



# Understanding Your SNF VBP Program Performance Score Report Call

Moderated by: Hazeline Roulac  
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Operator: At this time, I would like to welcome everyone to today's Medicare Learning Network® event. All lines will remain in a listen-only mode until the question and answer session. This call is being recorded and transcribed. If anyone has any objections you may disconnect at this time.

I will now turn the call over to Hazeline Roulac. Thank you. You may begin.

## Announcements & Introduction

Hazeline Roulac: Thank you, Dorothy. I am Hazeline Roulac from the Provider Communications Group here at CMS and I am your moderator today. I would like to welcome you to this Medicare Learning Network call on Understanding Your SNF Value-Based Purchasing Program Performance Score Report. Our subject matter experts will present a high-level summary of the program and highlight the payment year one result, fiscal year 2019 program year. Before we get started, you received a link to the presentation in your confirmation email. The presentation is available at the following URL: [go.CMS.gov/npc](https://go.CMS.gov/npc). Again, that URL is [go.CMS.gov/npc](https://go.CMS.gov/npc).

Today's event is not intended for the press and the remarks are not considered on the record. If you are a member of the press you may listen in, but please refrain from asking questions during the question and answer session. If you have inquiries, please email them to [press@cms.hhs.gov](mailto:press@cms.hhs.gov). That's [press@cms.hhs.gov](mailto:press@cms.hhs.gov).

At this time, I would like to introduce our subject matter experts for today's discussion. With me here in the conference room is Lang Le from the Center of Clinical Standards and Quality; and joining us by telephone from RTI is Laurie Coots Daras; and from MITRE, Michael Lee.

I will now turn the call over to Lang. Thank you, Lang.

## Presentation

Lang Le: Thank you, Hazeline. I hope everyone's enjoying the last final weeks of summer. It's been very hot here in Baltimore this past summer, but it's cooling down now. But again, I'd like to thank everyone for joining today's call. My name is Lang Le and I'm the CMS Lead for the SNF VBP program. If you refer to slide 3 it contains the agenda for today. Rather than maintain the original approach, what we would first focus on is SNF VBP program overview, and then walk through the fiscal year 2019 payment year one results. We would like to begin today's presentation by first reviewing the performance score report.

As you're aware, CMS recently issued a correction to the fiscal year 2020 Skilled Nursing Facility Value-Based Purchasing Program Performance Score Reports Memorandum, to correct the data error and to ensure the accurate payments for our Skilled Nursing Facilities. With the data they find error, we estimated that 86% -- again, 86% of Skilled Nursing Facilities had no change to their Skilled Nursing Facility value-based performance score due to the error impacting the baseline period performance, which was fiscal year 2016.

The corrected data performance score--I'm sorry--the corrected performance scores will be used to calculate the incentive payment multipliers that will be applied to the SNF claims beginning October 1<sup>st</sup>, 2019. Changes in the incentive payment multipliers were small, with affected SNFs we're seeing a difference of a fraction of a point. Additionally, CMS has not yet implemented the incentive payment multiplier, which means that SNFs have not received any payment on incorrect data.



CMS uploaded the corrected fiscal year 2020 performance score report yesterday evening, incentive payments based on the revised refund data will be issued beginning October 1<sup>st</sup>, 2019. Given that we issued the corrected performance score reports, we are resetting the phase 2 review and correction period beginning today, August 27<sup>th</sup>, 2019, and ending on September 26<sup>th</sup>, 2019.

With that said, I'm going to turn the call over to Laurie Coots from RTI.

## Description of Performance Score Reports

Laurie Coots Daras: Thank you, Lang, and good afternoon everyone. This is Laurie Coots Daras from RTI International. RTI is a production support contractor for CMS and the Skilled Nursing Facility Value-Based Purchasing Program. So we, as Lang indicated, will be beginning with slide 15 in the presentation to walk you through the performance score reports. These reports are distributed through CASPER, which is the same reporting application used for previews reports for Nursing Home Compare measures. The reports themselves from August are in the Excel format and they contain facility-level information, including SNF's rates, scores, and multipliers.

As Lang indicated, the August performance score reports that were recently reissued in the last day include performance information that will impact SNFs payment beginning fiscal year 2020, so that begins October 1<sup>st</sup> of this year. And also, as Lang indicated, we will be restarting the phase 2 30-day correction period, and that will begin today and will end on September 26<sup>th</sup>. If you have any questions about your performance, please do contact us on the help desk at [snfvbp@rti.org](mailto:snfvbp@rti.org) so we can help address those questions.

At this point we'll turn it to the presentation and slide 15 where we'll walk through the annual performance score reports. I want to just note that these reports are fairly similar to last year's performance score reports; however, we did incorporate some additional information enhancements based on a user's feedback that we conducted. The reports are in Excel, as I noted, and there are multiple tabs or worksheets. I'm going to begin by giving an overview of the information contained in tab 1, or the cover sheet of the reports.

