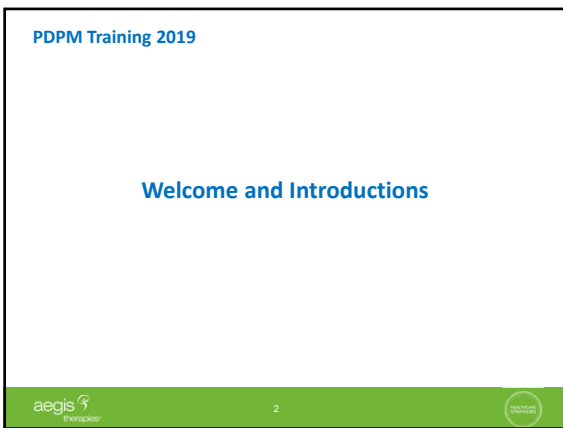




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Speed Learning – Current Market

Most Common Reimbursement for SNFs

Payer Type	Payment Model	Avg. Daily Rate	ALOS
Medicare	RUG-IV	\$500-590	25-28 days
Medicaid	Daily State Rate	\$200-280	23-26 days
Commercial	Per Diem (3 Tier) Tier 1 – Basic (no therapy) Tier 2 – Therapies, Wounds, etc. Tier 3 – Complex (Vents)	Tier 1 - \$225 Tier 2 - \$275 Tier 3 - \$500	15-17 days
Medicare Advantage	Percent of RUG-IV or Per Diem	\$385-450	15-17 days
Special Needs Plans (SNP)	Percent of RUG-IV or Per Diem	\$385-450	15-17 days


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Speed Learning – Current Market

Current Reimbursement Model for SNFs under Medicare

- SNF Prospective Payment System (PPS) established July 1998
- PPS is a Case-Mix Adjusted model which was intended to predict the cost to treat patients based on Dx, Service Utilization, resources use
- PPS is based on three primary predictors of cost
 - o Clinical Characteristics
 - o Activities of Daily Living
 - o Skilled Services Received
- Re-allocated money (some win/lose) from Cost Plus model
- Initial decreases in utilization followed by expansion in services and utilization
- Several variations of RUG since inception
- Current RUG-IV uses MDS 3.0 assessment tool


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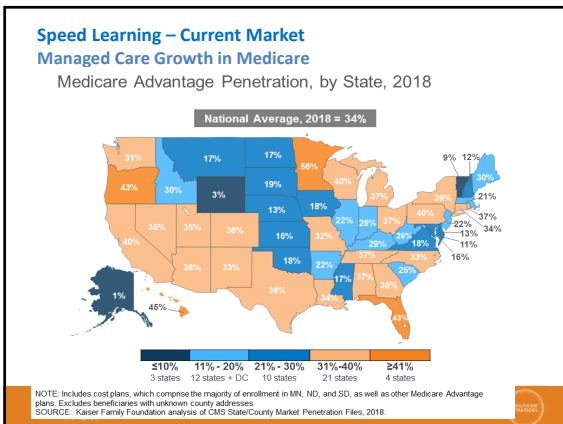
Speed Learning – Current Market

SNF MDS 3.0 Assessment

- assigns patients to one of 66 utilization groups (aka: Case Mix Groups)
- Therapy minutes a key driver of reimbursement based on RUG
- Intensive documentation requirements (MDS - 45 pages)
- CMS assigns a Case Mix Index (CMI) to each RUG based on avg cost
- Separate CMIs for Therapy and Nursing services
- Outcomes not reflective of utilization
- CMI is multiplied by the base rate to determine the payment for each day of care

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6



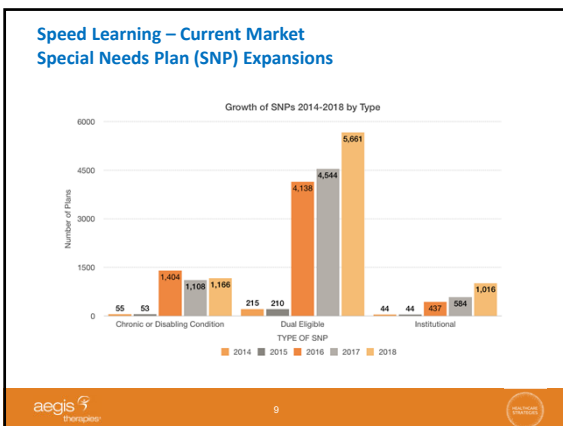
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Speed Learning – Current Market Special Needs Plan (SNP) Expansions

- SNP programs can vary from specific populations to types of patients
 - Acute care SNP examples include HIV or Diabetes
 - Patients must have meet the targeted criteria to enroll in SNP
 - SNP programs receive capitation from CMS (Medicare) and are responsible for all costs of care related to the patient under that defined benefit
- I-SNP programs cover intuitional patients
 - Cross over between Acute / Long-Term
 - Patients must be institutionalized in order to join
 - Includes Dual Eligible patients
 - Largest Vendor – United (OPTUM)
 - Payers can implement their own reimbursement models
 - Reimbursement is BELOW Medicare
- Provider organizations targeting SNP to move to top line premium role

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What has changed?
CMS Perspective (Acumen Study)

- CMS contracted Acumen in September 2012 to identify and evaluate possible alternatives to the existing SNF PPS therapy reimbursement model
- After initiation the scope was expanded to develop alternatives to SNF PPS case-mix methodology
- RCS-1 introduction in 2017 received significant provider comments
- Acumen published Technical Report in April 2018
- Key Finding:
 - RUG-IV payment model determined primarily by number of therapy minutes did not yield significant correlation to outcomes
 - The current payment model does not fully consider the wide range of clinical characteristics that influence the relative resource use of SNF residents
- Recommendations:
 - Remove therapy minutes as a determinant of payment
 - Create a separate payment component for NTA services



