



***PDPM Performance in a Post-
Pandemic World: Understanding
Benchmarks While Identifying
Compliance Liabilities***

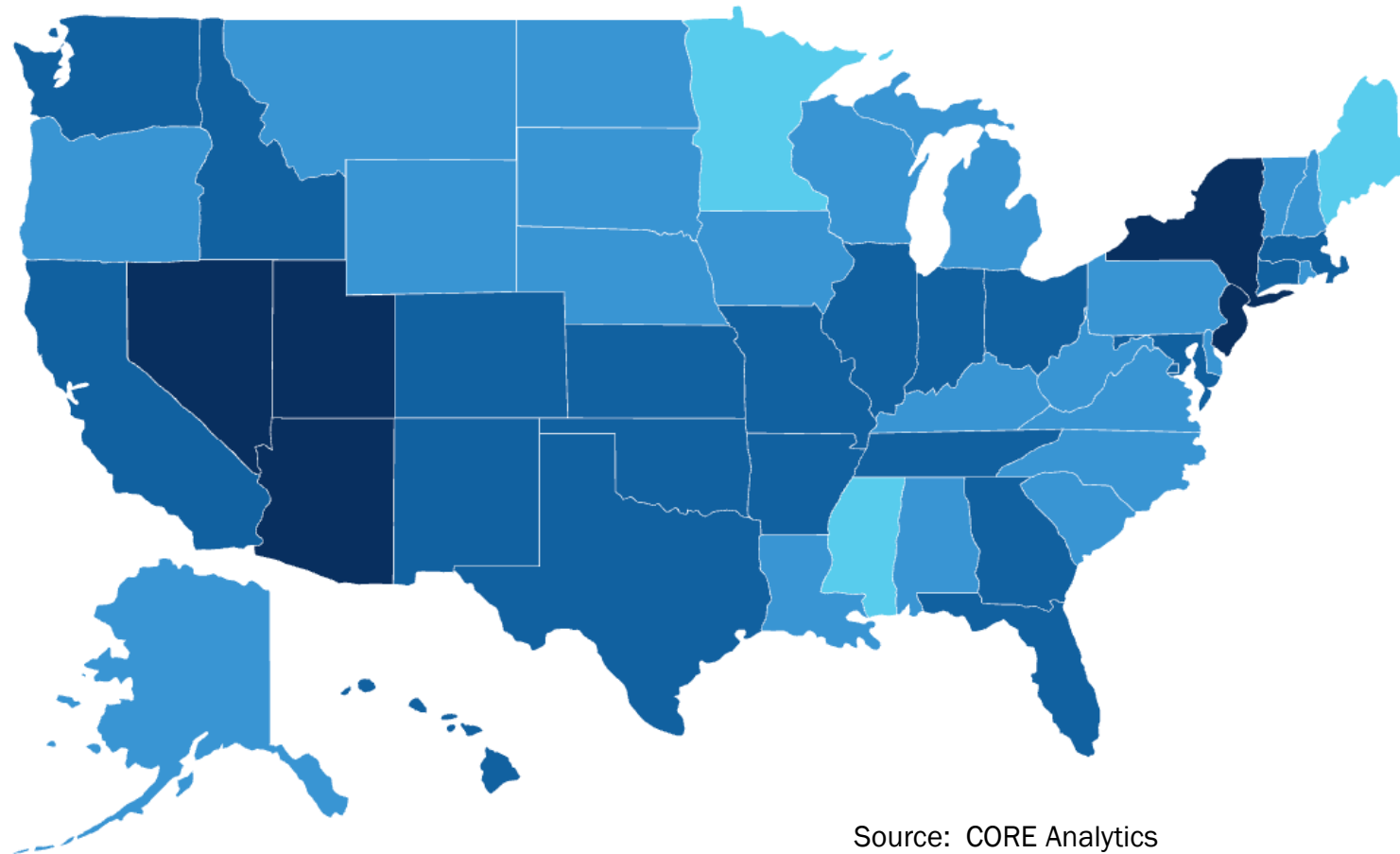
AUGUST 19, 2021



ZIMMET HEALTHCARE
SERVICES GROUP, LLC
www.zhealthcare.com

PDPM Heat Map – Ranking the States

Average PDPM Rate (AWI = 1)



