs. This practice will not change for FY 2021, because of the absence of SNF-specific wage data. Proposed changes to the wage index for SNFs can be found at:

<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/WageIndex>

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SNF VBP

For FY 2021, the SNF VBP program will continue to use the 30-Day All-Cause Readmission Measure (SNFRM) (NQF #2510) that is currently being used. CMS finalized the Skilled Nursing Facility 30-Day Potentially Preventable Readmission Measure (SNFPPR), which will be submitted to the National Quality Forum (NQF) for endorsement in the fall of 2021, with the intent to replace the SNFRM as required by statute.

Each year the SNF VBP program is adjusted by advancing the performance period and baseline period by one year from the previous program year. For example, FY 2021 will be the performance for FY 2023, and FY 2019 will be the baseline period. No changes are being made to the scoring calculation and preliminary achievement threshold and benchmark for 2023 are listed in table 15 below. Final adjustments will be issued in the final rule.

TABLE 15: Estimated FY 2023 SNF VBP Program Performance Standards

Measure ID	Measure Description	Achievement Threshold	Benchmark
SNFRM	SNF 30-Day All-Cause Readmission Measure (NQF #2510)	0.79025	0.82917

Comment Period

Comments must be received by 5 p.m. on June 9, 2020. Electronic comments on this regulation can be filed by going to <http://www.regulations.gov> and following the "Submit a Comment" instructions, or can be written and mailed 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. The rule can be reviewed at <https://www.govinfo.gov/content/pkg/FR-2020-04-15/pdf/2020-07875.pdf>.

For more information, contact your ACT representative or contact one of these knowledgeable consultants:



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