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What has changed?
CMS Perspective (Acumen Study) - Continued

Advantages of PDPM model

- Removes therapy minutes as the basis for therapy payment
- Establishes separate case-mix-adjusted component for NTA services
- Increased payment for medically complex beneficiary services
- Enhances payment accuracy for nursing services
- Improves targeting of resources by dividing single therapy component into three separate case-mix-adjusted components: PT, OT, and SLP
- Provides additional resources to facilities for treating potentially vulnerable populations
- Enhances payment accuracy for all SNF services by:
 - 1) basing payment for each component on predicted resource utilization associated with clinically-relevant resident characteristics and
 - 2) introducing variable per-diem payment adjustments to track changes in resource use over a stay

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What has NOT changed?

Medicare Benefit Policy Manual, Chapter 8
 30 – Skilled Nursing Facility Level of Care - General

Care in a SNF is covered if all of the following four factors are met:

- The patient requires skilled nursing services or skilled rehabilitation services, i.e., services that must be performed by or under supervision of professional or technical personnel; are ordered by a physician and the services are rendered for a condition for which the patient received inpatient hospital services or for a condition that arose while receiving care in a SNF for a condition for which he received inpatient hospital services;
- The patient requires these skilled services on a daily basis; and
- As a practical matter, considering economy and efficiency, the daily skilled services can be provided only on an inpatient basis in a SNF.
- The services delivered are reasonable and necessary for the treatment of a patient's illness or injury, i.e., are consistent with the nature and severity of the individual's illness or injury, the individual's particular medical needs, and accepted standards of medical practice. The services must also be reasonable in terms of duration and quantity.

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What has NOT changed?

SNF Responsibilities that Remain Unchanged Under PDPM

- Skilled requirements (Chapter 8)
- Requirements of Participation
 - Phase 3 – November 28, 2019
- Survey and Certification
- Annual Payment Rate Update
- Consolidated Billing
- SNF Quality Programs (5 Star)
- Quality Reporting Program
- Value Based Purchasing Program
- Payroll Based Journal Reporting

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What has changed?

RUG-IV vs PDPM

Current Case-Mix Adjusted Payment

- Therapy: Therapy Base Rate x Therapy CM
- Nursing: Nursing Base Rate x Nursing CM
- Non-Case-Mix: Non-Case-Mix Base Rate

Minutes of Therapy drive reimbursement
Two care components (Therapy, Nursing)
Extensive reporting / documentation

Recommended Case-Mix Adjusted Payment

- PT: PT Base Rate x PT CM x PT Adjustment Factor
- OT: OT Base Rate x OT CM x OT Adjustment Factor
- SLP: SLP Base Rate x SLP CM
- Nursing: Nursing Base Rate x Nursing CM
- NTA: NTA Base Rate x NTA CM x NTA Adjustment Factor
- Non-Case-Mix: Non-Case-Mix Base Rate

Payments tied to Patient Condition
Five care components (PT, OT, SLP, Nursing, NTA)
Reduced administrative burden

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What has changed?

PDPM Base Rate

TABLE 3: FY2020 UNADJUSTED FEDERAL RATE PER DIEM - URBAN

Rate Component	PT	OT	SLP	Nursing	NTA	Non Case-Mix
Per Diem Amount	\$61.16	\$6.93	\$22.83	\$106.64	\$80.45	\$95.48

TABLE 3: FY2020 UNADJUSTED FEDERAL RATE PER DIEM - RURAL

Rate Component	PT	OT	SLP	Nursing	NTA	Non Case-Mix
Per Diem Amount	69.72	\$64.03	\$28.76	\$101.88	\$76.86	\$97.25

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PDPM Patient Classification

- Patient classifications are used for each of the components (PT, OT, SLP, NTA and Nursing)
- Breakdown of criteria for classification

Component	Criteria
PT	Clinical Category, Functional Score
OT	Clinical Category, Functional Score
SLP	Presence of Acute Neurologic Condition, SLP-related Comorbidity or Cognitive Impairment, Mechanically-altered Diet, Swallowing Disorder
NTA	NTA Comorbidity Score
Nursing	Same as RUG-IV

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PDPM Clinical Category

- Clinical categories are assigned based on the primary reason for the SNF stay
- NEW MDS item I0020B is used to then map to one of the ten PDPM clinical categories.
- Section J of MDS used to adjust clinical classifications

I0020: Used to indicate the resident's primary medical condition for the SNF Stay. This is used to determine Clinical Categories.

