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LeadingAge Indiana – Reimbursement Day

Reimbursement Update: Medicaid, UPL, Medicare and MDS

Deborah Lake, RN, RAC-CTA / March 5, 2024

Sarah Wuestefeld, CPA

Reimbursement Update

- Welcome
- IN Medicaid 7/1/2023 Changes
- Proposed Medicaid Base Rate Changes
- Proposed Upper Payment Limit (UPL) Program Changes
- MDS
- Questions

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Indiana Medicaid Update

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Indiana Medicaid

- July 1, 2023
  - Release of Rates – SPA Approved!
  - Medians
  - Changes in SCU Add-On
  - Changes in Vent Add-On
  - Changes in NEMT
  - Changes in Quality Add-On

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Indiana Medicaid Reimbursement

- Medians

Component	July 1, 2024 (As Filed) *	July 1, 2023	July 1, 2022
Direct Care	$117.62	$119.60	$114.28
Indirect Care	$59.49	$57.96	$54.98
Administrative	$30.72	$31.16	$28.90
Capital	$32.61	$32.47	$23.74

- Decreases in medians driven by increase in resident days.
- Projected decline in medians and consistent base year cost reports will likely result in relatively flat average Medicaid rates for 7/1/2023 and 7/1/2024.

* Released from NF Association Rating Methodology Meeting 12.20.23

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Indiana Medicaid Managed Care

- July 1, 2023 Changes
  - Special Care Unit (SCU) Add-On - $12
    - + Billed with a new modifier – Resident Specific
    - + SCU add-on no longer received in issued rate letter.
  - Changes in Ventilator Add-On - $80
    - + Billed with a new modifier – Resident Specific
    - + Vent add-on no longer received in issued rate letter.
  - NEMT Transportation Add-On - $1.21
    - + Review of NEMT cost experience to determine limitations (targeted for 7/1/2025)

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Indiana Medicaid Managed Care

- Quality Changes – July 1, 2023

Changes in Quality Add-On Points	Total Possible Points 7/1/2022	Total Possible Points 7/1/2023	Total Possible Points 7/1/2024 (PROSPECTIVE)
Current Eight Long Stay Measures	60	60	
Long Stay Measure – High-Risk Pressure Ulcers			100
Long Stay Measure – Falls with Major Injury			100
Long Stay Measure – Hospitalizations			150
Long Stay Measure – Emergency Room Visits			150
Nursing Home Health Survey	25	25	
Nursing Facility Retention Rate (Schedule X)	10		
PBJ Staffing Nursing Ratio		15	125
Advanced Care Planning (Schedule X)	5		
Total	**100**	**100**	**625**

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Total Quality Add-On

Component	Total Possible	CY 2021 (7/1/2022)	CY 2022 (7/1/2023)
CMS Eight Long-Stay Quality Measures	60	35.5	40.7
Nursing Home Health Survey Score	25	11.3	11.8
Employee Retention Rates	10	3.6	N/A
Advance Care Planning	5	3.6	N/A
Nurse Staffing Ratio	15	N/A	6.3
Total Quality Points	100	54.1	58.8
Total Quality Score Add-On	$18.45	$10.05	$11.49

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Indiana Medicaid Managed Care

Nursing Facility Processing Timeline

Rates Effective July 1, 2023 through July 1, 2024

Sep 1, 2023 – Feb 29, 2024	Expected SPA holding period. Historically, OMPP has held rates until CMS has approved the SPA related to the calculation. Once SPA approval received, calculation and release of reimbursement rates via final profile and rate letter for effective dates July 1, 2023; October 1, 2023; January 1, 2024; and April 1, 2024.
Feb 29, 2024	Latest date for M&S to release draft profile / final profile or compliance review draft report to providers to allow for reconsideration rights.
Mar 29, 2024	Finalization of cost report data to be used in July 1, 2024 rate calculations.
Mar 31, 2024	Due Date for Schedule of Special Facility Qualifications [Schedule Z] submission to determine eligibility at July 1, 2024.
April 1, 2024	Quality Data for July 1, 2024 rates finalized.
May 1, 2024	Finalization of rate parameter data to establish July 1, 2024 Medicaid reimbursement rates. Data includes: Medians; CMI data for 6-month period Sept 1, 2023 to Feb 29, 2024; Quality Measures; Rate Setting Tables
May 15, 2024	Release of July 1, 2024 Medicaid reimbursement rates. [100% Legacy System reimbursement methodology]
May 15, 2024	SCU & Vent facility determinations effective July 1, 2024 sent to providers, Gainwell and MCEs.
July 1, 2024	**mLTSS Implementation** **Effective Date of new Medicaid Reimbursement Rates**

* Extract from September 8, 2023 – Announcement – Nursing Facility Rate Processing Timeline for July1, 2023 through July 1, 2024

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Indiana Medicaid Managed Care

- Proposed Upcoming Changes – July 1, 2024
  - July 1, 2024 rates will use the same Medicaid cost report that will be used to set the July 1, 2023 Medicaid rate.
  - CMI will start being adjusted twice a year versus quarterly.

