

Comprehensive Care for Joint Replacement (CJR) Final Rule

November 17, 2015

What is CJR?

- ✓ Mandatory bundled payments for 90-day hip/knee replacement episodes
- ✓ Acute care hospital is at risk for financial and quality performance
- ✓ Applies to Medicare FFS beneficiaries only
- ✓ Applies to hospitals in 67 Metropolitan Statistical Areas (MSAs)
- ✓ Runs for five years beginning April 1, 2016 and ending December 31, 2020

Major Modifications from Proposed Rule

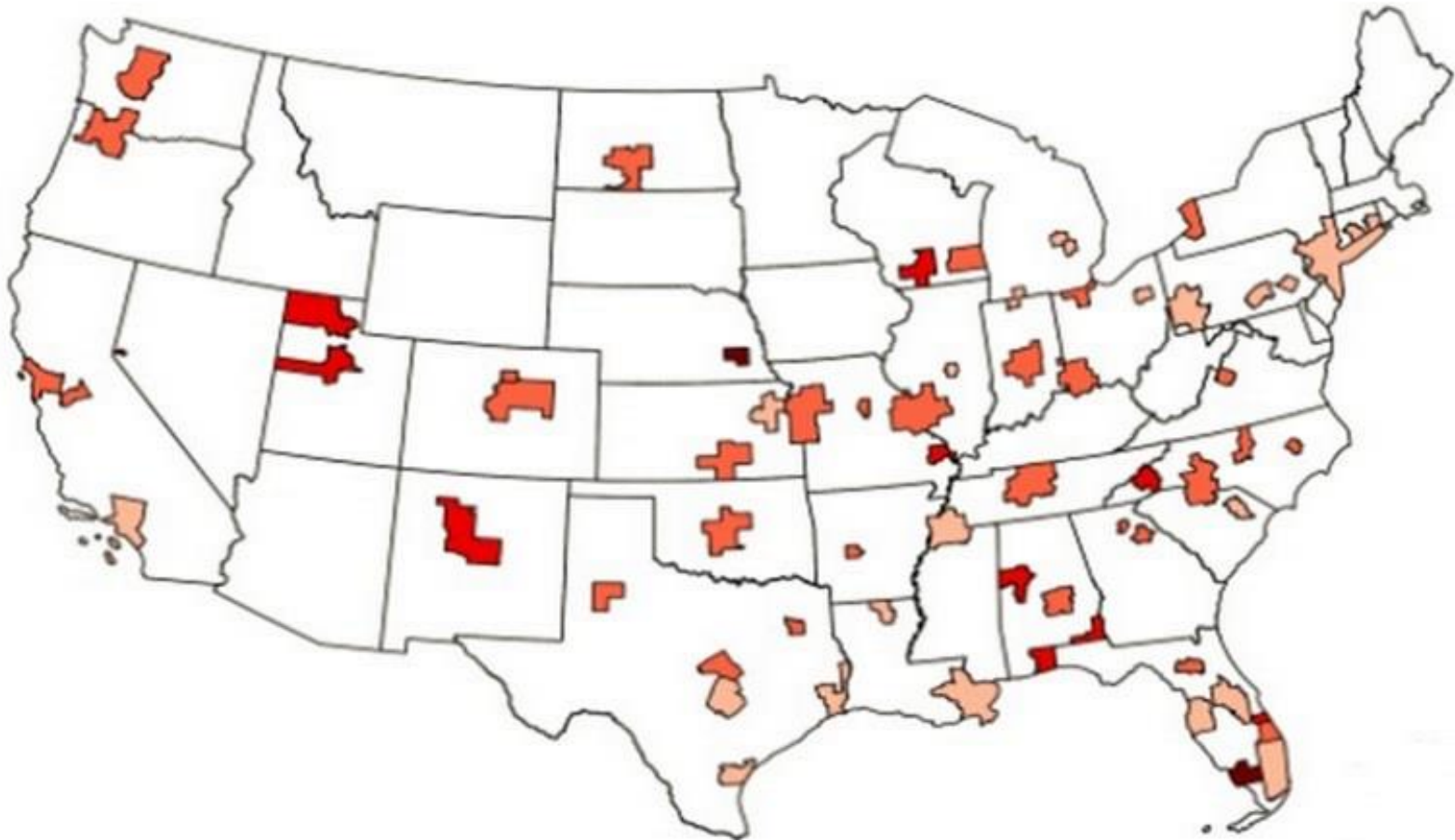
1. Elimination of 8 MSAs
2. Delay of implementation date to April 1, 2016
3. Easing of transition to downside risk
4. Modifications to 3-Star
5. Changes to quality metrics and measurement approach