I0020. Indicate the resident's primary medical condition category
Complete only if A0310B = 01 or 08

Indicate the resident's primary medical condition category that best describes the primary reason for admission

Enter Code

- 01. Stroke
- 02. Non-Traumatic Brain Dysfunction
- 03. Traumatic Brain Dysfunction
- 04. Non-Traumatic Spinal Cord Dysfunction
- 05. Traumatic Spinal Cord Dysfunction
- 06. Progressive Neurological Conditions
- 07. Other Neurological Conditions
- 08. Amputation
- 09. Hip and Knee Replacement
- 10. Fractures and Other Multiple Trauma
- 11. Other Orthopedic Conditions
- 12. Disability, Cardiorespiratory Conditions
- 13. Medically Complex Conditions

I0020B. ICD Code

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Functional Scoring under PDPM

Reversed scoring between RUG vs PDPM

- RUG-IV utilized Section G with a Higher score meaning increased dependence
- PDPM utilizes Section **GG** where Higher score meaning increased **independence**

Payment Differences between RUG vs PDPM

- RUG-IV payments increase with dependence within a given RUG
- PDPM has no direct relationship between increased dependence and increased payments

CMS Example:

For the PT & OT component, payment for three clinical categories is lower for the most and least dependent patients (who are less likely to require high therapy amounts of therapy), compared to those in between (who are more likely to require high amounts of therapy)

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PT & OT specific Clinical Categories

PDPM Clinical Categories	PT & OT Clinical Categories
Major Joint Replacement or Spinal Surgery	Major Joint Replacement or Spinal Surgery
Acute Neurologic	Non-Orthopedic Surgery & Acute Neurologic
Non-Orthopedic Surgery	
Non-Surgical Orthopedic/Musculoskeletal	Other Orthopedic
Orthopedic Surgery (Except Major Joint Replacement or Spinal Surgery)	
Medical Management	Medical Management
Cancer	
Pulmonary	
Cardiovascular & Coagulations	
Acute Infections	

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What has changed? PDPM Case Mix PT / OT

- Case Mix has several element used determine classification
 - Clinical Category for stay
 - Functional Status
- Additionally, PDPM transitions from section G of MDS under RUG-IV to GG to account for both early and late loss ADL areas

Clinical Category	PT & OT Function Score	PT & OT Case Mix Group	PT CMI	OT CMI
Major Joint Replacement or Spinal Surgery	0-5	TA	1.53	1.49
Major Joint Replacement or Spinal Surgery	6-9	TB	1.70	1.63
Major Joint Replacement or Spinal Surgery	10-23	TC	1.85	1.69
Major Joint Replacement or Spinal Surgery	24	TD	1.92	1.53
Other Orthopedic	0-5	TE	1.42	1.41
Other Orthopedic	6-9	TF	1.61	1.60
Other Orthopedic	10-23	TG	1.67	1.64
Other Orthopedic	24	TH	1.16	1.15
Medical Management	0-5	TI	1.13	1.18
Medical Management	6-9	TJ	1.42	1.45
Medical Management	10-23	TK	1.52	1.54
Medical Management	24	TL	1.09	1.11
Non-Orthopedic Surgery and Acute Neurologic	0-5	TM	1.27	1.30
Non-Orthopedic Surgery and Acute Neurologic	6-9	TN	1.48	1.49
Non-Orthopedic Surgery and Acute Neurologic	10-23	TO	1.55	1.55
Non-Orthopedic Surgery and Acute Neurologic	24	TP	1.08	1.09

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What has changed? PDPM Case Mix SLP

- SLP has three elements
 - Clinical Category for stay – Acute Neurologic or Non-Neurologic
 - Cognitive status and/or presence of a SLP-related comorbidity (12 dx groups)
 - Presence of Swallowing Disorder and Mechanically Altered Diet

Presence of Acute Neurologic Condition, SLP Related Comorbidity, or Cognitive Impairment	Mechanically Altered Diet or Swallowing Disorder	SLP Case Mix Group	SLP Case Mix Index
None	Neither	SA	0.68
None	Either	SB	1.82
None	Both	SC	2.67
Any one	Neither	SD	1.46
Any one	Either	SE	2.34
Any one	Both	SF	2.98
Any two	Neither	SG	2.04
Any two	Either	SH	2.86
Any two	Both	SI	3.53
All three	Neither	SJ	2.99
All three	Either	SK	3.70
All three	Both	SL	4.21

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SLP Comorbidities

SLP has twelve comorbidities under PDPM

- SLP comorbidity flag combines conditions and services
- Only the presence of only one of the following required for patient to qualify:

SLP Comorbidities	
Aphasia	Laryngeal Cancer
CVA,TIA, or Stroke	Apraxia
Hemiplegia or Hemiparesis	Dysphagia
Traumatic Brain Injury	ALS
Tracheostomy (while Resident)	Oral Cancers
Ventilator (while Resident)	Speech & Language Deficits



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SLP Case Mix coding: Operational Considerations

Which team members are involved?



- Speech Therapists – altered diets, swallowing disorders, Speech/Lang deficits, cognition, co-morbidities
- Dieticians – altered diets
- MDS/Nursing – diagnosis coding for co-morbidities, cognitive assessments
- Physicians – diagnosis coding for co-morbidities, swallowing disorders
- Psychologists, Occupational Therapists – cognitive assessments

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Nursing Component

- PDPM uses the same basic structure as RUG-IV, except for the following changes:
 - Collapsed functional nursing groups from 43 to 25
 - Function score – Section G (ADL scores) replaced by 7 items from Section GG of the MDS 3.0
 - Same Section GG items used for PT/OT with exception of Oral Hygiene and walking
 - Depression Score
 - Influences the resultant Nursing Group
 - HIV/AIDS
 - 18% payment adjustment for nursing component only

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IPA / OSA

Interim Payment Assessment (IPA) is OPTIONAL

- Used to report a change in the patient's PDPM classification
- ARD: Determined by the provider
- Changes payment beginning on the ARD until the end of the Part A stay or until another IPA is completed
- Does not re-set variable per diem adjustment
- Distinct item set to be used for IPA

Optional State Assessment (OSA)