PDPM Rate Scenario #1: Orthopedic Case

New York NEWYORK CBSA Code: 35614

PT/OT Component: **TG**

Other Orthopedic; 10-23; TG

SLP Component: **SA**

None, Neither, SA

Nursing Component: **HBC1**

HC1/HB1 ==> HBC1 (G) AIDS-No

NTA Component: **D - 3 points**

Diabetes Mellitus (DM): 2 points

Active Diagnoses: Malnutrition Code: 1 point

No Additional Conditions

Rate Simulator for HIPPS Code: GAGD 2021 AWI: 1.3384 / 2022 AWI: 1.3388

Estimated Benefit Period		FY 2021	FY 2022	Change	Adj FY 2022*
27	Days 1-3	\$3,119.40	\$3,151.44	\$32.04	\$3,151.44
	Days 4-20	\$13,096.29	\$13,230.76	\$134.47	\$13,230.76
	Day 21 - D/C	\$5,358.01	\$5,413.10	\$55.09	\$5,413.10
	Total Admission \$ (Gross)	\$21,573.70	\$21,795.30	\$221.60	\$21,795.30
	Average per day (Gross)	\$799.03	\$807.23	\$8.21	\$807.23
	Copayment Total ?	(\$1,298.50)	(\$1,298.50)	\$0.00	(\$1,298.50)
	Coinsurance Coverage ?	\$0.00	\$0.00	\$0.00	\$0.00
	Total Admission \$ (Net)	\$20,275.20	\$20,496.80	\$221.60	\$20,496.80
	Average per day (Net)	\$750.93	\$759.14	\$8.21	\$759.14

PDPM Rate Scenario #2: Neurological Case

New York | NEW YORK | CBSA Code: 35614

PT/OT Component: **TM**
 Non-Orthopedic / Acute Neurologic; 0-5; TM

SLP Component: **SI**
 Any Two, Both, SI

Nursing Component: **HDE1**
 HE1/HD1 ==> HDE1 (E) | AIDS-No

NTA Component: **E - 2 points**
 Diabetes Mellitus (DM): 2 points
 No Additional Conditions
 No Additional Conditions

Rate Simulator for HIPPS Code: MIEE 2021 AWI: 1.3384 / 2022 AWI: 1.3388

Estimated Benefit Period		FY 2021	FY 2022	Change	Adj FY 2022*
27	Days 1-3	\$2,914.71	\$2,944.59	\$29.88	\$2,944.59
	Days 4-20	\$13,210.53	\$13,346.02	\$135.49	\$13,346.02
	Day 21 - D/C	\$5,412.96	\$5,468.40	\$55.44	\$5,468.40
	Total Admission \$ (Gross)	\$21,538.20	\$21,759.01	\$220.81	\$21,759.01
	Average per day (Gross)	\$797.71	\$805.89	\$8.18	\$805.89
	Copayment Total ?	(\$1,298.50)	(\$1,298.50)	\$0.00	(\$1,298.50)
	Coinsurance Coverage ?	\$0.00	\$0.00	\$0.00	\$0.00
	Total Admission \$ (Net)	\$20,239.70	\$20,460.51	\$220.81	\$20,460.51
	Average per day (Net)	\$749.62	\$757.80	\$8.18	\$757.80

Secondary Insurance: Medicaid (Dual Eligible)

