

Issue Brief

FEDERAL ISSUE BRIEF • July 7, 2015

KEY POINTS

- The proposed rule would reduce home health payments by 1.8 percent, totaling \$350 million.
- Additional proposals include the addition of home health value-based purchasing and revisions to the quality measures.

CMS Releases Proposed Home Health Update for CY 2016

The Centers for Medicare & Medicaid Services has issued a proposed calendar year 2016 update to the home health prospective payment system. The changes would be effective Jan. 1, 2016.

The 236-page rule is currently on display at the *Federal Register* at: <https://www.federalregister.gov/articles/2015/07/10/2015-16790/medicare-and-medicaid-programs-cy-2016-home-health-prospective-payment-system-rate-update-home>. Publication is scheduled for July 10. A 60-day comment period ending Sept. 4 is provided.

This proposed rule would update the payment rates for HHAs for CY 2016.

This proposed rule discusses CMS' efforts to monitor the potential impacts of the rebasing adjustments mandated by section 3131(a) of the Affordable Care Act. CMS notes that CY 2016 will be the third year of the four-year phase-in of the rebasing adjustments to the national, standardized 60-day episode payment rate, the national per-visit rates, and the NRS conversion factor finalized in the CY 2014 HH PPS final rule. The rebasing adjustments for CY 2016 would reduce the national, standardized 60-day episode payment amount by \$80.95, increase the national per-visit payment amounts by 3.5 percent of the national per-visit payment amounts in CY 2010 with the increases ranging

from \$1.79 for home health aide services to \$6.34 for medical social services, and reduce the NRS conversion factor by 2.82 percent.

Further, the rule proposes: reductions to the national, standardized 60-day episode payment rate in CY 2016 and CY 2017 of 1.72 percent in each year to account for case-mix growth unrelated to increases in patient acuity (nominal case-mix growth) between CY 2012 and CY 2014.

CMS says that the overall economic impact of the HH PPS payment rate update is an estimated -\$350 million (-1.8 percent) in payments to HHAs.

THE REBASING ISSUES

The ACA limits the rebasing adjustment to 3.5 percent of the CY 2010 national, standardized 60-day episode payment rate of \$2,312.94 or \$80.95.

In the CY 2015 HH PPS final rule, using 2012 cost report and 2013 claims data, CMS estimated the 2013 60-day episode cost to be \$2,485.24. CMS says that in order to align payments with costs, a -4.21 percent adjustment would have been applied to the national, standardized 60-day episode payment amount each year for CY 2014 through CY 2017.

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continued

CMS says its latest analysis of 2013 cost report and 2013 claims data suggests that an even larger reduction (-5.02 percent) than the reduction described in the CY 2014 HH PPS final rule (-3.45 percent) or the reduction described in the CY 2015 HH PPS final rule (-4.21) would have been needed in order to align payments with costs.

COMMENT

For CY 2014, as part of the rebasing effort mandated by the ACA, CMS “reset” the HH PPS case-mix weights, lowering the average case-mix weight to 1.0000. To lower the HH PPS case-mix weights to 1.0000, each HH PPS case-mix weight was decreased by the same factor (1.3464), thereby maintaining the same relative values between the weights.

CMS says it is using the same CY 2014 methodology for CY 2016.

Both case-mix payments and case-mix adjustments are playing out.

CY 2016 HH PPS CASE-MIX WEIGHTS

The case-mix budget neutrality factor is calculated as the ratio of total payments when the CY 2016 HH PPS case-mix weights (developed using CY 2014 claims data) are applied to CY 2014 utilization (claims) data to total payments when CY 2015 HH PPS case-mix weights (developed using CY 2013 claims data) are applied to CY 2014 utilization data. This produces a case-mix budget neutrality factor for CY 2016 of 1.0141, based on CY 2014 claims data as of Dec. 31, 2014.

PROPOSED REDUCTION TO THE NATIONAL, STANDARDIZED 60-DAY EPISODE PAYMENT RATE TO ACCOUNT FOR NOMINAL CASE-MIX GROWTH

CMS says that Section 1895(b)(3)(B)(iv) of the Act gives the Secretary the authority to implement payment reductions

for nominal case-mix growth (that is, case-mix growth unrelated to changes in patient acuity).

CMS estimates that case-mix increased by an additional 1.41 percent between CY 2013 and CY 2014 (as evidenced by the budget neutrality factor of 1.0141 percent described above). In applying the 15.97 percent estimate of real case-mix growth to the total estimated case-mix growth from CY 2013 to CY 2014 (1.41 percent), CMS estimates that case-mix increased by 1.18 percent ($1.41 - (1.41 \times 0.1597)$) as a result of nominal case-mix growth (that is, case-mix growth unrelated to changes in patient acuity). Given the observed nominal case-mix growth of 2.32 percent in 2013 and 1.18 percent in 2014, the reduction to offset the nominal case-mix growth for these 2 years would be 3.41 percent ($1 - 1/(1.0232 \times 1.0118) = 0.0341$).

Bottom line, CMS is proposing to implement this 3.41 percent reduction in equal increments over 2 years. Specifically, in addition to continuing the third year of implementation of the rebasing adjustments required under section 3131(a) of the ACA, CMS is proposing to apply a 1.72 percent ($1 - 1/(1.0232 \times 1.0118)^{1/2} = 1.72$ percent) reduction to the national, standardized 60-day episode payment rate each year for 2 years, CY 2016 and CY 2017.

The following table identifies the CY 2016 case-mix weights.

(NOTE: the proposed rule does not include the CY 2013, CY 2014 or CY 2015 weights.) Because so much change is being made to the 153 home health resource groups, showing the change in weighting factors is as important as the payment rates themselves.