- Solely to report on Medicaid-covered stays, per requirements set forth by their state
- Allows providers in states using RUG-III or RUG-IV models as the basis for Medicaid payment to do so.
- CMS originally published that CMS support for legacy payment models would end September 30, 2020.
- Modified now stating there is no definitive time frame

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Transition to PDPM

- There is NO transition period between RUG-IV and PDPM
 - RUG-IV ends on 9/30/2019
 - PDPM effective on 10/1/2019
- Billing beginning on Oct 1, 2019 requires all providers to complete an IPA with an ARD no later than Oct 7, 2019
 - Variable Per Diem - 10/1 is considered day 1 even if stay began prior
 - "Transitional IPAs" with an ARD after 10/7/19 will be considered late and penalties applied for late assessments

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**What has changed?
How does it affect SNFs?**

If PDPM continues, as is, effective FY20:

Reimbursement

- FY20 2.5% rate increase to SNFs
- Variable Per Diem introduced
- Therapy stays > 20 days assessed ~2% payment reduction after day 20 for each additional 7 days
- Reimbursement for patient condition, not service(s) performed
- Increased reimbursement for non-therapy patients will cause providers to target these admissions
- While budget neutral in the aggregate, PDPM changes how payment is made which can impact UPL calculations. States will need to evaluate need for revisions in UPL calculations
- Therapy remains significant spend under PDPM (~\$9.7b FY17) and presents opportunity for market shifts

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What has changed? How does it affect SNFs?

If PDPM continues, as is, effective FY20:

Documentation / Reporting

- 1) Five Day Assessment sets patient condition category for pricing
- 2) If patient condition changes, providers can conduct Interim Payment Assessment (IPA) to change condition category for the stay
- 3) 2 new therapy reporting requirements to discharge assessment (minutes / days)
- 4) FY20 CMS to displaying SNFs changes in self-care & mobility during stay and discharge
- 5) SNF QRP changes;
 - 2% penalty for non-submission of QRP remains
 - Reporting SNF outcome measures would be expanded from 1 to 2 years
- 6) VBP Incentives (+/-) remain with enhancements to FY19 policies, adjustment to scoring and Extraordinary Circumstances Policy (ECE)



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VBP Overview

SNF Value-Based Purchasing (VBP) aims to reward quality and improve health care:

- Effective 10/1/18 DOS, SNFs will have an opportunity to receive incentive payments based on performance on the specified quality measures
- Payment determination in FY 2019 include:
 - 2% of SNFs' Medicare payments withheld to fund incentive payments
 - 60% of the total amount withheld from SNFs' Medicare payments for that FY will be paid as incentive payments to SNFs based on their performance in the program
 - bottom 40% of SNFs must receive less in incentive payments than they would otherwise receive
 - SNF 30-Day All Cause Readmission Measure (SNFRM) - counted regardless of whether the beneficiary is readmitted to the hospital directly from the SNF or has been discharged from the SNF (Excludes planned readmissions)
 - Transition from CY to FY:

Table 1: Performance and Baseline Periods for FY 2019 & 2020 Program Years

Period	FY 2019 Program Year	FY 2020 Program Year
Performance Period	CY 2017 (Jan. 1, 2017-Dec. 31, 2017)	FY 2018 (Oct. 1, 2017-Sept. 30, 2018)
Baseline Period	CY 2015 (Jan. 1, 2015-Dec. 31, 2015)	FY 2016 (Oct. 1, 2015-Sept. 30, 2016)




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VBP - Scoring

SNF VBP Performance Score:

- By statute CMS can distribute only 60% of the total dollars withheld
- Minimum performance for earn back is < ~20.4% - those at ~16.4% or less will score better
- SNFs assigned SNF VBP Performance Scores based on their SNFRM RSRRs in the applicable baseline and performance periods
- SNF VBP Performance Scores range from 0 to 100 points
- SNFs are assigned values for both their improvement from baseline year to the performance year and achievement in the performance period
- Performance score is the higher of a SNF's achievement score or improvement score
- For SNFs that only have performance period data, the achievement score will equal the performance score
- SNFRM data already available in nursing home compare



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**PDPM Drivers:
Achieving Outcomes and Financial Viability Requires...**

Accuracy in Coding

- ICD-10 – Primary reason for the SNF Stay
- Functional Score: MDS Section GG – 10 items for Physical and Occupational Therapy; 7 of those 10 items for Nursing (unlike Section G – ADL Index; with Section GG, the higher the functional score, the greater the level of independence)

Clinical picture of the patient: coding all of the MDS items related to mood, cognition, co-morbidities (active diagnoses, all systems), special treatments/procedures/programs/services, nutrition, swallowing, medication, skin conditions, prior surgeries

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Cultural Changes Related to PDPM



Patient Centered Care Planning, All-staff Communication

MDS Coordinators

- Increased face to face patient assessment
- Validation of supportive documentation
- Oversight in completion of MDS; with a elevated focus on "high impact" items under PDPM

Therapy – Nursing Collaboration

- Eliminating metric-based therapy; focus on clinical picture of the patient
- Section "O" – reporting therapy minutes and days for compliance with concurrent/group utilization (evaluation minutes still not included)
- Section GG collaboration – coding the patient's "usual baseline performance" prior to the benefit from therapy intervention



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Latest Updates from Proposed Rule