For rates effective June 30, 2024 and before	
Completed, transmitted and accepted MDS assessments applicable to the Rate Period:	**Rate Periods:**
January 1 – March 31	July 1 – September 30
April 1 – June 30	October 1 – December 31
July 1 – September 30	January 1 – March 31
October 1 – December 31	April 1 – June 30

For rates effective July 1, 2024 and after	
Completed, transmitted and accepted MDS assessments applicable to the Rate Period:	**Rate Periods:**
September 1 – November 30	July 1– December 31
December 1 – February 28	
March 1 – May 31	January 1– June 30
June 1 – August 31	

  - Continue to use RUG-IV 48-Grouper.

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Proposed Base Rate Changes

- Phase In Timing

		Base Rate Transition	
		Legacy	Proposed
July 1, 2024		100%	
January 1, 2025		83%	17%
July 1, 2025		67%	33%
January 1, 2026		50%	50%
July 1, 2026		33%	67%
January 1, 2027		17%	83%
July 1, 2027			100%

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Indiana Medicaid Managed Care

- Proposed Base Rate Changes
  - Direct Care (DC) Component
    - Price Based
      - with a limit (floor) placed on provider profit.
    - Price set at 85th Percentile.
    - Allowable 5% Profit.
    - CMI Adjusted Costs & Non-CMI Adjusted Costs

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Indiana Medicaid Managed Care

- Proposed Base Rate Changes
  - Direct Care (DC) Component (continued)
    - **70% Minimum Occupancy**
      - For DC Component for BOTH Fixed & Variable.
      - Current methodology has a 90% minimum.
        - BUT only applied against fixed expenses which are 25%.

Potential significant NEGATIVE impacts for facilities below 70% in model review.

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Indiana Medicaid Managed Care

- Proposed Base Rate Changes
  - Direct Care Component
    - Expenses for Social Services, Activities and Home Office Nursing Consulting will be included in the Direct Care Component, but NOT case mix adjusted.
    - NEMT Transportation Costs
    - Therapy (PT, OT, ST & RT) will continue as a separate therapy add-on as in the current system.

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Indiana Medicaid Managed Care

- Proposed Base Rate Changes
  - Direct Care Component
    - Effective for 2023 Cost Reports:
      - Pastoral Care – Allowable Expense
      - NEMT Transportation Costs
        - Carve out Patient-Related Transportation

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Indiana Medicaid Managed Care

- Proposed Base Rate Changes
- Price Based
  - Indirect Care Component: Budget Neutrality.
  - Administrative Component: 50th Percentile.
  - Minimum occupancy will be 85% for indirect & administrative.
- Capital Component – Targeted for 7/1/2025
    - New Methodology for Fair Rental Value calculation will consider: Age of the Facility, Number of Private Rooms, Square Footage
    - Property Taxes will be broken out & paid as a separate component.
    - Minimum occupancy will be 95% for capital.

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Indiana Medicaid Managed Care

- Proposed Base Rate Changes – EXAMPLE – ESTIMATED 7/01/2024 LEGACY METHOD

- Assumptions –
  - Facility Average CMI – 1.30
  - Average MD CMI – 1.26
  - Direct Care Median – $117.62
  - Quality Score – 215

DIRECT CARE COMPONENT	LEGACY	
Facility Statistics		
A. Direct Care Per Patient Day Cost	$ 133.93	
B. Facility Average CMI (Cost Report Period)	1.30	
C. Normalized Cost Per Patient Day (A / B)	103.02	
D. Average CMI for Medicaid Residents (Quarterly)	1.26	
E. Medicaid Case Mix Adjusted Cost (C x D)	129.81	
Direct Care Rate Calculation		
F. Median Direct Care Cost Per Case Mix Point	117.62	
G. Profit Ceiling (F x 110% x D)	163.02	
H. Tenative Profit Add-On (If G - E > 0, then 30% of the difference)	9.96	
I. Total Quality Score Percentage (Total Quality Score: xx)	72%	215
J. Allowed Profit Add-On (H x I)	7.18	
K. Overall Profit Limit (F x 10%)	11.76	
L. Medicaid Case Mix Adjusted Costs Plus Profit (E + Lesser of J & K)	136.99	
M. Overall Rate Component Limit (F x 120% x D)	177.84	
Direct Care Component	**$ 136.99**	