So, this report is--on the cover sheet there are a few pieces of key information that we want to highlight. First, the baseline performance period of fiscal 2016, and again, the federal fiscal is what we're referring to throughout the presentation, which begins October 1<sup>st</sup> of 2015 and ends September 30<sup>th</sup>, 2016. And the performance period affecting fiscal 20 payment is readmissions information from fiscal year 2018.

In section 2 of the cover sheet you'll see your provider name--your Skilled Nursing Facility's name--and your CMS certification number. In section 3 of the cover sheet we provide information again about when the performance data included in the report will impact payment. So, again, fiscal 2020 the payment incentives will begin October 1<sup>st</sup> of this year and run through September 30 of next year.

In section 4 of the report we include some information about the review and corrections period and how to contact us with any potential phase 2 review and corrections. And then finally in the cover sheet we have the email address to the help desk which is [snfvbp@rti.org](mailto:snfvbp@rti.org).

On slide 17, this is tab two of the performance score report; and again, this is kind of the main part of the report that includes information about your readmission rates, your performance scores, and your incentive payment



multipliers. So, in the first row, as you can see on this slide, we summarize your baseline readmission rate and your performance period readmission rate. And to recap, baseline refers to fiscal 2016 and the performance period is fiscal 2018.

I want to note that this is example data included in the slides and just to give you a sense of what the reports look like, but that this does not contain real data.

On slide 18, you'll see the next part of tab two summarizing facility performance, which includes SNF VBP scores; so that includes achievement scores, improvement scores, and performance scores. As noted on the slide, the achievement score indicates how well a facility performed during the performance period compared to the national performance during the baseline period; achievement scores range from 0 to 100.

Next, the improvement score is an indicator of how SNFs performed during their performance period relative to their performance during the baseline period, and improvement scores range from 0 to 90. And then lastly, the performance score is based on the higher of either the achievement or the improvement score. And the values range from 0 to one 100, and it's that performance score that gets used to calculate the incentive payment multiplier.

The final part of the table included in tab 2 of your annual performance score report includes the program rank, so that's how a facility ranks in the program nationally. Lower numbers here indicate better performance; and we also will note that facilities that have the same performance score or are tied will receive the same rank. This also includes your incentive payment multiplier, and that's perhaps the most important piece of information contained in the report. So this is the multiplier that is used to adjust federal per diem rates beginning October 1<sup>st</sup>, of this year. And again, those are adjusting federal per diem rates on the SNF claims.

In addition to the performance score report compared to last year's report, is that we added tab 3 to help users interpret their incentive payment multipliers. So on slide 20 you can see that we've included a couple of pieces of information. On the left side we have SNF incentive payment multiplier, and if you look at slide 21 that's indicated as number 1.

And also, to assist users with interpreting that multiplier, we provide an explanation of that multiplier. So, in this example case, we have a Skilled Nursing Facility that earned an incentive payment multiplier greater than one, so this facility will be earning a positive incentive; and in other words, this facility will be earning back more than it would have in absence of the SNF VBP program. So, in this facility, again, in the example would be earning back the two percent reduction and earning a positive incentive on top of that.

At the bottom of this table for assisting with interpretation, we have some reminders on how to interpret the incentive payment multipliers. So, values less than one indicate a facility that will receive less than the 2% withhold back, referred to as negative or net negative performance. An incentive payment multiplier equal to one would be a facility that receives the full 2% withhold; in other words, a facility that has a neutral performance in the program or a net neutral impact on payment. And then, incentive payment multipliers greater than 1 would indicate a SNF that earned back more than the 2% withhold and earns a positive incentive.



On slide 22, again, example data, but we included in this year's performance score reports the national distribution of all incentive payment multipliers. In this figure you can see a dotted line, which divides facilities from earning negative versus positive incentive payments in the program. The idea of adding this figure is to give you a sense of how your facility compared relative to the other facilities in the country. And I will note that the dotted line on this figure corresponds to a neutral payment multiplier, so that would be earning back the full two percent withhold, or a neutral payment impact.

Next, on slide 23, is the final tab or the data dictionary of the performance score report. We have included this data dictionary in all of the quarterly reports based on user feedback, and the idea is to provide a glossary of terms and definitions of some of the key pieces of information that are contained in the report. You can see on the right, definitions of each of the data elements as well as links to additional resources when relevant.

And at this point, I'm going to hand to the presentation back to Lang Le from CMS.

### SNF VBP Overview

Lang Le: Thanks Laurie. So, if viewers can go back up to the slide deck on page 1, where we'll sort of restart from the top. Again, where today's call we're going over how to interpret your Skilled Nursing Facility performance score report. Again, my name's Lang Le, and on slide 3 I'll review the SNF VBP program and then dive into a summary of the payment year 1 results, which is from the fiscal year 2019 program year.

