

HCQS (SB246)

Round One: Take 2

Brief History

- 2016 NMHCA developed plan to introduce a provider assessment
- 2017 Governor Martinez rejected the idea - No New Taxes
- 2019 Governor Lujan-Grisham signed SB246 Healthcare Quality Surcharge that took effect 7-1-2019. -- much partying ensued
- TRD said the bill wouldn't work as passed -- much gnashing of teeth
- 2020 SB246 was corrected during 2020 legislative session -- back to partying
- April of 2020 providers received payments for 1st and 2nd quarters of FY20 -- retro to 7/1/19 -- partying would have ensued but we were all then dealing with the coronavirus pandemic

How the Act Generates Additional Funds

1. Providers (SNF/NF/ICF) collect/pay provider assessment – 3% of revenue
2. Medicaid increases rates to cover provider assessment
3. Medicaid draws additional dollars from Federal government through FMAP program – normally currently 72.71 but currently 6.2 more for COVID

Value of HCQS to NF/SNF

- Estimated to generate \$60 Million in new money for FY20**

** HSD surprised us by boosting payments using additional FMAP from the Cares Act – this along is expected to generate \$6 Million per quarter for as long as it lasts

Three Components of the Program

1. Bucket #1: Reimbursement for Provider Assessment --31% of program or \$31 Million Dollars for FY20
2. Bucket #2: Annual MBI – 2.8% effective 1-1-2020 & 2.8% effective 7-1-2020 -- 8% of program or \$8 Million Dollars for FY20
3. Bucket #3: Quality Based Payment – ICF not eligible for this bucket -- 61% of program or \$61 Million Dollars for FY20

Into the Weeds

Medicaid

%	Amount		Description
0.2729	\$31,011,000.00	A	state share(assessment)
	<u>\$6,202,200.00</u>	B	states 20% carve out per SB246
	<u>\$24,808,800.00</u>	C	Available for match Federal FMAP 2.66 times
0.7271	<u>\$66,090,643.20</u>	D	(72.71/27.29)
1	<u>\$90,899,443.20</u>	E	Payment to providers D plus C
	<u><u>\$59,888,443.20</u></u>	F	Net payment

The 5 Dials - #1 Quality Measures

Falls with Major Injury	N013.02
Depression	N030.02
Influenza Vaccine	N016.03
Pneumococcal Vaccine	N020.02

The 5 Dials - #2 Cut Points

Name	Identifier	CUT POINTS				
		20	40	60	80	100
Falls with Major Injury	N013.02	4.64 – 100	3.98 - 4.63	3.30 - 3.97	2.20 - 3.29	0 - 2.19
Depression	N030.02	6.16 - 100	2.77 - 6.15	1.02 - 2.76	0.41 - 1.01	0 - 0.40
Influenza Vaccine	N016.03	0 - 87.05	87.06 - 94.45	94.46 - 96.45	96.46 - 99.05	99.06 - 100
Pneumococcal Vaccine	N020.02	0 - 85.05	85.06 - 92.90	92.91 - 95.45	95.46 - 98.45	98.46 - 100

The 5 Dials - #3 Performance Tiers

Name	TIERS				
	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Points	320 points or more	260 to 319 points	200 to 259 points	140 to 199 points	139 points or less

The 5 Dials - #4 Adjustment Factor Table

	Yr 1 (7/1/19 - 6/30/20)	Yr 2 (7/1/20 - 6/30/21)	Yr 3 (7/1/21 - 6/30/22)	Yr 4 (7/1/22 - 6/30/23)
Tier 1	100%	100%	100%	100%
Tier 2	100%	95%	TBD	TBD
Tier 3	100%	90%	TBD	TBD
Tier 4	100%	85%	TBD	TBD
Tier 5	100%	75%	TBD	TBD

The 5 Dials - #5 Residual Payment

- Balance of funds through “residual” payment
- Uncertainty about Q3FY20 and Q4FY20
- HSD proposal is to distribute “residual” in equal proportions to the dollars distributed as payments from dials 1-4

Timing of Payments

- Provider pays TRD for provider assessment
- HSD provide data on bed days and buckets to MCOs
- MCOs pay providers for HCQS
- Assessment and Provider payments for Q4FY20 (4-1-20 thru 6-30-20) will be paid in October of 2020

Operational Objectives

- Improve quality to maximize payments under the “Quality Bucket” of the HCQS
- Submit accurate MDS
 - Use Discharge MDS to correct days during reconciliation
- Use the PointRight dashboard
 - Verify resident rosters match census
 - Data integrity audits
 - Use falls predictor in care planning

Final Thoughts

- The Playing Field is clearly laid out – 100 yards
- The goal posts do not change
- You are on the only team on the field for dials 1-4
- Two of the measures are 100% within your control
- Getting to the 20 yard on the other end of the field earns maximum Quality Payments
- If you don't advance on the field your Quality Payments decrease



Caveats and References

- Program is subject to CMS oversight/approval/revision, CAB oversight and HSD revision
- SB246
<https://www.nmlegis.gov/Legislation/Legislation?Chamber=S&LegType=B&LegNo=246&year=19>
- Donald Wilson 575-556-6103 Donald.Wilson@genesishcc.com
- Vicente Vargas, NMHCA Executive Director V.vargas@nmhca.org
- Estevan Baca, HSD Estevanl.baca@state.nm.us

PointRight Contacts

- **Account Executive:**
- Tammy McKenna
- Tammy.Mckenna@PointRight.com
- 352-460-7240
-
- **Senior Healthcare Specialist:**
- Maria Arellano
- Maria.Arellano@PointRight.com
- 303-519-4656
-
- **For Technical Issues:**
- Support@PointRight.com
- 781-457-5900, option 1