

CMS JUST ANNOUNCED:



Claim Reviews coming in June

What SNFs need to know NOW



A FREE WEBINAR PRESENTED BY:



ZIMMET HEALTHCARE
SERVICES GROUP, LLC

simple.
a Netsmart solution

Presented by:



Alicia Cantinieri

VP of MDS Policy and Education
Zimmet Healthcare



Marc Zimmet

Chief Executive Officer
z.Healthcare

Poll #1



ZIMMET HEALTHCARE
SERVICES GROUP, LLC

simple.
a Netsmart solution



Netsmart

Today We Will Discuss...

- Details of the CMS PDP M-audit Memorandum
- Timing and workflow implications for Providers
- Quantifying & benchmarking Provider “Risk Profile”
- Identify the most frequent reasons for claim denial
- Step-by-step procedures to prepare for this critical initiative!

but first... what is “Data-Driven”?

What elements drive a SNF’s “Data Profile”?

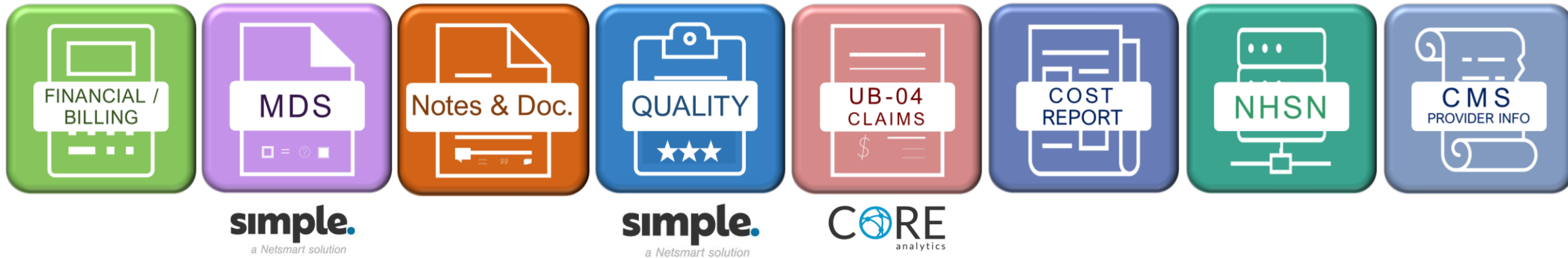
Numbers are not Data. Context Matters

ZHSG defined “SNF Data Domains”



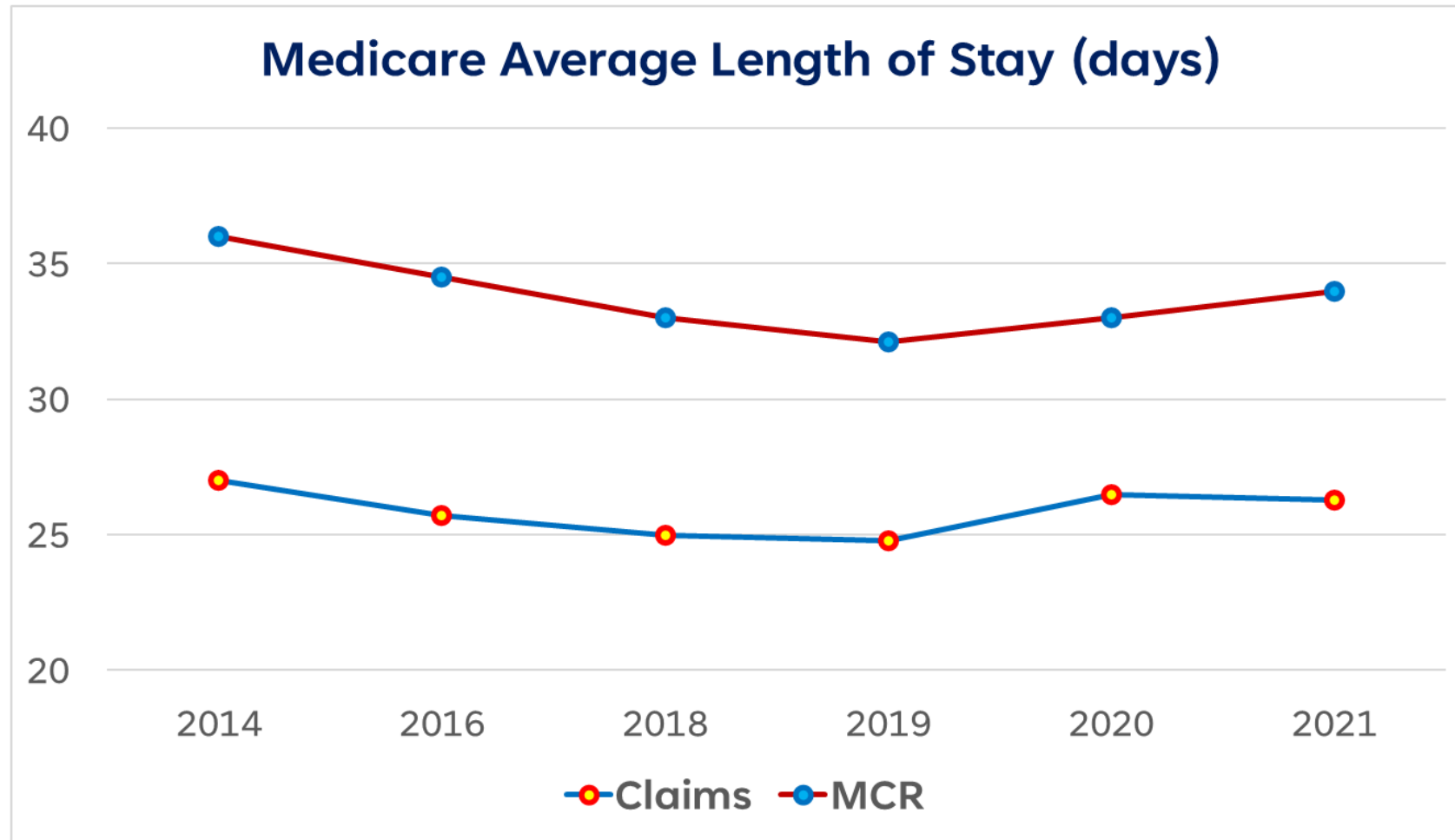
Facility-level protected patient data.