And moving to slide 5. This slide highlights the program. As many of you know, or for those new to the program, the Protecting Access to Medicare Act of 2014 authorized the SNF VBP program. The program awards incentive payments to SNF for quality of care provided to Medicare beneficiaries--Medicare Fee-For-Service beneficiaries--and the quality of care the same as users to assess the quality of care as the Skilled Nursing Facility 30-day All-Cause Readmission Measure, the SNF RM.

This is a NQF-endorsed measure, and the program went into effect on October 1<sup>st</sup>, 2018. As Laurie highlighted in her discussion, in order to create the incentive pool for the program Medicare was withhold all SNF Part A Fee-For-Service payments to fund the incentive for, which now we withhold 2% of the per diem rate. And then 60% of the withhold is redistributed back to SNFs to form the incentive payments.

On slide 5 it discusses the SNF 30-day All-Cause Readmission Measure; again, it's NQF-endorsed. The measure, it's the rate of the all-cause unplanned hospital readmission for SNF patients within 30 days of discharge from a prior hospital stay, it's a risk-standardized readmission rate. Basically, we apply risk adjustment which accounts for the patient-level risk factors, including clinical and demographic characteristics, and we calculate for each SNF a baseline and performance period.

So, for the first program year, which was fiscal 2019, the baseline period consists of calendar year 2015, the performance period consisted of calendar year 2017. For the upcoming program year--fiscal year 2020 program year--please note that the baseline period year is the fiscal year 2016--that's the baseline period--and then the performance period is fiscal year 2018.

Going to the next slide, page 7. This discusses the SNF VBP scoring. For those new to the program this will be a resourceful page, and you can find more information on our website; and for those that have been involved in



the program please bear with us as we discuss this page. So now again, the SNF performance period, we take the SNF performance period, the risk standardized readmission rate, which is compared to their own past performance to calculate the improvement score; the national SNF performance during the baseline period to calculate an achievement score.

The higher of the achievement and the improvement scores become the SNF performance score; however, to make sure the measure is reliable and valid, for SNFs with less than 25 eligible stays during the baseline period SNF will not receive an improvement score, these SNFs will be scored on achievement only. For SNFs with less than 25 eligible stays during the performance period they will be held harmless, these SNFs will receive a net neutral performance score, and instead of the payment multiplier, effectively receiving the same fellow per diem rate that they would have received in the absence of the SNF VBP program.

On slide 8 this discusses the incentive payment calculation. Again, this is high level, we calculate the performance score again with the performance score calculation, we then take the performance score and transform it into a logistic function. We don't calculate the SNF Fee-For-Service Medicare payments to be redistributed across SNF. We then calculate the incentive payment multiplier for each cumulative probability. We apply the payment incentive prospectively on claims by multiplying the SNF adjusted sale per diem rate. Again, this on a very high level, and for those interested in the actual methodology it can be found on the SNF CMS webpage, and we include links at the end of this presentation.

If you move to slide 9, as Laurie discussed earlier in our presentation, this describes the incentive payment multipliers. For those multipliers greater than one, which is the net positive payment, SNFs will earn more than 2% of the withhold back; for example, if SNFs earn more than they would have in the absence of a SNF VBP program. A multiplier equal to one is basically a net neutral payment, they have to earn the full 2% withhold back. For those who are in a negative incentive payment of less than 1 they have to receive less than a 2% withhold back.

And as you move to slide 10 this discussed the program's confidential feedback reporting mechanism. Since October 2016, CMS has provided SNF the quarterly confidential feedback report. These reports are distributed to SNF via the Quality Improvement and Evaluation System, and Certification and Survey Provider Enhanced Reports to CASPER.

There are three types of reports released each year. The first is the interim workbooks, they contain less than full-year data; it includes on a state-level information, the data is not considered final, and typically the reports are issued in March. The full-year workbooks contain full-year of claims data, and it also includes state-level and facility-level information. The data is finalized and typically the reports are distributed in June.

And lastly, the performance score report. If you look in your CASPER, you should have received your corrected performance score report this evening or today. So, this contains the scoring and payment information, and the data are considered final, and typically by statute SNF receive the performance score reports 60 days prior to the start of the payment year.

And that concludes my presentation, and I'll hand it off back to Hazeline.



Hazeline Roulac: Thank you, Lang. We will now move into the question and answer portion of our call, but before we begin...

### Summary of Results from FY 2019 Program Year

Lang Le: I'm sorry, Hazeline. Actually, I have 2 slides left. I was sort of getting too excited for the end of the summer and when my kids go back to school.

Hazeline Roulac: Absolutely.

Lang Le: If we can move to slide 12. And for next 2 slides we discuss the program's impact during the 1st year of the program, which was fiscal year 2019. Again, on slide 12--so during the fiscal year 2019 program year, the baseline period was counting the year 2015, and our calculation states that a SNF has an average risk-standardized hospital readmission rate of 19.1%.