Proposed CY 2016 Case-Mix Weights

Payment group	Description	Clinical, functional, and service levels	2013 HH PPS Case-mix weights	2014 HH PPS Case-mix Weights	CY 2015 Case-Mix Weights	Proposed CY 2016 Case-Mix Weights
		C1F1S1	0.8186	0.6080	0.5985	0.5969
10112	1st and 2nd Episodes, 6 Therapy Visits	C1F1S2	0.9793	0.7273	0.7242	0.7216
10113	1st and 2nd Episodes, 7 to 9 Therapy Visits	C1F1S3	1.1401	0.8468	0.8499	0.8462
10114	1st and 2nd Episodes, 10 Therapy Visits	C1F1S4	1.3008	0.9661	0.9756	0.9708
10115	1st and 2nd Episodes, 11 to 13 Therapy Visits	C1F1S5	1.4616	1.0856	1.1013	1.0954
10121	1st and 2nd Episodes, 0 to 5 Therapy Visits	C1F2S1	1.0275	0.7631	0.7277	1.2201
10122	1st and 2nd Episodes, 6 Therapy Visits	C1F2S2	1.1657	0.8658	0.8353	1.4237
10123	1st and 2nd Episodes, 7 to 9 Therapy Visits	C1F2S3	1.3039	0.9684	0.9429	1.6273
10124	1st and 2nd Episodes, 10 Therapy Visits	C1F2S4	1.4421	1.0711	1.0505	0.7123
10125	1st and 2nd Episodes, 11 to 13 Therapy Visits	C1F2S5	1.5804	1.1738	1.1581	0.8240
10131	1st and 2nd Episodes, 0 to 5 Therapy Visits	C1F3S1	1.1233	0.8343	0.7914	0.9357
10132	1st and 2nd Episodes, 6 Therapy Visits	C1F3S2	1.2520	0.9299	0.9056	1.0474
10133	1st and 2nd Episodes, 7 to 9 Therapy Visits	C1F3S3	1.3807	1.0255	1.0198	1.1591
10134	1st and 2nd Episodes, 10 Therapy Visits	C1F3S4	1.5094	1.1211	1.1340	1.2708
10135	1st and 2nd Episodes, 11 to 13 Therapy Visits	C1F3S5	1.6381	1.2167	1.2482	1.4643
10211	1st and 2nd Episodes, 0 to 5 Therapy Visits	C2F1S1	0.8340	0.6194	0.6370	1.6578
10212	1st and 2nd Episodes, 6 Therapy Visits	C2F1S2	1.0302	0.7652	0.7718	0.7709
10213	1st and 2nd Episodes, 7 to 9 Therapy Visits	C2F1S3	1.2265	0.9109	0.9066	0.8868
10214	1st and 2nd Episodes, 10 Therapy Visits	C2F1S4	1.4228	1.0567	1.0413	1.0027
10215	1st and 2nd Episodes, 11 to 13 Therapy Visits	C2F1S5	1.6190	1.2025	1.1761	1.1186
10221	1st and 2nd Episodes, 0 to 5 Therapy Visits	C2F2S1	1.0429	0.7746	0.7662	1.2345
10222	1st and 2nd Episodes, 6 Therapy Visits	C2F2S2	1.2166	0.9036	0.8829	1.3504
10223	1st and 2nd Episodes, 7 to 9 Therapy Visits	C2F2S3	1.3903	1.0326	0.9996	1.5410
10224	1st and 2nd Episodes, 10 Therapy Visits	C2F2S4	1.5641	1.1617	1.1163	1.7316
10225	1st and 2nd Episodes, 11 to 13 Therapy Visits	C2F2S5	1.7378	1.2907	1.2330	0.6339
10231	1st and 2nd Episodes, 0 to 5 Therapy Visits	C2F3S1	1.1387	0.8457	0.8299	0.7637
10232	1st and 2nd Episodes, 6 Therapy Visits	C2F3S2	1.3029	0.9677	0.9532	0.8935
10233	1st and 2nd Episodes, 7 to 9 Therapy Visits	C2F3S3	1.4671	1.0896	1.0765	1.0234
10234	1st and 2nd Episodes, 10 Therapy Visits	C2F3S4	1.6313	1.2116	1.1998	1.1532
10235	1st and 2nd Episodes, 11 to 13 Therapy Visits	C2F3S5	1.7956	1.3336	1.3230	1.2830
10311	1st and 2nd Episodes, 0 to 5 Therapy Visits	C3F1S1	0.9071	0.6737	0.6951	1.4994
10312	1st and 2nd Episodes, 6 Therapy Visits	C3F1S2	1.1348	0.8428	0.8541	1.7157
10313	1st and 2nd Episodes, 7 to 9 Therapy Visits	C3F1S3	1.3624	1.0119	1.0131	0.7492
10314	1st and 2nd Episodes, 10 Therapy Visits	C3F1S4	1.5900	1.1809	1.1720	0.8661
10315	1st and 2nd Episodes, 11 to 13 Therapy Visits	C3F1S5	1.8177	1.3500	1.3310	0.9830
10321	1st and 2nd Episodes, 0 to 5 Therapy Visits	C3F2S1	1.1160	0.8289	0.8242	1.0999
10322	1st and 2nd Episodes, 6 Therapy Visits	C3F2S2	1.3211	0.9812	0.9651	1.2169
10323	1st and 2nd Episodes, 7 to 9 Therapy Visits	C3F2S3	1.5262	1.1335	1.1061	1.3338
10324	1st and 2nd Episodes, 10 Therapy Visits	C3F2S4	1.7313	1.2859	1.2470	1.5400
10325	1st and 2nd Episodes, 11 to 13 Therapy Visits	C3F2S5	1.9364	1.4382	1.3879	1.7461
10331	1st and 2nd Episodes, 0 to 5 Therapy Visits	C3F3S1	1.2118	0.9000	0.8880	0.8079

