



Skilled Nursing Facility Value-Based Purchasing (SNF VBP) Program Outpatient Quality Program Systems and Stakeholder Support Team

Overview of SNF VBP Program Finalized Policies from the FY 2024 SNF PPS Final Rule Question and Answer Summary Document

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Subject-matter experts researched and answered the following questions after the live webinar. The questions may have been edited for grammar.

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Question 1: **Are there additional details available about the MDS validation policy? For example, will the SNF need to send a copy of the entire medical record? What will happen if an MDS is found to be not aligned with data from the medical record? How will a facility be notified of the results of the audit? Will there be an appeal process for facilities that disagree with the results?**

The validation of MDS data will begin with the FY 2027 Program year/FY 2025 performance period. CMS finalized that we will select up to 1,500 SNFs that submitted at least one MDS record in calendar year 2024 or were participating in the FY 2026 SNF VBP Program/FY 2024 performance period for validation in the FY 2025 performance period, which will include a validation contractor requesting up to 10 randomly selected medical charts from each of the selected SNFs.

More detailed information concerning the policy will be included in future rulemaking and applicable Frequently Asked Questions (FAQs) documents.

Question 2: **Why doesn't my SNF have an August Performance Score Report (PSR) in the SNF VBP folder on iQIES?**

One of the most common reasons for not having a report in iQIES is the absence of any eligible stays during the reporting period. If a facility does not have any eligible stays during the reporting period, or is permanently closed (that is, not active):

- The SNF would not receive a report in iQIES.
- The SNF would not receive an incentive payment multiplier (IPM). The SNF would receive their adjusted federal per diem rate for that Program year.
- The SNF's performance in the SNF VBP Program would not be publicly reported in the facility-level and national, aggregate-level results files on the CMS-specified website for public reporting.

If you don't think these conditions apply to you, please reach out to the SNF VBP Program Help Desk at SNFVBP@RTL.org.

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Question 3: **My facility did not receive a performance score or an incentive payment multiplier. Instead, these values were “---” or blank. Is this an error?**

No, this is not an error. In the FY 2023 SNF PPS final rule, CMS finalized a case minimum policy for the SNFRM and removed the existing Low-Volume Adjustment policy. Starting with the FY 2023 Program year, SNFs must have a minimum of 25 eligible stays for the SNFRM during the applicable performance period to be eligible to receive a performance score on that measure. In addition, SNFs that do not meet the SNFRM’s case minimum in the performance period are excluded from the SNF VBP Program for that Program year. Payments to these SNFs are not affected by the SNF VBP Program and these SNFs will not receive an incentive payment multiplier for that Program year; instead, these SNFs will receive their adjusted federal per diem rate. The annual PSR for these SNFs will contain a “---” for all data, including the performance score and incentive payment multiplier.

Question 4: **Why is CMS not utilizing other metrics like ADI or LIS to calculate the underserved population for the HEA?**

Currently, there is a considerable amount of literature linking dual eligibility status (DES) to negative health outcomes, specifically in the SNF setting. We are concerned that including the Area Deprivation Index (ADI) or residents eligible for the Medicare Part D Low Income Subsidy (LIS) program as part of our definition of “underserved” in the SNF VBP Program’s Health Equity Adjustment (HEA) is premature until more research is conducted linking these indicators to negative health outcomes, specifically in the SNF setting. We would like to note that our definition of DES includes partial duals and so many residents that would be included by utilizing the LIS are already included in our finalized definition of DES. We also do intend to consider these and other indicators in the future as we explore additional ways to incorporate health equity into the Program and are interested in hearing feedback from stakeholders on this.

Question 5: **The HEA only helps SNFs that are already performing well, how will the program help SNFs that care for large proportions of underserved populations and are not in the top third of performance?**

The HEA is intended to reward high quality performance and not solely adjust for resident population. We do not intend to reward lower quality performance, but we believe the proposed HEA incentivizes lower performing facilities to improve their performance.

