

pac cr

Post-Acute Care Center for Research

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TRANSLATING POLICY TO PRACTICE

NOVEMBER 2014 ISSUE 2

See Us In Action!

Upcoming Presentations

Nov 30th: APOSOM, 2nd Meeting of the International Society for Restorative Neurology

Jan 30th: California Hospital Association PAC Annual Meeting

Previous Engagements

Nov 12th: [VHA Population Health Symposium, Effective Post-Acute Care Management](#)

Nov 7th: [Implementing Standardized Assessment for Bundled Payment and Other Integrated Services Approaches, GSA Annual Scientific Meeting](#)

Nov 4th: The IMPACT Act: What does it mean for you? PACCR webinar series

Oct 24th: Dignity Health Home Care Director's Annual Meeting

Happenings at **pac cr**

Welcome back, we are happy to have you as a reader for our second Circular! And of course, a warm welcome to our first time recipients of the Circular! Over the course of the past month, we have hosted our first webinar, expanded our distribution network, posted our first blog, increased our collaboration with providers, and presented on PAC reform all over the country! And, we are going International! Our very own, Barbara Gage, will be heading to Taiwan to advise the Taiwan Government.

But first, a quick recap on our webinar. We are grateful that Lisa Grabert, House Ways and Means Committee was able to join us as we broached the topic of the newly passed IMPACT Act and what it means for you. Yes, you. The wide range of participants was amazing to see- Case Managers, Physicians, Local and Federal Government, Software Providers, Home Health Agencies, Hospitals, Community Based Organizations, Consultants, and Payers, just to name a few. The follow-up discussions have confirmed a high level of interest to continue the conversation as CMS implements the IMPACT Act, with the first release of standardized data collection beginning in 2016- just over a year away. Join the conversation and engage with your fellow colleagues. We will be hosting several breakout sessions on the IMPACT Act to target various subsets of providers and would welcome you to join! Just email us if you are interested. You can also check out the recording of the Webinar on our website. And don't worry, we are upgrading our platform to make easier to watch future recordings of webinars, thanks for your patience!

Faculty Spotlight

We are pleased to highlight Cheryl Phillips, M.D., who is the Senior VP for Advocacy and Public Policy at Leading Age in Washington, D.C. and a key leader in developing "Advancing Excellence: A National Campaign to Improve Quality of Care in Nursing Homes." Prior to joining Leading Age, she was CMO of On Lok Lifeways, the originator of the PACE (Program of All-Inclusive care for the Elderly) model based in San Francisco, CA. Dr. Phillips has also served as the Medical Director for Senior Services and Chronic Disease Management, for the Sutter Health System. As a fellowship-trained geriatrician, her clinical practice focused on nursing homes and the long term care continuum. She serves on numerous national boards and advisory groups for chronic care with CMS and other agencies and has provided multiple testimonies to the U.S. Senate Special Committee on Aging.

MedPAC Updates

On November 7th, 2014, MedPAC staff members Carol Carter and Dana Kelley presented-"Site-neutral payments for select conditions treated in inpatient rehabilitation facilities and skilled nursing facilities". Inpatient Rehabilitation Facilities (IRFs) must meet stricter compliance standards under Medicare than Skilled Nursing Facilities (SNFs). Unlike SNFs, IRFs tend to admit patients with higher functional abilities and those that are "less severely ill". The proposed site-neutral payment system could be attributed to reducing variations in base rates and payments—which are higher in IRFs than SNFs—for similar medical conditions.

The proposed site-neutral payment system is for stroke and 17 other conditions—including orthopedic, pulmonary, cardiac, and infections, as

Advancing Excellence: A National Campaign

This month's webinar is the first in a series of quality improvement initiatives targeted at different parts of the post-acute care system. Advancing Excellence is a national campaign to improve quality of care in nursing homes. It was founded in 2006 by a group of 28 stakeholders, including nursing home providers, quality improvement experts, and government agencies. The campaign includes over 62 percent of the nation's nursing homes and offers local area networks for excellence (LANES) in every state and DC. The campaign provides free, practical, evidence-based resources to support quality improvement in nursing homes. The educational tools break quality improvement into manageable steps that can provide useful direction in managing these populations. Join us on December 9th, 2014 at 3:00 pm EST for a webinar to learn more about these national tools to help improve care for your patients who need nursing facility services. These tools can be useful in identifying high performing nursing facilities and assessing quality of care in your local markets.