Proposed CY 2016 Case-Mix Weights

Payment group	Description	Clinical, functional, and service levels	2013 HH PPS Case-mix weights	2014 HH PPS Case-mix Weights	CY 2015 Case-Mix Weights	Proposed CY 2016 Case-Mix Weights
10332	1st and 2nd Episodes, 6 Therapy Visits	C3F3S2	1.4074	1.0453	1.0355	0.9290
10333	1st and 2nd Episodes, 7 to 9 Therapy Visits	C3F3S3	1.6030	1.1906	1.1830	1.0501
10334	1st and 2nd Episodes, 10 Therapy Visits	C3F3S4	1.7986	1.3359	1.3305	1.1712
10335	1st and 2nd Episodes, 11 to 13 Therapy Visits	C3F3S5	1.9942	1.4811	1.4780	1.2923
21111	1st and 2nd Episodes, 14 to 15 Therapy Visits	C1F1S1	1.6223	1.2049	1.2270	1.4134
21112	1st and 2nd Episodes, 16 to 17 Therapy Visits	C1F1S2	1.8331	1.3615	1.4220	1.6167
21113	1st and 2nd Episodes, 18 to 19 Therapy Visits	C1F1S3	2.0438	1.5180	1.6171	1.8200
21121	1st and 2nd Episodes, 14 to 15 Therapy Visits	C1F2S1	1.7186	1.2764	1.2657	0.6876
21122	1st and 2nd Episodes, 16 to 17 Therapy Visits	C1F2S2	1.9496	1.4480	1.4649	0.8424
21123	1st and 2nd Episodes, 18 to 19 Therapy Visits	C1F2S3	2.1807	1.6197	1.6640	0.9973
21131	1st and 2nd Episodes, 14 to 15 Therapy Visits	C1F3S1	1.7668	1.3122	1.3624	1.1522
21132	1st and 2nd Episodes, 16 to 17 Therapy Visits	C1F3S2	2.0252	1.5042	1.5565	1.3071
21133	1st and 2nd Episodes, 18 to 19 Therapy Visits	C1F3S3	2.2836	1.6961	1.7506	1.4619
21211	1st and 2nd Episodes, 14 to 15 Therapy Visits	C2F1S1	1.8153	1.3483	1.3109	1.6962
21212	1st and 2nd Episodes, 16 to 17 Therapy Visits	C2F1S2	2.0224	1.5021	1.5142	1.9304
21213	1st and 2nd Episodes, 18 to 19 Therapy Visits	C2F1S3	2.2294	1.6558	1.7175	0.8029
21221	1st and 2nd Episodes, 14 to 15 Therapy Visits	C2F2S1	1.9116	1.4198	1.3497	0.9449
21222	1st and 2nd Episodes, 16 to 17 Therapy Visits	C2F2S2	2.1389	1.5886	1.5570	1.0868
21223	1st and 2nd Episodes, 18 to 19 Therapy Visits	C2F2S3	2.3663	1.7575	1.7643	1.2288
21231	1st and 2nd Episodes, 14 to 15 Therapy Visits	C2F3S1	1.9598	1.4556	1.4463	1.3707
21232	1st and 2nd Episodes, 16 to 17 Therapy Visits	C2F3S2	2.2145	1.6448	1.6486	1.5127
21233	1st and 2nd Episodes, 18 to 19 Therapy Visits	C2F3S3	2.4691	1.8339	1.8509	1.7368
21311	1st and 2nd Episodes, 14 to 15 Therapy Visits	C3F1S1	2.0453	1.5191	1.4900	1.9609
21312	1st and 2nd Episodes, 16 to 17 Therapy Visits	C3F1S2	2.2682	1.6846	1.7142	0.8616
21313	1st and 2nd Episodes, 18 to 19 Therapy Visits	C3F1S3	2.4911	1.8502	1.9384	1.0077
21321	1st and 2nd Episodes, 14 to 15 Therapy Visits	C3F2S1	2.1415	1.5905	1.5288	1.1539
21322	1st and 2nd Episodes, 16 to 17 Therapy Visits	C3F2S2	2.3848	1.7712	1.7570	1.3000
21323	1st and 2nd Episodes, 18 to 19 Therapy Visits	C3F2S3	2.6280	1.9519	1.9853	1.4462
21331	1st and 2nd Episodes, 14 to 15 Therapy Visits	C3F3S1	2.1897	1.6263	1.6255	1.5923
21332	1st and 2nd Episodes, 16 to 17 Therapy Visits	C3F3S2	2.4603	1.8273	1.8487	1.8135
21333	1st and 2nd Episodes, 18 to 19 Therapy Visits	C3F3S3	2.7309	2.0283	2.0718	2.0347
22111	3rd+ Episodes, 14 to 15 Therapy Visits	C1F1S1	1.6822	1.2494	1.2407	0.4805
22112	3rd+ Episodes, 16 to 17 Therapy Visits	C1F1S2	1.8730	1.3911	1.4312	0.6403
22113	3rd+ Episodes, 18 to 19 Therapy Visits	C1F1S3	2.0638	1.5328	1.6217	0.8001
22121	3rd+ Episodes, 14 to 15 Therapy Visits	C1F2S1	1.7628	1.3093	1.2500	0.9599
22122	3rd+ Episodes, 16 to 17 Therapy Visits	C1F2S2	1.9791	1.4699	1.4544	1.1197
22123	3rd+ Episodes, 18 to 19 Therapy Visits	C1F2S3	2.1954	1.6306	1.6587	1.2795
22131	3rd+ Episodes, 14 to 15 Therapy Visits	C1F3S1	1.9247	1.4295	1.3730	1.4633
22132	3rd+ Episodes, 16 to 17 Therapy Visits	C1F3S2	2.1305	1.5824	1.5635	1.6471
22133	3rd+ Episodes, 18 to 19 Therapy Visits	C1F3S3	2.3362	1.7351	1.7541	1.8309
22211	3rd+ Episodes, 14 to 15 Therapy Visits	C2F1S1	1.8508	1.3746	1.3772	0.5648