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Indiana Medicaid Managed Care

- Proposed Base Rate Changes – EXAMPLE - ESTIMATED 7/01/2024 PROPOSED METHOD
- Assumptions –
  - Direct Care Per Patient Day Cost = $116.40
  - Social Services Per Patient Day Cost = $9.58
  - Facility Average CMI – 1.30
  - Average MD CMI – 1.26
  - Direct Care Price (CMI Adjusted) – $143.35*
  - Social Service Price (Non-CMI Adjusted) - $13.72*

*DRAFT AND PRELIMINARY FROM FILED 2022 COST REPORTS

DIRECT CARE COMPONENT		PROPOSED
Facility Statistics		
A. Direct Care Per Patient Day Cost for CMI Adjustment	$	116.40
B. Facility Average CMI (Cost Report Period)		1.30
C. Normalized Direct Care Cost Per Patient Day (A / B)		89.54
D. Average CMI for Medicaid Residents (Semi-Annually)		1.26
E. Total CMI Adjusted Direct Care Per Patient Days Costs		112.82
F. Non-CMI Adjusted Direct Care Per Patient Day Cost		9.58
G. Total Direct Care Per Patient Day Cost (E+F)		122.40
Direct Care Rate Calculation		
H.1 CMI Adjusted Direct Care Price		143.35
H.2 Non-CMI Adjusted Direct Care Price		13.72
I. Average CMI for Medicaid Residents (Semi-Annually)		1.26
J. CMI Adjusted Direct Care Per Patient Day Ceiling (H.1 x D)		180.62
K. Total Direct Care Per Patient Day Ceiling (H.2+J)		194.35
L. Allowable Profit (K x 5%)		9.72
M. Direct Care Plus Profit Per Patient Day (G+L)		132.12
Direct Care Component (Lesser of K or M)	$	132.12

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Indiana Medicaid Managed Care

- 70% MINIMUM OCCUPANCY – EXAMPLE - ESTIMATED 7/01/2024 PROPOSED METHOD
- Assumptions –
  - 54% Occupancy – **BELOW 70%**
  - **$34.12 PPD IMPACT**

DIRECT CARE COMPONENT	PROPOSED	Without 70% Min Occ
Facility Statistics		
A. Direct Care Per Patient Day Cost for CMI Adjustment	$ 116.40	$ 148.85
B. Facility Average CMI (Cost Report Period)	1.30	1.30
C. Normalized Direct Care Cost Per Patient Day (A / B)	89.54	114.50
D. Average CMI for Medicaid Residents (Semi-Annually)	1.26	1.26
E. Total CMI Adjusted Direct Care Per Patient Days Costs	112.82	144.27
F. Non-CMI Adjusted Direct Care Per Patient Day Cost	9.58	12.25
G. Total Direct Care Per Patient Day Cost (E+F)	122.40	156.52
Direct Care Rate Calculation		
H.1 CMI Adjusted Direct Care Price	143.35	143.35
H.2 Non-CMI Adjusted Direct Care Price	13.72	13.72
I. Average CMI for Medicaid Residents (Semi-Annually)	1.26	1.26
J. CMI Adjusted Direct Care Per Patient Day Ceiling (H.1 x D)	180.62	180.62
K. Total Direct Care Per Patient Day Ceiling (H.2+J)	194.35	194.35
L. Allowable Profit (K x 5%)	9.72	9.72
M. Direct Care Plus Profit Per Patient Day (G+L)	132.12	166.24
Direct Care Component (Lesser of K or M)	**$ 132.12**	**$ 166.24**

IMPACT PPD **$ (34.12)**

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Indiana Medicaid Managed Care

- BASE RATE CHANGES– EXAMPLE - ESTIMATED 7/01/2024 LEGACY v PROPOSED METHOD

RECAP OF NURSING FACILITY RATE	LEGACY	PROPOSED
Direct Care Component	$ 136.99	$ 132.12
Therapy Component	5.25	5.25
Indirect Care Component	56.59	51.43
Administrative Component	30.72	30.06
Capital Component	31.76	32.61
Total Quality Add-On	12.90	
Assessment Add-On	14.05	14.05
NEMT Add-On	1.21	1.21
(Specialized Billing)		
Medicaid Case Mix Rate	**$ 289.47**	**$ 266.73**

- Social Services shifts from Indirect to Direct (Non-CMI Adjusted)
- Quality Moves to UPL

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Indiana Medicaid Managed Care