Siloed, industry-level CMS information; may only be accessible as raw datasets; Claims require agreement with CMS.



Provider reporting across Domains is often disjointed, inconsistent, contradictory, and dangerous!

Same Data, Different Number



[Inconsistencies across Data Domains](#)

A Note about Occupancy

Almost everything we think we know about SNF data is wrong!



Marc Zimmet • You

President & CEO at Zimmet Healthcare Services Group, LLC

1mo • Edited • 



The NHSN data has flaws. Many operators improperly report operational beds instead of certified beds; this error removes about 55,000 beds from the occupancy calculation's denominator. In other words, reported occupancy for Q1 2023 is 75.5%, but the real figure is closer to 72%. Lastly, remember the nation has shed more than 3% of its SNF beds since 2017 and this distorts comparisons. Here's the reality of SNF occupancy in January 2023 (keep in mind March data is already available):

National (based on reported beds):	75.4%
National (based on certified beds):	72.5%
Relative to 2017's benchmark:	69.9%

One of ~800 SNFs misreporting certified beds

160 Certified Beds

Profile

Quality

Capital Assets

Rates

Financials

Facility News

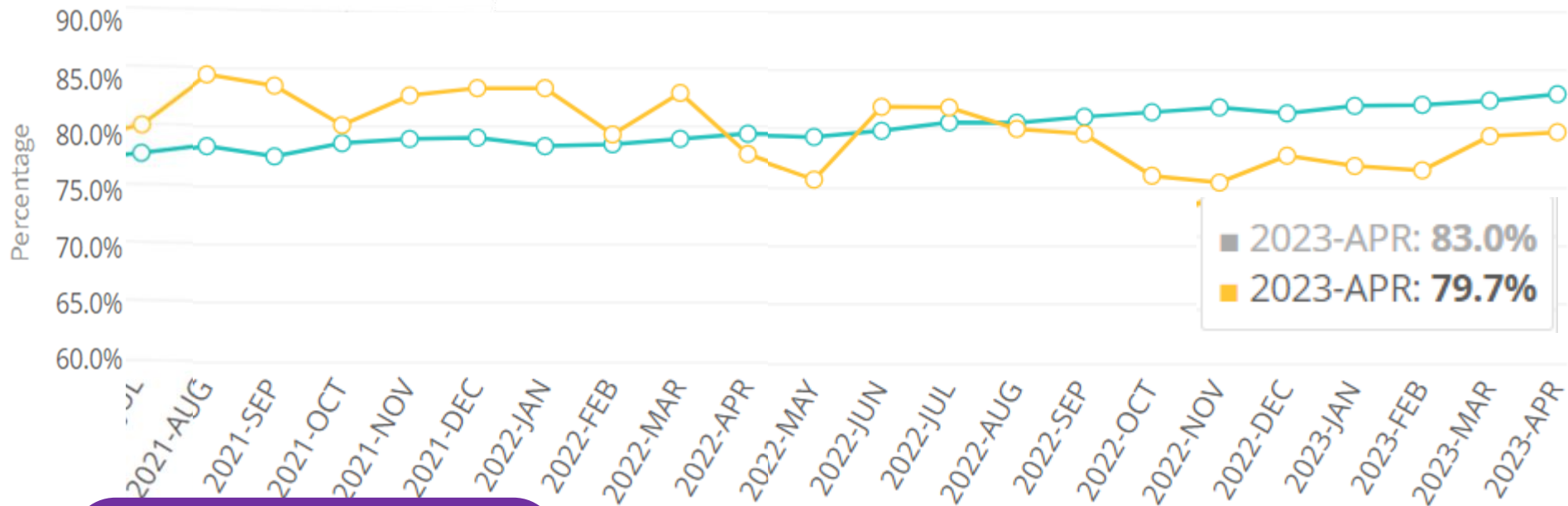
Utilization

Cost Centers

PDPM

Occupancy

Referral Hospitals



Square Feet : 29,375
Built in 1985
Certified 160 beds



INTEL Alert!

Facility reporting 120 beds active as of 06/05/2022

COST REPORTS

Cost Center

Provider Number *

Period*

01/01/2021 to 12/31/2021

Worksheet*

S-3 Part I - Complex Statistical Data



SKILLED NURSING FACILITY AND SKILLED NURSING FACILITY HEALTH CARE COMPLEX STATISTICAL DATA	Provider CCN: 315196 <input type="text"/>	PERIOD: FROM 01/01/2021 TO 12/31/2021	WORKSHEET S-3 PART I
--	--	---	----------------------

Component		Number of Beds	Bed Days Available	Inpatient Days / Visits				Discharges				Average Length of Stay				Admissions				Full Time Equivalent						
