

**DATE:** January 30, 2025  
**TO:** ALL SNF WQIP PARTICIPANTS  
**SUBJECT:** SNF WQIP Increases the Amount of Funding Tied to Workforce Metrics Domain for PY 3 (CY 2025)

**PURPOSE:**

This Policy Letter (PL) outlines the plan to increase funding allocated to Workforce Metrics domain for program year (PY) 3 (calendar year [CY 2025]).

**BACKGROUND:**

The Skilled Nursing Facility (SNF) Workforce & Quality Incentive Program (WQIP) incentivizes facilities to improve quality of care, advance equity in healthcare outcomes, and invest in the workforce.

Currently, workforce metrics account for 50 percent of the total domain score, as shown in Table 1. Beginning in PY 3 (CY 2025), DHCS will increase the percentage of incentive payments allocated to the Workforce Metrics domain from 50 percent to 55 percent.

This change relates to an increased focus by the Federal government on the relationship between staffing and quality of care (e.g. the [LTC Facility Minimum Staffing Standards Final Rule \[CMS 3442-F\]](#)).

By adjusting the funding allocation to prioritize nurse staffing levels, this policy seeks to strengthen the SNF care setting and improve outcomes for residents.

**Table 1: Current Domain Funding Allocation**

Domain	Measurement Area	Percent of Metric Total Score	Percent of Total Domain Score
Workforce Metrics	Acuity-Adjusted Staffing Hour Metrics (January 1, 2024–September 30, 2024)	26.25%	50%
	Acuity-Adjusted Staffing Hour Metrics (October 1, 2024 –December 31, 2024)	8.75%	
	Staffing Turnover Metric	15.00%	
Clinical Metrics	MDS Clinical Metrics	20.00%	40%
	Claims-Based Clinical Metrics	20.00%	
Equity Metrics	Medi-Cal Disproportionate Share Metric	7.00%	10%
	MDS Racial and Ethnic Data Completeness	3.00%	
<b>Total</b>			<b>100%</b>

**POLICY:**

DHCS will increase the funding allocated to the workforce metrics to 55 percent for PY 2025, as outlined in Table 2. The additional 5 percentage points are derived from the removal of the MDS Racial and Ethnic Data Completeness Measurement Area and a 2 percentage point reduction in the allocation tied to the Clinical Metrics Domain.

**Table 2: Proposed Adjustment to Domain Funding Allocation in CY 2025**

Domain	Measurement Area	Percent of Metric Total Score	Percent of Total Domain Score
Staffing Metrics	Acuity-Adjusted Staffing Hour Metrics (January 1, 2025–September 30, 2025)	30.00%	55%
	Acuity-Adjusted Staffing Hour Metrics (October 1, 2025 –December 31, 2025)	10.00%	
	Staffing Turnover Metric	15.00%	
	MDS Clinical Metrics	19.00%	38%
Clinical Metrics	Claims-Based Clinical Metrics	19.00%	
Equity Metrics	Medi-Cal Disproportionate Share Metric	7.00%	7%
<b>Total</b>			<b>100%</b>

**Feedback on this methodology was due via email to the SNF WQIP Inbox [SNFWQIP@DHCS.ca.gov](mailto:SNFWQIP@DHCS.ca.gov) no later than January 3, 2025.**

ORIGINAL SIGNED BY JEFFREY NORRIS, MD

Value-Based Payment Branch Chief  
 Quality and Population Health Management (QPHM)  
 Department of Healthcare Services