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# SNF VBP: Understanding your August 2020 Performance Score Report

#### **Presentation Transcript**

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**Donna Bullock:** 

Welcome to the SNF VBP: Understanding your August 2020 Performance Score Report webinar.

My name is Donna Bullock, and I will be the moderator for today's event. Our speaker is Michael DiBello. Michael is a SNF VBP program analyst with the Division of Value, Incentives, and Quality Reporting Program Support.

Today's event will focus on providing an overview of the Skilled Nursing Facility Value-Based Purchasing Program, also called SNF VBP, for the fiscal year 2021, including the scoring methodology, which transforms performance scores into incentive payment multipliers, also called IPMs, and information for accessing and reading your facility's Performance Score Report, also called a PSR.

At the conclusion of today's webinar, participants will be able to recall the scoring methodology used to calculate results for the SNF VBP Program, download their SNF VBP PSRs, and identify the key values in the PSRs.

Here are some of the acronyms that are frequently used in the Skilled Nursing Facility Value-Based Purchasing Program. Now, I will turn the webinar over to Michael DiBello.

Michael DiBello:

Thank you, Donna. I'll be presenting an overview of the SNF VBP Program first.

The SNF VBP Program was authorized by the Protecting Access to Medicare Act of 2014, or PAMA. The program awards incentive payments to SNFs based on the quality of care provided to Medicare beneficiaries as measured by a single all-cause hospital readmission measure. Two percent of SNF Medicare Fee-For-Service payments are withheld to fund the program, and 60 of the withheld funds are redistributed back to SNFs in the form of incentive payments. The program began awarding incentive payments on October 1, 2018.

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All SNFs paid under Medicare's SNF Prospective Payment System are included in the program, including freestanding SNFs, SNFs associated with acute care facilities, and non-critical access hospital swing bed rural facilities.

The all-cause hospital readmission measure currently used in the SNF VBP Program is the SNF 30-Day All-Cause Readmission Measure, or SNFRM. Per PAMA, the all-cause measure will be replaced as soon as practicable with a potentially preventable readmission measure. The SNFRM measures the rate of all-cause, unplanned hospital readmissions for SNF residents within 30 days of discharge from a prior hospital stay to a SNF. It is risk-adjusted to account for patient-level risk factors, including clinical and demographic characteristics, and it's also calculated during a baseline and performance period for each SNF.

Next, we will discuss SNF VBP scoring methodology.

The fiscal year 2021 SNF VBP Program consisted of two measurement periods for the SNFRM: the baseline period, which was fiscal year 2017, and the performance period which was fiscal year 2019. Baseline [Period] and Performance Period Risk-Standardized Readmission Rates (RSRRs) are used to determine incentive payment multipliers applied during fiscal year 2021.

Performance standards are used in SNF VBP scoring and are composed of two metrics: the benchmark, which is the mean of the top decile of SNF performance during the baseline period, and the achievement threshold, which is the 25th percentile of SNF performance during the baseline period. Inverted RSRRs, which are calculated by subtracting the RSRR from 1, are compared to these performance standards when calculating achievement and improvement scores. More details on scoring can be found in the recently updated SNF VBP FAQ linked on this slide.

On this slide, you can see the performance standards for the FY 2021 program year, which were published in the FY 2019 SNF PPS Final Rule. The achievement threshold is 0.79476, and the benchmark is 0.83212.

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To summarize SNF VBP scoring, a SNF's performance period RSRR is compared to its own past performance to calculate an improvement score and national SNF performance during the baseline period to calculate an achievement score.

The higher of the achievement and improvement score becomes the performance score. SNFs with fewer than 25 eligible stays during the baseline period will not receive an improvement score. It will be scored on achievement only, as long as they have 25 or more stays in the performance period. If a SNF has fewer than 25 eligible stays in the performance period, it will be held harmless regardless of the number of stays in the baseline period. These SNFs will receive a net neutral performance score and incentive payment multiplier, effectively receiving the same adjusted federal per diem rate they would have received without the program.

SNF's are ranked based on performance in the SNF VBP Program. The best performers, with performance scores of 100, receive a rank of 1. SNFs with the same performance score receive the same rank.

Performance scores are used to determine SNF incentive payment multipliers. Once performance scores are calculated, they are transformed into values from 0 to 1 using a logistic function. We then calculate the pool of dollars to be redistributed across all SNFs. Incentive payment multipliers are calculated for each transformed performance score. Incentive payments are applied prospectively to claims by multiplying the adjusted federal per diem rate by the incentive payment multiplier.

Multipliers greater than 1 indicate a net positive payment adjustment. In other words, SNFs earn more than they would in the absence of the program. Multipliers equal to 1 indicate a net neutral incentive payment adjustment. SNFs earn the same amount they would absent the program, and multipliers less than 1 indicate a net negative payment adjustment. They have to earn less than they would absent the program.

