

Skilled Nursing Facility Value-Based Purchasing Program FY 2027 Program Year Fact Sheet



What is the Skilled Nursing Facility Value-Based Purchasing (SNF VBP) Program?

The **SNF VBP Program** is a Centers for Medicare & Medicaid Services (CMS) program that awards incentive payments to skilled nursing facilities (SNFs) to encourage SNFs to improve the quality of care they provide to patients. For the Fiscal Year (FY) 2027 Program year, performance in the **SNF VBP Program** is based on performance across eight quality measures.



How does the SNF VBP Program affect my SNF's FY 2027 payments?

CMS withholds 2% of SNFs' Medicare fee-for-service (FFS) Part A payments to fund the Program. CMS redistributes 60% of the withhold to SNFs as incentive payments, and the remaining 40% of the withhold is retained in the Medicare Trust Fund.

CMS calculates an incentive payment multiplier that accounts for both the 2% payment withhold used to fund the Program and any incentive payments earned through performance on the eight quality measures.

This incentive payment multiplier is applied to your SNF's adjusted federal per diem rate for services provided during FY 2027.

Which quality measures are included in the FY 2027 Program?



The FY 2027 program includes measure results during a baseline period and a performance period for the eight quality measures described in the table below. For additional, detailed information about these measures, please consult their respective technical reports linked in the table below.

Measure name and technical report	What is the measure result?	What is the primary data source for this measure?	What is the measure's baseline period?	What is the measure's performance period?	What is the measure's case minimum?
SNF 30-Day All-Cause Readmission Measure (SNFRM)	This measure evaluates the annual risk-standardized rate of unplanned, all-cause hospital readmissions.	Medicare FFS Part A claims	FY 2023 (10/1/2022–9/30/2023)	FY 2025 (10/1/2024–9/30/2025)	25 eligible stays
Skilled Nursing Facility Healthcare-Associated Infections Requiring Hospitalization (SNF HAI)	This measure evaluates the annual risk-standardized rate of healthcare-associated infections requiring hospitalization that are acquired during SNF care.	Medicare FFS Part A claims	FY 2023 (10/1/2022–9/30/2023)	FY 2025 (10/1/2024–9/30/2025)	25 eligible stays
Discharge to Community—Post-Acute Care Measure for SNFs (DTC PAC SNF)	This measure evaluates the two-year risk-standardized rate of successful discharges to the community from a SNF.	Medicare FFS Part A claims	FY 2021–FY 2022 (10/1/2020–9/30/2022)	FY 2024–FY 2025 (10/1/2023–9/30/2025)	25 eligible stays
Number of Hospitalizations per 1,000 Long Stay Resident Days (Long Stay Hospitalization)	This measure evaluates the annual risk-standardized number of unplanned hospitalizations that occurred among long-stay residents per 1,000 long-stay resident days.	Medicare FFS Part A claims	FY 2023 (10/1/2022–9/30/2023)	FY 2025 (10/1/2024–9/30/2025)	20 eligible long-stay residents
Total Nursing Staff Turnover (Nursing Staff Turnover)	This measure evaluates the annual turnover rate among eligible SNF staff, including registered nurses (RNs), licensed practical/vocational nurses (LPNs), and nurse aides.	CMS's Payroll-Based Journal (PBJ) system	FY 2023 (10/1/2022–9/30/2023)	FY 2025 (10/1/2024–9/30/2025)	5 eligible staff and 1 eligible stay
Total Nursing Hours per Resident Day (Total Nurse Staffing)	This measure evaluates the average case-mix adjusted total nursing staff hours (including RNs, LPNs, and nurse aides) per resident day.	CMS's PBJ system	FY 2023 (10/1/2022–9/30/2023)	FY 2025 (10/1/2024–9/30/2025)	25 average residents per day
Discharge Function Score for SNFs (Discharge Function Score)	This measure evaluates the annual percentage of SNF stays that meet or exceed an expected discharge function score.	Minimum Data Set (MDS) assessments	FY 2023 (10/1/2022–9/30/2023)	FY 2025 (10/1/2024–9/30/2025)	20 eligible stays
Percent of Residents Experiencing One or More Falls with Major Injury (Long-Stay) (Falls with Major Injury (Long-Stay))	This measure evaluates the percentage of long-stay residents who have experienced one or more falls resulting in major injury.	MDS assessments	FY 2023 (10/1/2022–9/30/2023)	FY 2025 (10/1/2024–9/30/2025)	20 eligible long-stay resident episodes

What is the case minimum policy?



To receive a measure score in the FY 2027 Program year, SNFs must (1) provide reportable data to CMS and (2) meet the applicable measure's case minimum during the performance period. This is known as the case minimum policy.

- If a SNF does not meet the case minimum for a particular measure during the performance period, that measure is not included in the calculation of a performance score or incentive payment multiplier.
- If a SNF does not meet the case minimum for a particular measure during the baseline period only, the SNF will only be scored on achievement; the SNF will not be scored on improvement, so the SNF's achievement score will equal their measure score.

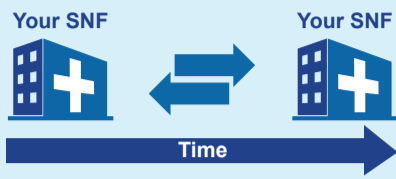
How does CMS determine my incentive payment multiplier for the FY 2027 Program year?