During the performance--and again this is aggregate data, this is national data--during the performance period counting the year of 2017 the SNF average risk-standardized hospital readmission rate kicked up a slight bit to 19.4% percent. SNF has slightly higher all-causet risk-standardized hospital readmission rates during the performance period relative to the baseline period, and the table below provides descriptive specifics of a SNF risk-standardized readmission rate, again, for SNF VBP program year fiscal year 2019.

As you can see now, the first row includes calendar year 2015 baseline data--baseline year and includes 15,404 facilities across the US. It includes a mean standardized risk readmission rate including a minimum; and then it breaks down by a percentile of 25<sup>th</sup>, 50<sup>th</sup>, 75 percentiles were the maximum. And the last row consists of, in the case the calendar year 2017, which is the performance period, and includes a total of 15,421 facilities.

Again, now, as you see, for the aggregate readmission rate it ticked up a bit to 19.4%. And for those facilities looking at their peer performance and how they did compare to the baseline period, and if you compare it to the national risk-standardized readmission rate, we would love your feedback. Now, if you can share any best practice, or if you implemented any evidence-based care conditions program, or focus on reinforcing your relationship with the hospitals, or engaging with the beneficiaries or caretakers or whatever it may be, we would love to hear the type of programs that you implemented out of your specific facility so that we can sort of take a look at what SNFs are doing nationally, and perhaps putting together a best practice case to share with everyone sort of, to improve, to lower the national readmission rate for SNF.

And if you move to slide 13 it details incentive payments. So, on average SNFs receive a 0.8% net payment reduction, which as a multiplier equals to 0.992%; and you can see how well you did against the national mean or benchmark. And on slide 14, it basically covers the incentive payments, it continues our discussion of the incentive payments.

And for those SNFs with a multiplier greater than 1, nationally 26% of all SNFs have stayed essentially in the program, earned net positive incentive payments. Around 2% of SNFs receive a net neutral payment where the multiplier equals to 1; and for the majority of SNFs, 72% saw a reduction in their per diem rate where the multiplier was a net multiplier.



And that concludes my discussion for today reviewing the national performance for the SNF VBP program during the fiscal year 2019 program year.

And I'll turn it back to Hazeline.

## Question & Answer Session

Hazeline Roulac: Thank you, Lang. For anyone who came on the call late, just in case you're wondering, we actually started the call on slide 15 and then we jumped back to the top of the slide presentation. So, now we will move into the question and answer portion of our call, but before we begin to take your questions Laurie will go over a few questions that have come up regarding the feedback report. Laurie.

Laurie Coots Daras: Thank you. So, I just want to recap one of the questions that we received and some of the updates that Lang provided at the beginning of the call. So, we did recently distribute corrections to the annual performance score reports to address an error. So, there was a small error that impacted the baseline data used in the fiscal 2020 August performance score reports.

These are the reports that were originally distributed earlier this month around August 2nd via CASPER. Facilities were notified last week in a provider communication dated August 22nd. If you didn't receive this communication, or have a specific question about your facility's performance, we can also assist you through our help desk. And again, that address is [snfvbp@rti.org](mailto:snfvbp@rti.org).

We want to clarify that the error identified impacts incentive payments that have not yet gone into effect. The data impacted are used for SNF VBP incentives that will begin October of this year. Again, the data issue only affected fiscal 2016, or the baseline data. The issue has since been fixed and the corrected reports were distributed and are now available through CASPER.

The incorrect reports have been deleted from CASPER, and you can identify the corrected reports because the word corrected is in the file name of the Excel file. So, SNF should now have access to their corrected reports, and we also want to clarify that this reset phase two review and corrections, so that the 30-day period will begin today and end September 26th.

We did receive one additional question through the help desk in advance of today's call, and I'd like to cover that question now before we open it up to the live question and answer portion of the presentation.

So, the question was, when will the SNF VBP performance information be publicly reported for the fiscal 2020?

So, at this time we anticipate publicly reporting fiscal 2020 SNF VBP performance information later this fall, so late fall of this year. As you may be aware, currently fiscal 2019 SNF VBP performance data are publicly reported through Nursing Home Compare.

And at this point I'll hand it back to Hazeline for our live question and answer.

Hazeline Roulac: Thank you so much, Laurie. We will now take your questions. As a reminder, this event is being recorded and transcribed. In an effort to get to as many questions as possible, each caller is limited to



one question. To allow more participants the opportunity to ask questions, please send questions specific to your particular organization to the RTI email address on slide 25 so our staff can do more research. During this call, preference will be given to general questions applicable to a larger audience, and we will be mindful of the time spent on each question.

Alright, Dorothy, we are ready for our first caller.

