



Skilled Nursing Facility Value-Based Purchasing (SNF VBP) Program

Performance Score Report User Guide
Fiscal Year 2022

Contents

Acronyms.....	iii
I. Overview.....	1
A. Confidential feedback reports.....	1
B. Review and Correction process.....	2
II. Background.....	3
A. FY 2022 updates.....	3
B. Incentive payment calculation methodology	4
C. Public reporting	7
III. PSR File Contents and Descriptions	8
A. Cover Sheet.....	8
B. Facility Performance	8
C. Payment Information	9
D. Data Dictionary	9
IV. Contacts and Additional Resources	10

Tables

Table 1. SNF VBP Program data periods: FY 2020 through 2024.....	1
Table 2. FY 2022 SNF VBP Program performance standards.....	5
Table 3. Your SNF’s performance results (Worksheet 2—Facility Performance contents)	8
Table 4. Interpreting IPMs (Worksheet 3—Payment Information contents)	9

Acronyms

CASPER	Certification and Survey Provider Enhanced Reports
CCN	CMS Certification Number
CMS	Centers for Medicare & Medicaid Services
FFS	fee-for-service
FY	fiscal year
HIPAA	Health Insurance Portability and Accountability Act of 1996
IPM	incentive payment multiplier
LVA	low-volume adjustment
NQF	National Quality Forum
PAMA	Protecting Access to Medicare Act of 2014
PDC	Provider Data Catalog
PHI	protected health information
PII	personally identifiable information
PPS	prospective payment system
PSR	Performance Score Report
QIES	Quality Improvement and Evaluation System
R&C	Review and Correction
RSRR	risk-standardized readmission rate
SNF VBP	Skilled Nursing Facility Value-Based Purchasing
SNFRM	Skilled Nursing Facility 30-Day All-Cause Readmission Measure

I. Overview

This user guide accompanies the Performance Score Report (PSR) for the fiscal year (FY) 2022 Skilled Nursing Facility Value-Based Purchasing (SNF VBP) Program year. The PSR is available to download in Microsoft Excel format from the Internet Quality Improvement and Evaluation System (iQIES)/Certification and Survey Provider Enhanced Reports (CASPER) reporting system.

The PSR contains your SNF’s performance results for the FY 2022 SNF VBP Program year, which are subject to the suppression policy adopted in the [FY 2022 SNF PPS final rule](#). (For more information on the suppression policy implemented for the FY 2022 SNF VBP Program year, see [Section II.A](#) of this user guide.) The results include the incentive payment multiplier (IPM) that the Centers for Medicare & Medicaid Services (CMS) will apply to your SNF’s Medicare fee-for-service (FFS) Part A claims in FY 2022, from October 1, 2021 through September 30, 2022.

CMS assesses SNFs’ performance on the SNF 30-Day All-Cause Readmission Measure (SNFRM) during a baseline period and a performance period. Table 1 shows these two periods for the FY 2020 through 2024 Program years, as finalized through rulemaking.

Table 1. SNF VBP Program data periods: FY 2020 through 2024

SNF VBP Program year	Baseline period	Performance period
FY 2020	FY 2016 (10/1/2015–9/30/2016)	FY 2018 (10/1/2017–9/30/2018)
FY 2021	FY 2017 (10/1/2016–9/30/2017)	FY 2019 (10/1/2018–9/30/2019)
FY 2022	FY 2018 (10/1/2017–9/30/2018)	4/1/2019–12/1/2019^a
FY 2023	FY 2019 (10/1/2018–9/30/2019)	FY 2021 (10/1/2020–9/30/2021)
FY 2024	FY 2019 (10/1/2018–9/30/2019)	FY 2022 (10/1/2021–9/30/2022)

^a In response to the COVID-19 public health emergency, CMS is excluding qualifying claims in the first two quarters of Calendar Year (CY) 2020 (January 1, 2020 – June 30, 2020) from use in the SNF VBP Program. Additionally, because the SNFRM assesses hospital readmissions within 30 days of discharge from a prior hospitalization to a SNF and requires data from 12 months prior to the start of the SNF stay for risk adjustment, residents that were discharged from the hospital to the SNF after December 1, 2019 and residents with SNF admissions from July 1, 2020 – September 30, 2020 are excluded from the SNFRM calculations due to missing data. Thus, the FY 2022 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](#) and the [FY 2022 SNF PPS final rule](#).