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We also agree that it is important to advance health equity in other ways, which is why we included in the proposed rule a request for information on additional ways to incorporate health equity into the SNF VBP Program. We are very interested in hearing your feedback on how else we can incorporate changes to the Program in order to ensure all SNFs are able to provide high quality care to their residents.

Question 6: Where can I find who qualifies as a DES resident?

We define residents with DES, for purposes of the HEA, as the percentage of Medicare SNF residents who are also eligible for Medicaid. We assign DES for any Medicare beneficiary who was deemed by Medicaid agencies to be eligible to receive Medicaid benefits for any month during the performance period of the 1-year measures.

For example, during the FY 2027 Program year, we will calculate the proportion of residents with DES during any month of FY 2025 (October 1, 2024, through September 30, 2025), which is the performance period for the FY 2027 Program year's 1-year measures. Similarly, a SNF's total resident population of Medicare beneficiaries identified from the SNF's Part A claims will be calculated from the SNF's Part A claims during FY 2025. Data on DES is sourced from the State Medicare Modernization Act (MMA) file of dually eligible beneficiaries, which each of the 50 States and the District of Columbia submit to CMS at least monthly. This file is utilized to deem individuals with DES automatically eligible for the Medicare Part D Low Income Subsidy, as well as other CMS program needs and thus can be considered the gold standard for determining DES. We note that this is the same file used for determining DES in the Hospital Readmissions Reduction Program.

Question 7: Can you provide an email address for a Resident Assessment Instrument (RAI) question?

For contact information of State Resident Assessment Instrument (RAI) coordinators, please refer to Appendix B: State Agency and CMS Regional Office RAI/MDS Contacts of the MDS 3.0 RAI manual available in the **Downloads** section of the [MDS RAI Manual webpage](#).

Question 8: Will all of these 8 SNF VBP Program measures apply to SNF swing beds?

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Below is a table of the nine SNF VBP Program's quality measures adopted to date, and whether or not the denominator includes Swing Bed facilities. We have also included each measure's adopted case minimum as a reference.

SNF VBP Measure (Data Source)	Does denominator include swing beds?	Case Minimum
SNFRM (claims)	Yes	25 eligible stays
SNF HAI (claims)	Yes	25 eligible stays
Total Nurse Staffing (PBJ)	No	Average of 25 residents across available quarters
Staff Turnover (PBJ)	No	5 eligible staff and 1 eligible stay
DTC-PAC (claims)	Yes	25 eligible stays
Cross-setting Function (MDS)	Yes	20 stays
Falls with Major Injury (long-stay) (MDS)	No	20 residents
Hospitalizations per 1,000 Long-stay Resident Days (claims)	No	20 stays
SNF Within-stay PPR (claims), to replace the SNFRM	Yes	25 eligible stays

Question 9: Can you please provide the time frames for the Nursing Staff Turnover measure calculations.

The measure denominator includes only individuals who work at least 120 hours in a 90-day period across the baseline quarter (the quarter prior to the first quarter used in the turnover calculation) and the first two quarters used in the turnover calculation.

For example, for the FY 2026 Program year, the denominator will be calculated as the number of eligible employees who worked 120 or more hours in a 90-day period, with the first workday of the 90-day period occurring in FY 2023 Q4, defined as Q0, or the quarter prior to the start of the performance period (FY 2024), through FY 2024 Q2, the first 2 quarters (July 1, 2023 through March 31, 2024) of the performance period (FY 2024).

The numerator is calculated as the total number of eligible employees who had a 60-day gap during which the eligible employee did not work during the performance period (FY 2024, that is from October 1, 2023, through September 30, 2024). Data from FY 2025 Q1, defined as Q5, is also used to identify gaps during which the eligible employee did not work for employment spells that start within 60 days of the end of the performance period (August 2, 2024 through September 30, 2024).