- BASE RATE CHANGES– EXAMPLE - ESTIMATED 7/01/2024 CURRENT v PROPOSED METHOD

Medicaid Case Mix Rate July 1, 2024 Estimate			$ 292.82	$ 266.73	
	LEGACY %	PROPOSED %	LEGACY	PROPOSED	BLEND
7/1/2023	100%		$ 274.67		$ 274.67
7/1/2024	100%		$ 292.82		$ 292.82
1/1/2025	83%	17%	$ 243.04	$ 45.34	$ 288.38
7/1/2025	67%	33%	$ 196.19	$ 88.02	$ 284.21
1/1/2026	50%	50%	$ 146.41	$ 133.37	$ 279.78
7/1/2026	33%	67%	$ 96.63	$ 178.71	$ 275.34
1/1/2027	17%	83%	$ 49.78	$ 221.39	$ 271.17
7/1/2027		100%		$ 266.73	$ 266.73

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Total Quality Score

- Total Quality Score (TQS) & associated Quality Add-On will be calculated each January 1st and July 1st and remain in effect for the succeeding 6 month rate period.
  - + July TQS - CMS published files as of the preceding January.
  - + January TQS - CMS published files as of the preceding July.
- NO Quality Rate Add-On component in the base rate after July 1, 2027.
- TQS will be utilized solely for UPL purposes.

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Total Quality Score

- For the Current / Legacy base rates effective 7/1/2024 through 6/30/2027
  - The calculated TQS for each NF is converted to a Quality Rate Add-on
  - No maximum or minimum thresholds
  - Based on a calculated value per point
  - Calculated value per quality point is established at a value to achieve a targeted system expenditure equivalent to the SFY 2024 Quality Rate Add-On

Quality Rate Add-on Calculation		
A.	Facility TQS	
B.	Facility Medicaid Day Projection for SFY	
C.	Total Quality Weight	Sum of the products of A * B for each nursing facility
D.	SFY 2024 Quality Rate Add-On Statewide Expenditures	
E.	Calculated Value Per Quality Point	D / C
F.	Total Quality Rate Add-on	A * E

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Total Quality Score

- Quality Measures

Quality Measures	Domain	Percentile Universe	Minimum Performance Percentile	Maximum Performance Percentile	Total Available Points
Percentage of long-stay residents experiencing one or more falls with major injury (MC 410)	MDS	National	0.40	0.90	100.00
Percentage of high risk long-stay residents with pressure ulcers (MC 453)	MDS	National	0.40	0.90	100.00
Number of hospitalizations per 1000 long-stay resident days (MC 551)	Claims	National	0.40	0.90	150.00
Number of outpatient emergency department visits per 1000 long stay residents (MC 552)	Claims	National	0.40	0.90	150.00
Total Nurse Staffing Ratio	Staffing	Indiana	0.40	0.90	125.00

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Total Quality Score

Points Calculation

Quality Measure Score	Quality Point Awarded
Below Minimum Performance Percentile	0
Between Minimum Performance Percentile and Maximum Performance Percentile	(Minimum Performance Percentile Value – Facility Value) / (Minimum Performance Percentile Value – Maximum Performance Percentile Value) * Total Available Points
Above Maximum Performance Percentile	Total Available Points

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Total Quality Score

- For MDS & CMS Measures
  - + Four Quarter Average Percentage
- For Nursing Staffing Ratio
  - + Total Reported Nurse Staffing Hours per Resident Day (includes RN / LPN / CNA hours)
  - + Plus Respiratory Therapy Hours (PBJ code 24 & 25)
  - + Divided by
  - + Case Mix (Expected) Total Nurse Staffing Hours per Resident Day
- For missing a “raw” value for LS measure – assigned quality points based on statewide average for individual measure.
- For missing staffing information – utilize the prior quarter with adjustments.

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Total Quality Score

- For the Current / Legacy base rates effective 7/1/2024 through 6/30/2027
- Profit Add-On
  - + Facilities that have allowable rate component costs lower than the direct care, indirect care or capital ceiling
  - + Will be adjusted depending on the facility's TQS percentage

TQS	Percentage for Profit Add-on Calculation
275 – 625	100%
61 - 274	Proportional percentage calculated as follows: 100% + ((Facility TQS – 275) / 215))
60 and below	0%

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Indiana Medicaid Managed Care

- Quality Program
  - Quality Advisory Committee evaluating for needed updates:
    - +Considerations due to Recent CMS updates to metrics:
      - Long-Stay Pressure Ulcer QM
      - CMS Case Mix Staffing Calculation
    - +NF Minimum Staffing Requirements
    - +PDPM Implementation Considerations

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Indiana Medicaid Managed Care

- Proposed UPL Program Changes starting 7/1/2023
  - Census Form Submission – shift to “current” days
  - Shift to Time Weighted from Snapshot.

