Background
Earlier today the Centers for Medicare & Medicaid Services (CMS) issued a press release titled CMS releases Skilled Nursing Facility utilization and payment data as part of its efforts to increase transparency in federal health programs. The Skilled Nursing Facility Utilization and Payment Public Use File (SNF PUF) contains information on utilization, payments, and submitted charges organized by provider, state, and resource utilization group (RUG). The data include information on 15,055 skilled nursing facilities, over 2.5 million stays, and almost $27 billion in Medicare payments for 2013.

The data set identifies individual SNFs using their six-digit identification number. Services furnished by these SNFs are grouped according to resource utilization groups (RUGs). For each SNF and RUG, the data set has the total number of stays and days provided, number of beneficiaries served, the SNF’s total and average charges, the total and average allowed amounts, the total and average Medicare payments, and the total and average Medicare standardized payments.

The data does not contain any individually identifiable information about Medicare beneficiaries and also has a number of limitations. Most notably: 1) the data does not indicate the quality of care provided by individual skilled nursing facilities, 2) the data are not risk adjusted and thus do not account for differences in the underlying severity of disease of patient populations treated by providers, and 3) the data only reflects Medicare fee-for-service (FFS) and not Medicare Advantage utilization.

The Skilled Nursing Facility PUF contains five Microsoft EXCEL tables: 1) aggregated information by provider, 2) aggregated information by provider and RUG, 3) aggregated information by RUG, 4) aggregated information by RUG and state, and 5) aggregated information on therapy minutes by provider. CMS also provides a Frequently Asked Questions (FAQ) page related to the SNF PUF data.

What your members need to know – Forthcoming RAC reviews
In addition to information on payments and charges, the SNF PUF contains information on two categories of RUGs for patients who receive a significant amount of therapy: Ultra-High (RU) and Very High (RV) Rehabilitation RUGs. In an associated Fact Sheet, which includes several tables
and maps highlighting utilization patterns of concern to CMS, the agency describes that the results are consistent with prior CMS findings. Specifically, the SNF PUF shows that for these two RUGs, the amount of therapy provided is often very close to the minimum amount of minutes needed to qualify a patient for these categories.

Based on the 2013 information in the SNF PUF data, CMS found that:
• 51 percent of all RV assessments showed therapy provided between 500 and 510 minutes.
• 65 percent of all RU assessments showed therapy provided between 720 and 730 minutes.
• For 88 providers, all of their RV assessments showed therapy provided between 500 and 510 minutes.
• For 215 providers, all of their RU assessments showed therapy provided between 720 and 730 minutes.
• More than one in five providers had more than 75 percent of both RU and RV assessments that showed therapy provided within 10 minutes of the minimum threshold.

In the Fact Sheet CMS also provided the following announcement:

“To help ensure that patient need rather than payment incentives are driving provision of therapy services, CMS is providing approval to the Medicare Fee-for-Service Recovery Auditor Contractors (RACs) to investigate this issue.”

What your members need to do
AHCA is recommending that SNF providers review the information in the SNF PUF tables for 2013, especially those data that are specific to their individual nursing centers. In particular, SNF providers should review table 5) aggregated information on therapy minutes by provider. This table provides specific detail for the percentage of RU assessments with reported therapy minutes between 720 and 730 minutes in column J, and the percentage of RV assessments with reported therapy minutes between 500 and 510 minutes in column H. There is a likelihood that the RACs may focus their initial attention in the investigation assigned to them by CMS to those nursing centers at or near the 100% rate of assessments falling exactly on or within 10 minutes of the RV and RU RUG thresholds.

Next Steps
AHCA will be reviewing the extensive SNF PUF data files in more detail and will be seeking more details regarding the scope of the Recovery Audit Program investigation. We will provide updates as details become available.

Press Inquiries
AHCA has approved the following statements for inquiries related to the CMS releases Skilled Nursing Facility utilization and payment data press release and related materials.

"We respect CMS’s efforts to increase transparency. The data helps inform our efforts to improve outcomes for our patients. However we would like to remind policymakers of three important items:

"First, this analysis does not reflect the health outcomes our centers produce daily across the nation. Outcomes such as discharge to home, lowered readmissions, and increases in function that our patients seek so they can return home and to their communities."
"Second, academic findings as recently as January-labeled by researchers at Harvard, Brown and Cornell Universities-concluded that adding at least an hour of therapy per week increased the likelihood of a hip fracture patient returning to his/her community by 3 percent. Focusing on results shows more therapy produces better outcomes.

"Finally, we agree on the need to shift toward a payment structure that removes the perceived incentives which causes CMS concern. Our profession has and will continue to support a new model that incorporates precious funds-saving outcomes."

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