Proposed CY 2016 Case-Mix Weights

Payment group	Description	Clinical, functional, and service levels	2013 HH PPS Case-mix weights	2014 HH PPS Case-mix Weights	CY 2015 Case-Mix Weights	Proposed CY 2016 Case-Mix Weights
22212	3rd+ Episodes, 16 to 17 Therapy Visits	C2F1S2	2.0460	1.5196	1.5584	0.7109
22213	3rd+ Episodes, 18 to 19 Therapy Visits	C2F1S3	2.2412	1.6646	1.7396	0.8570
22221	3rd+ Episodes, 14 to 15 Therapy Visits	C2F2S1	1.9314	1.4445	1.3865	1.0031
22222	3rd+ Episodes, 16 to 17 Therapy Visits	C2F2S2	2.1521	1.5984	1.5815	1.1492
22223	3rd+ Episodes, 18 to 19 Therapy Visits	C2F2S3	2.3729	1.7624	1.7766	1.2952
22231	3rd+ Episodes, 14 to 15 Therapy Visits	C2F3S1	2.0933	1.5547	1.5095	1.4806
22232	3rd+ Episodes, 16 to 17 Therapy Visits	C2F3S2	2.3035	1.7109	1.6907	1.6659
22233	3rd+ Episodes, 18 to 19 Therapy Visits	C2F3S3	2.5136	1.8669	1.8720	1.8512
22311	3rd+ Episodes, 14 to 15 Therapy Visits	C3F1S1	2.0747	1.5409	1.5480	0.6114
22312	3rd+ Episodes, 16 to 17 Therapy Visits	C3F1S2	2.2878	1.6992	1.7529	0.7644
22313	3rd+ Episodes, 18 to 19 Therapy Visits	C3F1S3	2.5009	1.8575	1.9578	0.9173
22321	3rd+ Episodes, 14 to 15 Therapy Visits	C3F2S1	2.1553	1.6008	1.5573	1.0703
22322	3rd+ Episodes, 16 to 17 Therapy Visits	C3F2S2	2.3940	1.7781	1.7760	1.2232
22323	3rd+ Episodes, 18 to 19 Therapy Visits	C3F2S3	2.6326	1.9553	1.9948	1.3761
22331	3rd+ Episodes, 14 to 15 Therapy Visits	C3F3S1	2.3172	1.7210	1.6803	1.5581
22332	3rd+ Episodes, 16 to 17 Therapy Visits	C3F3S2	2.5453	1.8904	1.8852	1.7401
22333	3rd+ Episodes, 18 to 19 Therapy Visits	C3F3S3	2.7734	2.0559	2.0901	1.9222
30111	3rd+ Episodes, 0 to 5 Therapy Visits	C1F1S1	0.6692	0.4970	0.4942	0.4961
30112	3rd+ Episodes, 6 Therapy Visits	C1F1S2	0.8718	0.6475	0.6435	0.6700
30113	3rd+ Episodes, 7 to 9 Therapy Visits	C1F1S3	1.0744	0.7980	0.7928	0.8440
30114	3rd+ Episodes, 10 Therapy Visits	C1F1S4	1.2770	0.9487	0.9421	1.0180
30115	3rd+ Episodes, 11 to 13 Therapy Visits	C1F1S5	1.4796	1.0989	1.0914	1.1920
30121	3rd+ Episodes, 0 to 5 Therapy Visits	C1F2S1	0.8421	0.6254	0.5746	1.3660
30122	3rd+ Episodes, 6 Therapy Visits	C1F2S2	1.0263	0.7623	0.7097	1.5546
30123	3rd+ Episodes, 7 to 9 Therapy Visits	C1F2S3	1.2104	0.8990	0.8448	1.7433
30124	3rd+ Episodes, 10 Therapy Visits	C1F2S4	1.3945	1.0357	0.9798	1.9320
30125	3rd+ Episodes, 11 to 13 Therapy Visits	C1F2S5	1.5787	1.1725	1.1149	0.5803
30131	3rd+ Episodes, 0 to 5 Therapy Visits	C1F3S1	0.9352	0.6946	0.6313	0.7406
30132	3rd+ Episodes, 6 Therapy Visits	C1F3S2	1.1331	0.8416	0.7796	0.9009
30133	3rd+ Episodes, 7 to 9 Therapy Visits	C1F3S3	1.3310	0.9886	0.9280	1.0612
30134	3rd+ Episodes, 10 Therapy Visits	C1F3S4	1.5289	1.1355	1.0763	1.2214
30135	3rd+ Episodes, 11 to 13 Therapy Visits	C1F3S5	1.7268	1.2825	1.2246	1.3817
30211	3rd+ Episodes, 0 to 5 Therapy Visits	C2F1S1	0.7361	0.5467	0.5116	1.5719
30212	3rd+ Episodes, 6 Therapy Visits	C2F1S2	0.9591	0.7123	0.6847	1.7621
30213	3rd+ Episodes, 7 to 9 Therapy Visits	C2F1S3	1.1820	0.8779	0.8578	1.9523
30214	3rd+ Episodes, 10 Therapy Visits	C2F1S4	1.4049	1.0434	1.0310	0.6270
30215	3rd+ Episodes, 11 to 13 Therapy Visits	C2F1S5	1.6278	1.2090	1.2041	0.7941
30221	3rd+ Episodes, 0 to 5 Therapy Visits	C2F2S1	0.9091	0.6752	0.5920	0.9612
30222	3rd+ Episodes, 6 Therapy Visits	C2F2S2	1.1136	0.8271	0.7509	1.1284
30223	3rd+ Episodes, 7 to 9 Therapy Visits	C2F2S3	1.3180	0.9789	0.9098	1.2955
30224	3rd+ Episodes, 10 Therapy Visits	C2F2S4	1.5225	1.1308	1.0687	1.4626

Proposed CY 2016 Case-Mix Weights

Payment group	Description	Clinical, functional, and service levels	2013 HH PPS Case-mix weights	2014 HH PPS Case-mix Weights	CY 2015 Case-Mix Weights	Proposed CY 2016 Case-Mix Weights
30225	3rd+ Episodes, 11 to 13 Therapy Visits	C2F2S5	1.7269	1.2886	1.2276	1.6495
30231	3rd+ Episodes, 0 to 5 Therapy Visits	C2F3S1	1.0022	0.7444	0.6487	1.8364
30232	3rd+ Episodes, 6 Therapy Visits	C2F3S2	1.2204	0.9064	0.8208	2.0233
30233	3rd+ Episodes, 7 to 9 Therapy Visits	C2F3S3	1.4386	1.0685	0.9930	0.6211
30234	3rd+ Episodes, 10 Therapy Visits	C2F3S4	1.6568	1.2305	1.1652	0.8152
30235	3rd+ Episodes, 11 to 13 Therapy Visits	C2F3S5	1.8751	1.3927	1.3373	1.0093
30311	3rd+ Episodes, 0 to 5 Therapy Visits	C3F1S1	0.9324	0.6925	0.6350	1.2034
30312	3rd+ Episodes, 6 Therapy Visits	C3F1S2	1.1609	0.8622	0.8176	1.3975
30313	3rd+ Episodes, 7 to 9 Therapy Visits	C3F1S3	1.3893	1.0319	1.0002	1.5916
30314	3rd+ Episodes, 10 Therapy Visits	C3F1S4	1.6178	1.2016	1.1828	1.7826
30315	3rd+ Episodes, 11 to 13 Therapy Visits	C3F1S5	1.8463	1.3713	1.3654	1.9736
30321	3rd+ Episodes, 0 to 5 Therapy Visits	C3F2S1	1.1054	0.8210	0.7155	2.1647
30322	3rd+ Episodes, 6 Therapy Visits	C3F2S2	1.3154	0.9770	0.8839	0.7054
30323	3rd+ Episodes, 7 to 9 Therapy Visits	C3F2S3	1.5254	1.1329	1.0522	0.8858
30324	3rd+ Episodes, 10 Therapy Visits	C3F2S4	1.7353	1.2888	1.2206	1.0662
30325	3rd+ Episodes, 11 to 13 Therapy Visits	C3F2S5	1.9453	1.4448	1.3889	1.2466
30331	3rd+ Episodes, 0 to 5 Therapy Visits	C3F3S1	1.1985	0.8902	0.7721	1.4269
30332	3rd+ Episodes, 6 Therapy Visits	C3F3S2	1.4222	1.0563	0.9538	1.6073
30333	3rd+ Episodes, 7 to 9 Therapy Visits	C3F3S3	1.6460	1.2225	1.1354	1.7999
30334	3rd+ Episodes, 10 Therapy Visits	C3F3S4	1.8697	1.3887	1.3170	1.9924
30335	3rd+ Episodes, 11 to 13 Therapy Visits	C3F3S5	2.0935	1.5549	1.4987	2.1850
40111	All Episodes, 20+ Therapy Visits	C1F1S1	2.2546	1.6745	1.8122	0.7521
40121	All Episodes, 20+ Therapy Visits	C1F2S1	2.4117	1.7912	1.8631	0.9393
40131	All Episodes, 20+ Therapy Visits	C1F3S1	2.5419	1.8879	1.9446	1.1265
40211	All Episodes, 20+ Therapy Visits	C2F1S1	2.4364	1.8096	1.9208	1.3138
40221	All Episodes, 20+ Therapy Visits	C2F2S1	2.5936	1.9263	1.9717	1.5010
40231	All Episodes, 20+ Therapy Visits	C2F3S1	2.7238	2.0230	2.0532	1.6882
40311	All Episodes, 20+ Therapy Visits	C3F1S1	2.7140	2.0157	2.1626	1.8774
40321	All Episodes, 20+ Therapy Visits	C3F2S1	2.8712	2.1325	2.2135	2.0667
40331	All Episodes, 20+ Therapy Visits	C3F3S1	3.0014	2.2292	2.2950	2.2559

