

AB 186 Nursing Facility Financing Reform

**December 15, 2023
Stakeholder Meeting**

Call-in Number

- » In addition to the Microsoft Teams webinar, members of the public may call in to +1 279-895-6425 and enter phone conference ID: 778 016 538#.
- » Please visit www.dhcs.ca.gov/AB186 for meeting materials and information on how to join upcoming meetings.

Introductions

- » Alek Klimek, Assistant Deputy Director, Health Care Financing
- » Irving Ling, Medical Consultant I, Quality and Population Health Management
- » Jeff Norris, Value-Based Payment Branch Chief, Quality and Population Health Management
- » Samantha Schradle, Health Program Specialist II, Fee-For-Service Rates Development Division, Health Care Financing

Skilled Nursing Facility Accountability Sanctions Program (SNF ASP)

Measures for SNF ASP MY 2024

» Clinical Measures:

- Percent of Residents Experiencing One or More Falls with Major Injury, Long Stay (MDS)
- Percent of Residents Who Received Antipsychotic Medications, Long Stay (MDS)

» Equity Measures:

- Racial and Ethnic Data Completeness (MDS)

Sanction per Measure

- » Per [Welfare & Institutions Code Section 14126.026](#), for each measure, the aggregate sanction assessed shall not exceed one hundred fifty thousand dollars (\$150,000) in a single rating period.
- » This means that in a measurement year with three measures, the maximum sanction per facility for that year will be \$450,000 (\$150,000 x 3 measures).
- » DHCS described the sanction structure at the November 17 webinar and in the Draft SNF ASP Policy Letter.

Benchmark Rates

- » Benchmark rates for MY 2024 and corresponding sanction amounts are described on the following slides and will be published in the final SNF ASP Policy Letter.
- » For the clinical measures, benchmark rates were developed using specified percentiles of calendar year (CY) 2022 national data from CMS Care Compare.

Percentage of Long-Stay Residents Experiencing One or More Falls with Major Injury (MDS)

Minimum Performance Benchmark (Percentile)	≤ 5 th Percentile	10 th Percentile	15 th Percentile
Benchmark Rate	8.03%	6.67%	5.82%
Sanction Amount	\$ 5.00	\$ 3.00	\$ 1.00

Percentage of Long-Stay Residents Who Received Antipsychotic Medications (MDS)

Minimum Performance Benchmark (Percentile)	≤ 5 th Percentile	7.5 th Percentile	10 th Percentile
Benchmark Rate	31.25%	27.90%	25.70%
Sanction Amount	\$ 3.00	\$ 2.00	\$ 1.00

- » In alignment with the national CMS measure, long stay SNF residents with schizophrenia, Tourette’s syndrome or history of Tourette’s syndrome, and Huntington’s Disease are excluded from this measure
- » DHCS is continuing to evaluate additional stakeholder feedback about the use of this measure in the ASP for SNFs with certified Special Treatment Programs.

Racial and Ethnic Data Completeness

Benchmark Rate (Percentage)	Data Completeness $\leq 70\%$	Data Completeness 75%	Data Completeness 80%	Data Completeness 85%	Data Completeness 89.99%
Sanction Amount	\$ 5.00	\$ 4.00	\$ 3.00	\$ 2.00	\$ 1.00

Responses, including "Resident unable to respond" and "Resident declines to respond", will be counted towards data completeness for evaluation of this measure.

Next Steps

- » On December 4, 2023, DHCS released the draft SNF ASP Policy Letter 24-001 on [DHCS.ca.gov/AB186](https://dhcs.ca.gov/AB186) and requested public input by December 12, 2023. The final SNF ASP Policy Letter 24-001 will be published on or before December 31, 2023.
- » In early 2024, DHCS will develop further guidance regarding appeals and waivers process for MY 2024.
- » DHCS will monitor performance on MY 2024 throughout the year and engage with stakeholders on developing measures for MY 2025.

Workforce & Quality Incentive Program (WQIP)

WQIP Program Data: Open Data Portal

- » DHCS is working to post the most recent quarterly, unblinded facility-specific WQIP report to the Open Data Portal.
- » DHCS anticipates to publish the data in early 2024 and on a quarterly basis thereafter.
- » Once data is published, stakeholders will be notified via email and [DHCS.ca.gov/AB186](https://dhcs.ca.gov/AB186).
- » The Open Data Portal will not require a login.

Pressure Ulcer Measure Update

- » Percent of High-Risk Residents with Pressure Ulcers (Long Stay)
 - Retired by CMS as of October 1, 2023
 - Does not affect WQIP PY1 since the measurement period for PY1 MDS measures was July 1, 2022 to June 30, 2023
- » Last month, DHCS requested feedback on replacing this measure with the Urinary catheter measure for PY2 (2024). However, on further analysis, most facilities have little room for improvement on this measure. Thus, the urinary catheter measure is not appropriate for PY2 (2024).
- » DHCS is evaluating other MDS measures for PY2 (2024). Updates forthcoming.

Workforce Standards Program (WSP)

Workforce Standards Overview

- » AB 186 requires DHCS to establish a Workforce Standards Program (WSP) for Freestanding Skilled Nursing / Subacute Facilities Level-B. Facilities that meet the standards will receive a workforce rate adjustment beginning in CY 2024.
- » The workforce rate adjustment will be made to base Fee For Service (FFS) Per Diem rates via a State Plan Amendment. Managed Care Plans (MCPs) will be required to pay the workforce adjustment through the FFS Equivalent Directed Payment.
- » Facilities may participate in WSP via the Labor-Management Committee, Collective Bargaining Agreement, or Basic Wage and Benefit Pathways.

Workforce Standards Next Steps

- » DHCS is continuing to evaluate stakeholder feedback received on the Basic Wage and Benefit Pathway following the November 17 webinar:
 - Health Benefit Standard
 - Application of standards to subcontracted workers.
- » DHCS will publish the final program design in a draft State Plan Amendment (SPA) on or before December 31, 2023. Stakeholders will have 30 days to publicly review the draft SPA before it is submitted for federal approval.
- » DHCS plans to share draft CY 2024 rates, displaying the estimated amount of the rates with and without the workforce adjustment for each facility, in the upcoming weeks.
- » DHCS will provide facilities at least 60 days to opt into the WSP following the publication of final CY 2024 rates. Once a facility opts in, the workforce rate adjustment will be applied retroactively to January 1, 2024. Facilities participating through the Basic Wage and Benefit Pathway will be responsible for making retroactive payments to workers.

Public Comment

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- » DHCS welcomes public comment. DHCS staff may briefly respond to requests for clarification on this presentation.
- » Speakers are requested to introduce themselves and their organization.
- » Audience members are muted until they are called on by the moderator. Please use the “raise hand” button in Microsoft Teams to be added to the speaker queue. Once you are called on, you must unmute yourself in Microsoft Teams. If you are calling-in please press *5 to raise your hand.
- » Please provide any written questions or feedback to:
 - Workforce and Quality Incentive Program (WQIP) -- SNFWQIP@dhcs.ca.gov
 - Accountability Sanctions Program (ASP) -- SNFASP@dhcs.ca.gov
 - Workforce Standards Program (WSP) -- SNFWSP@dhcs.ca.gov