FY 2021 VBP: 1

FY 2022 VBP: 1

Sequestration*: No

PDPM Rate Scenario #3: Mixed Medical Case

New York | NEWYORK | CBSA Code: 35614

PT/OT Component: TK
 Medical Management; 10-23; TK

SLP Component: SD
 Any One, Neither, SD

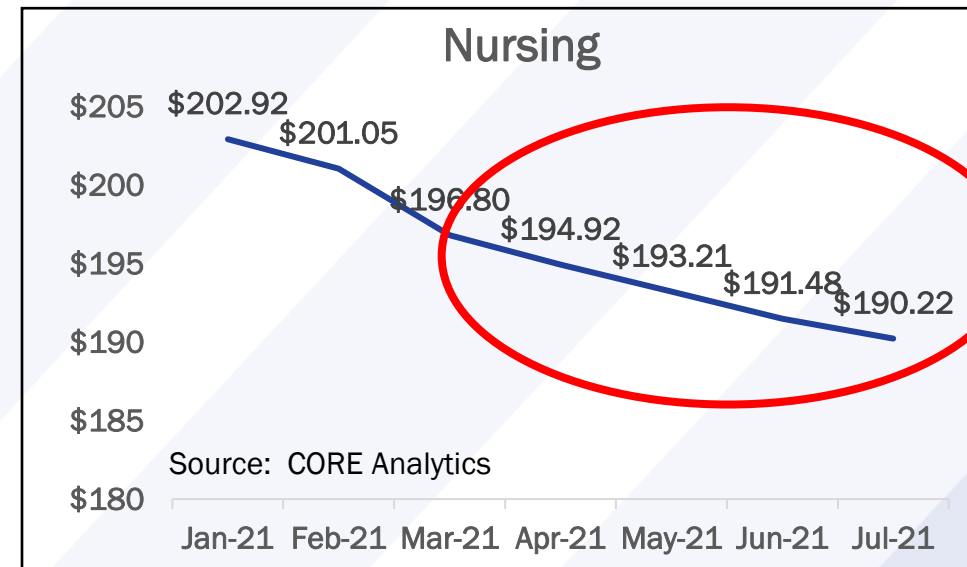
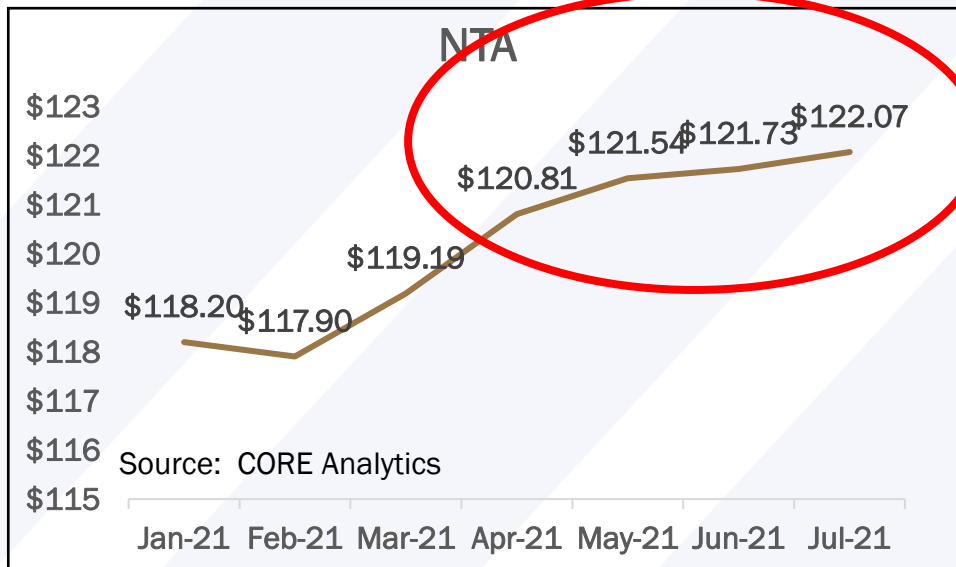
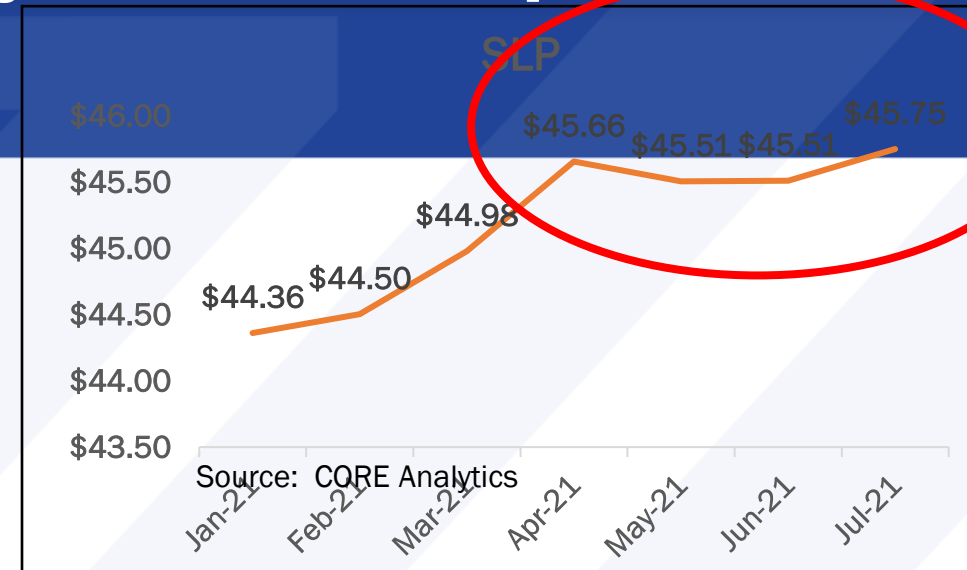
Nursing Component: HBC1
 HC1/HB1 ==> HBC1 (G) | AIDS-No