FY = fiscal year; SNF VBP = Skilled Nursing Facility Value-Based Purchasing.

A. Confidential feedback reports

The following confidential feedback reports contain your SNF’s stay-level results for the FY 2022 Program year:

- A full-year workbook containing baseline period data, distributed in December 2020
- An interim workbook containing partial performance period data, distributed in March 2021
- A full-year workbook containing performance period data, distributed in June 2021

This user guide describes the data in each worksheet of the final confidential feedback report, the PSR, and provides reference information and instructions for interpreting the PSR. The guide consists of four sections:

1. [Overview](#)
2. [Background](#)
3. [PSR File Contents and Descriptions](#)
4. [Contacts and Additional Resources](#)

PSRs are read-only documents, which prevents users from unintentionally altering content. To edit your SNF's PSR, use the File → Save As option to save the document with a different file name.

B. Review and Correction process

CMS grants SNFs a 30-day Review and Correction (R&C) period to review the results in their PSR before these data are made publicly available. This is Phase 2 of the R&C process, during which SNFs may review and submit corrections to only their performance score contained in their PSR. After dissemination of the PSR, correction requests are accepted for up to 30 calendar days.

During Phase 1 of the R&C process, SNFs had the opportunity to review and submit corrections to the quality measure information contained in their quality measure quarterly reports for the baseline period (distributed in December 2020) and performance period (distributed in June 2021). Similar to Phase 2 R&C, correction requests were accepted for up to 30 calendar days after dissemination of the applicable report. CMS used the information from these two reports to calculate the results contained in the PSRs.

SNFs must submit correction requests to the SNF VBP Program Help Desk at SNFVBP@rti.org within 30 calendar days after dissemination of the PSR. Requests must include the following information:

- The SNF's CMS Certification Number (CCN)
- The SNF's name
- The correction requested
- The reason for requesting the correction

Do NOT submit protected health information (PHI) or patient identifiable information (PII) to the SNF VBP Program Help Desk. Any disclosure of PHI should only be in accordance with, and to the extent permitted by, the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and other applicable laws.

II. Background

Through the SNF VBP Program, CMS awards incentive payments to SNFs for the quality of care they provide to Medicare beneficiaries, as measured by SNFs' performance on a single hospital readmissions measure. Section 215 of the [Protecting Access to Medicare Act of 2014 \(PAMA\)](#) added sections 1888(g) and (h) to the Social Security Act, which required the Secretary to establish a SNF VBP Program. PAMA specifies that under the SNF VBP Program, SNFs:

- Are evaluated by their performance on a hospital readmission measure
- Are scored on both improvement and achievement
- Receive quarterly confidential feedback reports containing information about their performance
- Earn incentive payments based on their performance

CMS began awarding incentive payments to SNFs on October 1, 2018. These incentive payments are applied prospectively to all Medicare FFS Part A claims paid under the SNF Prospective Payment System (PPS).

All SNFs paid under Medicare's [SNF PPS](#) are included in the SNF VBP Program. SNFs' performance in the Program is currently based on their results on the SNFRM, a quality measure endorsed by the National Quality Forum (NQF #2510).

Section 111 of the Consolidated Appropriations Act of 2021 amended Section 1888(h) of the Social Security Act to allow the Secretary to apply additional measures determined appropriate by the Secretary to the SNF VBP Program for payments for services furnished on or after October 1, 2023.

A. FY 2022 updates

In the FY 2022 Program year, CMS updated the baseline and performance periods for assessing SNF performance on the SNFRM. As finalized through rulemaking, the FY 2022 Program year's baseline period is FY 2018 (October 1, 2017, to September 30, 2018) and the performance period is April 1, 2019, to December 1, 2019¹.