For Supplemental Payment Periods Before July 1, 2024		
Supplemental Payment Period	**Interim Supplemental Payment MDS Reporting Period**	**Final Supplemental Payment MDS Reporting Period**
July 1 – September 30	April 1 – June 30	July 1 – September 30
October 1 – December 31	July 1 – September 30	October 1 – December 31
January 1 – March 31	October 1 – December 31	January 1 – March 31
April 1 – June 30	January 1 – March 31	April 1 – June 30

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Proposed Base Rate & UPL Changes

- Phase In Timing

	Base Rate		UPL Blend	
	Current	Proposed	Current	Proposed
July 1, 2024	100%		90%	10%
January 1, 2025	83%	17%	90%	10%
July 1, 2025	67%	33%	60%	40%
January 1, 2026	50%	50%	60%	40%
July 1, 2026	33%	67%	30%	70%
January 1, 2027	17%	83%	30%	70%
July 1, 2027		100%		100%

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Proposed UPL & Quality Changes

- Phase In Timing

	UPL Total		Quality Allocation
	Current	Proposed	Proposed
July 1, 2024	90%	10%	10%
January 1, 2025	90%	10%	10%
July 1, 2025	60%	40%	12%
January 1, 2026	60%	40%	12%
July 1, 2026	30%	70%	14%
January 1, 2027	30%	70%	14%
July 1, 2027		100%	16%
July 1, 2028		100%	18%
July 1, 2029		100%	20%

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Proposed UPL & Quality Changes

- Phase In Timing

		Total UPL	X	Quality Allocation	X	Effective Quality Percent
		Proposed		Proposed		Calculation
July 1, 2024		10%		10%		1.0%
January 1, 2025		10%		10%		1.0%
July 1, 2025		40%		12%		4.8%
January 1, 2026		40%		12%		4.8%
July 1, 2026		70%		14%		9.8%
January 1, 2027		70%		14%		9.8%
July 1, 2027		100%		16%		16.0%
July 1, 2028		100%		18%		18.0%
July 1, 2029		100%		20%		20.0%

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Indiana Medicaid Managed Care

- Proposed UPL Program Changes beginning 7/1/2024
  - Current facility specific UPL model will transition to:
    - >Pooled Supplemental Payment System Methodology
      - Aggregate pool for each quarter.
      - Split into Two Pools
        - Base Supplemental Payment Pool
        - Quality Supplemental Payment Pool
          - Increases Over 5 Years

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Indiana Medicaid Managed Care

- Proposed UPL Program Changes
  - Base Supplemental Payment Pool
    - will utilize the Uniform Percentage Calculation

Uniform Percentage Calculation		
A.	Total Supplemental Payment Pool	
B.	Percentage of Pool Reserved for Quality	
C.	Total Quality Pool	A * B
D.	Total Supplemental Payment Pool Net of Quality	A – C
E.	Total NSGO Provider Medicaid Days	
F.	Average NSGO Supplemental Per Patient Day payment	D / E
G.	Weighted Average NSGO Medicaid Rate	(Sum of the products of each NSGO provider's Medicaid per diem rate * their Medicaid days) / E
H.	NSGO Uniform Percentage	F / G

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Indiana Medicaid Managed Care

- Proposed UPL Program Changes
  - Quality Supplemental Payment Pool

Percentage of Base Rate Paid Per Quality Point Earned Calculation		
A.	Total Quality Pool	
B.	Facility Total Quality Score Points	
C.	Medicaid Days	[redacted]
D.	Medicaid Rate	
E.	Total Quality Weight	Sum of the products of B * C * D for each provider
F.	Percentage of Base Rate Paid Per Quality Point Earned	A / E

Quality Percentage Calculation		
A.	Facility Total Quality Score	
B.	Percentage of Base Rate Paid Per Quality Point Earned	
C.	Quality Percentage	A * B

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Indiana Medicaid Managed Care

- Proposed UPL Program Changes 7/1/2024

The MDS reporting periods utilized to determine the interim and final supplemental payment periods are as follows:

For Supplemental Payment Periods Beginning July 1, 2024		
Supplemental Payment Period	**Interim Supplemental Payment MDS Reporting Period**	**Final Supplemental Payment MDS Reporting Period**
July 1 – September 30	March 1 – May 31	June 1 – August 31
October 1 – December 31	June 1 – August 31	September 1 – November 30
January 1 – March 31	September 1 – November 30	December 1 – February 28 (Feb. 29 in leap year)
April 1 – June 30	December 1 – February 28 (Feb. 29 in leap year)	March 1 – May 31

Final Settlement where MDS resident assessments, Medicaid days, Medicare rates, and Medicaid rate information are reconciled.

