

PDPM SUMMARY

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The Patient Driven Payment Model (PDPM) was developed to be a model that derives payments almost exclusively from resident characteristics. The model separately identifies and adjusts five different case-mix components for the varied needs and characteristics of a resident's care and then combines these with a non-case-mix component to determine the full SNF PPS Per Diem rate for that resident. Every patient gets classified into one case-mix group in each of the five components. Based on that case-mix group and their associated case-mix index, each component then contributes to the total Per Diem payment.

Physical and Occupational Therapy Components

Two categories are used to determine the PT and OT case-mix classification. One is the clinical reason for the SNF stay and the second is functional status. The clinical reason is derived by one of the ICD-10 codes for item I0020B on the MDS. Function is measured using Section GG of the MDS.

Speech-Language Pathology Component

Three categories of relevant predictors for SLP were identified. Residents would first be categorized into one of two groups using the clinical reason for the SNF stay – either Acute Neurologic or a Non-Neurologic. Then, the presence or absence of a swallowing disorder and/or a mechanically-altered diet are considered. Finally, cognitive status and/or presence of specific SLP-related comorbidities contribute to the final determination.

Nursing Case-Mix Component

PDPM modifies traditional RUG-IV methodology and decreases the number of groups from 43 to 25. Additionally, ADL scoring comes from Section GG of the MDS, consistent with PT and OT.

Non-Therapy Ancillary (NTA) Component

This component is intended to capture cost for care related to other conditions and services that a patient may require. CMS identified 50 specific conditions and services and then determined weighted "points" for each. Treatment includes such areas as isolation and tube-feeding. Conditions include areas such as MS, COPD, respiratory failure and obesity. Points are assigned to each condition/service the resident requires. A resident's total score is the sum of the points associated with all of that resident's conditions and services.

Non-Case-Mix Component

This "flat-rate" component accounts for things like room and board, capital costs and overhead operating costs.

Variable Per Diem Adjustment Factors

CMS will institute a "variable rate adjustment" for PT, OT and NTA services. PT and OT rates will be reduced by 2% every seven days beginning on day 21. NTA rates will be three times higher for the first three days and then drop to a "100%" level and remain flat for the remainder of the stay.

Changes to the MDS

PDPM uses the five-day MDS assessment to classify residents into the payment groups for the entire stay unless there is a change in patient status. To allow changes to be captured, a new assessment called an Interim Payment Assessment (IPA) will be implemented as an option.

Tracking of Therapy Services

CMS stated, "...we believe that, regardless of payment system or case-mix classification model used, residents should continue to receive therapy that is appropriate to their care needs, and this includes both the intensity and modes of therapy utilized." To monitor this, CMS is adding elements regarding therapy delivery to the Discharge Assessment, including start/stop dates, treatment type and minutes/days of treatment.

Questions about this information? Contact PDPM@AegisTherapies.com or visit our Resource Center for more information at AegisTherapies.com/Resources.