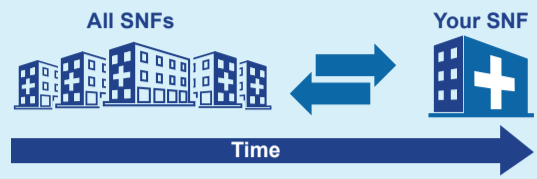
Step 1

After calculating measure results during a baseline period and a performance period for each measure, CMS calculates achievement, improvement, and measure scores for each measure for each SNF.

To calculate improvement scores, CMS compares a SNF's measure result in the performance period to that SNF's own past performance during the baseline period. Improvement scores range from 0 to 9; higher scores are better.



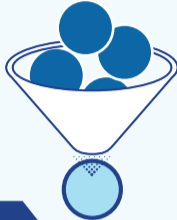
To calculate achievement scores, CMS compares a SNF's measure result in the performance period to national SNF performance during the baseline period. Achievement scores range from 0 to 10; higher scores are better.



Step 2



To calculate measure scores, CMS compares a SNF's achievement and improvement score for each measure; whichever score is higher becomes the SNF's measure score. Measure scores range from 0 to 10; higher scores are better.

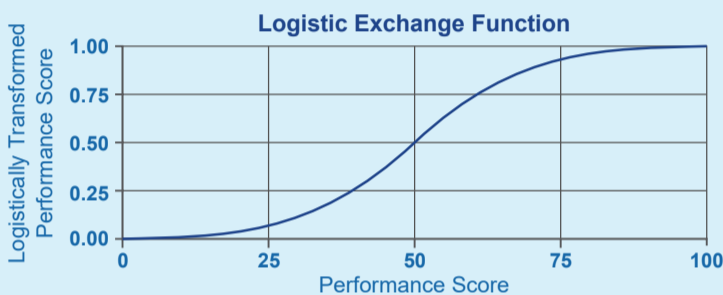


To calculate the performance score for each SNF, CMS normalizes (that is, rescales) each measure score and adds all the normalized measure scores together. Normalizing measure scores confirms that all SNFs' performance scores are on a 100-point scale, regardless of the number of measure scores included in the performance score calculation. Performance scores range from 0 to 100; higher scores are better.



Step 3

To calculate the incentive payment multiplier for each SNF, CMS transforms the performance scores for all SNFs using a logistic exchange function.



Using the transformed performance scores and an estimated incentive payment pool, CMS calculates each SNF's incentive payment adjustment and incentive payment multiplier. This multiplier is applied to each SNF's adjusted federal per diem rate.

When payments are made for a SNF's Medicare FFS Part A claims in FY 2027, the adjusted federal per diem rate is multiplied by the SNF's incentive payment multiplier.

What is the measure minimum policy?



To receive a performance score and incentive payment multiplier, for at least four of eight measures, SNFs must (1) provide reportable data to CMS, and (2) meet the case minimum during the performance period. This is known as the measure minimum policy. SNFs that do not meet the measure minimum are excluded from the SNF VBP Program.

If a SNF does not meet the measure minimum in the FY 2027 Program year, payments to the SNF will not be affected by the SNF VBP Program, and the SNF will not receive a performance score or incentive payment multiplier for the FY 2027 Program year; instead, they will receive their adjusted federal per diem rate.

How can SNFs review their results?



CMS provides all confidential feedback reports to SNFs through the [Internet Quality Improvement and Evaluation System \(iQIES\)](#).

- CMS distributes four reports each year: a Historical Results Workbook, two Full-Period Workbooks (one each for the baseline period and performance period), and a Performance Score Report.
- SNFs that have problems accessing their reports can contact the iQIES Service Center by phone at (800) 339-9313 or by email at iqies@cms.hhs.gov.

Can SNFs correct the results within their reports?



The SNF VBP Program's Review and Correction (R&C) process has two phases.

- Phase 1: review and submit corrections to measure results for the baseline and performance periods (applies to Full-Period Workbooks only)
- Phase 2: review and submit corrections to the performance score and ranking (applies to Performance Score Reports only)

SNFs must submit correction requests to the SNF VBP Program Help Desk at SNFVBPquestions@cms.hhs.gov within 30 calendar days after dissemination of the applicable report. CMS only considers Phase 1 and Phase 2 correction requests for up to 30 calendar days after dissemination of the applicable report. The request must contain the SNF's CMS Certification Number (CCN), the SNF's name, the correction requested, and the reason for requesting the correction.

CMS reviews all correction requests and notifies the requesting SNF of the final decision. SNFs may request a reconsideration of their correction request within 15 calendar days of receiving CMS's decision if they are not satisfied with CMS's decision.

Where does CMS publicly report SNF VBP Program results?



CMS publicly reports [facility-level](#) and [national, aggregate-level](#) results generally in the fall following distribution of the Performance Score Reports.

Historical SNF VBP Program data are also publicly available on the [CMS-specified website](#).

Where can I go for more information?



For more information about the SNF VBP Program, visit the [SNF VBP Program webpage](#) on CMS.gov.

For questions about the SNF VBP Program, email the SNF VBP Program Help Desk at SNFVBPquestions@cms.hhs.gov.

For help obtaining access to your SNF's confidential feedback report in iQIES, contact the iQIES Service Center by phone at (800) 339-9313 or by email at iqies@cms.hhs.gov.