				Title V	Title XVIII	Title XIX	Other	Total	Title V	Title XVIII	Title XIX	Other	Total	Title V	Title XVIII	Title XIX	Total	Title V	Title XVIII	Title XIX	Other		Total	Employees on Payroll	Nonpaid Workers	
				3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20		21	22	23	
1	Skilled Nursing Facility	160	58,400		6,985	6,949	30,775	44,709		168	34	283	485		41.58	204.38	92.18		228	20	245	493	130.66		1	
2	Nursing Facility																									2
3	ICF/IID																									3
4	Home Health Agency																									4
5	Other Long Term Care																									5
6	SNF-Based CMHC																									6
7	Hospice																									7
8	Total (sum of lines 1-7)	160	58,400		6,985	6,949	30,775	44,709		168	34	283	485		41.58	204.38	92.18		228	20	245	493	130.66		8	

FORM CMS-2540-10 (08/2016) (INSTRUCTIONS FOR THIS WORKSHEET ARE PUBLISHED IN CMS PUB. 15-2, SECTION 4105)

AWI: the “October Surprise”

CBSA	State	Urban Area	2023	2024	Change	Net \$PPD
AWI = 1.0, HIPPS: KFIE, LOS=27, Gross Rate					-	\$24
Biggest Urban Area AWI Winners						
42140	NM	Santa Fe	1.0262	1.2996	26.6%	\$158
39540	WI	Racine	0.8814	0.9942	12.8%	\$78
13380	WA	Bellingham	1.1777	1.3014	10.5%	\$89
30980	TX	Longview	0.8569	0.9426	10.0%	\$64
28740	NY	Kingston	0.9960	1.0924	9.7%	\$72
22020	ND-MN	Fargo	0.7853	0.8613	9.7%	\$58
28700	TN-VA	Kingsport-Bristol	0.7114	0.7689	8.1%	\$48
27740	TN	Johnson City	0.7108	0.7665	7.8%	\$47
10500	GA	Albany	0.8627	0.9299	7.8%	\$55
46220	AL	Tuscaloosa	0.7380	0.7952	7.8%	\$48

CBSA	State	Urban Area	2023	2024	Change	Net \$PPD
AWI = 1.0, HIPPS: KFIE, LOS=27, Gross Rate					-	\$24
Biggest Urban Area AWI Losers						
27060	NY	Ithaca	1.1030	0.9299	-15.7%	(\$56)
21300	NY	Elmira	0.9211	0.8120	-11.8%	(\$29)
22140	NM	Farmington	0.9261	0.8319	-10.2%	(\$22)
22540	WI	Fond du Lac	0.9107	0.8194	-10.0%	(\$21)
39740	PA	Reading	0.9929	0.8949	-9.9%	(\$22)
16020	MO-IL	Cape Girardeau	0.8052	0.7258	-9.9%	(\$17)
44420	VA	Staunton-Waynesboro	0.9879	0.8919	-9.7%	(\$21)
16220	WY	Casper	0.9831	0.8899	-9.5%	(\$20)
27340	NC	Jacksonville	0.7690	0.7044	-8.4%	(\$12)
16700	SC	Charleston	0.9182	0.8414	-8.4%	(\$13)