SNF PPS Proposed Rule Published by CMS April 19, 2019

- Proposed Payment Update: 2.5% for FY 2020 (increase is aggregate payment of \$887 million, compared to FY2019)
- PDPM Changes
 - Proposes to change the definition of group therapy in a SNF to match the definition in the IRF setting – "a qualified rehabilitation therapist or therapy assistant treating two to six patients at the same time who are performing the same or similar activities."
 - Proposes using a subregulatory process to provide "non-substantive" updates to ICD-10 codes used in PDPM through the PDPM website
 - Proposes to officially change regulation text to reflect changes in the MDS assessment schedule already finalized in the FY2019 Final Rule. The text will call for "an initial patient assessment" to be completed "no later than the 8th day of post-hospital SNF care"



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Latest Updates from Proposed Rule

SNF PPS Proposed Rule Published by CMS April 19, 2019

- Quality Reporting Program (QRP)
 - Beginning with **FY2022**, proposed to adopt two process measures related to requirement for “transfer of health information” –
 - 1) to the PAC provider. The measure will assess whether or not a current reconciled medication list is provided to the subsequent provider when a patient is discharged or transferred from current PAC setting (% of stays with a discharge assessment indicating that a current reconciled medication list was provided)
 - 2) to the Patient. The measure will assess whether or not a current reconciled medication list is provided to the patient, family or caregiver when a patient was discharged from a PAC setting to a private home/apartment, a board and care home, assisted living, group home, transitional living or home under home health or hospice (% of stays with a discharge assessment indicating that a current reconciled medication list was provided to patient, family or caregiver at the time of discharge)



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Latest Updates from Proposed Rule

SNF PPS Proposed Rule Published by CMS April 19, 2019

- Quality Reporting Program (QRP)
 - Proposes to update the specifications to Discharge to Community QRP measure to exclude baseline nursing facility (NF) residents from the measure
 - Proposes to collect standardized patient assessment data and other data required to calculate quality measures using the MDS on all patients, regardless of payer source



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Latest Updates from Proposed Rule

SNF PPS Proposed Rule Published by CMS April 19, 2019



- Quality Reporting Program (QRP)
 - Measure remains the same – SNF 30-day All-cause Readmission Measure

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Provider Preparedness



- Suggestions from AANAC sponsored podcast – “PDPM Tips from the Trenches”
 - Amy Phipps, Sava Senior Care
- Focus on your admission processes
 - Consider developing an admission checklist so you know you are getting the information that you need
- Morning meeting NTA Tool
 - Team discussion around NTA dx and co-morbidities
 - Highlight your most frequent and cross check
- “GG Huddles”
 - To ensure baseline GG scores obtained within the first 3 days

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Provider Preparedness



- Suggestions from AANAC sponsored podcast – “PDPM Tips from the Trenches”
 - Amy Phipps, Sava Senior Care
- Cognitive Assessments / Indicators of Depression
 - BIMS / PHQ9
 - Who is doing these at your facility?
 - Consider having therapy involved – recommends OT
- Primary Diagnosis
 - Critically important. Use some sort of “scrubber”
- https://www.aanac.org/LTC-NAC-Chat?_cldee=bWFyay5iZlXNjaEhBhZWdpc3RoZXJhcGlly5ib20%3d&recipientid=lead-a47c03f675dbe81180fb000d3a01109b-7117727149ee467182fc7dfc9a381879&esid=506ae9cf-8467-e911-8100-000d3a01109b

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Is the CMS Provider Impact Analysis Reliable?

<ul style="list-style-type: none"> • Consider that the 2017 MDS did not include all of the new items sets for PDPM • Therapy delivery of minutes were a priority • Identification of patient characteristics were not 	<p>Necessary response to the change in payment model:</p> <ul style="list-style-type: none"> • Accurate ICD-10 coding (Primary reason for the SNF stay) • Accurate coding of Section GG for PDPM Functional Score • Accurate coding of the “high impact” MDS items that can influence the 5 case mix components
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Provider Impact File

SNF PDPM Provider-Specific Impact File

To assist stakeholders in understanding the potential impacts of the proposed PDPM, we are providing a provider-specific impact analysis file, which details the estimated impact of the PDPM model discussed in the FY 2019 SNF FFS NPRM on Medicare Part A payments to each SNF in the country. We would note that, as discussed in the file and in the proposed rule, the provider and resident data is for fiscal year 2017 and represents estimated payments under PDPM, assuming no changes in provider behavior or resident case-mix.

SNF PDPM Provider Specific Impact Analysis

Location	Service Division	Wage Index	# of Beds	# of Utilization Days	PT Average Case Mix %	OT Average Case Mix %	Nursing Average Case Mix %	Other Average Case Mix %	PT Average Case Mix %	OT Average Case Mix %	Nursing Average Case Mix %	Other Average Case Mix %
Rural	East South-Central	0.89	18	1,077	1.26	1.25	1.27	1.26	1.36	1.36	1.38	1.37
Rural	East South-Central	0.89	18	4,001	1.04	1.04	1.02	1.02	1.20	1.20	1.20	1.19
Rural	West North-Central	0.91	48	3,906	1.19	1.17	1.21	1.21	1.41	1.41	1.41	1.41