Eliminated MSAs

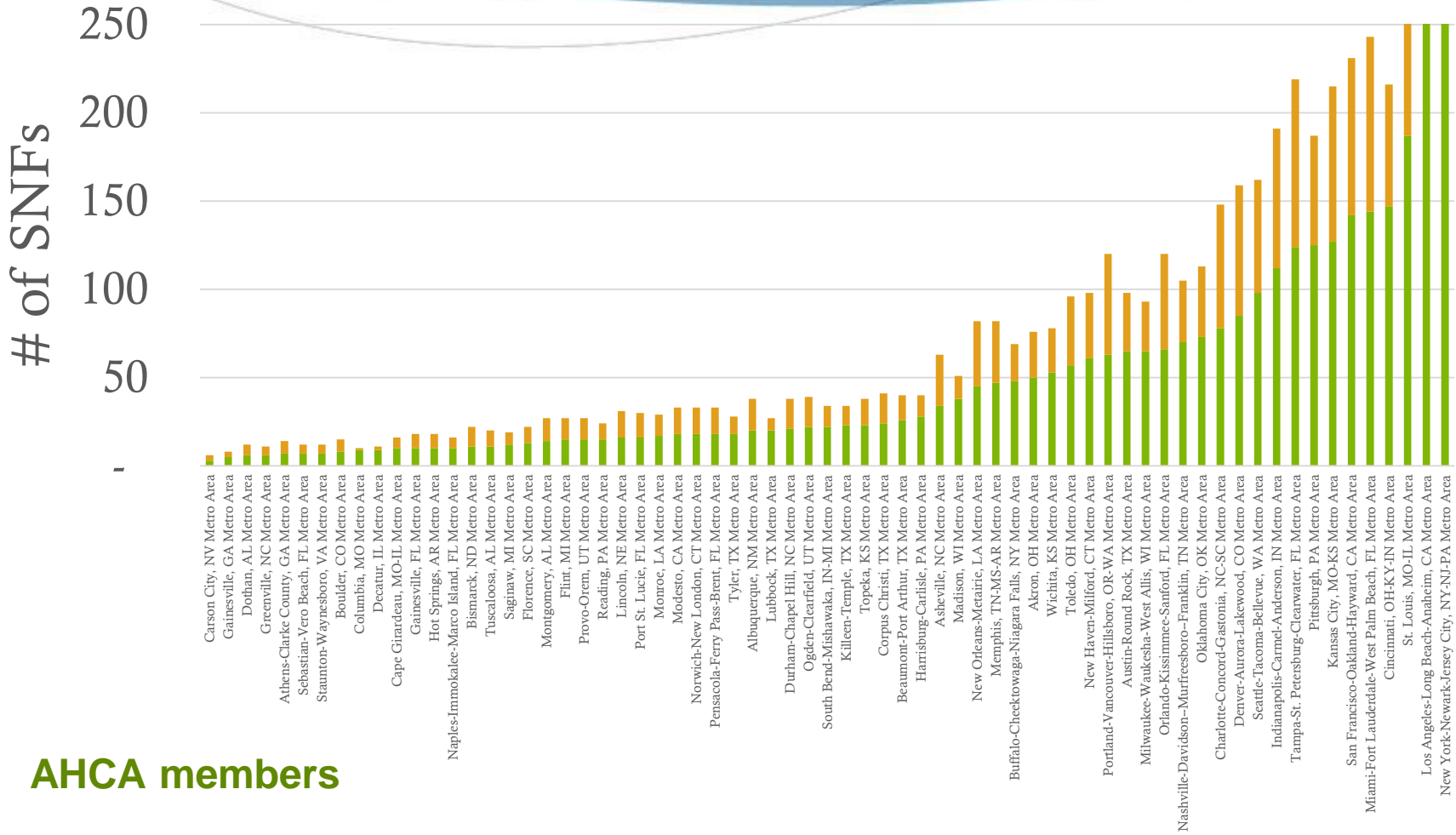
- Colorado Springs, CO
- Fort Collins, CO
- Medford, OR
- Rockford, IL
- Evansville, IN-KY
- Las Vegas-Henderson-Paradise, NV
- Richmond, VA
- Virginia Beach-Norfolk-Newport News, VA-NC

SNF Revenue Exposure to the 2016 CJR Final Rule Policy Limiting to the 67 MSAs Only (Based on 2013 SNF and Inpatient Claims)

