

Public Provider Meeting Nursing Home Payment Rates

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Deputy Director, Bureau of Rate Setting

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Agenda

1. Welcome
2. Funding updates
3. Method updates
4. Rate Modelling Estimates
5. Open discussion/questions
6. Next Steps

New Staff

- David Perez
 - ◆ Senior Auditor
 - ◆ Formerly with Department of Revenue since 2015.

Funding updates

- SFY23

- ◆ T19 FFS Non-DD Spend (excludes patient liab.)

- Acuity, inflation, pro-rated 5% DCN:\$409,000,000
- Above + updates to DCN, SS: \$516,000,000

- Hold harmless

- ◆ Validating results of calculations with a few facilities. Will post SFY23 limits to website.

- ◆ SFY23 reduced and final year.

- ◆ Anticipated total spend of around \$500,000 for CY22 Q1.

Methods Updates

- High-level outcomes.
 - ◆ Weighted average increase of 23.09% in SFY23 compared to SFY22 (FFS NF only).

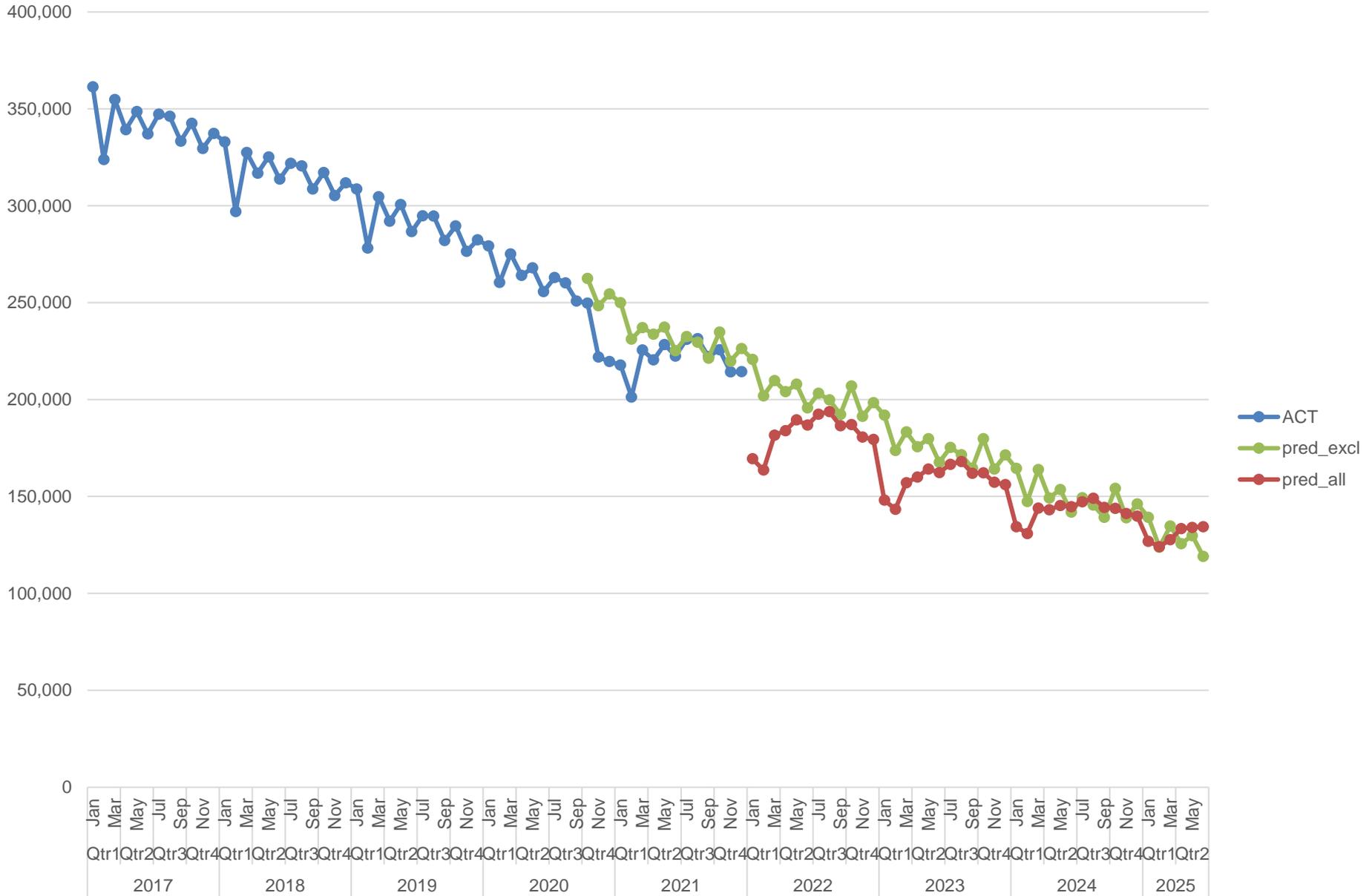
Methods Updates

- Modelling assumptions.
 - ◆ Set DCN to Median + 25%.
 - SFY23 rate at \$122.68 (40% increase from SFY22)
 - ◆ Price SS to \$89.65.
 - 56% increase from SFY22 (\$57.35).
 - ◆ Any projected revenue in excess of expenses, on a case-mix neutral basis, reduced from SS.
 - Funds are re-circulated to remaining facilities.
 - Reduction taken from a priced rather than acuity adjusted rate component.

Methods Updates (cont'd)

- Modelling assumptions.
 - ◆ Patient days (next page graph).
 - 13.07% reduction.
 - DHS required to pay set rates, regardless of PDs.
 - Modelling excluded COVID affected time period.
 - Consistent number of days reduction observed.
 - ◆ Acuity growth estimates.
 - DCN 2.02% growth.
 - DCO 0.92% growth.
 - Estimates based on PDs by acuity grouping.
 - Consistent within group acuity over time

T19 (non-DD, FFS only) PD actuals, projection (w/, w/o COVID)



Methods Updates (cont'd)

- Modelling assumptions.
 - ◆ NEMT
 - Set equivalent to State-wide NEMT contract.
 - Trip: \$43.00 (from \$10.00) (C55/A0120)
 - Mileage: \$1.90 (from \$1.00) (C55/S0215)
 - ◆ SPRS
 - Inflated to mid-point of SFY23.
 - Per-diem add-on: \$23.39 (from \$9.00)

Next Steps

- DHS drafting red-line for methods changes.
 - ◆ Required CMS submission prior to 10/01/22.
- Rate setting workbook updates under-way.
- Goal to have rates set on a rolling basis as soon as audits are complete.
 - ◆ Please provide auditor requested documentation as soon as possible to ensure rates set timely.
- Moving up CR submission to end of March.
 - ◆ Reduces timeline for rate setting by 2-months.

Questions and open Discussion

- FFY CMS PDPM Acuity changes for FFY23, FFY24.

Thank you

- Did the Gov-D list not come through?
 - ◆ Can append sign-in e-mail addresses
 - ◆ Registration link:
 - ◆ https://public.govdelivery.com/accounts/WIDHS/subscriber/new?topic_id=WIDHS_49
- Please send questions/comments to:
 - ◆ DHSDMSBRS@dhs.wisconsin.gov