You can model your county’s 2024 [PDPM rate at eCapIntel](#)
[Link to full paper](#)

Note: AWI decreases are limited to 5%/year, phased in, to protect SNFs from “Rate Shock”

Medicare Advantage “Attrition Rate”



Data sourced from Simple’s MAPAX application, contextualized by ZHSG



Daily Rate Analysis

Revenue Per Admission Analysis

CBSA	FY 2022 AWI	Z-RAF Score	County	PDPM PPD*	MA PPD	MA Discount	PDPM \$/Admit^	MA ALOS	MA \$/Admit	MA Discount
35614	1.3388	1.43	New York City	\$779	\$449	42.3%	\$21,033	15.9	\$7,143	66.0%
45300	0.8826	1.47	Tampa	\$575	\$362	37.1%	\$15,525	16.3	\$5,900	62.0%
37964	1.1073	1.63	Philadelphia	\$675	\$458	32.1%	\$18,225	14.6	\$6,692	63.3%
31084	1.3046	1.71	Los Angeles	\$764	\$529	30.8%	\$20,628	17.4	\$9,201	55.4%
41180	0.9583	1.82	St. Louis	\$609	\$422	30.7%	\$16,443	14.7	\$6,204	62.3%
36740	0.9003	1.70	Lake	\$583	\$404	30.6%	\$15,741	17.7	\$7,157	54.5%
35154	1.0578	1.41	Monmouth	\$654	\$461	29.6%	\$17,658	15.1	\$6,956	60.6%
19124	0.9699	1.38	Dallas	\$615	\$448	27.2%	\$16,605	17.5	\$7,840	52.8%
28140	0.9237	1.82	Kansas City	\$594	\$440	25.9%	\$16,038	13.6	\$5,990	62.7%
47894	1.0202	1.69	Arlington, DC	\$637	\$482	24.4%	\$17,199	16.1	\$7,756	54.9%
12060	0.9508	1.89	Atlanta	\$606	\$471	22.2%	\$16,362	15.7	\$7,401	54.8%
26420	0.9925	1.67	Houston	\$625	\$507	18.9%	\$16,875	16.2	\$8,212	51.3%
16984	1.0372	2.01	Cook	\$645	\$602	6.6%	\$17,415	15.9	\$9,567	45.1%

* Day-4 adjusted rate for respective Area Wage Index

^ Uniform 27-day FFS ALOS used to mitigate local distortion



Claims from markets with at least 1,500 MA admissions between 1/1/22 – 6/30/22

[Click for report](#)

A Note about the QHS Waiver

- Concerns about maintaining Medicare Part A coverage if patient is admitted to the hospital for more than three midnights after May 11, 2023
- Confusion between Reimbursement methodology and Eligibility regulations
- Misinformation / misunderstanding rooted in 50+ year-old policy
- “Technical” eligibility requirements haven't changed since The Medicare Catastrophic Coverage Act of 1988
 - 60 consecutive non-skilled days; Utilization claims, “IS NP Arbitrage”
- Carryover Waiver Benefit Periods are now “Normal” Benefit Periods

From Kane Transcript:

The other thing I want to make clear, and this is a question that we have received from a number of people, is that a stay that begins underneath this waiver prior to May 11 does not need to end on May 12. A person that is admitted under this waiver and this applies whether it be this 1812(f) waiver that is issued during the COVID-19 PHE or in relation to some sort of weather event, that if the stay begins underneath the qualifying hospital stay waiver, that stay is then treated as a normal stay.

From CMS FAQ


For any Medicare Part A-covered SNF stay which begins on or prior to May 11, 2023, without a QHS, that stay can continue for as long as the beneficiary has Part A SNF benefit days available and for as long as the beneficiary continues to meet the SNF level of care criteria (e.g., requiring daily skilled care). For any new Medicare Part A-covered SNF stay which begins after May 11, 2023, (including stays which experience a break in Part A coverage that exceeds three consecutive calendar days before resuming SNF coverage), these stays will require a QHS.