November 2015



SNFs Per MSA



AHCA members

Non-members

AHCA Recommendations

Test PAC-only Bundle

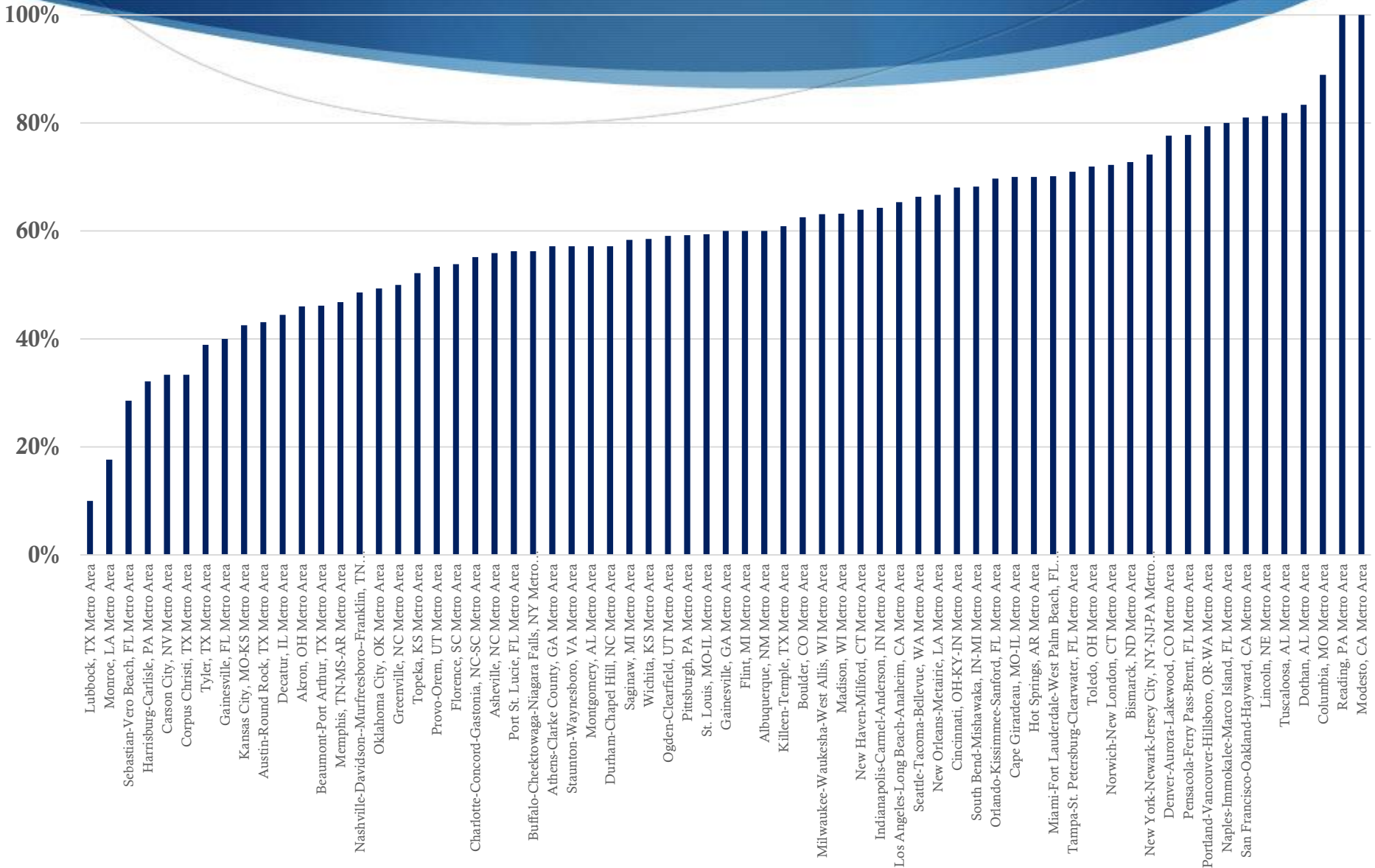
- ✓ **CMS Response:** CMS did not take recommendation, but indicated that future rulemaking may include opportunity for a PAC-only model:

“We may consider, through future rulemaking, other episode of care models in which PGPs or PAC providers are financially responsible for the costs of care”

Modify Five-Star Requirement for 3-Day Stay Waiver

- ✓ Originally proposed only 3 stars or higher SNFs are eligible for waiver
- ✓ **CMS Response:** SNFs rated 3 stars or higher *for at least 7 of the preceding 12 months* are eligible for the waiver
- ✓ Waiver begins in year two of the program

% SNFs satisfying 3-Star criteria to waive 3-day stay



* SNFs need to maintain 3 Stars for at least 7 of 12 months; analysis based on estimate using data from Nursing Home Compare since the CMS rebasing in Feb 2015.