Operator: To ask a question, press star followed by the number one on your touch-tone phone. To remove yourself from the queue, press the pound key. Remember to pick up your handset before asking your question, to assure clarity.

Once your line is open, state your name and organization. Please note, your line will remain open during the time you are asking your question, so anything you say, or any background noise, will be heard in the conference.

If you have more than one question, press star one to get back into the queue, and we will address additional questions as time permits. Please hold while we compile the Q&A roster. Please hold while we compile the Q&A roster. Again, if you would like to ask a question, press star then the number one on your touch-tone phone.

Your first question comes from the line of Susan Grayson.

Susan Grayson: Hello, my name is Susan Grayson, and I'm from Christian Living Communities in Denver, Colorado. And I'm looking at slide 14 and just thinking as we all get better, preventing readmission, does it look like those numbers will change as far as percentage that are negative, because we're always compared to the nation, so I'm thinking they'll always be pretty much the same incentives?

Do you know what I mean, like, is there a chance of--is it really going to change very much that bell curve as far as incentives? Does that make sense?

Laurie Coots Daras: Yes, this is Laurie Coots from RTI. Thanks for the question. So, we--I think underlining your question is that this is performance from the first year of the program, fiscal 2019. We don't have yet available to share the full results for fiscal 2020 performance. We know that it will fluctuate from year to year.

This is a very new program, and I think the evidence from fiscal 19 performance really indicates that the program is set up to not only reward facilities that do well, but also the ability for facilities to earn incentive payments above and beyond what they would receive in the absence of the program.

And so, in fiscal 19, there were over a quarter of facilities that earned positive incentive payments, which is very promising and again suggests that the program is able to, as designed, reward facilities for providing good care, coordination, and reducing hospital readmission rates.

Whether the distribution of performance will remain about what we saw in fiscal 2019 is very hard to say, because I think, as you indicated, performance really does depend on--it is relative, or providers are compared



to the national performance. So, there's always the potential for the whole country to be doing better, but it will just vary from year to year.

I think one important feature to note about the program is that the proportion of facilities that earn neutral payments definitely will increase, given a policy change between fiscal 19 and fiscal 20 payment. So, I think just to recap for those who may not be familiar, CMS did implement a low-volume adjustment to the program, which means that smaller facilities are essentially being held harmless or will be assigned the neutral payment adjustment, so we do expect that will increase as a result of that policy.

Melvin Ingber: Excuse me Laurie, this is Melvin Ingber at RTI, just a slight reminder that the law requires that not everybody can be a winner in this, so there always will be some [inaudible] because it only gives back 60% of the 2% in aggregate.

Laurie Coots Daras: Thank you for the question.

Operator: Your next question comes from the line of Deborah Whippen.

Deborah Whippen: Yes, hi, this is Debbie Whippen. I'm calling from Future Care in Maryland. I'm calling in regards to the SNF QRP review and correct report. When you're looking at the number of SNF stays that trigger the quality measure, where are we looking to find that? Like, if it says I'm looking at two residents, where am I finding that?

Laurie Coots Daras: Sure, Deborah, and just to clarify that today's presentation is specific to the SNF Value-Based Purchasing Program. The Quality Reporting Program differs, and I think the question you're asking pertains to the measures that CMS has adopted for the SNF Quality Reporting Program.

So, I'm unfortunately not prepared to answer that question today, but if you would like to email us we can direct your question to the Quality Reporting Program, so that we can get you the information that you need about triggering the quality measures.

Deborah Whippen: Thank you, I appreciate that.

Laurie Coots Daras: Yes, thank you, yes.

Operator: Your next question comes from the line of Pamela Thomas-Roots. Pamela, your line is open.

Pamela Thomas-Roots: Okay, this is pretty much a general question for all people who are listening to your conference to get credit for attending a conference for the American Health Information Management Association continuing education units, how do we get proof that we attended this conference today?

Laurie Coots Daras: Thanks, Pamela, this Laurie from RTI. I'll give that question or I'll try to respond to your question. So, we can't quite speak to what that organization would need for your continuing credit education or CCE credit, but—so, I think you would need to follow up with them directly. One possibility might be to share your registration that you received over email.



Pamela Thomas-Roots: Okay, that'll be great.

Hazeline Roulac: Yes, excuse me this Hazeline Roulac. So, if you go on our CMS website to [go.CMS.gov/npc](https://go.cms.gov/npc) and click on today's call, which is dated 8/27/2019, go to the bottom, and you'll see registration assistance information and click on frequently asked questions. There's a question that speaks to how you can get continuing education--how you can possibly get continuing education credit from your professional organizations.

Pamela Thomas-Roots: Okay

Hazeline Roulac: And there's an email address that you can send a request for a copy of our certificate of participation for your record. So, if you go to [go.CMS.gov/npc](https://go.cms.gov/npc), and then click on today's call from that list, scroll to the bottom of the page where it says registration assistance, and you'll see frequently asked questions. And on that page, you'll see information about continuing education.