PHE-QHS-SNF Analysis



ZIMMET HEALTHCARE
SERVICES GROUP, LLC

10/1/21 - 9/30/22



State	Utilization		Total SNF Days	% of Total
	Admits	Days		
New Jersey	16,080	420,201	1,973,076	21.3%
Michigan	8,282	171,766	1,105,369	15.5%
Virginia	8,184	203,296	1,229,328	16.5%

Source: CMS LDS; provided by Simple; contextualized by Zimmet Healthcare/eCapIntel

Statistical Analysis of Likely Targets

- ZHSG reviewed ~ 96,000 Medicare Part A claims (MDS, UB-04, Documentation) in 2022; trending for 121,000 in 2023
- Informal compilation of our findings:
 - “Explicit/Implicit Omission” v. “Objective/Subjective Improper Capture”
 - Omissions outpace Improper Capture events by 2 to 1
 - IPA: Interim Payment **Abstinence**
 - *Do they factor into probe targets?*
- “SALT Licks”: Likely Interventional Compliance KPIs

Average SNF Salt Score by State



ZHSG analytics applied to CMS LDS claim files from 10/1/21 - 9/30/22

1	NJ	63.9	11	TX	54.2	21	VT	50.5	31	WY	46.2	41	SD	40.3
2	NY	62.3	12	DE	54.1	22	NC	49.4	32	CO	45.9	42	MT	40.1
3	MD	57.8	13	WA	54.1	23	NH	49.1	33	OK	45.6	43	ME	39.8
4	CA	57.7	14	OH	53.8	24	MA	48.9	34	MI	44.9	44	NE	39.8
5	FL	57.2	15	VA	53.3	25	GA	48.8	35	DC	44.8	45	MS	39.1
6	NV	57.2	16	AR	53.0	26	LA	48.3	36	PA	44.7	46	AZ	38.6
7	TN	56.1	17	ID	52.8	27	WV	48.1	37	OR	44.4	47	IA	37.2
8	IL	55.0	18	KY	52.4	28	NM	47.6	38	WI	43.6	48	MN	35.1
9	UT	54.5	19	HI	51.9	29	SC	46.7	39	RI	41.0	49	ND	34.1
10	IN	54.3	20	CT	51.1	30	KS	46.5	40	MO	40.3	50	AK	31.8

Poll #2



ZIMMET HEALTHCARE
SERVICES GROUP, LLC

simple.
a Netsmart solution



Netsmart

Same Data, Different Story?




Resident _____ Identifier _____ Date _____

MINIMUM DATA SET (MDS) - Version 3.0
RESIDENT ASSESSMENT AND CARE SCREENING
ALL ITEM LISTING

Section A Identification Information

A0100. Facility Provider Numbers

A. National Provider Identifier (NPI):

B. CMS Certification Number (CCN):

C. State Provider Number:

A0200. Type of Provider

Enter Code **Type of provider**

- Nursing home (SNF/NF)
- Swing Bed

A0310. Type of Assessment

Enter Code

A. Federal OBRA Reason for Assessment

- Admission assessment (required by day 14)
- Quarterly review assessment
- Annual assessment
- Significant change in status assessment
- Significant correction to prior comprehensive assessment
- Significant correction to prior quarterly assessment
- Not OBRA required assessment

Enter Code

B. PPS Assessment

PPS Scheduled Assessments for a Medicare Part A Stay

- 5-day scheduled assessment
- 14-day scheduled assessment
- 30-day scheduled assessment
- 60-day scheduled assessment
- 90-day scheduled assessment
- Readmission/return assessment

PPS Unscheduled Assessments for a Medicare Part A Stay

Not PPS Assessment
 99. Not PPS assessment

Enter Code

C. PPS Other Medicare Required Assessment - OMRA

- No
- Start of therapy assessment
- End of therapy assessment
- Both Start and End of therapy assessment

Enter Code

D. Is this a Swing Bed clinical change assessment? Complete only if A0200 = 2

- No
- Yes

Enter Code

E. Is this assessment the first assessment (OBRA, PPS, or Discharge) since the most recent admission?

- No
- Yes

Enter Code

F. Entry/discharge reporting

- Entry record
- Discharge assessment-return not anticipated
- Discharge assessment-return anticipated
- Death in facility record
- Not entry/discharge record

MDS 3.0 Item Listing-Version 1.00.2 10/01/2010

RADAR
 MANAGEMENT. INFORMATION. SECURITY. RELIABILITY.

SNF 5-Claim Probe & Educate Review... *or not?*

CMS Manual System
Pub 100-20 One-Time Notification
Transmittal 12015

Department of Health & Human Services (DHHS)
Centers for Medicare & Medicaid Services (CMS)
Date: May 04, 2023
Change Request 13164

CMS Manual System
Pub 100-20 One-Time Notification
Transmittal 12015

Transmittal 12015 issued May 04, 2023, is being rescinded and replaced by Transmittal 12032, dated May 10, 2023, to designate the CR type as Confidential. All other information remains the same. NOTE: This information cannot be shared outside of your organization. Do not post any of the information on the Internet or Intranet.

