



June 20, 2016

Centers for Medicaid and Medicare Services
Department of Health and Human Services
ATTENTION: CMS-1645-P
P.O. Box 8016
Baltimore, MD 21244-8016

RE: CMS-1645-P: Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities Proposed Rule for FY 2017, SNF Value-Based Purchasing Program, SNF Quality Reporting Program, and SNF Payment Models Research

Dear Sir/Madam:

I am writing on behalf of the members of LeadingAge Wisconsin to convey the thoughts and concerns they share on CMS-1645-P. LeadingAge Wisconsin is a statewide membership association of not-for-profit organizations principally serving seniors and persons with a disability. Membership is comprised of 195 religious, fraternal, private, and governmental organizations which own, operate, and/or sponsor 172 nursing/skilled nursing facilities (NF/SNF) as well as assisted living facilities, senior apartment complexes and community service agencies which provide programs ranging from Alzheimer's support, adult and child day care, home health, home care and hospice to Meals on Wheels. LeadingAge Wisconsin members employ over 38,000 individuals who provide compassionate care and service to over 48,000 residents/tenants/clients each day. LeadingAge Wisconsin is a state affiliate of LeadingAge, an association of 6,000 not-for-profit organizations providing long-term services and supports (LTSS) throughout the country.

The following comments represent the views of LeadingAge Wisconsin members as they pertain to the more pertinent sections of the proposed rule:

Wage Index Adjustment (Section III.D.)

As noted in the proposed rule, Section 1888(e)(4)(G)(ii) of the Social Security Act requires the Centers for Medicare and Medicaid Services (CMS) to adjust the federal SNF rates to account for differences in area wage levels. Historically, CMS has used hospital inpatient wage data in developing a wage index to be applied to SNFs and CMS proposes to continue that practice in FY 2017 "as we continue to believe that in the absence of SNF-specific wage data, using the hospital inpatient wage index data is appropriate and reasonable for the SNF PPS." However, hospitals aren't SNFs, as CMS acknowledges by pointing out in the proposed rule that the SNF PPS does not use the hospital area wage index's occupational mix adjustment, which "serves

specifically to define the occupational categories more clearly in a hospital setting” and “excludes any wage data related to SNFs.”

SNFs are being asked to change the way they've done business as the proposed rule seeks to shift payment components from “volume to value” and LeadingAge Wisconsin members believe CMS should acknowledge that shift and the need for change by beginning to collect SNF-specific wage data to develop a SNF wage index.

Other Issues: SNF Value-Based Purchasing (VBP) Program (Section V.A.)

Section 215 of the Protecting Access to Medicare Act of 2014 (PAMA) authorizes the creation of the SNF Value-Based Purchasing Program (SNF VBP) which will tie SNF payments for services to hospital readmission measures, which CMS states “is an important step toward transforming how care is paid for, moving increasingly toward rewarding better value, outcomes and innovations instead of merely volume.”

LeadingAge Wisconsin members firmly support the concept of SNF VBP, which shifts from concept to reality when it's applied to SNF payments for services on or after October 1, 2018; it's “the proof in the pudding” where concerns arise. As an example: under Section V.A.3.b.(1) of the proposed rule, CMS has proposed to define the achievement performance standard for quality measures specified under the SNF VBP program as the 25th percentile of national SNF performance on the quality measure during the applicable baseline period, which CMS believes represents “an achievable standard of excellence” that will “reward SNFs appropriately for their performance on the quality measures specified for the SNF VBP Program.” In the next breath, however, CMS asks for comments on whether they should consider adopting either the 50th or 15th percentiles of national SNFs' performance on the quality measure during the applicable baseline period. The advice to CMS from LeadingAge Wisconsin members is you picked the 25th percentile: test it and see if it works before implementation. If it doesn't work, then consider the 15th or 50th percentiles, although our knee-jerk reaction to the two is the 15th percentile would be too low and the 50th percentile too high.

In a broader response, LeadingAge Wisconsin members would recommend that any new quality measures or benchmarking standards contained in the proposed rule be tested prior to implementation so that we can do this right the first time and avoid some of the anger and frustration that accompanied the rollout of the Affordable Care Act.

SNF Quality Reporting Program (Section V.B.)

The Improving Medicare Post-Acute Care Transformation (IMPACT) Act of 2014 imposed new data reporting requirements on SNFs and other post-acute care providers and required the HHS Secretary to implement a SNF Quality Reporting Program (SNF QRP) which mandates SNFs to submit to CMS data on certain quality measures and resource use at specified times.

Under the proposed rule, CMS is recommending one quality measure to meet the Medication Reconciliation domain (Drug Regimen Review Conducted with Follow-up for Identified Issues) and three IMPACT ACT-mandated resource use and other measure domains (Medicare Spending per Beneficiary, Discharge to Community – Post-Acute Care, and Potentially Preventable 30-Day

Post-Discharge Readmission Measure) for inclusion in the SNF QRP. Our comments will address each of the four new quality measures proposed under the QRP.

Drug Regimen Review Conducted with Follow-up for Identified Issues (Section V.B.7.a.)

CMS is proposing to adopt this quality measure for the SNF QRP as a resident-assessment based, cross-setting QM to meet the IMPACT Act requirements with data collection for SNFs beginning October 1, 2018 for the FY 2020 payment determinations and subsequent years. This proposed measure assesses whether SNFs (and other post-acute care providers) were responsive to potential or actual “clinically significant” medication issues when such issues were identified by reporting the percentage of resident stays in which a drug regimen review was conducted at the time of admission and timely follow-up with a physician occurred each time clinically significant medication issues were identified throughout that stay.

LeadingAge Wisconsin Concerns: 1) We cannot find a definition for “clinically significant”; if one is not included it should be or at least some form of clarification is needed; and 2) This is a perfect example of a section of a rule that seeks perfection where none can exist. The availability, or lack thereof, of physicians, specifically in rural areas, makes compliance with this section of the rule a near impossibility. A best practice no doubt but a mandate that many simply won't be able to meet.

Medicare Spending per Beneficiary (MSPB) (Section V.B. 6.a.) – CMS is proposing a MSPB quality measure for inclusion in the SNF QRP for the FY 2018 payment determination.

Submitted Electronically

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