

AHCA PDPM FAQs

These FAQs are generally updated bi-weekly and address common PDPM questions submitted by AHCA members. The responses are developed by AHCA staff based upon published Centers for Medicare and Medicaid Services (CMS) policy and guidance materials or CMS direct responses to specific questions not currently addressed in such materials. If you are unable to locate an answer to a question you have in this document, please submit the question to AHCA's PDPM mailbox at pdpm@ahca.org.

Question 1: Where can I find out more information about PDPM and how to prepare for the transition from RUG-IV to PDPM on October 1, 2019?

Answer 1: AHCA recommends that at a minimum, providers should check the CMS Patient Driven Payment Model webpage <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/therapyresearch.html> and the AHCA Patient-Driven Payment Model (PDPM) Resource Center https://www.ahcancal.org/facility_operations/medicare/Pages/PDPM-Resource-Center.aspx on a regular basis.

AHCA will also be providing an array of educational opportunities and tools to assist members to prepare of a successful transition to PDPM, that will be announced via member emails, AHCA and state affiliate publications, and on the AHCA PDPM Resource Center webpage.

Question 2: Is there a CMS webpage that provides information on the IMPACT of PDPM on my facility as well as how to calculate the PDPM rates for individual residents?

Answer 2: CMS Patient Driven Payment Model Webpage

The Centers for Medicare and Medicaid Services (CMS) provides a web page that contains links to several files and documents that were developed to help SNF providers better understand the potential payment impact of changing from the RUG-IV payment model to the PDPM payment model on individual providers if care delivery patterns do not change, and other files to help providers better understand the MDS and claims data elements required under PDPM and what the base PDPM payment rate would be prior to the variable per-diem payment adjustments for PT, OT, and NTAS services as the length of stay progresses.

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

There are multiple updated versions of the same file on that page that are sometimes difficult to navigate. Below are links within that page that are most relevant to the question:

1 - SNF PDPM Provider-Specific Impact File

To assist stakeholders in understanding the potential impacts of the proposed PDPM, CMS posted a provider-specific impact analysis file, which details the estimated impact of the PDPM model discussed in the FY 2019 SNF PPS NPRM on Medicare Part A payments to each SNF in the country. CMS notes that, as discussed in the file and in the proposed rule, the provider and resident data is for fiscal year 2017 and represents estimated payments under PDPM, assuming no changes in provider behavior or resident case-mix. Due to patient privacy laws, some data for providers with very low Medicare patient volumes is not included in the EXCEL file. The CMS link is to a zip file that contains multiple files. Please open the EXCEL workbook file and not the comma separated files. The "Database_Main" tab contains the facility-specific PDPM impacts summary data. You can best identify your SNF by the 6-digit billing or claim control number listed in column B. The "Total Payment" comparisons between RUG-IV and PDPM are listed in columns "S" and "W".

https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/Downloads/Enhanced_Provider_Specific_File_508.zip

2 - SNF PDPM Classification Logic

To assist stakeholders in understanding the process by which SNF residents would be classified into PDPM payment groups, CMS provided several files.

2a - The first file "**SNF PDPM Classification Walkthrough (Version 2)**" tool is a PDF document of a new Section of the MDS manual that will be updated for FY 2020 that provides a narrative step-by-step walkthrough of how to enter the necessary MDS items that would allow stakeholders to manually determine a resident's PDPM classification based on the data from an MDS assessment.

https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/Downloads/MDS_Manual_Ch6_PDPM_508_corrected.pdf

2b - The second file is a spreadsheet-based grouper tool "**SNF PDPM Grouper Tool (Version 3)**" which can be used to test certain combinations of MDS items used to classify residents under the PDPM and

observe their impact on the resident's PDPM classification. Please pay attention to the dropdown menu options indicated to the right of many of the MDS item data entry fields. Also, you may wish to refer to the "**SNF PDPM Classification Walkthrough (Version 2)**" PDF document tool listed above to be sure you are entering the correct information.

2c - The third file is a mapping, referenced in the narrative walkthrough file, between ICD-10-CM codes and the comorbidities used for resident classification under the NTA component called "**SNF PDPM NTA Comorbidity Mapping (Version 2)**". As like above, this is a zip file and you only need to open the EXCEL workbook file and not the comma separated files.

https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/Downloads/PDPM_NTA_Comorbidity_ICD_10_Mapping_corrected.zip

2d - In the final relevant file, also referenced in the narrative walkthrough file, is a mapping of SNF PDPM ICD-10 diagnosis codes permissible in order to classify SNF residents into one of ten PDPM Clinical Categories applicable to the PT, OT, and SLP components in "**SNF PDPM Clinical Category Mapping**". As like above, this is a zip file and you only need to open the EXCEL workbook file and not the comma separated files. Please note that if the ICD-10-CM code is identified as "Return to Provider", that code is not acceptable for PDPM and the SNF should select a more specific ICD-10-CM code that is identified as acceptable for mapping to one of the ten PDPM clinical categories. Also note that in the final rule, CMS decided that the specific ICD-10-PC surgical procedure code will not be required as CMA will be developing new MDS items under J2000 to reflect whether the patient had 1) major joint/spinal surgery, 2) other orthopedic surgery, or 3) non-orthopedic surgery in the hospitalization immediately prior to the SNF admission.

https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/Downloads/PDPM_Clinical_Category_Mapping.zip

Question 3: For the PDPM PT, OT, and NTA components – How much will the per-diem rate be reduced during the stay, and at what intervals?

Answer 3: Please see the following tables from the FY 2019 SNF PPS Final Rule located at <https://www.federalregister.gov/documents/2018/08/08/2018-16570/medicare-program-prospective-payment-system-and-consolidated-billing-for-skilled-nursing-facilities>. These factors are applied to the PDPM Unadjusted Federal Urban or Rural per-diem rates for the respective PT, OT, and NTA components before any SNF quality reporting program (QRP) or value-based purchasing (VBP) program adjustments are applied.

TABLE 30—VARIABLE PER-DIEM ADJUSTMENT FACTORS AND SCHEDULE—PT AND OT Medicare payment days Adjustment factor

1–20	1.00
21–27	0.98
28–34	0.96
35–41	0.94
42–48	0.92
49–55	0.90
56–62	0.88
63–69	0.86
70–76	0.84
77–83	0.82
84–90	0.80
91–97	0.78
98–100	0.76

TABLE 31—VARIABLE PER-DIEM ADJUSTMENT FACTORS AND SCHEDULE—NTA Medicare payment days Adjustment factor

1–3	3.0
4–100	1.0

Question 4: Can you please tell me whether SNF facility will continue to use the HIPPS codes when they submit the SNF services under the PDPM?

Answer 4: CMS has stated that they intend to continue the use of HIPPS codes on claims to report the resident case-mix that determines per-diem case-mix payment rates. However, unlike the RUG-IV payment model that only required one HIPPS code per day to report one of the 66 hierarchical case-mix groups, PDPM will use different HIPPS codes to account for the fact that the per-diem payment rates for each of the case-mix adjusted components (PT, OT, SLP, Nursing, and NTA) are independently determined and then summed-up. It is possible that multiple HIPPS codes could be required per each day of the stay under PDPM. CMS has not yet published what those specific HIPPS codes are.