SUBJECT: Skilled Nursing Facility (SNF) 5-Claim Probe and Educate Review
Effective date is the date of service.
Effective date: June 5, 2023

to have the MACs perform a 5
The purpose of this widespread

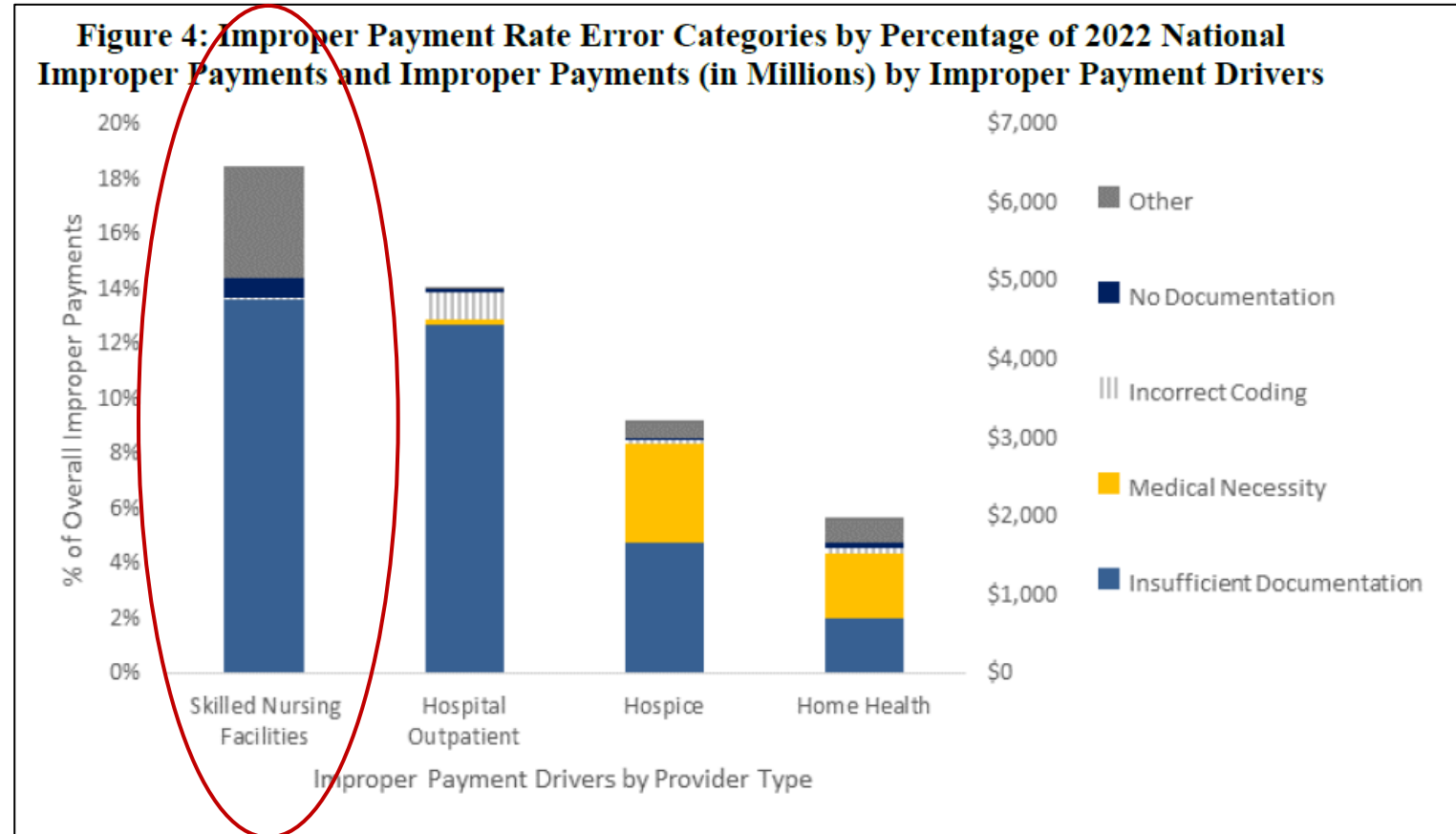
EFFECTIVE DATE:
IMPLEMENTATION DATE:

Highlights of the Memo

- All Medicare Area Contractors (MACs) have been instructed to select 5 claims from each SNF in their jurisdiction
- This directive is focused on Part A PDPM claims to “increase comprehension of correct billing practices”
- MACs will complete one round of probe and educate for each provider instead of the potential 3 rounds as per the traditional Target Probe and Educate (TPE) program
- Provider education will be based on the identified errors
- Prepayment review

Why Now?