PROPOSED CY 2016 RATE UPDATE

Proposed CY 2016 Home Health Market Basket Update

The proposed HH PPS market basket update for CY 2016 is 2.9 percent. This amount is reduced by the Affordable Health Care Act multifactor productivity adjustment of 0.6 percent, resulting in a net increase of 2.3 percent.

For HHAs that do not submit the required quality data for CY 2016, the home health market basket update will be 0.3 percent (2.3 percent minus 2.0 percent).

Proposed CY 2016 Area Wage Index

The proposed HH PPS wage index for CY 2016 is fully based on the revised OMB delineations adopted in CY 2015. The proposed CY 2016 wage index is available on CMS' website at: <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HomeHealthPPS/Home-Health-Prospective-Payment-System-Regulations-and-Notices.html>.

Proposed CY 2016 Labor Portion

The labor-related share of the case-mix adjusted 60-day episode rate would continue to be 78.535 percent and the non-labor-related share would continue to be 21.465 percent.

Proposed CY 2016 National, Standardized 60-Day Episode Payment Rate

First, CMS would apply a wage index budget neutrality factor of 1.0006 to the CY 2015 national, standardized 60-day episode rate. Next, CMS would apply a reduction of 1.72 percent to the national, standardized 60-day episode payment rate in CY 2016 to account for nominal case-mix growth between CY 2012 and CY 2014. Then, CMS would apply the -\$80.95 rebasing adjustment finalized in the CY 2014 HH PPS final rule. CMS would update the payment rates by the CY 2016 HH payment update percentage of 2.3 percent.

The proposed CY 2016 national standardized 60-day episode payment rate would be \$2,938.37. The current rate is \$2,961.38

CY 2016 60-day National, Standardized 60-Day Episode Payment Amount						
CY 2015 National, Standardized 60-Day Episode Payment	Wage Index Budget Neutrality Factor	Case-Mix Weights Budget Neutrality Factor	Nominal Case-Mix Growth Adjustment (1-0.0172)	CY 2016 Rebasing Adjustment	CY 2016 HH Payment Update Percentage	CY 2016 National, Standardized 60-Day Episode Payment
\$2,961.38	X 1.0006	X 1.0141	X 0.9828	-\$80.95	X 1.023	= \$2,938.37

The CY 2016 national, standardized 60-day episode payment rate for an HHA that does not submit the required quality data is updated by the CY 2016 HH payment update (2.3 percent) minus 2 percentage points or \$2,880.92.

National Per-Visit Rates

The national per-visit rates are used to pay LUPAs and are also used to compute imputed costs in outlier calculations. The per-visit rates are paid by type of visit or HH discipline. The six HH disciplines are as follows:

- Home health aide (HH aide);
- Medical Social Services (MSS);
- Occupational therapy (OT);
- Physical therapy (PT);
- Skilled nursing (SN); and
- Speech-language pathology (SLP).

The proposed CY 2016 national per-visit rates are shown below.

Proposed CY 2015 National Per-Visit Payment Amounts for HHA that DO SUBMIT Required Data					
HH Discipline Type	CY 2015 Per-Visit Payment	Wage Index Budget Neutrality Factor	CY 2016 Rebasing Adjustment	CY 2016 HH Payment Update Percentage	CY 2016 Per-Visit Payment
Home Health Aide	\$57.89	X 1.0006	+ \$1.79	X 1.023	\$61.09
Medical Social Services	\$204.91	X 1.0006	+ \$6.34	X 1.023	\$216.23
Occupational Therapy	\$140.70	X 1.0006	+ \$4.35	X 1.023	\$148.47
Physical Therapy	\$139.75	X 1.0006	+ \$4.32	X 1.023	\$147.47
Skilled Nursing	\$127.83	X 1.0006	+ \$3.96	X 1.023	\$134.90
Speech-Language Pathology	\$151.88	X 1.0006	+ 4.70	X 1.023	\$160.27

The CY 2016 per-visit payment rates for an HHA that does not submit the required quality data are updated by the CY 2016 HH payment update (2.3 percent) minus 2 percentage points as shown below.

HH Discipline Type	CY 2015 Per-Visit Rates	Wage Index Budget Neutrality Factor	CY 2016 Rebasing Adjustment	CY 2016 HH Payment Update Percentage Minus 2 Percentage Points	CY 2016 Per-Visit Rates
Home Health Aide	\$57.89	X 1.0006	+ \$1.79	X 1.003	\$59.89
Medical Social Services	\$204.91	X 1.0006	+ \$6.34	X 1.003	\$212.01
Occupational Therapy	\$140.70	X 1.0006	+ \$4.35	X 1.003	\$145.57
Physical Therapy	\$139.75	X 1.0006	+ \$4.32	X 1.003	\$144.59
Skilled Nursing	\$127.83	X 1.0006	+ \$3.96	X 1.003	\$132.26
Speech-Language Pathology	\$151.88	X 1.0006	+ 4.70	X 1.003	\$157.14

Proposed Low-Utilization Payment Adjustment Add-On Factor

LUPA episodes that occur as the only episode or as an initial episode in a sequence of adjacent episodes are adjusted by applying an additional amount to the LUPA payment before adjusting for area wage differences. In the CY 2014 HH PPS final rule, CMS changed the methodology for calculating the LUPA add-on amount by finalizing the use of three LUPA add-on factors: 1.8451 for Skilled Nursing; 1.6700 for Physical Therapy; and 1.6266 for Speech Language Pathology.