NTA Component: D - 4 points
 Asthma, COPD, Chronic Lung Dis: 2 points
 Cardio-Respiratory Failure and Shock: 1 point
 Morbid Obesity: 1 point

Rate Simulator for HIPPS Code: KDGD 2021 AWI: 1.3384 / 2022 AWI: 1.3388

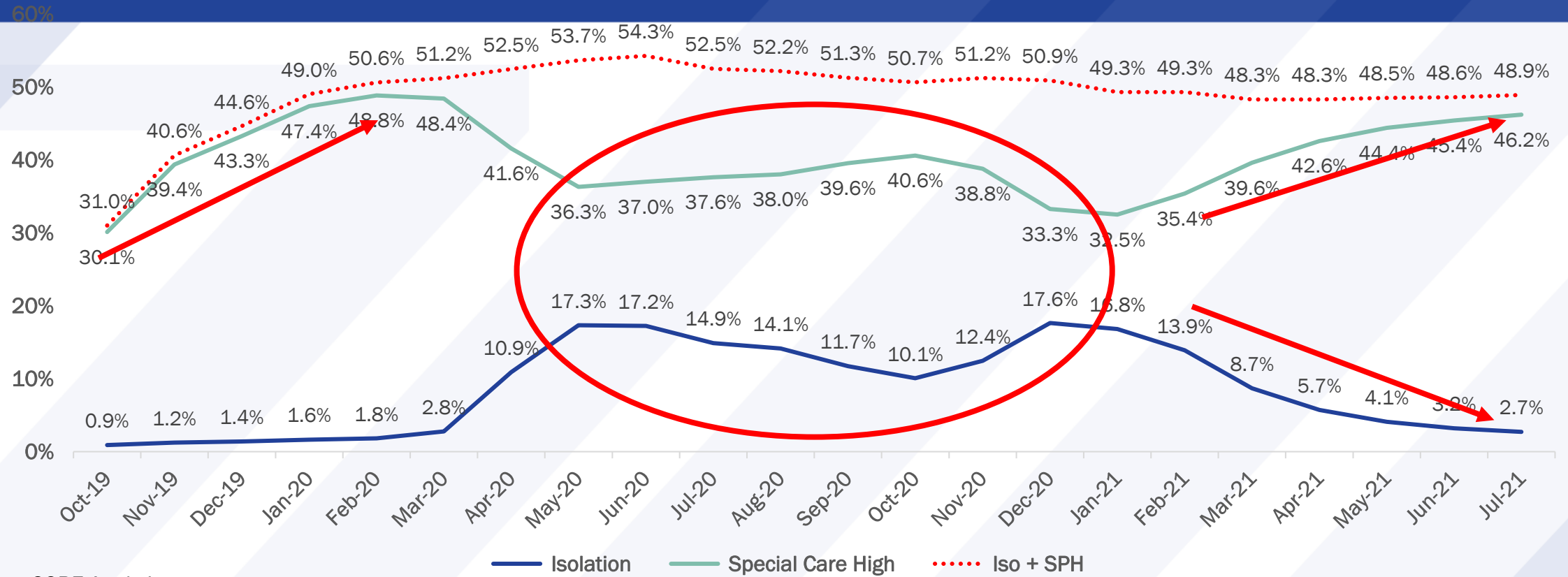
Estimated Benefit Period		FY 2021	FY 2022	Change	Adj FY 2022*
27	Days 1-3	\$3,130.53	\$3,162.63	\$32.10	\$3,162.63
	Days 4-20	\$13,159.36	\$13,294.17	\$134.81	\$13,294.17
	Day 21 - D/C	\$5,386.64	\$5,441.87	\$55.23	\$5,441.87
FY 2021 VBP					
1	Total Admission \$ (Gross)	\$21,676.53	\$21,898.67	\$222.14	\$21,898.67
FY 2022 VBP					
1	Average per day (Gross)	\$802.83	\$811.06	\$8.23	\$811.06
	Copayment Total ?	(\$1,298.50)	(\$1,298.50)	\$0.00	(\$1,298.50)
	Coinsurance Coverage ?	\$0.00	\$0.00	\$0.00	\$0.00
Sequestration*					
No	Total Admission \$ (Net)	\$20,378.03	\$20,600.17	\$222.14	\$20,600.17
	Average per day (Net)	\$754.74	\$762.97	\$8.23	\$762.97