PDPM Average Case Mix %	OT Average Case Mix %	PT Average Case Mix %	Nursing Average Case Mix %	Other Average Case Mix %	PDPM Average Case Mix %	OT Average Case Mix %	PT Average Case Mix %	Nursing Average Case Mix %	Other Average Case Mix %
1.19	26,661,528,452	12,215,977,477	12,204,944,797	4,442,658,101	26,661,528,452	12,215,977,477	12,204,944,797	4,442,658,101	26,661,528,452
1.06	1,907,377	783,841	698,234	285,002	1,907,377	783,841	698,234	285,002	1,907,377
1.09	1,460,862	426,936	466,132	188,661	1,460,862	426,936	466,132	188,661	1,460,862
1.10	385,174	308,999	240,434	105,721	385,174	308,999	240,434	105,721	385,174
1.14	480,999	348,992	399,239	162,748	480,999	348,992	399,239	162,748	480,999
1.00	874,486	248,428	312,861	113,844	874,486	248,428	312,861	113,844	874,486
1.08	3,011,327	1,784,497	1,666,415	533,847	3,011,327	1,784,497	1,666,415	533,847	3,011,327
1.07	2,186,249	1,751,061	1,021,167	413,231	2,186,249	1,751,061	1,021,167	413,231	2,186,249
1.04	1,024,176	811,445	454,217	206,262	1,024,176	811,445	454,217	206,262	1,024,176
1.08	5,114,251	2,158,965	2,116,456	841,879	5,114,251	2,158,965	2,116,456	841,879	5,114,251
1.09	1,631,291	884,002	833,095	328,261	1,631,291	884,002	833,095	328,261	1,631,291
1.10	1,813,120	338,442	480,847	165,731	1,813,120	338,442	480,847	165,731	1,813,120
1.06	1,631,375	884,002	833,095	328,261	1,631,375	884,002	833,095	328,261	1,631,375
1.16	150,373	108,823	122,883	48,435	150,373	108,823	122,883	48,435	150,373

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RUG-IV vs PDPM - Overall Summary

Facility Information	Payment Implications	CMR Implications																																																																																																																	
CCN 123456 Name ABC Nursing Home City Filson State TX Type Free-standing Ownership Non-profit Location Urban	<table border="1"> <thead> <tr> <th>Therapy Component</th> <th>RUG-IV</th> <th>PDPM</th> <th>Variance</th> <th>% Variance</th> </tr> </thead> <tbody> <tr> <td>PT Payments</td> <td>N/A</td> <td>\$ 4,442,658</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>OT Payments</td> <td>N/A</td> <td>\$ 1,751,061</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>NIP Payments</td> <td>N/A</td> <td>\$ 1,751,061</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>Total Therapy Payments</td> <td>\$ 11,463,345</td> <td>\$ 9,770,259</td> <td>(\$ 1,693,086)</td> <td>-14.8%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Therapy Component</th> <th>RUG-IV</th> <th>PDPM</th> <th>Variance</th> <th>% Variance</th> </tr> </thead> <tbody> <tr> <td>Nursing Payments</td> <td>\$ 12,608,349</td> <td>\$ 7,190,343</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>NIP Payments</td> <td>N/A</td> <td>\$ 8,860,914</td> <td>N/A</td> <td>N/A</td> </tr> <tr> <td>Total Nursing Payments</td> <td>\$ 12,608,349</td> <td>\$ 12,051,497</td> <td>(\$ 556,852)</td> <td>-4.3%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Other Components</th> <th>RUG-IV</th> <th>PDPM</th> <th>Variance</th> <th>% Variance</th> </tr> </thead> <tbody> <tr> <td>Non-Case-Mix Payments</td> <td>\$ 4,888,107</td> <td>\$ 4,888,107</td> <td>\$ -</td> <td>0.0%</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Overall</th> <th>RUG-IV</th> <th>PDPM</th> <th>Variance</th> <th>% Variance</th> </tr> </thead> <tbody> <tr> <td>Total Payment</td> <td>\$ 28,959,802</td> <td>\$ 26,719,063</td> <td>(\$ 2,239,939)</td> <td>-7.7%</td> </tr> <tr> <td>Total Payment per Bed</td> <td>\$ 2,995,088</td> <td>\$ 2,625,055</td> <td>(\$ 370,033)</td> <td>-12.3%</td> </tr> <tr> <td>Total Payment per Stay</td> <td>\$ 13,110</td> <td>\$ 12,096</td> <td>(\$ 1,014)</td> <td>-7.7%</td> </tr> <tr> <td>Total Payment per Day</td> <td>\$ 535</td> <td>\$ 493</td> <td>(\$ 42)</td> <td>-7.7%</td> </tr> </tbody> </table>	Therapy Component	RUG-IV	PDPM	Variance	% Variance	PT Payments	N/A	\$ 4,442,658	N/A	N/A	OT Payments	N/A	\$ 1,751,061	N/A	N/A	NIP Payments	N/A	\$ 1,751,061	N/A	N/A	Total Therapy Payments	\$ 11,463,345	\$ 9,770,259	(\$ 1,693,086)	-14.8%	Therapy Component	RUG-IV	PDPM	Variance	% Variance	Nursing Payments	\$ 12,608,349	\$ 7,190,343	N/A	N/A	NIP Payments	N/A	\$ 8,860,914	N/A	N/A	Total Nursing Payments	\$ 12,608,349	\$ 12,051,497	(\$ 556,852)	-4.3%	Other Components	RUG-IV	PDPM	Variance	% Variance	Non-Case-Mix Payments	\$ 4,888,107	\$ 4,888,107	\$ -	0.0%	Overall	RUG-IV	PDPM	Variance	% Variance	Total Payment	\$ 28,959,802	\$ 26,719,063	(\$ 2,239,939)	-7.7%	Total Payment per Bed	\$ 2,995,088	\$ 2,625,055	(\$ 370,033)	-12.3%	Total Payment per Stay	\$ 13,110	\$ 12,096	(\$ 1,014)	-7.7%	Total Payment per Day	\$ 535	\$ 493	(\$ 42)	-7.7%	<table border="1"> <thead> <tr> <th>Therapy CMR</th> <th>RUG-IV</th> <th>PDPM</th> </tr> </thead> <tbody> <tr> <td>Average PT CMR</td> <td>N/A</td> <td>1.55</td> </tr> <tr> <td>Average OT CMR</td> <td>N/A</td> <td>1.53</td> </tr> <tr> <td>Average NIP CMR</td> <td>N/A</td> <td>1.55</td> </tr> <tr> <td>Total Therapy CMR</td> <td>2.14</td> <td>1.49</td> </tr> <tr> <td>National Average</td> <td>2.44</td> <td>1.49</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th>Nursing CMR</th> <th>RUG-IV</th> <th>PDPM</th> </tr> </thead> <tbody> <tr> <td>Average Nursing CMR</td> <td>0.89</td> <td>1.41</td> </tr> <tr> <td>Average NIP CMR</td> <td>N/A</td> <td>1.01</td> </tr> <tr> <td>Total Nursing CMR</td> <td>0.89</td> <td>1.25</td> </tr> <tr> <td>National Average</td> <td>1.49</td> <td>1.24</td> </tr> </tbody> </table> <p>Notes: Under PDPM Therapy is broken out into PT, OT, and NIP Nursing is broken out into Nursing and NIP Does not reflect the market basket adj of 2.4% Does not reflect adjustments for VAB Estimated as weighted avg of prent and CMR</p>	Therapy CMR	RUG-IV	PDPM	Average PT CMR	N/A	1.55	Average OT CMR	N/A	1.53	Average NIP CMR	N/A	1.55	Total Therapy CMR	2.14	1.49	National Average	2.44	1.49	Nursing CMR	RUG-IV	PDPM	Average Nursing CMR	0.89	1.41	Average NIP CMR	N/A	1.01	Total Nursing CMR	0.89	1.25	National Average	1.49	1.24
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PDPM Case Mix Groups - Therapy