CMS suppressed the use of SNF readmission measure data for purposes of FY 2022 scoring and payment adjustments in the FY 2022 SNF VBP Program year because the effects of the COVID-19 public health emergency on the data used to calculate the SNFRM inhibited CMS's ability to make fair national comparisons of SNFs' performance. Under the suppression policy, CMS calculated an RSRR for both the baseline and performance period and then suppressed the use of SNF readmission measure data for purposes of scoring. CMS instead assigned each SNF a performance score of 0.00000 to mitigate the effect that the COVID-19 public health emergency would otherwise have had on SNFs' performance scores and incentive payment multipliers. The suppression policy was adopted in the [FY 2022 SNF PPS](#)

¹ In response to the COVID-19 public health emergency, CMS is excluding qualifying claims in the first two quarters of Calendar Year (CY) 2020 (January 1, 2020 – June 30, 2020) from use in the SNF VBP Program. Additionally, because the SNFRM assesses hospital readmissions within 30 days of discharge from a prior hospitalization to a SNF and requires data from 12 months prior to the start of the SNF stay for risk adjustment, residents that were discharged from the hospital to the SNF after December 1, 2019 and residents with SNF admissions from July 1, 2020 – September 30, 2020 are excluded from the SNFRM calculations due to missing data. Thus, the FY 2022 SNF VBP 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](#) and the [FY 2022 SNF PPS final rule](#).

[final rule](#). Per this policy, each SNF received an identical incentive payment multiplier, and SNFs did not receive an achievement score, improvement score, or rank. CMS then applied the low-volume adjustment policy as previously finalized on pages 39278–39280 of the [FY 2019 SNF PPS final rule](#); SNFs subject to the low-volume adjustment policy were assigned a net-neutral incentive payment multiplier. Reference information and instructions for interpreting the PSR in light of this suppression policy are included below in [Section III](#).

B. Incentive payment calculation methodology

For each SNF, CMS determines incentive payments by calculating each SNF's IPM. CMS applies this multiplier to a SNF's adjusted federal per diem rate whenever payments are made for the SNF's Medicare FFS Part A claims.

CMS used nine main steps to calculate each SNF's IPM for the FY 2022 Program year. Only Step 3 below was modified due to the suppression policy adopted in the [FY 2022 SNF PPS final rule](#) as compared to a standard Program year.

- 1. Calculate risk-standardized readmission rates (RSRRs).** The SNF VBP Program tracks each SNF's performance on the SNFRM during a baseline period and performance period. CMS calculated an RSRR for both the baseline period and performance period using the following equation:

$$\left(\frac{\text{Predicted \# of readmissions}}{\text{Expected \# of readmissions}} \right) \times \frac{\text{National unadjusted readmission rate}}{\text{rate}} = \text{RSRR}$$

The predicted number of readmissions is the number of unplanned readmissions predicted based on a SNF's performance given their unique case mix. The expected number of readmissions is the number of unplanned readmissions that would be expected if the residents at a given SNF were treated at the average SNF.

CMS previously provided SNFs their baseline period RSRR in the quality measure quarterly report for the baseline period, distributed in December 2020. Likewise, CMS provided SNFs their performance period RSRR in the quality measure quarterly report for the performance period, distributed in June 2021.² CMS inverts the RSRRs for the baseline and performance periods by subtracting the RSRR from 1:

$$1 - \text{RSRR} = \text{Inverted RSRR}$$

- 2. Calculate the achievement threshold and benchmark.** CMS calculated two performance standards for the SNF VBP Program: the achievement threshold and the benchmark. The achievement threshold is the 25th percentile of all SNFs' performance on the SNFRM during the baseline period. The benchmark is the mean of the top decile of all SNFs' performance on the SNFRM during the baseline period.

² Both the baseline period and performance period RSRRs are subject to Phase 1 of the R&C Process. If a SNF submits a successful correction request during Phase 1 of the R&C Process, the affected RSRR results in the SNF's PSR could differ from the results previously provided in the quality measure quarterly reports for the baseline and/or performance period.

CMS publishes the SNF VBP Program performance standards in the SNF PPS final rule before the applicable Program year’s performance period begins. Table 2 shows the performance standards for the FY 2022 Program year.