Functional Outcome Measure

- ✓ Requested inclusion of functional outcome measure to prevent stinting on care
- ✓ **CMS Response:** Hospitals will receive a composite score based on performance in 3 quality measures
 - Complications following surgery measure (50%)
 - Consumer Satisfaction based on hospital CAHPS survey (40%)
 - Submitting outcome data to CMS (10%)

SNFs Can Gain-share with Hospitals

- ✓ Hospitals may share in savings with other provider entities (“Collaborators”) including SNFs
- ✓ Collaborators must be providers or suppliers
 - Collaborators cannot be non-provider third-party administrator/convener entities
- ✓ Hospitals can share up to 50% of their total financial risk with Collaborators

How to Succeed in CJR

Share Data with Hospitals

- ✓ Collect your performance data to share with hospitals
 - Rehospitalization rate during SNF stay and after SNF discharge
 - Discharge to Community Rate
 - LOS
 - Satisfaction score
- ✓ Available through Long Term Care TrendTracker

Maintain 3 Stars or Better

- ✓ Quality improvement resources available at

www.ahcancal.org/quality_improvement



Care Transitions

- ✓ Develop robust transitions of care program
 - Arrange follow-up and communicate with primary care MD
 - Do follow-up calls to discharges to community within 24 hours and 3-5 days later

Next Steps for AHCA

- ✓ CJR webpage goes live next week
- ✓ AHCA will host an in-depth webinar in early December
- ✓ Staff developing toolkit of resources for members
 - Data analytic tools
 - Suggested business strategies
 - Member Learning Collaborative at webpage

Using LTC TrendTracker to Prepare



Run a report

Configure your Report Criteria

Choose a Report:

CASPER Citation Report: Combined Health Survey

- CASPER Citation Report: Combined Health Survey ✓
- CASPER Citation Report: Complaint Health Survey
- CASPER Citation Report: Life Safety Survey
- CASPER Citation Report: Standard Health Survey
- CASPER Resident Report
- CASPER Staffing Report
- Cost Report
- Discharge to Community AHCA Measure Report
- Five Star Overall Rating Report
- Five Star Quality Measure Rating Report
- Five Star Staffing Rating Report
- Length of Stay Report
- Quality Measure (All) Report
- Rehospitalization Rate AHCA Measure Report
- RUGS Medicare Utilization Report
- Staff Turnover and Retention Report

Limit my Centers for which

Limit Centers by Member



DC to community



LOS



Rehospitalization

Limit my Peer results Geographically:

Summary PAC Measure Report

	Jan 2014 - Dec 2014 (1)	Oct 2013 - Sep 2014	Jul 2013 - Jun 2014	Apr 2013 - Mar 2014	Jan 2013 - Dec 2013	
Length of Stay in Context with PAC Measures						
Median Length of Stay - Risk Adjusted	26.3	25.6	25.7	25.7	25.7	My Centers
	27.7	27.0	26.6	26.6	26.7	My Peers
Discharge to Community - Risk Adjusted	60.2%	60.2%	60.0%	59.9%	59.5%	My Centers
	59.6%	59.5%	59.3%	59.3%	58.9%	My Peers
30 Day Rehospitalization (OnPoint 30) - Risk Adjusted	17.4%	17.5%	17.5%	17.6%	17.6%	My Centers
	17.0%	17.1%	17.1%	17.1%	17.3%	My Peers

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Background Slides

Payment & Pricing: Risk Structure

- ✓ Hospitals bear the financial responsibility
 - Retrospective, bundle risk model applies to hospitals
 - Providers and suppliers will be paid via Medicare FFS
 - After a performance year, actual 90-day episode payments will be compared to a target price
 - If actual payments are less than target price, hospital may receive a bonus payment
 - If actual payments are more than target price, hospitals will be responsible for making payment to Medicare

Payment & Pricing: Link to Quality

- ✓ Hospitals must also do well on a *quality composite score* of three quality measure in order to receive bonus payments:
 1. Hospital Level Risk Standardized Complication Rate (RSCR) for elective THA or TKA
 2. Satisfaction based on Hospital Consumer Assessment of Health Care Providers and Systems (HCAHPS) Survey
 3. Outcome measure related to the patient's pain control that the hospital can collect and submit to CMS

Hyperlinks to CMS Materials

- ✓ [Factsheet](#)
- ✓ [Final Rule](#) (display copy)