Physical Therapy (PT)	Speech-Language and Pathology (SLP)																																										
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PDPM Case Mix Groups - Nursing and NTA

Facility % of days > national average

Nursing	PDPM Case Mix Group	CMI	% of Utilization Days		
			Facility	Nat'l	Diff
011	011	4.00	42%	14%	28%
012	012	3.50	32%	12%	20%
013	013	2.70	20%	10%	10%
014	014	2.20	15%	8%	7%
015	015	1.70	10%	5%	5%
016	016	1.20	5%	3%	2%
017	017	0.70	2%	1%	1%
018	018	0.20	0%	0%	0%
019	019	0.10	0%	0%	0%
020	020	0.00	0%	0%	0%
021	021	0.00	0%	0%	0%
022	022	0.00	0%	0%	0%
023	023	0.00	0%	0%	0%
024	024	0.00	0%	0%	0%
025	025	0.00	0%	0%	0%
026	026	0.00	0%	0%	0%
027	027	0.00	0%	0%	0%
028	028	0.00	0%	0%	0%
029	029	0.00	0%	0%	0%
030	030	0.00	0%	0%	0%
031	031	0.00	0%	0%	0%
032	032	0.00	0%	0%	0%
033	033	0.00	0%	0%	0%
034	034	0.00	0%	0%	0%
035	035	0.00	0%	0%	0%
036	036	0.00	0%	0%	0%
037	037	0.00	0%	0%	0%
038	038	0.00	0%	0%	0%
039	039	0.00	0%	0%	0%
040	040	0.00	0%	0%	0%
041	041	0.00	0%	0%	0%
042	042	0.00	0%	0%	0%
043	043	0.00	0%	0%	0%
044	044	0.00	0%	0%	0%
045	045	0.00	0%	0%	0%
046	046	0.00	0%	0%	0%
047	047	0.00	0%	0%	0%
048	048	0.00	0%	0%	0%
049	049	0.00	0%	0%	0%
050	050	0.00	0%	0%	0%
051	051	0.00	0%	0%	0%
052	052	0.00	0%	0%	0%
053	053	0.00	0%	0%	0%
054	054	0.00	0%	0%	0%
055	055	0.00	0%	0%	0%
056	056	0.00	0%	0%	0%
057	057	0.00	0%	0%	0%
058	058	0.00	0%	0%	0%
059	059	0.00	0%	0%	0%
060	060	0.00	0%	0%	0%
061	061	0.00	0%	0%	0%
062	062	0.00	0%	0%	0%
063	063	0.00	0%	0%	0%
064	064	0.00	0%	0%	0%
065	065	0.00	0%	0%	0%
066	066	0.00	0%	0%	0%
067	067	0.00	0%	0%	0%
068	068	0.00	0%	0%	0%
069	069	0.00	0%	0%	0%
070	070	0.00	0%	0%	0%
071	071	0.00	0%	0%	0%
072	072	0.00	0%	0%	0%
073	073	0.00	0%	0%	0%
074	074	0.00	0%	0%	0%
075	075	0.00	0%	0%	0%
076	076	0.00	0%	0%	0%
077	077	0.00	0%	0%	0%
078	078	0.00	0%	0%	0%
079	079	0.00	0%	0%	0%
080	080	0.00	0%	0%	0%
081	081	0.00	0%	0%	0%
082	082	0.00	0%	0%	0%
083	083	0.00	0%	0%	0%
084	084	0.00	0%	0%	0%
085	085	0.00	0%	0%	0%
086	086	0.00	0%	0%	0%
087	087	0.00	0%	0%	0%
088	088	0.00	0%	0%	0%
089	089	0.00	0%	0%	0%
090	090	0.00	0%	0%	0%
091	091	0.00	0%	0%	0%
092	092	0.00	0%	0%	0%
093	093	0.00	0%	0%	0%
094	094	0.00	0%	0%	0%
095	095	0.00	0%	0%	0%
096	096	0.00	0%	0%	0%
097	097	0.00	0%	0%	0%
098	098	0.00	0%	0%	0%
099	099	0.00	0%	0%	0%
100	100	0.00	0%	0%	0%
101	101	0.00	0%	0%	0%
102	102	0.00	0%	0%	0%
103	103	0.00	0%	0%	0%
104	104	0.00	0%	0%	0%
105	105	0.00	0%	0%	0%
106	106	0.00	0%	0%	0%
107	107	0.00	0%	0%	0%
108	108	0.00	0%	0%	0%
109	109	0.00	0%	0%	0%
110	110	0.00	0%	0%	0%
111	111	0.00	0%	0%	0%
112	112	0.00	0%	0%	0%