Table 2. FY 2022 SNF VBP Program performance standards

SNF VBP Program year	Achievement threshold	Benchmark	SNF PPS final rule
FY 2022	0.79059	0.82905	FY 2020 SNF PPS final rule (page 38822) ^a

^a CMS initially published the performance standards for the FY 2022 Program year in the [FY 2020 SNF PPS final rule](#) and later updated the performance standards in April 2021 via a CASPER email announcement sent to all SNFs.

3. Determine the performance scores for all SNFs. Per the suppression policy finalized in the [FY 2022 SNF PPS final rule](#), CMS assigned each SNF a performance score of 0.00000.³ Under this policy:

- CMS suppressed the use of SNF readmission measure data for purposes of FY 2022 SNF VBP Program scoring and payment adjustments because the effects of the COVID-19 public health emergency on the data used to calculate the SNFRM inhibited CMS’s ability to make fair national comparisons of SNFs’ performance.
- CMS calculated an RSRR for both the baseline and performance period and then suppressed the use of SNF readmission measure data for purposes of scoring. CMS assigned each SNF a performance score of zero to mitigate the effect that the COVID-19 public health emergency would otherwise have had on SNFs’ performance scores and incentive payment multipliers.

CMS finalized the suppression policy in the [FY 2022 SNF PPS final rule](#).

For more information on how incentive payment multipliers are determined in the FY 2022 Program year, see the [SNF VBP Program: FY 2022 Incentive Payment Multiplier Calculation Infographic](#).

4. Transform performance scores for all SNFs. CMS transformed performance scores for all SNFs (which range from 0 to 100, rounded 5 decimal places) using the logistic exchange function below, so values now range from 0 to 1. Due to the suppression policy adopted in the [FY 2022 SNF PPS final rule](#), all SNFs have an identical transformed performance score.

$$f(X_i) = \frac{1}{1 + e^{-0.1(X_i - 50)}}$$

5. Calculate the incentive payment pool for all SNFs. CMS calculated the incentive payment pool for all SNFs as 60 percent of 2 percent of SNFs’ Medicare FFS Part A payments.

CMS finalized a 60 percent payback percentage as part of the [FY 2018 SNF PPS final rule](#), see pages 36619 through 36621, and discussed maintaining the 60 percent payback percentage for the FY 2022 SNF VBP Program year in the [FY 2022 SNF PPS final rule](#).

³ To see how performance scores are calculated in a standard Program year, in absence of a suppression policy, see Step 3 of the [SNF VBP FY 2021 Incentive Payment Multiplier Calculation Infographic](#).

6. **Calculate a scaling factor.** CMS calculated a scaling factor to ensure that the sum of all SNFs' incentive payment adjustments equals the incentive payment pool using the equation below:

$$\text{Scaling factor} = \frac{\text{Incentive payment pool (Step 5)}}{\sum \left(0.02 \times \frac{\text{Total Medicare payments to SNF}}{\text{SNF's transformed performance score (Step 4)}} \right)}$$

7. **Determine each SNF's incentive payment adjustment.** CMS calculated each SNF's incentive payment adjustment using the equation below:

$$\text{Incentive payment adjustment} = 0.02 \times \frac{\text{SNF's transformed performance score (Step 4)}}{\text{Scaling factor (Step 6)}}$$

8. **Calculate each SNF's IPM.** CMS calculated each SNF's IPM, which simultaneously accounts for the 2 percent withhold and the incentive payment adjustment, as shown in the equation below:

$$\text{Incentive payment multiplier} = \frac{\text{Incentive payment adjustment (Step 7)}}{\text{Scaling factor (Step 6)}} + 0.98$$

CMS applies each SNF's IPM to the adjusted federal per diem rate. When payments are made for a SNF's Medicare FFS Part A claims, CMS multiplies the adjusted federal per diem rate by the IPM.

9. **Apply the low-volume adjustment (LVA).** CMS implemented the LVA policy starting with the FY 2020 SNF VBP Program year. The following is a summary of this policy:

- SNFs with fewer than 25 stays in the performance period of a given Program year, regardless of the number of stays in the baseline period, will automatically receive a net-neutral incentive payment multiplier of 1.0 for that Program year. This means that the Program will not affect their payment. These SNFs will also receive a neutral performance score and rank.
- 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 baseline period will be scored on achievement only. CMS will not score these SNFs on improvement. The achievement score will equal the performance score. However, these SNFs are subject to the suppression policy discussed in Step 3 above and were assigned a performance score of zero.