Next PACCR Webinar: *Advancing Excellence: A National Campaign*

December 9th, 2014 – 3:00 pm EST

Dr. Cheryl Phillips, Senior VP for Advocacy and Public Policy at Leading Age will speak on this important national resource!

Soon, you can register for the webinar at www.pac cr.org

noted by Carter and Kelley. When discussing stroke as an option, several MedPAC Commissioners raised a concern with applying site neutral payments to this group given the variability in stroke conditions among patients. The Commission will consider pursuing site-neutral payments for the 17 conditions, and would like to propose that Congress implement site-neutral payments for these conditions in both IRF and SNF settings.

CMS

Proposed and Final Rules

The Centers for Medicare & Medicaid Services (CMS) recently released changes for Medicare Physician Fee Schedule (MPFS), Value-based Payment Modifier (Value Modifier), and Physician Quality Reporting Systems (PQRS). One of the most prominent changes being implemented in 2015 is payments to physicians providing care for Medicare patients with multiple chronic conditions, without a face-to-face visit. The CMS Final Rule, with its payment and policy modifications, will trigger changes in PQRS, Medicare Electronic Health Record (EHR), Medicare Shared Savings Program (MSSP), and the Physician Compare website.

CMS will be removing 50 measures from PQRS metrics, and will add 20 new individual measures, as well as 2 measure groups. In terms of Medicare's EHR Incentive program, this rule will allow for an extension of the hardship application deadline—for all those who have not completely employed the Certified Electronic Health Record Technology (CEHRT).

MSSP will encounter changes, with the addition of a "quality improvement measure", "revisions to quality measure benchmarks", and reforming current quality metrics that constitute the "Quality Reporting Standard". CMS will broaden public reporting to provide additional information regarding various measures on the Physician Compare website. Additionally, CMS will complete the implementation of Value Modifiers in 2017 for all physicians—this includes those engaged in ACOs. The Value Modifier adjustment is determined by PQRS engagement levels.

The changes in the Final Rule are set for calendar year 2015, which promote physicians' focus on providing quality care, by allowing for a rise in additional quality metrics and accountability—all while containing healthcare costs.

Future PACCR Webinar Topics Include:

Who Are the PAC Populations? What Are Best Practices for working with PAC populations? Tools for Managing PAC populations!

Join us as we bring our national experts in to advise you on these key topics! To consistently gain access to webinars, join PACCR as a Partner or a Subscriber! More information can be found on our website. And, if you would like to request a webinar topic, please email us at paccr@paccr.org

Noteworthy Observations

Bundled Payment for Care Improvement Updates

CMS has been working collaboratively with the BPCI participants to continue to modify the initiative based on the first reconciliation for most participants. Many participants saw positive utilization management results that were unfortunately offset by the financial reconciliation. CMS's responsiveness is indicative of their desire to work with participants, collaboratively to continually improve the initiative. CMS announced the following updates earlier this month:

- To mitigate volatility in BPCI **target prices**, CMS will cap quarterly changes in trend factors at plus/minus 3.5 percent. This change will apply to reconciliations beginning with the initial reconciliation for the second quarter of 2014. CMS anticipates that this change will mitigate quarterly volatility in target prices. CMS will still make adjustments in the future to account for major regulatory or legislative changes that greatly affect quarterly trend factors.
- CMS will also **cap quarterly payments and losses at plus/minus 20 percent** of the performance period benchmark amount (that is, the trended baseline price times the number of episodes of care, aggregated to the Awardee/Awardee Convener level). CMS will impose this cap at the Awardee/Awardee Convener level, and the cap will apply to reconciliations beginning with the initial reconciliation for the second quarter of 2014. This change is unlikely to affect many BPCI participants, but we believe that it is important to limit risk both to CMS and to BPCI participants.
- Because of the complications associated with launching BPCI and the above changes, CMS will **eliminate downside risk at the Episode Initiator level for the first five BPCI performance quarters** – the fourth quarter of 2013 and all four quarters of 2014. As of the first quarter of 2015, all BPCI participants in Phase 2 will face full downside risk.
- CMS is extending the deadline for submission of the **Awardee Profile from November 14, 2014 to 12:00 PM eastern time on December 1, 2014**. This extension is available to current Phase 2 Awardees and Phase 1 participants who previously requested to enter Phase 2 on January 1, 2015.

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