The "Case-Mix Creep" by Rate Component



Isolation Distortion in the Nursing Component

Isolation v. Special Care High Capture Trended



Source: CORE Analytics

PT / OT Component

PT/OT (by Days)			
Category	Top 10%	Average %	Bottom 10%
Major Joint Rep / Spinal Surg	3.2%	3.6%	1.8%
Other Orthopedic	22.9%	21.8%	15.1%
Medical Management	44.3%	50.8%	66.4%
Non-Ortho Surg & Acute Neuro	29.5%	23.8%	16.7%

PT/OT Function (by Days)			
Range	Top 10%	Average %	Bottom 10%
24	0.4%	0.7%	2.2%
10-23	48.2%	56.5%	58.5%
6-9	28.9%	25.1%	22.1%
0-5	22.5%	17.8%	17.2%

Source: CORE Analytics, January – July 2021 Medicare Part A claims

SLP Component

SLP Profile 1 (by Days)

Category	Top 10%	Average %	Bottom 10%
None	22.3%	30.8%	30.9%
Any One	39.8%	40.7%	45.1%
Any Two	24.2%	19.4%	17.6%
All Three	13.7%	9.2%	6.4%

SLP Profile 2 (by Days)

Category	Top 10%	Average %	Bottom 10%
Neither	54.1%	61.0%	66.9%
Either	19.1%	19.7%	23.4%
Both	26.8%	19.3%	9.7%

SLP Case-Mix Profile (by Days)

Category	Top 10%	Average %	Bottom 10%
None / Neither	17.0%	24.3%	25.7%
None / Either	2.8%	4.0%	3.9%
None / Both	2.4%	2.4%	1.3%
Any One / Neither	22.1%	24.0%	28.9%
Any One / Either	7.8%	8.9%	12.0%
Any One / Both	9.9%	7.8%	4.2%
Any Two / Neither	10.8%	9.4%	9.4%
Any Two / Either	5.3%	4.6%	5.6%
Any Two / Both	8.0%	5.4%	2.6%
All Three / Neither	4.2%	3.3%	2.8%
All Three / Either	3.0%	2.3%	2.0%
All Three / Both	6.5%	3.7%	1.7%

Source: CORE Analytics, January – July 2021 Medicare Part A claims



Nursing Component

Nursing (by Days)			
Category	Top 10%	Average %	Bottom 10%
Extensive Services	25.1%	11.3%	2.3%
Special Care High	52.5%	39.9%	16.8%
Special Care Low	8.1%	13.4%	15.7%
Clinically Complex	6.8%	14.9%	22.1%
Behavior/Cognition	0.8%	2.7%	7.5%
Reduced Physical Function	6.7%	17.8%	35.6%

Nursing Function (by Days)			
Range	Top 10%	Average %	Bottom 10%
15-16	1.8%	2.8%	6.2%
6-14	54.6%	64.3%	64.9%
0-5	43.6%	32.9%	29.0%