Next, we'll take a look at FY 2021 program year results.

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On this slide, you can see a summary of performance on the SNFRM for the FY 2021 SNF VBP Program. On average, SNFs had slightly higher all-cause Risk-Standardized Readmission Rates in the performance period than in the baseline period. In FY 2019, the performance period, the average RSRR was 19.94. In FY 2017, the baseline period, the average RSRR was 19.56 percent.

On this slide, you can see the distribution of incentive payment multipliers for the FY 2021 program. Incentive payments range from the full 2 percent production, or a multiplier equal to 0.98, to a 2.1 percent increase in payment, or a multiplier equal to 1.021. The average SNF received a 0.7 percent net payment reduction, or a multiplier of 0.993. The spike in the middle of the distribution indicates the number of SNFs that received a neutral incentive payment multiplier of 1.0 per the low volume adjustment policy, meaning payment was not impacted by the SNF VBP Program. The low volume adjustment policy was implemented beginning with the FY 2020 SNF VBP Program and applies defense with fewer than 25 eligible stays in the performance period of a program year.

On this slide, you can see the distribution of incentive payment multipliers for the FY 2021 program represented by the red columns. The distribution of multipliers for the FY 2020 program is represented by the gray columns. In FY 2021, 21 percent of SNFs earned net positive incentive payments. That is, they did better than they would have in the absence of the program, compared to 19 percent in FY 2020 and 26 percent in FY 2019 that earned net positive incentive payments. Approximately 17 percent of SNFs were assigned net neutral incentive payment multipliers per the low volume adjustment policy in FY 2021 compared to 16 percent in FY 2020. Finally, 62 percent of SNFs earned negative incentive payments in FY 2021 compared to 65 percent of SNFs in FY 2020 and 72 percent of SNFs in FY 2019. Please note that FY 2019 results are not displayed on this slide.

Next, we will discuss how to read your Performance Score Report.

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On this slide, we'll walk through the information on the Performance Score Report's cover sheet. Box 1 contains the baseline and performance periods for the FY 2021 SNF VBP Program. Box 2 contains the SNF's name and CMS Certification Number (CCN). Box 3 contains the dates the incentive payment multiplier will be applied to your SNF's payments. Box 4 contains instructions for the review and correction process. Box 5 contains contact information for the SNF VBP Help Desk.

Tab 2 of the Performance Score Report contains performance information for your facility. In the box, you can view your baseline period or FY 2017 Risk-Standardized Readmission Rate and your performance period or FY 2019 Risk-Standardized Readmission Rate.

Facility performance also includes achievement, improvement, and performance scores. To recap, achievement is an indicator of how your SNF's performance compared to national SNF performance during the baseline period. Scores range from 0 to 100. Improvement is an indicator of how your SNF's performance compared to your own SNF's performance during the baseline period. Scores range from 0 to 90. The performance score is the higher of achievement and improvement. Scores range from 0 to 100. The performance score is used to calculate your incentive payment multiplier.

Finally, you can see your facility's program ranking and incentive payment multiplier that will be applied to claims during fiscal year 2021.

Tab 3 includes information on interpreting your incentive payment multiplier.

On Tab 3, you will find information on when the multiplier takes effect, the multiplier's impact on your payment, and general guidelines for interpreting your multiplier.

Tab 4 contains a data dictionary for the values contained in the Facility Information tab of the Performance Score Report. With that, I'll turn it over. Back to Donna.

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**Donna Bullock:** 

Thank you, Michael. I will be walking you through how to access your Performance Score Report in CASPER.

To access your PSR, you can follow the steps listed on this slide. First you log in to CMSNet and select CASPER Reporting. Next, you enter your QIES user ID and password and login. On the CASPER Topics page, select the Folders tab from the top menu bar. Then, select the SNF Shared folder. A list of SNF VBP report links will display on the right-hand side of the page. Select the desired report name to view the report. If your facility has not registered with the CASPER QIES reporting system, please contact the Help Desk at <a href="Molesumer.light-light

To access the PSR, users must have MDS access. If you do not have MDS access, you can request it using the following steps on this slide. If you are not able to access the report after requesting MDS access, or your facility has not registered with Medicare's CASPER QIES reporting system, please contact the Help Desk at <a href="MOSES @CMS.HHS.gov">IQIES @CMS.HHS.gov</a>. Users without MDS access can also contact other internal facility users who do have access to download and securely share the report internally within your organization. I will now turn the webinar back over to Michael.

Michael DiBello:

Thank you, Donna. Next, we'll discuss SNF VBP event timelines.

On this slide, you can view a timeline of important events for the FY 2021 SNF VBP Program. Starting from the top left, the baseline period for the program was FY 2017. The performance standards were published in August 2018 in the FY 2019 SNF VBP Final Rule. The performance period was FY 2019. Baseline period RSRRs were released in quarterly reports in December 2019. Three quarters of interim performance period data were released in March 2020 quarterly reports. Performance period RSRRs were released in quarterly reports in June 2020. Performance Score Reports were released in July 2020. FY 2021 incentive payment multipliers took effect on October 1, 2020.

