



ABILITY PDPM Series

Ensuring clinical
competency
under PDPM



In advance of rolling out the new Patient-Driven Payment Model (PDPM), which went into effect on October 1, the Centers for Medicare & Medicaid (CMS) reminded providers of the great pains that went into reducing the administrative burden needed to obtain reimbursement for a skilled nursing stay.

Indeed, the number of assessments has been trimmed from five to three — and one of those three is actually optional.

But with more than 70,000 codes in the ICD-10 system that drives PDPM, and the significant additional pressures clinical and billing staff will endure to satisfy the stringent new rules under PDPM, nursing homes must ensure the clinical and administrative competencies of their workforce are rock solid.



This means evaluating your current care and administrative resources to ensure your facility is ready.



Important things to do now

PDPM calls on all skilled nursing facilities to rise to an unprecedented level of clinical competency – something that will be essential as providers see greater incentives to take on more medically complex residents.

1 Brush up on core competencies

Providers need to up their game on ICD-10 coding, MDS accuracy, ADL and functional scoring and overall care management processes when transitioning from the former RUGS-IV system to PDPM, according to McKnight's¹. This is essential for optimizing care management and assuring appropriate clinical reimbursement for each patient mix.

Experts suggest conducting a facility-wide assessment to gauge the needed resources to competently care for and bill under the new PDPM system, including looking at key resident characteristics such as the amount of care being provided, types of diseases, conditions, physical and cognitive disabilities and overall acuity².

According to the American Association of Nurse Assessment Coordination (AANAC), nurse assessment coordinators (NACs) now have a more prominent role as both a gatekeeper and a specialist. The NAC will be viewed as the in-house subject matter expert on Part A skilled level of care, the PDPM and other aspects of SNF Prospective Payment System (PPS), Minimum Data Set (MDS) assessment and coding requirements, and the MDS-based quality measures.



2

Staff training and education is paramount

Greater attention than ever needs to be paid to staff education and training, particularly in the area of proper and thorough assessments. This includes adequately training clinical and direct care staff to ensure they have competency in the MDS and capturing correct diagnoses that result in correct billing codes.

In addition, NACs, MDS coordinators, and ICD-10 coders now have a more prominent role, says McKnight's³. MDS coordinators will likely be involved in more hands-on assessments and documenting key reimbursement details. To ensure this, facilities need to take steps now to ensure they all are properly trained in ICD-10 under PDPM.



3

Prepare nursing and non-therapy caregivers for more prominent roles

Nurses are taking on more prominent roles under PDPM, and it's no surprise given the roles they already play as the in-house gatekeepers of overall care. Those facilities that thrive will ensure they have a strong mix of credentialed nurses, experts say.

As PDPM transitions the industry from utilization-driven therapy to nursing-driven therapy, facilities not only need to have sufficient nursing staff but ensure they all have suitable and appropriate competencies and skills – from generalist to specialist.

4

Review financial incentives to take more clinically complex residents

As Integra Health recently told Skilled Nursing News⁴, those providers that take on more medically complex residents will reap considerable incentives, as will specialty and nonprofit providers, and those with experience in bundled payment programs. Most nursing homes will reportedly see a financial boost under PDPM in the form of improved Incentive Payment Multiplier scores, incentives around achieving lower hospital readmission rates and faster discharges.



The consequences of getting it wrong

According to the American Health Care Association:

- If you deliver care that is not patient-motivated or according to clinical needs, you could be subject to audits.
- If you don't have appropriate levels and kinds of staffing for your case mix, you could experience lower or negative quality outcomes.
- If you don't optimize staffing and contracting resources appropriately, you could experience budget errors and margin shortfalls.



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A few pointers



Take staff training and education seriously

Your staff needs greater expertise than ever in performing assessments and properly billing under ICD-10. Key people, including coordinators, may also need specialized training. Take steps to ensure all of that necessary training and education doesn't impede the current work of your skilled nursing facility. Do what's necessary to avoid needless overtime, have an ability to schedule work and meetings efficiently, and ensure you have visibility into all of your departments to effectively manage your staff's valuable time and your facility's resources.



Beef up your clinical competency

While staff training is necessary, it is important to set realistic expectations for the current team. Elevating the clinical capacity and ensuring quality outcomes may mean adding some team members. And additional credentialing and certification may be needed, especially in the area of ICD-10 coding.



Evaluate and strengthen your ability to manage complex patients

Taking on more medically complex patients will obviously require a higher level of staff competency and skills, but the financial rewards could justify the effort. If your facility provides specialty care, is a nonprofit, or has participated in bundled care initiatives, you may be eligible for additional financial incentives under PDPM for achieving lower hospital readmission rates and faster discharges.

PDPM requires higher levels of clinical competency than ever before. As providers are incentivized to admit more medically complex residents, the clinical team will need to be up for the challenge. By assessing current competencies, anticipating gaps, and training or hiring to close them, operators can ensure they are ready for the challenges and opportunities they face with PDPM.



**Find out how ABILITY can help you
successfully navigate PDPM**

Contact us today >

1. "How to do it ... Succeeding with PDPM," McKnight's Long-Term Care News, accessed July 23, 2019, <https://www.mcknights.com/print-news/how-to-do-itsucceeding-with-pdpm/>
2. "What the NAC Needs to Know About the Facility-Wide Assessment," American Association of Post-Acute Care Nursing, accessed July 23, 2019, <https://www.aanac.org/Information/LTC-Leader-Newsletter/post/why-the-nac-needs-to-know-about-thefacility-wide-assessment/2017-11-01>
3. "5 myths SNF admins should know," McKnight's Long-Term Care News, accessed July 23, 2019, <https://www.mcknights.com/marketplace/marketplaceexperts/5-myths-snf-admins-should-know/>
4. "Specialties, Complex Patients Get Boost Under New CMS Payment Model," Skilled Nursing News, accessed July 23, 2019, <https://skillednursingnews.com/2018/05/specialties-complexpatients-get-boost-new-cms-payment-model/Review>