113	113	0.00	0%	0%	0%
114	114	0.00	0%	0%	0%
115	115	0.00	0%	0%	0%
116	116	0.00	0%	0%	0%
117	117	0.00	0%	0%	0%
118	118	0.00	0%	0%	0%
119	119	0.00	0%	0%	0%
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122	122	0.00	0%	0%	0%
123	123	0.00	0%	0%	0%
124	124	0.00	0%	0%	0%
125	125	0.00	0%	0%	0%
126	126	0.00	0%	0%	0%
127	127	0.00	0%	0%	0%
128	128	0.00	0%	0%	0%
129	129	0.00	0%	0%	0%
130	130	0.00	0%	0%	0%
131	131	0.00	0%	0%	0%
132	132	0.00	0%	0%	0%
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138	138	0.00	0%	0%	0%
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141	141	0.00	0%	0%	0%
142	142	0.00	0%	0%	0%
143	143	0.00	0%	0%	0%
144	144	0.00	0%	0%	0%
145	145	0.00	0%	0%	0%
146	146	0.00	0%	0%	0%
147	147	0.00	0%	0%	0%
148	148	0.00	0%	0%	0%
149	149	0.00	0%	0%	0%
150	150	0.00	0%	0%	0%
151	151	0.00	0%	0%	0%
152	152	0.00	0%	0%	0%
153	153	0.00	0%	0%	0%
154	154	0.00	0%	0%	0%
155	155	0.00	0%	0%	0%
156	156	0.00	0%	0%	0%
157	157	0.00	0%	0%	0%
158	158	0.00	0%	0%	0%
159	159	0.00	0%	0%	0%
160	160	0.00	0%	0%	0%
161	161	0.00	0%	0%	0%
162	162	0.00	0%	0%	0%
163	163	0.00	0%	0%	0%
164	164	0.00	0%	0%	0%
165	165	0.00	0%	0%	0%
166	166	0.00	0%	0%	0%
167	167	0.00	0%	0%	0%
168	168	0.00	0%	0%	0%
169	169	0.00	0%	0%	0%
170	170	0.00	0%	0%	0%
171	171	0.00	0%	0%	0%
172	172	0.00	0%	0%	0%
173	173	0.00	0%	0%	0%
174	174	0.00	0%	0%	0%
175	175	0.00	0%	0%	0%
176	176	0.00	0%	0%	0%
177	177	0.00	0%	0%	0%
178	178	0.00	0%	0%	0%
179	179	0.00	0%	0%	0%
180	180	0.00	0%	0%	0%
181	181	0.00	0%	0%	0%
182	182	0.00	0%	0%	0%
183	183	0.00	0%	0%	0%
184	184	0.00	0%	0%	0%
185	185	0.00	0%	0%	0%
186	186	0.00	0%	0%	0%
187	187	0.00	0%	0%	0%
188	188	0.00	0%	0%	0%
189	189	0.00	0%	0%	0%
190	190	0.00	0%	0%	0%
191	191	0.00	0%	0%	0%
192	192	0.00	0%	0%	0%
193	193	0.00	0%	0%	0%
194	194	0.00	0%	0%	0%
195	195	0.00	0%	0%	0%
196	196	0.00	0%	0%	0%
197	197	0.00	0%	0%	0%
198	198	0.00	0%	0%	0%
199	199	0.00	0%	0%	0%
200	200	0.00	0%	0%	0%
201	201	0.00	0%	0%	0%
202	202	0.00	0%	0%	0%
203	203	0.00	0%	0%	0%
204	204	0.00	0%	0%	0%
205	205	0.00	0%	0%	0%
206	206	0.00	0%	0%	0%
207	207	0.00	0%	0%	0%
208	208	0.00	0%	0%	0%
209	209	0.00	0%	0%	0%
210	210	0.00	0%	0%	0%
211	211	0.00	0%	0%	0%
212	212	0.00	0%	0%	0%
213	213	0.00	0%	0%	0%
214	214	0.00	0%	0%	0%
215	215	0.00	0%	0%	0%
216	216	0.00	0%	0%	0%
217	217	0.00	0%	0%	0%
218	218	0.00	0%	0%	0%
219	219	0.00	0%	0%	0%
220	220	0.00	0%	0%	0%
221	221	0.00	0%	0%	0%
222	222	0.00	0%	0%	0%
223	223	0.00	0%	0%	0%
224	224	0.00	0%	0%	0%
225	225	0.00	0%	0%	0%
226	226	0.00	0%	0%	0%
227	227	0.00	0%	0%	0%
2					

Questions?



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