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Insights

CMS Proposes Four Rules ??" SNF, IRF, Hospice, IPF

April 30, 2018

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On April 27, 2018, CMS announced four (4) new proposed rules to “advance administrative burden reduction, Medicare modernization, and the Meaningful Measures Initiative.” These proposed regulations apply to the following payment systems: (i) Skilled Nursing Facilities Prospective Payment System (SNF PPS); (ii) Inpatient Rehabilitation Facilities Prospective Payment System (IRF PPS); (iii) Hospice Wage Index and Payment Rate Update; and (iv) Inpatient Psychiatric Facilities Prospective Payment System (IPF PPS).

As part of the SNF PPS, CMS is proposing a case-mix model, named the “SNF Patient Driven Payment Model” (PDPM), that would tie SNF payment to patients’ conditions and care needs rather than volume of services provided. CMS also notes that PDPM would simplify the complicated paperwork requirements for patient assessments by reducing the reporting burden. This new case-mix classification system would be effective October 1, 2019. The SNF PPS proposed rule also proposes changes to the SNF Quality Reporting Program (QRP) and SNF Value-Based Purchasing Program (VBP).

The IRF PPS rule includes advances in telecommunications technology and would remove obstacles that may prevent rehabilitation physicians from conducting certain meetings without being physically in the room. In addition, CMS proposes a number of changes to reduce the administrative burden on IRFs, including by decreasing the number of measures IRFs are required to report for the IRF Quality Reporting Program (QRP)and reducing other documentation requirements. The two measures CMS proposes removing from the IRF QRP are: (1) National Healthcare Safety Network (NHSN) Facility-wide Inpatient Hospital-onset Methicillin-resistant Staphylococcus aureus (MRSA) Bacteremia Outcome Measure (NQF #1716) (beginning with the FY 2021); and (2) Percent of Residents or Patients Who Were Assessed and Appropriately Given the Seasonal Influenza Vaccine (Short Stay) (NQF #0680) (beginning with the FY 2019). For FY 2019, CMS is also proposing to update IRF PPS payments to reflect an estimated 1.35 percent increase factor.

The IPF PPS rule proposes the removal of eight (8) IPF Quality Reporting Program (QRP) measures, beginning with FY 2020, and estimates that IPF payments will increase by 0.98 percent or $50 million in FY 2019. The proposed rule also makes a number of technical corrections.

CMS is also requesting stakeholder feedback through a request for information (RFI) on the possibility of revising Conditions of Participation related to interoperability as a way to increase electronic sharing of data by providers.

A copy of the announcement is available here.

The following are the Fiscal Year 2019 proposed rules and CMS fact sheets:

1. Skilled Nursing Facility Prospective Payment System (SNF PPS)

- CMS-1696-P
- CMS SNF PPS Fact Sheet

2. Inpatient Rehabilitation Facilities Prospective Payment System (IRF PPS)

- CMS-1688-P
- CMS IRF PPS fact sheet

3. Hospice Wage Index and Payment Rate Update

- CMS-1692-P
- CMS Hospice Wage Index & Payment fact sheet

4. Inpatient Psychiatric Facility Prospective Payment System (IPF PPS)

- CMS-1690-P
- CMS IPF fact sheet

Public comments must be submitted by June 26, 2018, to be considered by CMS. If you have any questions about these proposed rules, please do not hesitate to contact Robert A. Anderson at banderson@kdlegal.com, Meghan M. Linvill McNab at mmcnab@kdlegal.com, or your regular Krieg DeVault attorney.