CMS finalized the LVA policy on pages 39278 through 39280 of the [FY 2019 SNF PPS final rule](#) and discussed maintaining the LVA policy for the FY 2022 Program year in the [FY 2022 SNF PPS final rule](#).

See the [SNF VBP Program Exchange Function Methodology Report](#) for more information about why the logistic exchange function was selected and how SNF performance scores are used to derive incentive payments.

See the [SNF VBP Program: FY 2021 Incentive Payment Multiplier Calculation Infographic](#) for more information and examples of how CMS calculates performance standards, performance scores, and IPMs in a standard Program year, in absence of a suppression policy.

C. Public reporting

CMS publicly reports SNF VBP Program facility-level and aggregate-level results on the [Provider Data Catalog \(PDC\) website](#). Generally, CMS makes these results publicly available in the fall following distribution of the annual PSRs, which are typically distributed in August.

The publicly reported facility-level results include the following:

- SNF VBP Program rankings
- **Facility information (CCNs, facility names, and facility addresses)**
- **Baseline period RSRRs**
- **Performance period RSRRs**
- Achievement scores
- Improvement scores
- **Performance scores**
- **IPMs**

The publicly reported aggregate-level results include the following:

- The national average RSRRs for the baseline period and performance period
- The achievement threshold and benchmark
- The range of performance scores
- The total number of SNFs receiving value-based incentive payments
- The range of IPMs
- The range of value-based incentive payments (in dollars)
- The total amount of value-based incentive payments (in dollars)

Because the effects of the COVID-19 public health emergency on the data used to calculate the SNFRM inhibited CMS's ability to make fair national comparisons of SNFs' performance, CMS finalized a measure suppression policy in the [FY 2022 SNF PPS final rule](#). Per this suppression policy, CMS calculated an RSRR for both the baseline and performance period and then suppressed the use of SNF readmission measure data for purposes of scoring. As a result, only the baseline period RSRR, performance period RSRR, performance score, and IPM will be publicly reported for the FY 2022 Program year, all bolded above; Program ranks, achievement scores, and improvement scores will not be publicly reported.

Additionally, starting with data for the FY 2020 SNF VBP Program year, as part of the LVA policy SNFs with fewer than 25 eligible stays during the baseline period will not have their baseline period RSRR or improvement score publicly reported. SNFs with fewer than 25 eligible stays during the performance period will not have their performance period RSRR, achievement score, or improvement score publicly reported. For more information on this policy, see page 38824 of the [FY 2020 SNF PPS final rule](#).

III. PSR File Contents and Descriptions

This section describes the information in your SNF’s PSR. The PSR contains your SNF’s performance results for the FY 2022 SNF VBP Program year. This includes the IPM that CMS will apply to your SNF’s Medicare FFS Part A claims in FY 2022 (October 1, 2021, through September 30, 2022).

The PSR contains four worksheets:

1. [Cover Sheet](#)
2. [Facility Performance](#)
3. [Payment Information](#)
4. [Data Dictionary](#)

A. Cover Sheet

The first worksheet describes the contents of the PSR, introduces the SNF VBP Program, and includes contact information and links to additional resources.

B. Facility Performance

The second worksheet (Facility Performance) in the PSR provides your SNF’s performance results for the FY 2022 SNF VBP Program year. Table 3 describes the variables presented in the Facility Performance worksheet.