- Comprehensive Error Rate Testing (CERT) program projected an improper payment rate of 15.1% in 2022, up from 7.79% in 2021
- SNF errors are the primary driver of the overall error rate
- Partially explained by transition from RUG-IV to PDP M



Root Causes of Improper Payments

Table 1: Top Root Causes for Skilled Nursing Facility

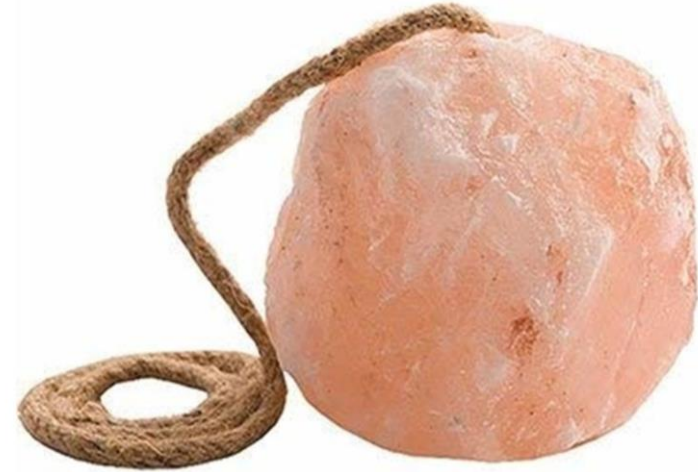
Root Cause Description	Error Category	Sample Claim Count ⁶
Case Mix Group (CMG) component documentation - Missing	Insufficient Documentation	102
HIPPS level changed based on documentation submitted	Insufficient Documentation	73
Nursing home records - Missing	Insufficient Documentation	68
Order - Inadequate	Insufficient Documentation	65
Physician's Certification/Recertification - Inadequate	Insufficient Documentation	54
Order - Missing	Insufficient Documentation	51
Physician's Certification/Recertification - Missing	Insufficient Documentation	38
Signature log to support a clear identity of an illegible signature - Missing	Insufficient Documentation	21
HIPPS/RUG level in the repository does not match the RUG level billed	Other	17
Physical/Occupational/Speech Therapy - Plan of care - Missing	Insufficient Documentation	15

The SALT (Statistical Analysis of Likely Targets) Report summarizes facility or corporation specific data for Medicare services that may be at higher risk for Data-Driven payment review. This report is not intended to suggest that the Provider is doing anything inappropriate. The intent is to identify target reimbursement-drivers most likely to trigger an ADR based on published audit targets and our experience. Percentiles at or above the 80th for any target areas, or at or below the 20th percentile for areas at considered at elevated risk for probe audits or clinical eligibility, respectively. Variances are simple averages and not statistically adjusted. Third-party reimbursement audits are always recommended. to ensure appropriate payment and to maintain the integrity of the Medicare program.

PDPM Category	The PDPM rate component associated with the target area being measured.
Target Area	The specific PDPM reimbursement sensitive item being measured. Target areas will be updated as additional information related to audit targets is made available.
CORE Average	The CORE peer-group based on our proprietary database of current SNF Medicare claims.
SNF Capture	The Provider's capture % of the target area based on claims data submitted to CORE in the specified date range selected by the user.
National %	The national capture % of the target area based on the CMS LDS database of claims. This dataset is updated quarterly with an approximate 5-month lag after the end of the quarter.
National Percentile	Identifies how the facility or corporation compares to the national database. For example, if a facility or corporation's national percentile is 90.0 then 90% of the facilities in the nation have a lower percent value than that facility or corporation for that specific target area.
SALT Score	The SALT score reflects relative risk for improper Medicare payments. Each target area is assigned a weight based on our proprietary algorithm for assessing potential improper payments. A higher score implies a greater risk for third-party audit. The score is color-coded based on the quartile relative to all providers nationally (red [61+] = top quartile and high SALT scores, yellow [40-60] = second and third quartiles and medium SALT score, green [0-39] = bottom quartile and low SALT score).

What is my “Risk Profile”?

How Do I Know?



New Grand Nursing Home (Jan-2023 to Mar-2023)

PDPM Category	Target Area	SNF Capture	CORE Average	National	National Percentile
PT/OT	Non-Ortho Surg/Acute Neuro	0.7%	25.6%	21.7%	1.0
SLP 1	All Three	0.0%	8.9%	7.4%	1.0
SLP 2	Both	27.4%	18.6%	15.1%	89.0
Nursing	Special Care High	4.0%	44.9%	35.2%	5.0
Nursing	Extensive Services	0.0%	12.0%	8.9%	1.0
Nursing	Depression End-Split	0.0%	29.6%	20.4%	1.0
NTA	3-5 Points	12.5%	37.8%	33.5%	5.0
NTA	6-8 Points	1.2%	12.1%	9.6%	8.0
NTA	9-11 Points	3.6%	4.6%	3.8%	58.0
NTA	12+ Points	0.0%	2.2%	1.6%	1.0
N/A	PPD Rate (AWI=1)	\$574	\$664	\$632	11.0
N/A	Average Length of Stay	20.0	23.7	26.3	24.0

Millennial Care Center (Jan-2023 to Mar-2023)

