## Skilled Nursing Facility Value-Based Purchasing Program

### Fiscal Year 2022 Incentive Payment Multiplier Calculation

The Skilled Nursing Facility Value-Based Purchasing Program (SNF VBP) tracks SNFs' performance on the Skilled Nursing Facility Readmission Measure (SNF VBP) Program tracks SNFs' performance on comparisons of SNFs' performance. Under the suppression policy discussed in Step 3 above and were assigned a performance score of zero.

### EXAMPLE

#### Calculating the Incentive Payment Pool for All SNFs

\[ \text{Incentive payment pool} = 60\% \times 2\% \times \text{SNF Medicare FFS Part A payments} \]

#### Calculating a Scaling Factor

\[ f(x) = \frac{1}{1 + e^{-x}} \]

#### Calculating the Achievement Threshold and Benchmark

\[ 1 - \text{RSRR} = \text{Inverted RSRR} \]

#### Determining Each SNF’s Incentive Payment Adjustment

\[ \text{Adjustment} = \text{SNF A’s Incentive payment multiplier} \times \text{SNF A’s baseline payment} \]

#### Applying the Low-Volume Adjustment (LVA)

\[ \text{LVA} = \frac{\text{SNF A’s performance score} - 0.5}{1 + 0.006692} \]

### Additional Notes

- The final digit of the calculated values might not exactly match actual SNF VBP Program results due to rounding.
- The SNF VBP Program performance period originally specified in the interim final rule with comment period has been restricted to April 1, 2019 through December 1, 2019. For further information please see pages 54835 through 54837 of the interim final rule with comment period.
- In a standard Program year, SNFs with 25 stays or more in the performance period of a given Program year and fewer than 25 stays in the performance period, will automatically receive a net-neutral incentive payment multiplier of 1.0 for that Program year. This means that payment will not change for those SNFs. However, these SNFs are subject to the suppression policy discussed in Step 3 above and were assigned a performance score of zero.
- The performance measure includes the expected number of readmissions that would be expected if the residents at a given SNF were those at a high-risk SNF.
- The achievement threshold for the FY 2022 scoring and payment adjustments in the FY 2022 SNF VBP Program was previously finalized on pages 39278–39280 of the FY 2019 SNF PPS final rule.
- The mean of the top decile, the 25th percentile of all SNFs' performance on the achievement threshold.
- The SNF VBP Program tracks SNFs' performance on the Skilled Nursing Facility Readmission Measure (SNF VBP) Program tracks SNFs' performance on comparisons of SNFs' performance.