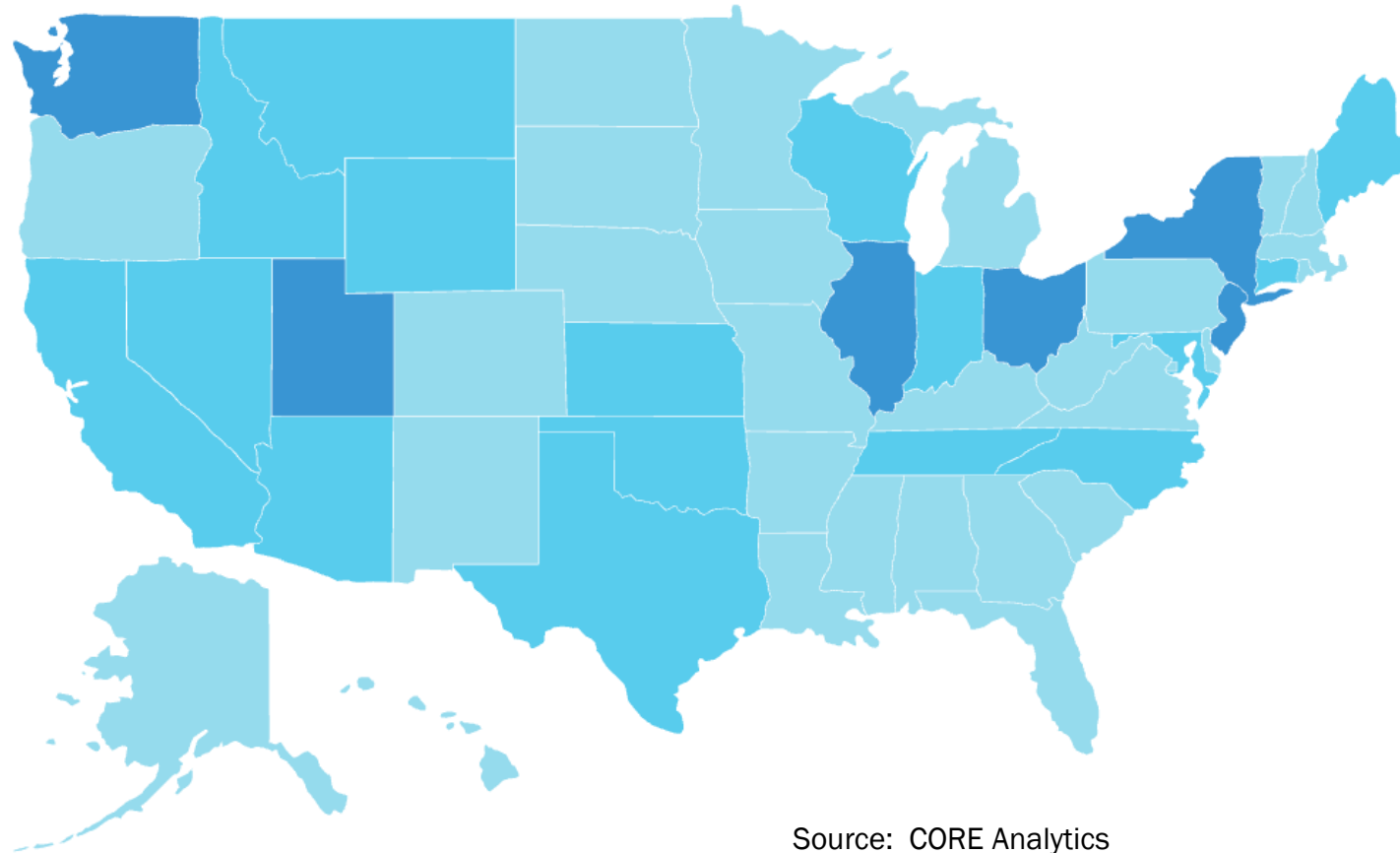
Depression (by Days)		
Top 10%	Average %	Bottom 10%
44.8%	19.9%	4.4%

Source: CORE Analytics, January – July 2021 Medicare Part A claims



PDPM Heat Map – Depression Capture

Average PDPM Depression End-Split Capture



NTA Component

NTA (by Days)			
Category	Top 10%	Average %	Bottom 10%
12+	5.9%	2.0%	0.4%
9-11	8.1%	4.3%	1.3%
6-8	16.3%	10.6%	4.3%
3-5	38.5%	34.9%	26.3%
1-2	26.5%	32.9%	37.7%
0	4.7%	15.2%	30.0%

Source: CORE Analytics, January – July 2021 Medicare Part A claims



Introducing the “Z-Rate”

- Variable per diem payment adjustment makes it difficult to compare performance
- Longer ALOS will reduce per diem rate; Shorter ALOS will increase per diem rate
- SNF with much shorter ALOS may have much higher rate masking capture deficiencies
- Z-Rate expresses each PDPM composite as a blended per diem based on 25-day ALOS

• Additional explanation & examples can be found [here](#)

KEGE; 7-day LOS

	FY 2021
Days 1-3	\$2,869.14
Days 4-20	\$3,047.60
Day 21 - D/C	\$0.00
Total Admission \$(Gross)	\$5,916.74
Average per day (Gross)	\$845.25

KEGE; Z-Rate

	FY 2021
Days 1-3	\$2,869.14
Days 4-20	\$12,952.30
Day 21 - D/C	\$3,786.70
Total Admission \$(Gross)	\$19,608.14
Average per day (Gross)	\$784.33

KEGE; 65-day LOS

	FY 2021
Days 1-3	\$2,869.14
Days 4-20	\$12,952.30
Day 21 - D/C	\$33,520.89
Total Admission \$(Gross)	\$49,342.33
Average per day (Gross)	\$759.11