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Indiana Medicaid Managed Care

- Proposed UPL Program Changes EXAMPLE – Current Annual UPL for NF

		LEGACY UPL	
Medicare Rate	$	426.70	
Medicaid Rate		273.00	
Non Covered Services		19.82	
Facility Specific Rate	$	133.88	
Cost Report Days		20,431	
Gross UPL Revenue	$	2,735,254	
IGT Expense (34.38 FMAP)		(940,380)	
Net UPL	$	1,794,873	$ 87.85

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Indiana Medicaid Managed Care

- Proposed UPL Program Changes EXAMPLE – Proposed Annual UPL for NF

	Proposed UPL	
Medicaid Rate	$ 270.08	
x Uniform Percentage	31.77%	
Base Per Diem	$ 85.79	89.1%
Quality Points	215	
Value of 1 point	0.0181%	
Total Percent	3.89%	
Quality Per Diem	$ 10.50	10.9%
Total UPL Per Diem	$ 96.29	
Current Period Days	20,431	
Gross UPL Revenue	$ 1,967,301	
IGT Expense (34.38 FMAP)	(676,358)	
Net UPL	$ 1,290,943	$ 63.19

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Indiana Medicaid Managed Care

- Proposed UPL Program Changes EXAMPLE – Proposed Annual UPL for NF

	LEGACY %	PROPOSED %	Quality %	LEGACY	Proposed Base	Proposed Quality	Proposed Net UPL	Blend
	100%	100% with 10% Quality		$ 87.85	$ 56.30	$ 6.89	$ 63.19	
7/1/2023	100%			$ 87.85		$ -	$ -	
7/1/2024	90%	10%		$ 79.07	$ 6.26		$ 6.26	$ 85.32
1/1/2025	90%	10%	10%	$ 79.07	$ 5.63	$ 0.69	$ 6.32	$ 85.38
7/1/2025	60%	40%	12%	$ 52.71	$ 22.02	$ 3.31	$ 25.33	$ 78.04
7/1/2026	30%	70%	14%	$ 26.36	$ 37.66	$ 6.75	$ 44.41	$ 70.77
7/1/2027		100%	16%		$ 52.55	$ 11.02	$ 63.57	$ 63.57
7/1/2028		100%	18%		$ 51.30	$ 12.40	$ 63.70	$ 63.70
7/1/2029		100%	20%		$ 50.04	$ 13.78	$ 63.82	$ 63.82

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Indiana Medicaid Managed Care

- Proposed Upcoming Changes – July 1, 2025
  - July 1, 2025 Medicaid rates will use 12/31/2023 cost report.
  - ALL Providers will move to a 12/31 Medicaid cost report year end effective December 31, 2023.
  - The Medicaid Forms are being updated & Providers will have until June 14th to file their cost report without penalty. (Currently, Providers have until June 30th.)
  - M&S will have 9 months from the filed date to review, request additional information & perform a desk review / audit.
  - Desk Review / Audit will take place before the rates are set.

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MDS Update

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October 2023 QM Changes

Prior	Replaced / Updated To
Percent of Residents Whose Need for Help with Activities of Daily Living (ADL) Has Increased (LS)	**GG late-loss ADL functions**
Percent of Residents Whose Ability to Move Independently Worsened	**Percent of Residents Whose Ability to Walk Independently Worsened (LS)**
Percent of High-Risk Resident with Pressure Ulcers	**Percent of Residents with Pressure Ulcers (LS)**
Percent of Low-Risk Residents Who Lose Control of Their Bowel or Bladder	**Percent of Residents With New or Worsened Bowel or Bladder Incontinence (LS)**
Percent of Residents Who Made Improvements in Function	**Discharge Function Score (SS)**

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Measure Freeze

- Three measures are being held constant (frozen) until January 2025 refresh
  - Residents whose need for help with ADLs had increased (LS)
  - Residents whose ability to move independently worsened (LS)
  - High-risk residents with pressure ulcers (LS)

- Residents who made improvement in function (SS) was frozen as of January 2024 with reporting of the new Discharge Function score in October 2024

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Long Stay – Percent of Residents with Pressure Ulcers

- Uses information from **target assessment**

- Stage 2-4 or unstageable pressure ulcers are present by any of the following conditions:
  - M0300B1 = 1-9 (Stage 2)
  - M0300C1 = 1-9 (Stage 3)
  - M0300D1 = 1-9 (Stage 4)
  - M0300E1 = 1-9 (Unstageable d/t unremovable dressing)
  - M0300F1 = 1-9 (Unstageable d/t slough/eschar)
  - M0300G1 = 1-9 (Unstageable d/t deep tissue injury)