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In late fall or early winter 2020, FY 2021 program performance information will be publicly reported. On September 30, 2021, FY 2021 program incentive payments end. Now, back to Donna.

Donna Bullock:

Thank you, Michael. I'm going to show you some useful resources.

If you would like to access the data we have discussed today, please visit *Nursing Home Compare*. The link for *Nursing Home Compare* is available in the first bullet of this slide. If you would like to explore and learn more about the SNF VBP Program, I recommend checking out CMS's web page for the SNF VBP Program. The web page has background information, the number of valuable resources regarding the program, and the readmission measure, including a Frequently Asked Questions (FAQ) document. The direct link to the FAQ document is available in the third bullet. If you have any questions that aren't answered on the SNF VBP webpage or in the FAQ document, please submit your question to SNFVBP@RTI.org.

Okay, it's time for our question-and-answer session. Michael, have adjustments been made to the SNF VBP Program in response to the COVID-19 pandemic?

Michael DiBello:

Thanks, Donna. The answer is yes. In recognizing the unique challenges posed by the COVID-19 pandemic, CMS announced relief to providers participating in Medicare quality reporting programs and VBP programs, including the SNF VBP Program, on March 22, 2020. SNF stays with admission dates occurring from January 1, 2020, through June 30, 2020, will not be used to calculate measure performance for the FY 2022 program year. On September 2, 2020, CMS issued an interim final rule (IFC) revising the performance period for the FY 2022 SNF VBP Program. Previously, the performance period for the FY 2022 program year included SNF admissions occurring in FY 2020 from October 1, 2019, through September 30, 2020. The revised FY 2022 performance period will include SNF stays with SNF admission dates from April 1, 2019, through December 31, 2019, and July, 2020, through September 30, 2020, to calculate measure performance. Incentive payment multipliers for the FY 2022 program year go into effect on October 1, 2021.

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Please refer to the interim final rule linked in this presentation for more details. The FY 2021 SNF VBP Program was not affected by this adjustment. Incentive payment multipliers for the FY 2021 program year went into effect on October 1, 2020. Thank you.

**Donna Bullock:** Thanks, Michael. Here's another question for you: When will fiscal year

2021 program performance information become publicly available?

**Michael DiBello:** Thanks, Donna. We anticipate making FY 2021 program year

performance information, including incentive payment multipliers, publicly available in late fall 2020 on the *Nursing Home Compare* and

the new Provider Data Catalog (PDC) websites. Thank you.

**Donna Bullock:** Thank you very much, Michael, and here's a question from one of our

SNFs. My facility has scores of 0 for achievement, improvement, and

performance. Is this an error?

**Michael DiBello:** The answer is no. This is not an error. Achievement, improvement, and

performance scores of 0 are possible and not an uncommon occurrence. For example, a high performance period Risk-Standardized Readmission Rate, which is also higher than the baseline period rate, may result in scores of 0 for both achievement and improvement. For more specific information on scoring methodology, including formulas, please refer to questions 10 and 11 of the SNF VBP FAQ, available on the SNF CMS

SNF VBP website. Thanks. Back to you, Donna.

**Donna Bullock:** Great. Here's our next question. When does the SNFRM 30-day

readmission risk window begin and end?

**Michael DiBello:** Thank you. The 30-day period during which an unplanned hospital

readmission may be counted in the SNFRM is referred to as the "risk window." The risk window begins when a patient is discharged from an acute care hospitalization and subsequently admitted to a SNF within one day. The risk window ends either 30 days after it starts or when a patient is readmitted to a hospital, whichever occurs first. If a patient has multiple readmissions, the risk window ends after the first readmission. However, additional risk windows may begin if all measure inclusion criteria are met.

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**Donna Bullock:** Thank you. Great. Here's our last question, Michael. When can we expect

the next SNF VBP quarterly report to be released?

**Michael DiBello:** Thanks, Donna. We anticipate releasing baseline period performance

information for the FY 2022 program year in December 2020.

**Donna Bullock:** Great. Thanks, Michael. That's all the time we have for questions today.

We would now like to poll the SNF VBP community on today's webinar.

Here's our first polling question. Did your facility already download your SNF VBP Performance Score Report? Please respond to the polling question with Yes; No, but I will soon; No, and I don't plan to; or Not Applicable. We will now open the polling.

We will leave the polling open for a few more seconds. OK, we will close this polling question. Let's go to the next one. Next slide, please.

How does your facility use the SNF VBP data? You can select all that apply: quality improvement, care management, financial planning, or Not Applicable. We will now open the polling.

We will leave the polling open for a few more seconds.

OK, we are closing this polling question. Thank you for participating.

That concludes today's presentation.

Thank you for attending.