Nonroutine Medical Supply Conversion Factor Update

Payments for NRS are computed by multiplying the relative weight for a particular severity level by the NRS conversion factor. The proposed NRS conversion factor for CY 2016 is \$52.96, as shown below.

Proposed CY 2016 NRS Conversion Factor			
CY 2014 NRS Conversion Factor	2016 Rebasing Adjustment	2016 HH Market Basket	Proposed CY 2016 Conversion Factor
\$53.23	X 0.9718	X 1.023	= \$52.96

Proposed CY 2016 NRS Payment Amounts for HHAs that Submit Quality Relative Weights for the 6-Severity NRS System			
Severity Level	Points (Scoring)	Relative Weight	Proposed CY 2016 NRS Payment Amount
1	0	0.2698	\$14.28
2	1 to 14	0.9742	\$51.55
3	15 to 27	2.6712	\$141.36
4	28 to 48	3.9686	\$210.02
5	49 to 98	6.1198	\$323.86
6	99+	10.5254	\$557.00

Rural Add-On

ACA Section 3131(c), as amended further, provides an increase of 3.0 percent to the payment amounts for HH services furnished in a rural area ending after April 1, 2010, and before Jan. 1, 2018. There is no budget neutrality associated with this mandate.

The 3.0 percent rural add-on is applied to the national standardized 60-day episode rate, national per-visit rates, LUPA add-on payment, and NRS conversion factor when home health services are provided in rural (non-CBSA) areas.

The proposed CY 2016 payment amounts for 60-day episodes for services provided in a rural area before case-mix and wage index adjustments for HHAs that Do submit quality data is \$3,026.52 (\$2,938.37 X 1.03), and for HHAs that Do Not it is \$2,967.35.

The CY 2016 proposed national per-visit rates per discipline provided in a rural area are shown below.

HH Discipline Type	For HHAs that DO submit quality data			For HHAs that DO NOT submit quality data		
	CY 2016 Per-visit rate	Multiply by the 3 Percent Rural Add-On	CY 2016 Rural Per-Visit Rates	CY 2016 Per-visit rate	Multiply by the 3 Percent Rural Add-On	CY 2016 Rural Per-Visit Rates
HH Aide	\$61.09	X 1.03	\$62.92	\$59.89	X 1.03	\$61.69
MSS	\$216.23	X 1.03	\$222.72	\$212.01	X 1.03	\$218.37
OT	\$148.47	X 1.03	\$152.92	\$145.57	X 1.03	\$149.94
PT	\$147.47	X 1.03	\$151.89	\$144.59	X 1.03	\$148.93
SN	\$134.90	X 1.03	\$138.95	\$132.26	X 1.03	\$136.23
SLP	\$160.27	X 1.03	\$165.08	\$157.14	X 1.03	\$161.85

Payment for High Cost Outlier

For CY 2011 and subsequent calendar years CMS targets up to 2.5 percent of estimated total payments to be paid as outlier payments, and applies a 10 percent agency-level outlier cap.

CMS says that for this proposed rule, simulating payments using preliminary CY 2014 claims data (as of Dec. 31, 2014) and the CY 2015 payment rates, the agency estimates that outlier payments in CY 2015 would comprise 2.02 percent of total payments. Based on simulations using CY 2014 claims data and the CY 2016 payments rates CMS estimates that outlier payments would comprise approximately 2.34 percent of total HH PPS payments in CY 2016.

CMS is not proposing a change to the FDL ratio or loss-sharing ratio for CY 2016 at this time.

PROPOSED HOME HEALTH VALUE-BASED PURCHASING MODEL

CMS is proposing to implement a HHVBP model, which includes a randomized state selection methodology; the reporting framework; the payment adjustment methodology; payment adjustment schedule by performance year and payment adjustment percentage; the quality measures selection methodology, classifications and weighting, measures for performance year one, including the reporting of New Measures, and the framework for proposing to adopt measures for subsequent performance years; the performance scoring methodology, which includes performance based on achievement and improvement; the review and recalculation period; and the evaluation framework.

CMS is proposing to use the section 1115A(d)(1) waiver authority to apply a reduction or increase of up to 8 percent to current Medicare payments to Medicare-certified HHAs delivering care to beneficiaries within the boundaries of certain states, depending on the HHA's performance on specified quality measures relative to its peers.

CMS proposes to identify Medicare-certified HHAs for participation in this model using state borders as boundaries. CMS is proposing that all Medicare-certified HHAs that provide services in Massachusetts, Maryland, North Carolina, Florida, Washington, Arizona, Iowa, Nebraska, and Tennessee will be required to compete in this model.

Quality performance scores and relative peer rankings would be determined through the use of a baseline year (calendar year 2015) and subsequent performance periods for each competing HHA.

The first performance year would transpire from Jan. 1, 2016, through Dec. 31, 2016, and subsequently, all other performance years would be assessed on an annual basis through 2020, unless modified through rulemaking. The first payment adjustment would begin Jan. 1, 2018, applied to that calendar year based on 2016 performance data. Subsequently, all other payment adjustments would be made on an annual basis through the conclusion of the model, unless modified through future rulemaking.

CMS is proposing that payment adjustments will be increased incrementally over the course of the model with a maximum payment adjustment of (5 percent) upward or downward in 2018 and 2019, a maximum payment adjustment of 6 percent (upward or downward) in 2020, and a maximum payment adjustment of 8 percent (upward or downward) in 2021 and 2022. CMS proposes to implement this model over a total of 7 years beginning on Jan. 1, 2016, and ending on Dec. 31, 2022.

QUALITY MEASURES

The initial set of measures proposed for PY1 of the model utilizes data collected via OASIS, Medicare claims, HHCAHPS survey data, and data reported directly from the HHAs to CMS. In total there are 10 process measures and 15 outcome measures plus four New Measures.