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Long Stay – Percent of Residents with Pressure Ulcers

- Risk Adjustments
  - Impairment in lying to sitting on side of bed (GG0170C)
  - Bowel incontinence (H0400)
  - DM (I2900) or PVD (I0900)
  - Indicator of Low BMI based on height and weight
  - Malnutrition or risk of malnutrition (I5600)
  - Dehydration (J1500C)
  - Infection: Septicemia (I2100), pneumonia (I2000), UTI (I2300), MDRO (I1700)
  - Moisture associated skin damage (M1040H)
  - Hospice (O0110K1b)

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Percent of Residents with Pressure Ulcers (LS)

- CMS has frozen the current metric with the April 2024 release with new measure using Section GG functional information slated for release with the January 2025 data refresh
  - January 2024 data will be utilized for July 1, 2024 rates and quality data
  - January 2025 data will feature the refreshed and updated CMS metric and will be used for July 1, 2025 rates

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Long Stay – Falls with Major Injury

- Reports the percent of residents who have experienced one or more falls with a major injury in the target period
  - Uses **look back scan of 275 days from the target assessment**
  - MDS Items
    - + Major injury at J1900C = 1 or 2

J1900. Number of Falls Since Admission/Entry or Reentry or Prior Assessment (OBRA or Scheduled PPS), whichever is more recent		
	Enter Codes in Boxes	
Coding: 0. None 1. One 2. Two or more		A. No Injury – no evidence of any injury is noted on physical assessment by the nurse or primary care clinician; no complaints of pain or injury by the resident; no change in the resident's behavior is noted after the fall
		B. Injury (except major) = skin tears, abrasions, lacerations, superficial bruises, hematomas and sprains; or any fall-related injury that causes the resident to complain of pain
		C. **Major injury** – bone fractures, joint dislocations, closed head injuries with altered consciousness, subdural hematoma

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Long Stay – Falls with Major Injury

- Major injury:
  - Bone fractures
  - Joint dislocations
  - Closed head injuries with altered consciousness
  - Subdural hematoma

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Quality Add-On Claims Based Measures

- Hospitalizations per 1000 Long-Stay Resident Days
  - Unplanned inpatient admission or all-cause outpatient observation stays at an acute care or critical access hospital
  - 12-month target period

- Long-Stay Emergency Department Visits
  - All-cause outpatient emergency department visits that do not result in an outpatient observation stay or inpatient hospital stay
  - 12-month target period

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Best Practices

- QM Manual (October, 2023) and SNF QRP Manual (October, 2023)
  - Be familiar with measure criteria, exclusions, risk adjustments and covariates
  - Know what assessments are in play

- Know where your QM numbers are
  - Facility and Resident level

- Tracking of triggered items for resolution and need for updated assessments
  - Target assessments and compared to prior assessments
  - Look-back scan assessments

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Best Practices

- QM reviews – *internal/external*
  - Monthly
  - Include IDT
  - Target MDS Coding
  - QI/QM processes – *Root cause analysis*
  - Monitor systems and documentation for presence of gaps

- Continuous analysis of hospital admissions and ER visits for trends and opportunities to reduce

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MDS Field Reviews

- Beginning July 1, 2024 and after:
  - Penalties for unsupported assessments that is greater than 20% of the sample
    - + Administrative penalty

MDS Field Review for Which Penalty Is Applied	Penalty Percent
First MDS Review	7.5%
Second consecutive MDS Review	10%
Third consecutive MDS Review	15%
Fourth or more consecutive MDS Review(s)	25%

MDS Field Reviews

- Beginning July 1, 2024 and after
  - Penalties for unsupported assessments that is greater than 20% of the sample (cont.)
    + CMI Penalty – based on changes to the facility's biannual Medicaid CMI

CMI Penalty Calculation		
A.	Legacy System rate calculated with original biannual Medicaid CMI	The Medicaid rate calculated under Section 6(e) using the CMI prior to the MDS Review.
B.	Legacy System rate calculated with revised biannual Medicaid CMI	The Medicaid rate calculated under Section 6(e) using the CMI after completion of the MDS Review.
C.	Rate Differential	A - B
D.	Medicaid Days	[redacted]
E.	CMI Penalty	C * D

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MDS Changes

- New Item Sets v1.19.1 for October 1, 2024
  - Released on January 12, 2024
- 3 Changes
  - Section GG: Self Care and Mobility
    - + Removal of discharge goal column from 5-day Medicare MDS
  - Section O: Immunizations
    - + Addition of items to collect information regarding resident COVID vaccination status
  - Section N: High Risk Medications and Indications for Use
    - + Addition of anticonvulsant medications