Pamela Thomas-Roots: Okay, sounds good thank you.

Hazeline Roulac: You're welcome. Thank you for your question.

Operator: As a reminder, to ask a question, press star followed by the number one on your touch-tone phone. Your next question comes from the line of Avery Malate.

Avery Malate: Hi, good morning, my name is Avery Malate from Apple Valley Post-Acute in the state of California. My question is about slide number 14. I know Mr. Lang mentioned about best practices and encouraging everyone to send their best practices, because looks like 72% is a huge number in as far as the negative incentive payments.

I was just wondering, would you be able to give us any visibility on the most common reason for corrections, because I know that the correction is now on, and I think it's open for a month? I mean, for continuous improvement purposes, I was wondering if you guys have any information or data about how many of those corrections ended up being--having positive impact after the correction period.

Laurie Coots Daras: Thanks, Avery; this is Laurie Coots from RTI. I can address the second part of your question with regard to the review and corrections process. So, the phase 2 review and correction is limited to the facility-level information. So, prior to the August report, facilities received their resident-level information in prior quarterly reports.

So, for example, the June quarterly report contained resident-level information for the fiscal 2018 performance year. So, it's--and just to kind of clarify the difference between phase 1 and phase 2 review and corrections, is that phase 1 correction is really focused on the, or limited to, the measure information, so the calculation of the readmission rates.

And phase 1 extends until March 31st of 2020 for performance data. Phase 2 of the review and correction, which is what we're currently in, is very much limited to performance scores and rankings. And so, typically, we



do not receive very many Phase 2 requests for review and correction. It's been a very small number that have been implemented.

We do receive more questions as a result of phase 1 review and correction, so that's where we might receive questions pertaining to an admission date for a SNF resident, or the discharge destination, or a code that the reason for the hospital readmission, and so forth. So, I think in summary, because the program uses Medicare claims data that are already submitted to CMS, there's no additional data collection.

Those data are very accurate because they are audited by CMS for billing purposes, so we do find that we have very few review and corrections that we receive for the program. I hope that addresses your question, thank you.

Operator: Your next question comes from the line of Betty Metz.

Betty Metz: Yes, I am looking at this word multiplier, and I'm wondering exactly what number you are multiplying, and I'm wondering if that has anything to do with the PDPM payments.

Laurie Coots Daras: Thank you, Betty. So, the multiplier is simply that. It's a multiplier, and to answer your question on what gets multiplied, it's the adjusted federal per diem for a SNF payment. So, sometimes we'll use the example if the adjusted federal per diem is a hundred dollars and your multiplier is 1.01, then your new federal per diem would be \$101 dollars, just to give you a kind of a very simple example of how that works.

And, of course, a 1.01 incentive payment multiplier would be a positive incentive, so you're getting some additional payment as a result of the high quality that your facility furnished based on the performance data, so that's...

Betty Metz: I understand how the multiplier works. I'm just wondering, what number is it that's multiplied, which I'm understanding might be the non-case mix component per diem rate in the PDPM. Is that wrong?

Laurie Coots Daras: Yes, so, I think the other important piece of information here is that the SNF VBP program is completely separate from PDPM. So, the PDPM, the Patient Driven Payment Model is--will begin later this year. That's, again, sort of completely separate for how SNF VBP payments are calculated and applied, so, again, the multiplier is on the adjusted federal per diem rate on your SNF claim.

Betty Metz: Alright. Thank you so much.

Laurie Coots Daras: Thank you.

Operator: Your next question comes from the line of Laura Hebert.

Laura Hebert: Yes, I'm calling in regards to a question in regards to the achievement score, the improvement score, and the performance score. I'm calling from Citadel Care Center of Elgin, Illinois. And my question is that the achievement score, when you have a score between 0 and 100 and you have less than 25 stays, it shows 0.



So, therefore, I understand that it said it should be an incentive payment multiplier neutral, but instead it's giving us an incentive payment multiplier, so I'm a little confused by that.

Laurie Coots Daras: Thanks, Laura, for the question, so just to clarify, you're talking about a value of zero for the--did you say it was for achievement or for the improvement?

Laura Hebert: Both achievement score is 0 and our improvement score is 0. Therefore, that indicates to me that it is basing them on less than 25 stays. If it's less than 25 stays, why would we have an incentive payment multiplier of less than 1? I understood that if it's a less than 25 stays, and your achievement score is 0 and your improvement score 0, you should be neutral in your incentive payment multiplier.

Laurie Coots Daras: Yes, so, in this case, the low volume adjustment would mean that you have no score. In this case, in your example, you have a score of zero, and the score of zero then translates into the full two percent reduction.

Laura Hebert: So, we--our incentive payment multiplier is giving us a 0.98. So, then when you take that over to your interpreting the incentive, when it's less than 1 we would receive less than the 2%, but I'm understanding the achievement score of 0 percent is based upon less than 25 stays.