PY1 Proposed Measures

NQS Domains	Measure Title	Measure Type	Identifier	Data Source	Numerator	Denominator
Clinical Quality of Care	Improvement in Ambulation- Locomotion	Outcome	NQF 0167	OASIS (M1860)	Number of home health episodes of care where the value recorded on the discharge assessment indicates less impairment in ambulation/locomotion at discharge than at the start (or resumption) of care.	Number of home health episodes of care ending with a discharge during the reporting period, other than those covered by generic or measure-specific exclusions.
Clinical Quality of Care	Improvement in Bed Transferring	Outcome	NQF 0175	OASIS (M1850)	Number of home health episodes of care where the value recorded on the discharge assessment indicates less impairment in bed transferring at discharge than at the start (or resumption) of care.	Number of home health episodes of care ending with a discharge during the reporting period, other than those covered by generic or measure-specific exclusions.
Clinical Quality of Care	Improvement in Bathing	Outcome	NQF 0174	OASIS (M1830)	Number of home health episodes of care where the value recorded on the discharge assessment indicates less impairment in bathing at discharge than at the start (or resumption) of care.	Number of home health episodes of care ending with a discharge during the reporting period, other than those covered by generic or measure-specific exclusions.

NQS Domains	Measure Title	Measure Type	Identifier	Data Source	Numerator	Denominator
Clinical Quality of Care	Improvement in Dyspnea	Outcome	NA	OASIS (M1400)	Number of home health episodes of care where the discharge assessment indicates less dyspnea at discharge than at start (or resumption) of care	Number of home health episodes of care ending with a discharge during the reporting period, other than those covered by generic or measure-specific exclusions
Clinical Quality of Care	Timely Initiation of Care	Process	NQF 0526	OASIS (M0102; M0030)	Number of home health episodes of care in which the start or resumption of care date was either on the Physician-specified date or within 2 days of their referral date or inpatient discharge date whichever is later. For resumption of care, per the Medicare Condition of Participation, the patient must be seen within 2 days of inpatient discharge, even if the physician specifies a later date.	Number of home health episodes of care ending with discharge, death, or transfer to inpatient facility during the reporting period, other than those covered by generic or measure-specific exclusions.
Communication & Care Coordination	Discharged to Community	Outcome	NA	OASIS (M2420)	Number of home health episodes where the assessment completed at the discharge indicates the patient remained in the community after discharge.	Number of home health episodes of care ending with discharge or transfer to inpatient facility during the reporting period, other than those covered by generic or measure-specific exclusions.
Communication & Care Coordination	Care management: Types and Sources of Assistance	Process	NA	OASIS (M2102)	Multiple data elements	Multiple data elements

NQS Domains	Measure Title	Measure Type	Identifier	Data Source	Numerator	Denominator
Efficiency & Cost Reduction	Acute Care hospitalization: Unplanned hospitalization during first 60 days of Home Health; Hospitalization during first 30 days of Home Health	Outcome	NQF 0171 NQF 2380 (Under review for Home Health)	CCW (Claims)	Number of home health stays for patients who have a Medicare claim for an admission to an acute care hospital in the 60 days following the start of the home health stay.	Number of home health stays that begin during the 12-month observation period. A home health stay is a sequence of home health payment episodes separated from other home health payment episodes by at least 60 days.
Efficiency & Cost Reduction	Emergency Department Use without Hospitalization	Outcome	NQF 0173	CCW (Claims)	Number of home health stays for patients who have a Medicare claim for outpatient emergency department use and no claims for acute care hospitalization in the 60 days following the start of the home health stay.	Number of home health stays that begin during the 12-month observation period. A home health stay is a sequence of home health payment episodes separated from other home health payment episodes by at least 60 days.
Patient Safety	Pressure Ulcer Prevention and Care	Process	NQF 0538	OASIS (M1300; M2400)	Number of home health episodes during which interventions to prevent pressure ulcers were included in the Physician- ordered plan of care and implemented (since the previous OASIS assessment).	Number of home health episodes of care ending with discharge, or transfer to inpatient facility during the reporting period, other than those covered by generic or measure-specific exclusions.
Patient Safety	Improvement in Pain Interfering with Activity	Outcome	NQF 0177	OASIS (M1242)	Number of home health episodes of care where the value recorded on the discharge assessment indicates less frequent pain at discharge than at the start (or resumption) of care.	Number of home health episodes of care ending with a discharge during the reporting period, other than those covered by generic or measure-specific exclusions.

NQS Domains	Measure Title	Measure Type	Identifier	Data Source	Numerator	Denominator
Patient Safety	Improvement in Management of Oral Medications	Outcome	NQF 0176	OASIS (M2020)	Number of home health episodes of care where the value recorded on the discharge assessment indicates less impairment in taking oral medications correctly at discharge than at start (or resumption) of care.	Number of home health episodes of care ending with a discharge during the reporting period, other than those covered by generic or measure-specific exclusions
Patient Safety	Multifactor Fall Risk Assessment Conducted for All Patients who Can Ambulate	Process	NQF 0537	OASIS (M1910)	Number of home health episodes in which patients had a multi-factor fall risk assessment at start/resumption of care.	Number of home health episodes of care ending with discharge, death, or transfer to inpatient facility during the reporting period, other than those covered by generic or measure-specific exclusions.
Patient Safety	Prior Functioning ADL/IADL	Outcome	NQF 0430	OASIS (M1900)	The number (or proportion) of a clinician's patients in a particular risk adjusted diagnostic category who meet a target threshold of improvement in Daily Activity (that is, ADL and IADL) functioning.	All patients in a risk adjusted diagnostic category with a Daily Activity goal for an episode of care. Cases to be included in the denominator could be identified based on ICD-9 codes or alternatively, based on CPT codes relevant to treatment goals focused on Daily Activity function.
Patient & Caregiver-Centered Experience	Care of Patients	Outcome		CAHPS	NA	NA
Patient & Caregiver-Centered Experience	Communications between Providers and Patients	Outcome		CAHPS	NA	NA
Patient & Caregiver-Centered Experience	Specific Care Issues	Outcome		CAHPS	NA	NA

NQS Domains	Measure Title	Measure Type	Identifier	Data Source	Numerator	Denominator
Patient & Caregiver-Centered Experience	Overall rating of home health care and (there is something missing from CMS' Table)	Outcome		CAHPS	NA	NA
Patient & Caregiver-Centered Experience	Willingness to recommend the agency	Outcome		CAHPS	NA	NA
Population/Community Health	Depression Assessment Conducted	Process	NQF 0518	OASIS (M1730)	Number of home health episodes in which patients were screened for depression (using a standardized depression screening tool) at start/resumption of care.	Number of home health episodes of care ending with discharge, death, or transfer to inpatient facility during the reporting period, other than those covered by generic or measure-specific exclusions.
Population/Community Health	Influenza Vaccine Data Collection Period: Does this episode of care include any dates on or between October 1 and March 31?	Process	NA	OASIS (M1041)	NA	NA
Population/Community Health	Influenza Immunization Received for Current Flu Season	Process	NQF 0522	OASIS (M1046)	Number of home health episodes during which patients a) received vaccination from the HHA or b) had received vaccination from HHA during earlier episode of care, or c) was determined to have received vaccination from another provider.	Number of home health episodes of care ending with discharge, or transfer to inpatient facility during the reporting period, other than those covered by generic or measure-specific exclusions.

