

Dear Nursing Facility Provider:

On May 18, 2020, CMS released Minimum Data Set (MDS) version 1.17.2, which will be effective October 1, 2020. This item set has an option for supporting the calculation of Patient Driven Payment Model (PDPM) payment codes on OBRA assessments when not combined with the 5-day SNF PPS assessment, specifically the OBRA comprehensive (NC) and OBRA quarterly (NQ) assessment item sets, which was not possible with item set version 1.17.1. This revised item set by CMS offers us additional time to begin evaluating PDPM or a PDPM-like payment system for Medicaid in the future.

**Effective October 1, 2020, Kentucky Medicaid will be requiring the reporting of the PDPM payment codes on the OBRA assessments when not combined with a 5-day SNF PPS assessment.**

These additional data elements are necessary in order for DMS to begin modeling and planning for a potential transition to PDPM. As we know from communications from CMS, the RUG system will not be supported indefinitely; therefore, DMS would like to be proactive in gathering data to allow for adequate time to evaluate next steps.

As previously communicated, this MDS version will not require the Optional State Assessment (OSA). The item set effective October 1, 2020, will include certain MDS fields on the OBRA assessments for Medicaid to begin collecting data to comply with CMS Upper Payment Limit requirements and for a potential PDPM transition, all while continuing Resource Utilization Group (RUG) reimbursement. Since the PDPM items will appear on the OBRA MDS, providers will not need to submit separate MDS assessments.

Providers will be trained on the new item set and the Kentucky Medicaid requirements during the Office of Inspector General (OIG) Resident Assessment Instrument (RAI) coding training that will take place this fall. Additional details will be communicated at a later date.

Should you have any questions, please contact Jacob Wilson at (502) 564-8196, extension 2103. Questions regarding the coding of the MDS assessments may be directed to Crystal Daugherty, RAI Coordinator with OIG at 606-330-2030, extension 283.