In other words, if we have less than 25 stays, we are being hit with an incentive payment multiplier, so we're being hurt because we've had less than 25 stays. I understood the presentation to be that if you have less than 25 stays you should be neutral in your incentive payment multiplier.

Laurie Coots Daras: So, I think in this case there's the difference between a score of 0 versus score of nothing or unable to calculate the score. So, in this case, it sounds like your facility is not impacted by the low-volume adjustment, but instead earned a score of zero, which translates into a negative payment incentive.

But I think what would be helpful is if we could follow up together on the help desk just to make sure that we can view your data and then give you proper guidance on the circumstances affecting your facility's payment.

Laura Hebert: Okay, thank you very much for your help.

Laurie Coots Daras: Yes, thank you, yes, appreciate it.

Operator: Your next question comes from the line of Alexander Sanbanagic.

Alexander Sanbanagic: Hi, my names Alexander, and I'm calling from MGM Health Care. I wanted to clarify, does the VBP apply to HIV residents, and does it also apply to nursing RUGs as well, or is it just related to the general rehab RUG?

Laurie Coots Daras: Great, thanks for the question Alexander, this is Laurie Coots from RTR--RTI, excuse me. So, the SNF VBP incentive payment multipliers are only applied to SNF Medicare Part A Fee-For-Service claims. I think that to address your question, the multiplier is used on the adjusted federal per diem rate. Does that help with the question? I think, I want to make sure I've gotten you the right answer



Alexander Sanbanagic: A little bit.

Laurie Coots Daras: Yes, so, the adjusted federal per diem rate would be based on any of the resource utilization groups that are used for payment, so not limited to just therapy or other...

Alexander Sanbanagic: Okay.

Laurie Coots Daras: Yes, so total adjusted federal per diem, thank you.

Operator: Your next question comes from the line of Reshell Agultoe.

Reshell Agultoe: Hello. Our question here is, I'm here on CASPER Report, and I'm looking on SNF VBP interim data workbook Q1, 2, 3. Is that the one that we can correct right now?

Laurie Coots Daras: That sounds like the March quarterly report.

Reshell Agultoe: Okay.

Laurie Coots Daras: And that would include interim data for quarters 1, 2, and 3 of fiscal year 2018.

Reshell Agultoe: So, which one--can you clarify, which quarter can we correct right now?

Laurie Coots Daras: Sure, so the--right now, we are in the review and corrections for the annual performance score reports that were distributed yesterday, so hopefully you received that today. And that is the annual payment information with payment incentives that will begin on October of this year.

So, there's a 30-day phase 2 review and corrections period where you can submit to us any questions or potential corrections that you have for your facility-level information. The March report that you referred to would be the interim report.

If you had questions about the underlying data from fiscal 2018, then you would refer to the July--I'm sorry, the June quarterly report, which contained all four quarters of performance year data, so quarters 1, 2, 3, and 4.

Reshell Agultoe: Okay, we can email you if we have more questions.

Laurie Coots Daras: Okay, great, yes if you have questions on that, then on the underlying resident-level data, that would be the June report. The facility-level data is the August report, and our help desk is [snfvbp@rti.org](mailto:snfvbp@rti.org) and is included in the slide deck, and we'd be happy to help resolve any questions that you might have about the data, thank you.

Reshell Agultoe: Thank you.

Operator: As a reminder, to ask a question, press star followed by the number one on your touch-tone phone.

Your next question comes from the line of Brigid Glennen.



Brigid Glennen: I have a question regarding the VBP performance information. I'm questioning on our report, we do not-- we have dashes for the baseline standard readmission rate, the performance period, the achievement score, and the improvement score; is that because we had less than 25 eligible stays, and we did not receive anything? That's my question.

Laurie Coots Daras: Yes, that interpretation is correct. So, it sounds like, from what you've shared, that your facility was impacted, earned the low value—excuse, the low volume adjustment. So, you had fewer than 25 stays in both time frame, in which case you're held harmless, so to speak, from the program.

And your payment incentive multiplier is a 1, so you don't lose any payment or gain any additional bonuses from the program. Thank you for your question.

Operator: Your next question comes from the line of Deborah Dyjak.

Deborah Dyjak: Yes, thanks for taking my call. Could you remind the participants what happens to the other 40% of the withheld? On slide 5, 60% of withhold goes back, but what happens to the other forty percent again?

Laurie Coots Daras: Thanks for the question, Deborah. I'm going to refer this to CMS given this is a policy question, thank you.

Lang Le: Thanks for your question Deborah. So, this is Lang Le from CMS. The 40% is put back into the Medicare trust fund. I hope that answers your question.

Deborah Dyjak: Okay, it's not used for the focus - special focus facilities?

Lang Le: No, it's not.