NQS Domains	Measure Title	Measure Type	Identifier	Data Source	Numerator	Denominator
Population/ Community Health	Pneumococcal Polysaccharide Vaccine Ever Received	Process	NQF 0525	OASIS (M1051)	Number of home health episodes during which patients were determined to have ever received Pneumococcal Polysaccharide Vaccine.	Number of home health episodes of care ending with discharge or transfer to inpatient facility during the reporting period, other than those covered by generic or measure-specific exclusions.
Population/ Community Health	Reason Pneumococcal vaccine not received	Process	NA	OASIS (M1056)	NA	NA
Clinical Quality of Care	Drug Education on All Medications Provided to Patient/Caregiver during all Episodes of Care	Process	NA	OASIS (M2015)	Number of home health episodes of care during which patient/caregiver was instructed on how to monitor the effectiveness of drug therapy, how to recognize potential adverse effects, and how and when to report problems (since the previous OASIS assessment).	Number of home health episodes of care ending with a discharge or transfer to inpatient facility during the reporting period, other than those covered by generic or measure-specific exclusions.

PY1 Proposed New Measures

QS Domains	Measure Title	Measure Type	Identifier	Data	Numerator	Denominator
Patient Safety	Adverse Event for Improper Medication Administration and/or Side Effects	Outcome	NA	Reported by HHAs through Web Portal	Number of home health episodes of care where the discharge/transfer assessment indicated the patient required emergency treatment from a hospital emergency department related to improper administration or medication side effects (adverse drug reactions)..	Number of home health episodes of care ending with a discharge during the reporting period, other than those covered by generic or measure-specific exclusions.

PY1 Proposed New Measures

QS Domains	Measure Title	Measure Type	Identifier	Data	Numerator	Denominator
Population/ Community Health	Influenza Vaccination Coverage for Home Health Care Personnel	Process	NQF 0431 (Used in other care settings, not Home Health)	Reported by HHAs Through Web Portal	Healthcare personnel in the denominator population who during the time from October 1 (or when the vaccine became available) through March 31 of the following year: a) received an influenza vaccination administered at the healthcare facility, or reported in writing or provided documentation that influenza vaccination was received elsewhere: or b) were determined to have a medical contraindication/ condition of severe allergic reaction to eggs or to other components of the vaccine or history of Guillain-Barre Syndrome within 6 weeks after a previous influenza vaccination; or c) declined influenza vaccination; or d) persons with unknown vaccination status or who do not otherwise meet any of the definitions of the above- mentioned numerator categories.	Number of healthcare personnel who are working in the healthcare facility for at least 1 working day between October 1 and March 31 of the following year, regardless of clinical responsibility or patient contact.
Population/ Community Health	Herpes zoster (Shingles) vaccination: Has the patient ever received the shingles vaccination?	Process	NA	Reported by HHAs through Web Portal	Total number of Medicare beneficiaries aged 60 years and over who report having ever received zoster vaccine (shingles vaccine).	Total number of Medicare beneficiaries aged 60 years and over receiving services from the HHA.

PY1 Proposed New Measures

QS Domains	Measure Title	Measure Type	Identifier	Data	Numerator	Denominator
Communication & Care Coordination	Advanced Care Plan	Process	NQF0326	Reported by HHAs through Web Portal	Patients who have an advance care plan or surrogate decision maker documented in the medical record or documentation in the medical record that an advanced care plan was discussed but the patient did not wish or was not able to name a surrogate decision maker or provide an advance care plan.	All patients aged 65 years and older.

COMMENT

The information on the proposed HH VBP model reflected above is but a small portion of the information CMS is conveying in this rule. The proposal includes the complex scoring and benchmark factors. The material is long. CMS has devoted a third of the rulemaking to this subject – some 80 pages. It is simply too long to try and refine for this analysis. Careful review of the material is required.

PROPOSED PROVISIONS OF THE HOME HEALTH CARE QUALITY REPORTING PROGRAM

Section 2(a) of the Improving Medicare Post-Acute Care Transformation Act of 2014 (the IMPACT Act) amended Title XVIII of the Act, in part, by adding a new section 1899B, which imposes new data reporting requirements for certain post-acute care providers, including HHAs.

CMS is proposing one standardized cross-setting new measure for CY 2016 to meet the requirements of the IMPACT Act. The proposed quality measure that addresses the domain of skin integrity and changes in skin integrity is a National Quality Forum-endorsed measure: Percent of Residents or Patients with Pressure Ulcers That Are New or Worsened (Short Stay) (NQF #0678) (<http://www.qualityforum.org/QPS/0678>).

CMS is proposing the implementation of the quality measure NQF #0678, Percent of Residents or Patients with Pressure Ulcers that are New or Worsened (Short Stay) in the HH QRP as a cross-setting quality measure to meet the requirements of the IMPACT Act for the CY 2018 payment determination and subsequent years. This measure reports the percent of patients with Stage 2 through 4 pressure ulcers that are new or worsened since the beginning of the episode of care.

CMS is not proposing any changes to the participation requirements, or to the requirements pertaining to the implementation of the Home Health CAHPS® Survey.

CMS only updated the information to reflect the dates in the future Annual Payment Update years. CMS strongly encourages HHAs to keep up-to-date about the HHCAHPS by regularly viewing the official website for the HHCAHPS at <https://homehealthcahps.org>.

COMMENT

The issue of quality reporting continues to grow in importance and for payments. In today's payment arena, the mechanics of payment changes are somewhat simple to understand and project. Quality, on the other hand, appears much more complicated and requires significant resources for compliance. Nothing can help an organization obtain proper payments than billing correctly for services provided the first time.

*Analysis provided for MHA
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