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MDS Changes

- Section O

O0350. Resident's COVID-19 vaccination is up to date

Enter Code ☐

0. **No**, resident is not up to date
1. **Yes**, resident is up to date

Case-Mix Reimbursement

- MDS Completion/Acceptance Schedule for rates effective July 1, 2024 and after:

For rates effective July 1, 2024 and after	
Completed, transmitted and accepted MDS assessments applicable to the Rate Period:	**Rate Periods:**
September 1 – November 30	July 1– December 31
December 1 – February 28	
March 1 – May 31	January 1– June 30
June 1 – August 31	

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Case-Mix Reimbursement

- Distribution and Cut-off Schedules for Time-Weighted Reports will change to the following reporting quarters:

For reporting quarters utilized for rates effective July 1, 2024 and after				
Resident Roster Report Schedule	**09/01 - 11/30**	**12/01 - 02/28**	**03/01 - 05/31**	**06/01 - 08/31**
Preliminary Report Cutoff Date	12/01	03/01	06/01	09/01
Preliminary Report Posting Date	**12/10**	**03/10**	**06/10**	**09/10**
Final Report Cutoff Date	12/25	03/25	06/25	09/25
Final Report Posting Date	**01/15**	**04/15**	**07/15**	**10/15**

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2024 Indiana Time-Weighted Monthly Report Calendar – Rates PRIOR to July 1, 2024

January 2024

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February 2024

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

March 2024

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

April 2024

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May 2024

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June 2024

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

July 2024

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August 2024

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September 2024

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

October 2024

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

November 2024

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

December 2024

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Tan Day of the Month

Cut-off date for MDS transmission and entering EOT dates in the Web Portal for the Preliminary Time-Weighted CMI Resident Roster Reports.

Blue Day of the Month

Posting of Preliminary Time-Weighted CMI Resident Roster Reports.
(Located on the Myers and Stauffer MDS Web Portal)

Yellow Day of the Month

Cut-off date for MDS transmission and entering EOT dates in the Web Portal for the Final Time-Weighted CMI Resident Roster Reports.

Orange Day of the Month

Posting of Final Time-Weighted CMI Resident Roster Reports.
(Located on the Myers and Stauffer MDS Web Portal)

Pink Day of the Month

Normalization Report posted for facilities with a fiscal year end (FYE) in preceding quarter.

MDS Helpdesk
(317) 816-4122
INHelpDesk@mslc.com

Prepared by Myers and Stauffer LC

2024 Indiana Time-Weighted Monthly Report Calendar – Rates EFFECTIVE July 1, 2024

January 2024

S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

February 2024

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29		

March 2024

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

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	1	2	3	4	5	6
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

May 2024

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

June 2024

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

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	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

August 2024

S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

September 2024

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

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29	30	31				

Tan Day of the Month

Cut-off date for MDS transmission and entering EOT dates in the Web Portal for the Preliminary Time-Weighted CMI Resident Roster Reports.

Blue Day of the Month

Posting of Preliminary Time-Weighted CMI Resident Roster Reports.
(Located on the Myers and Stauffer MDS Web Portal)

Yellow Day of the Month

Cut-off date for MDS transmission and entering EOT dates in the Web Portal for the Final Time-Weighted CMI Resident Roster Reports.

Orange Day of the Month

Posting of Final Time-Weighted CMI Resident Roster Reports.
(Located on the Myers and Stauffer MDS Web Portal)

Pink Day of the Month

Normalization Report posted for facilities with a fiscal year end (FYE) in preceding quarter.

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Prepared by Myers and Stauffer LC

SNF QRP and Influenza Vaccination

- Influenza Vaccination Coverage Among Healthcare Personnel (HCP)
  - SNF QRP Measure

  - Facilities report HCP who receive an influenza vaccine for the entire influenza season from October 1 (or when the vaccine became available) through March 31 the following year
    - + For employees that work at least one day
    - + Regardless of clinical responsibility or patient contact
    - + Employees, licensed independent practitioners and adult students/trainees/volunteers

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SNF QRP and Influenza Vaccination

- Influenza Vaccination Coverage Among Healthcare Personnel
  - Data to be submitted through the CDC National Healthcare Safety Network (NHSN)
    - To meet requirement, SNFs would enter a single influenza vaccination summary report at the conclusion of the measure reporting period
    - May enter data more frequently – CMS/NHSN encourages monthly updates
  - Summary data must be entered by May 15 of each year to avoid penalty

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Thank you!

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Assurance / Tax / Advisory