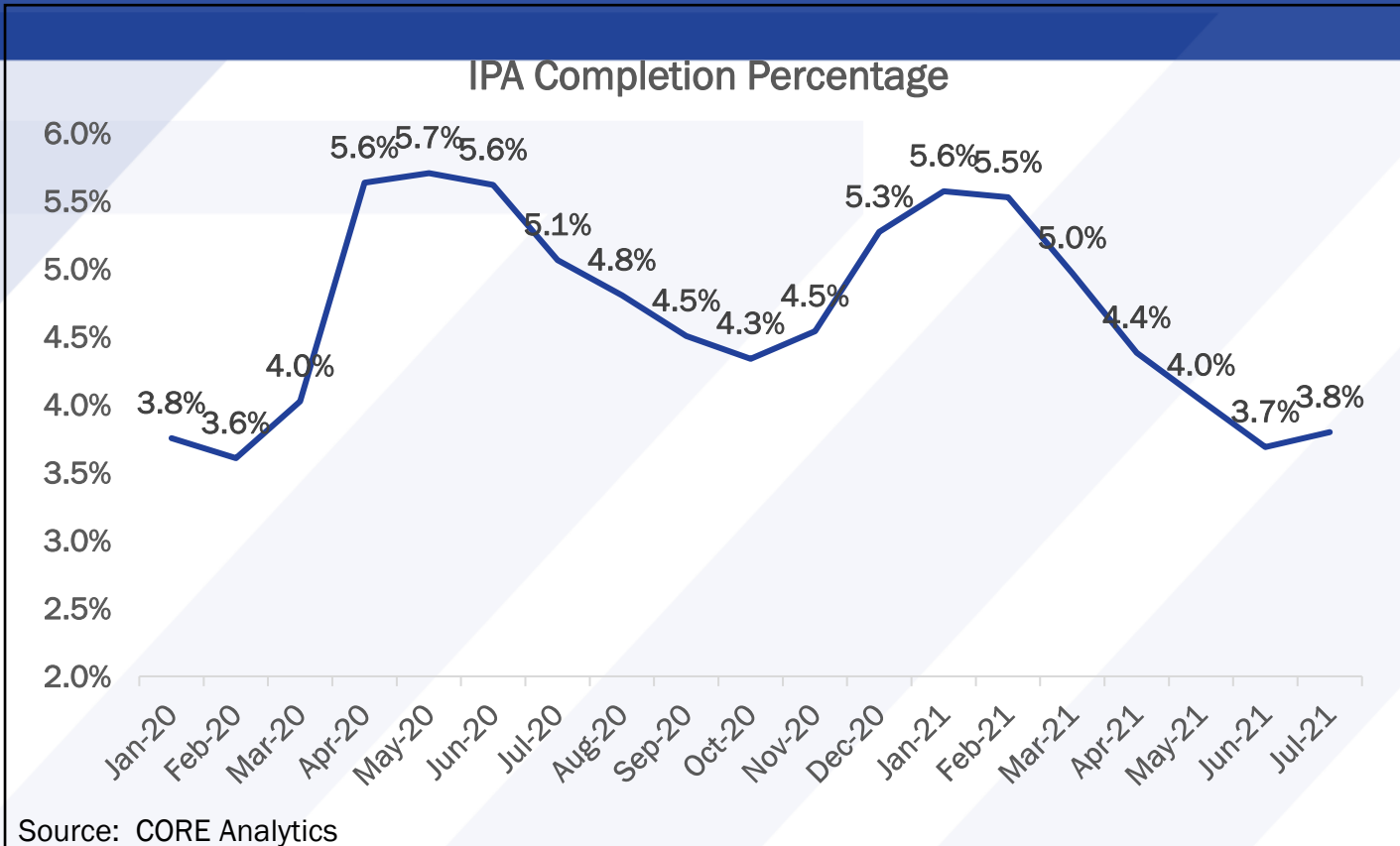
Z-Rate Comparative Benchmark

Rate Component	Top 10%	CORE Average	Bottom 10%
PT / OT	\$176	\$178	\$176
SLP	\$51	\$45	\$41
Nursing	\$244	\$198	\$153
NTA	\$151	\$127	\$104
NCM	\$97	\$97	\$97
Total	\$719	\$644	\$570

Source: CORE Analytics, January – July 2021 Medicare Part A claims, Z-Rate at AWI=1



The Elusive Interim Payment Assessment



- Top 10% of providers had a 6.7% IPA completion rate
- Average IPA completion rate in the database was 3.9%
- Average IPA was completed 25.4 days into the benefit period
- Average LOS on episodes with an IPA completed was 49.5 days (about 21 days longer than the ALOS in the database)