Table 3. Your SNF’s performance results (Worksheet 2—Facility Performance contents)

Column name	Description
Baseline Period RSRR	Your SNF’s rate of unplanned readmissions during the baseline period (FY 2018). This rate is adjusted for stay-level risk factors such as clinical characteristics and comorbidities, as calculated by the SNFRM (NQF #2510). SNFs with fewer than 25 eligible stays during the baseline period will not receive a baseline period RSRR, and their PSR will contain a triple dash: “---.” Provided no corrections were made as a result of R&C Phase 1, this value will match the baseline period RSRR included in your SNF’s quality measure quarterly report for the baseline period, previously distributed in December 2020.
Performance Period RSRR	Your SNF’s rate of unplanned readmissions during the performance period (4/1/2019–12/1/2019). This rate is adjusted for stay-level risk factors such as clinical characteristics and comorbidities, as calculated by the SNFRM (NQF #2510). SNFs with fewer than 25 eligible stays during the performance period will not receive a performance period RSRR, and their PSR will contain a triple dash: “---.” Provided no corrections were made as a result of R&C Phase 1, this value will match the performance period RSRR included in your SNF’s quality measure quarterly report for the performance period, previously distributed in June 2021.
Achievement Score	A measure of how well each SNF performed during the performance period compared with national SNF performance during the baseline period. Scores range from 0 to 100, with higher scores indicating better performance. However, per the FY 2022 Program year suppression policy, all SNFs will not receive an achievement score, and their PSR will contain a triple dash: “---.” For a full explanation of how SNF achievement scores are calculated, see Step 3 of the incentive payment calculation methodology in this user guide.

Column name	Description
Improvement Score	A measure of how much a SNF improved from the baseline period to the performance period. Scores range from 0 to 90, with higher scores indicating better performance. However, per the FY 2022 Program year suppression policy, all SNFs will not receive an improvement score, and their PSR will contain a triple dash: “---.” For a full explanation of how SNF improvement scores are calculated, see Step 3 of the incentive payment calculation methodology in this user guide .
Performance Score	The higher of a SNF’s achievement score and improvement score. Scores range from 0 to 100, with higher scores indicating better performance. However, per the FY 2022 Program year suppression policy, all SNFs will receive 0.0000 as their performance score. CMS uses this score to calculate incentive payment multipliers for the SNF VBP Program. SNFs with fewer than 25 eligible stays during the performance period will receive a net-neutral performance score.
Program Rank	A SNF’s national rank in the SNF VBP Program. However, per the FY 2022 Program year suppression policy, all SNFs will not be ranked, and their PSR will contain a triple dash: “---.”
Incentive Payment Multiplier	A multiplier assigned to a SNF based on its performance in the SNF VBP Program. When payments are made for a SNF’s Medicare FFS Part A claims, CMS multiplies the adjusted federal per diem rate by this multiplier. However, per the FY 2022 Program year suppression policy, all SNFs will receive an incentive payment multiplier of 0.992. SNFs with fewer than 25 eligible stays during the performance period will receive a net-neutral incentive payment multiplier of 1.0.

C. Payment Information

The third worksheet (Payment Information) in the PSR provides your SNF’s payment information for the FY 2022 SNF VBP Program year. The worksheet includes your IPM for FY 2022 (the same IPM found on the Facility Performance worksheet) and describes how to interpret it. Table 4 describes how to interpret the IPMs in the Payment Information worksheet.

Table 4. Interpreting IPMs (Worksheet 3—Payment Information contents)

Incentive payment multiplier result	Interpretation
Incentive payment multiplier < 1	Your SNF’s incentive payment multiplier is net negative, meaning your SNF will receive less than the 2 percent withhold back. That is, your SNF will earn back less than it would have in the absence of the SNF VBP Program.
Incentive payment multiplier = 1	Your SNF’s incentive payment multiplier is net neutral, meaning your SNF will receive the 2 percent withhold back. That is, your SNF will earn back the same amount it would have in the absence of the SNF VBP Program.
Incentive payment multiplier > 1	Your SNF’s incentive payment multiplier is net positive, meaning your SNF will receive more than the 2 percent withhold back. That is, your SNF will earn back more than it would have in the absence of the SNF VBP Program.

D. Data Dictionary

The final worksheet in the PSR is the data dictionary. This worksheet includes the variable names and descriptions of the data found in Worksheet 2—Facility Performance and Worksheet 3—Payment Information.

IV. Contacts and Additional Resources

More information on the SNF VBP Program, including the Program's scoring methodology, confidential feedback reports, public reporting efforts, and R&C process, is available on the [SNF VBP Program webpage on CMS.gov](#).

Submit questions about the SNF VBP Program via email to the SNF VBP Program Help Desk at SNFVBP@rti.org.