PDPM Category	Target Area	SNF Capture	CORE Average	National	National Percentile
PT/OT	Non-Ortho Surg/Acute Neuro	18.9%	25.6%	21.7%	57.0
SLP 1	All Three	2.9%	8.9%	7.4%	21.0
SLP 2	Both	0.0%	18.6%	15.1%	1.0
Nursing	Special Care High	45.0%	44.9%	35.2%	79.0
Nursing	Extensive Services	29.0%	12.0%	8.9%	93.0
Nursing	Depression End-Split	25.0%	29.6%	20.4%	74.0
NTA	3-5 Points	53.4%	37.8%	33.5%	96.0
NTA	6-8 Points	1.2%	12.1%	9.6%	6.0
NTA	9-11 Points	6.2%	4.6%	3.8%	79.0
NTA	12+ Points	0.2%	2.2%	1.6%	7.0
N/A	PPD Rate (AWI=1)	\$670	\$664	\$632	87.0
N/A	Average Length of Stay	31.5	23.7	26.3	76.0

Generation Health and Rehab (Feb-2023 to Apr-2023)

PDPM Category	Target Area	SNF Capture	CORE Average	National	National Percentile
PT/OT	Non-Ortho Surg/Acute Neuro	18.8%	26.1%	21.7%	57.0
SLP 1	All Three	3.0%	9.3%	7.4%	23.0
SLP 2	Both	3.3%	18.9%	15.1%	16.0
Nursing	Special Care High	56.2%	46.6%	35.2%	90.0
Nursing	Extensive Services	19.7%	9.9%	8.9%	85.0
Nursing	Depression End-Split	76.0%	29.3%	20.4%	94.0
NTA	3-5 Points	42.0%	37.8%	33.5%	82.0
NTA	6-8 Points	14.7%	12.3%	9.6%	83.0
NTA	9-11 Points	6.8%	4.7%	3.8%	84.0
NTA	12+ Points	2.1%	2.3%	1.6%	60.0
N/A	PPD Rate (AWI=1)	\$702	\$663	\$632	95.0
N/A	Average Length of Stay	20.9	23.7	26.3	28.0

After the Sample is Complete

- The MAC will provide a detailed results letter
- Providers with an error rate of 20% or less will receive education
- Providers with an error rate > 20% will be offered 1:1 education
- Providers with errors on 5/5 claims will be prioritized for TPE review if the SNF is included in the existing Medical Review Strategy

How to Limit Negative Audit Outcomes?

- Add SALT! (individual SNF scores available at [eCapIntel](#))
- Understand your Data Profile
- Identify and mitigate risk areas
- Conduct internal audits
- Benchmark/analyze your data to target, train, and coach staff on Clinical-Reimbursement process improvement
- DOCUMENT, DOCUMENT, DOCUMENT



References & Resources

- <https://www.cms.gov/files/document/r12015otn.pdf>
- <https://www.cms.gov/files/document/ab-jurisdiction-map03282023pdf.pdf>
- **ZHSG White Papers:** <https://www.zhealthcare.com/resources/>
- **eCapIntel data:** <https://ecapintel.com/home>



ZIMMET HEALTHCARE SERVICES GROUP, LLC

www.zhealthcare.com info@zhealthcare.com



INTERVENTIONAL-REIMBURSEMENT:
Outsourced MDS & HMO Authorization



SNF INDUSTRY & PROVIDER ANALYTICS



ConsulTech: Innovation @ the eXchange of Consulting & Technology



Transaction Advisory
Asset Monitoring



Compliance
Auditing



Clinical
Reimbursement



Full-Spectrum
Cost Reporting



Ancillary
Innovations

Innovative Solutions for the Post-Acute Care Industry



Regulatory
Support



Quality Innovations –
Five-Star Management



Litigation Support –
Expert Witness



Managed Care /
ISNP Rationalization



Strategy &
Analytics

ROARING

REIMBURSEMENT



ZIMMET HEALTHCARE SERVICES GROUP, LLC



AUGUST 9-10, 2023
UNCASVILLE, CONNECTICUT



Manage audit risk, QMs, PDPM reimbursement, and more

SimpleAnalyzer™ is trusted by 5,000+ SNFs for MDS compliance and PDPM success

- Assess CMS audit risk
- Review diagnoses by facility/resident
- Improve MDS accuracy and compliance
- Optimize PDPM reimbursement
- Improve Five-Star and QM ratings
- And much more



Questions?



ZIMMET HEALTHCARE
SERVICES GROUP, LLC

simple.
a Netsmart solution



Netsmart

Thanks for joining us!

Recording and slides will be available here



ZIMMET HEALTHCARE
SERVICES GROUP, LLC

simple.
a Netsmart solution



Netsmart