The Elusive Interim Payment Assessment

Rate Component	% Change IPA
PT / OT	33.5%
SLP	34.5%
Nursing	73.4%
NTA	52.3%

# of HIPPS	% Change IPA
1 HIPPS	35.9%
2 HIPPS	36.4%
3 HIPPS	21.8%
4 HIPPS	5.9%

Source: CORE Analytics

Average Financial Impact of IPA Completion	
Average Per Diem Increase	\$93.16
Average Days IPA Billed	24.1
Revenue Increase Per Episode	\$2,245

Most common reasons for IPA completion:

- Capture of isolation related to COVID
- Physical Function to SPH for Nursing
- NTA point increases from E/D to C
- None to One for SLP #1
- Neither to Both for SLP #2





Skilled Nursing Facility
Program for Evaluating Payment
Patterns Electronic Report

User's Guide
Ninth Edition

Introducing the SALT

Statistical Analysis of Likely Targets

SALT SCORE

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PDPM Category	Target Area	Target Area %	National %	National Percentile
PT/OT	NOS and AN	17.2%	17.6%	53
SLP 1	All Three	7.8%	7.1%	56
SLP 2	Both	13.8%	14.5%	53
Nursing	Special Care High	25.4%	30.9%	48
Nursing	Extensive Services	7.2%	6.5%	55
Nursing	Depression End-Split	8.7%	12.4%	45
NTA	3-5 Points	29.2%	30.9%	48
NTA	6-8 Points	7.3%	8.8%	45
NTA	9-11 Points	2.8%	3.8%	45
NTA	12+ Points	1.1%	1.5%	43
N/A	PPD Rate (AWI=1)	\$594	\$599	49
N/A	Average Length of Stay	27.7	27.4	52



Too Much SALT?

SALT SCORE

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SEASONING CARE CENTER (JAN-2021 TO MAR-2021)

PDPM Category	Target Area	CORE Average	Target Area %	National %	National Percentile
PT/OT	Non-Orthopedic Surgery and Acute Neurologic	23.0%	64.2%	17.7%	99.0
SLP 1	All Three	9.1%	25.7%	7.0%	95.0
SLP 2	Both	19.3%	69.3%	14.5%	99.0
Nursing	Special Care High	36.9%	64.4%	30.5%	96.0
Nursing	Extensive Services	16.2%	14.2%	8.2%	76.0
Nursing	Depression End-Split	27.8%	65.9%	15.3%	95.0
NTA	3-5 Points	35.5%	25.7%	31.2%	32.0
NTA	6-8 Points	10.8%	10.7%	8.8%	69.0
NTA	9-11 Points	4.0%	6.1%	3.7%	62.0
NTA	12+ Points	1.9%	3.3%	1.5%	69.0
N/A	PPD Rate (AWI=1)	\$633	\$737	\$599	99.0
N/A	Average Length of Stay	23.9	27.0	28.0	48.0

Potential Compliance Areas

Primary Diagnosis Code Support

- Physician/Nursing/IDT narratives supporting the primary diagnosis code selected.
- Appropriate Care plan addressing the impact and interventions associated with that diagnosis.
- Complimentary and consistent coding between Nursing/MDS/Rehab as to Primary Dx code
- Matching of Primary Dx code on MDS and UB-04

Section GG Function Score

- Accurately assessing and reporting GG data
- Documentation demonstrating an IDT collaborative approach
- Focus on usual performance accuracy across first 3 days of admission

Potential Compliance Areas

Speech Drivers – Profile #1

- Primary Diagnosis coding may play role in this profile.
- Interview/BIMS documentation consistent with regulations.
- SLP-comorbidities – MD documentation support for dx code and consistent interdisciplinary documentation to support impact on plan of care

Speech Drivers – Profile #2

- Swallowing Disorder documented in lookback period
- MD Order for Altered diet.
- Physician support diagnosis of Dysphagia with interventions.

Potential Compliance Areas

Extensive Services

- Guidelines for coding of Isolation
- MD Orders
- RAI vs CDC guidance related to COVID, Facility policies
- Census records to support single room occupancy

Special Care High

- Policies and Procedures to maintain accessibility of hospital records (e.g. MARs for IV hydration)
- Consistent MD support for capture for Dx (e.g. Septicemia)
- Clinical support for SOB (WHILE LYING FLAT)
- Daily accountability for Respiratory Therapy minutes

Potential Compliance Areas

PPD rate

- Typically result of trigger in several “likely target” areas
- Impacted by LOS (Shorter = Higher PPD)

Average Length of Stay

- Nursing/Rehab documentation supports continuous and ongoing need for skilled intervention.
- Resident responses including barriers to progress detailed and daily skilled interventions clearly outlined and documented in the notes

Contact Us



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