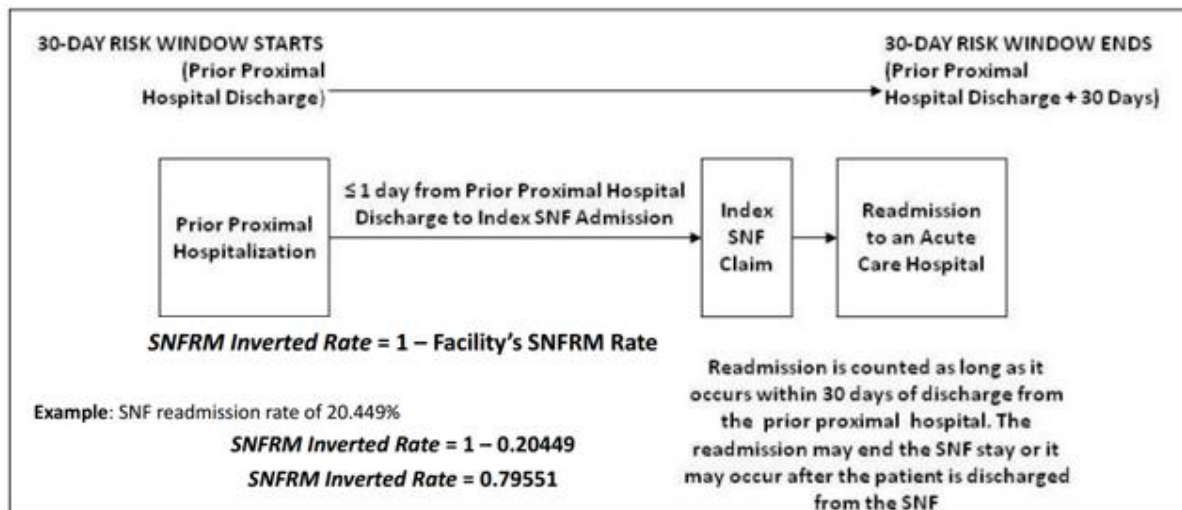


## SKILLED NURSING FACILITIES READMISSION MEASURE (SNFRM):

- Used to evaluate SNFs in the SNF VBP Program [PAMA 2014]
- Ties portions of SNFs payments to performance on this measure
- Readmissions within 30-day window are counted regardless of readmitted to the hospital directly from the SNF or has been discharged from the SNF
- Risk-adjusted based on patient demographics, principal diagnosis in prior hospital comorbidities, and other health status variables that affect probability of readmission
- Excludes planned readmissions since these are not indicative of poor quality
- Will be in use for the first year of the program, FY 2019
- Outcome = Risk-standardized readmission rate (RSRR)
- All-Condition Risk-Adjusted Potentially Preventable Hospital Readmission Measure (SNFPPR) to replace the SNFRM in upcoming rule making.

**Figure 1**  
**Risk Window for the SNF Readmission Measure**



## SNF – Value Based Incentive Payments:

- Effective for payments furnished on or after Oct 1, 2018
- The payment percentage is based on the **performance** score;
  - Highest ranked SNFs receive greater payments
  - Lower ranked SNFs receive lower payments
- **Performance Score** = Higher of **Achievement** or **Improvement** Score
- Payment rate for SNF in lower 40% is less than would otherwise apply
- The total amount of value-based incentive payments between 50-70 % of total reductions (2% withheld) of payments for FY ; rest kept

Understanding Your Score:

Term	Definition
Achievement Threshold	The 25 <sup>th</sup> percentile of all SNFs' performance on the specified measure during the baseline period
Benchmark	The mean of the best decile of all SNFs' performance on the specified measure during the baseline period
Improvement Threshold	A specific SNF's performance on the specified measure during the baseline period
Performance Period	CY 2017
Baseline Period	CY 2015

Achievement Score: Points awarded by comparing the facility's rate during the performance period (CY2017) with the performance of all facilities nationally during the baseline period (CY2015)

- Rate better than or equal to benchmark: 100 points
- Rate worse than achievement threshold: 0 Points
- Rate between the two: 1-99 points, formula in final rule

Improvement Score: Points awarded by comparing the facility's rate during the performance period (CY2017) with its previous performance during the baseline period (CY 2015)

- Rate better than or equal to benchmark: 90 points
- Rate worse than improvement threshold: 0 points
- Rate between the two: 1-89 points, formula in final rule



References:

CMS, HHS. Medicare program; prospective payment system and consolidated billing for skilled nursing facilities for FY 2017, SNF value-based purchasing program, SNF quality reporting program, and SNF payment models research. Fed Reg Vol 81 Aug 2016