Operator: Your next question comes from the line of Rose Chen.

Rose Chen: Hi, thank you for mentioning, or answering, the question about phase 1 and phase 2 review and correction. And I just have another question related to that. On the SNF PPS final rule for 2020 page, I think was 388, 24, and 25.

It mentioned a balance update on the phase one review and correction timeline, and it talk about adopting the 30-day timeline matching the phase two review and correction. Can you comment on that?

Laurie Coots Daras: Sure, thank you for the question, Rose. So, if I'm understanding the question correctly, you are wondering about the status of the review and corrections process, and a recent change that was made through federal rulemaking. Is that correct?

Rose Chen: Yes, especially for phase 1, because my understanding was it changed to 30 days, but I think earlier you mentioned about March 31st deadline.



Laurie Coots Daras: Yes, so that's, yes, that's an important clarification, thank you for that. So, the phase 1 review and correction was recently finalized through rulemaking to be shortened to 30 days. So, the deadline of March 30th is prior to when that policy was finalized, and definitely welcome Michael from MITRE or someone from the RTI team to weigh in with any additional information on that.

Michael Lee: Certainly, hi, this is Michael Lee from the MITRE Corporation. So, the discussion you're seeing there is CMS's reasoning for changing that deadline, from March 31st of the year following the reports issue date, to 30 days. Now, first of all, as you noted, that matches the rationale for the phase 2 review and corrections process, which we're currently in and which covers the annual performance score reports.

CMS discusses in that rule the concerns about that March 31<sup>st</sup> deadline. That was initially adopted to provide SNFs as much time as possible to review their quarterly reports and submit any necessary corrections, but as the program evolved, CMS stated some concerns about the effects of that deadline, which is 6 months after payment incentives begin.

That could then result--if there were corrections that needed to be made that couldn't mean changes many months later, and also a need to re-process claims or otherwise take administrative steps that would be costly in both time and resources. So, CMS stated there, and I think you pointed to the page numbers. It's 84 FR 38825.

That did not believe those outcomes are beneficial to the program, and that by providing additional predictability to SNF [inaudible] firm or shorten deadline that the operations would move a little bit more smoothly. I hope that answers your question.

Laurie Coots Daras: Yes, and I'll just add on to that. This is Laurie from RTI, that, that reference to March 31<sup>st</sup>, because that's prior to this policy, that refers to the phase 1 deadline for the fiscal 2018 data that were included in the June quarterly report. So, that's what runs through March 31st, but you're right that after the rule goes into effect phase 1 review and corrections will be shortened to 30 days.

Rose Chen: Thank you, just to verify, so for fiscal year 2020 SNFs would have until September 26th for both phase 1 and phase 2 correction, review and corrections.

Laurie Coots Daras: So, it will depend on the date that the report is distributed, but that's roughly correct. Generally, performance score reports are scheduled for around August 2nd, so then the thirty days would be August 2nd to September 2nd. In this case, we have it pushed out a little bit because of the report correction.

Rose Chen: Got it. Thank you.

Laurie Coots Daras: Yes. Thanks Rose.

Operator: As a reminder, to ask a question, press star followed by the number one on your touch-tone phone.

Your next question comes from the line of Alexandra Sanbanagic.



Alexander Sanbanagic: Hello, just one more question, on our actual notices that we received, there is a VBP adjustment factor, and we have 0.98. And then right underneath it, it states the facility will not be subject to those 2% reduction.

Can you please explain that adjustment factor to me? Does that mean that we'll be getting less than what we generally would anticipate? I just want to make sure I have complete understanding of how it actually works.

Laurie Coots Daras: Yes, thank you. This is Laurie from RTI. So, kind of referring us back to the slides and the presentation, I think there's some helpful information there about how to interpret the multiplier so in particular on slide 9. So, in this case, a multiplier of less than 1 indicates a negative incentive.

So, the facility receives less than the 2% withhold back, whereas a value of 1 would be the same amount, and a multiplier of greater than 1 would be a positive incentive, so additional you could think of it as a bonus. Thank you for the question.

Alexander Sanbanagic: Thank you.

Operator: There are no further questions at this time. I will turn the call back over to Hazeline.

### Additional Information

Hazeline Roulac: Thank you so much, Dorothy, and thank you everyone for all of your great questions. We really appreciate your participation today. If we did not get to your question, you can email it to the address listed on slide 25.

We hope you will take a few moments to evaluate your experience with today's call. Please see slide 26 for more information. An audio recording and transcript will be available in about two weeks at [go.CMS.gov/npc](https://www.cms.gov/npc).

Again, my name is Hazeline Roulac, and I would like to thank our presenters, and also thank you, for participating in today's Medicare Learning Network event on Understanding Your SNF VBP Program Performance Score Report. Have a great day everyone.

Operator: Thank you for participating in today's conference call. You may now disconnect. Presenters, please hold.