The Journey to PDPM

A **6-month plan** for preparing for the new payment model

PointClickCare® Skilled Nursing News

The new Patient-Driven Payment Model (PDPM) is the biggest change to take place in skilled nursing in decades. While provider organizations are tasked with adhering to the new payment model with a deadline of October 1, 2019, the change has widespread implications for the current year, and beyond.

The months leading up to October 1 are critical, and successful providers are approaching the PDPM with a plan.

"It's a paradigm shift," says Kellie Youngman, director of reimbursement for New York-based Elderwood, an operator of 18 skilled nursing facilities in Vermont, New York, and Rhode Island. "We have been preparing since last fall. Now that the new year has started, as we continue to participate and understand the dynamics, we are working with our team and EHR provider to very closely understand what the expectations will be."

This ebook will discuss five key steps to getting up to speed under the new system and what to do in the six months prior to PDPM officially taking effect.

STEP 1:
Create a plan

Creating a plan starts with understanding the potential impact of PDPM both from the standpoint of your organization's culture, and your organization's finances.

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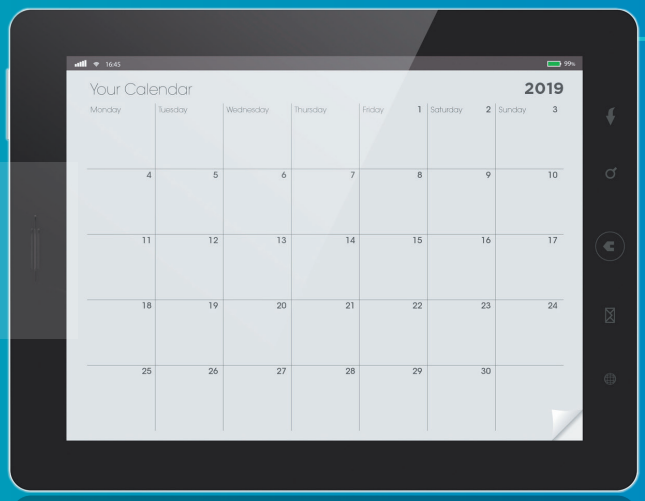
When to do it?
Right away /
Month 1 (April)

This plan needs to include:

- An assessment of your current patients' needs and the needs of referrals you typically receive
- An audit of your patients' diagnosis records. How complete are they? Do you have supporting documentation for them?
- An audit of the completeness of your MDS assessments
- Staff communication and training



Benefits of Keeping a Shared Calendar

- Helps set deadlines
- Aids in scheduling communication
- Tracks communication when changes are implemented

When it comes to staff communication and training, an old-fashioned calendar, kept on a shared drive with access across the organization, can be a helpful tool to set deadlines and schedule communications with every part of the organization — from clinicians to scheduling and billing personnel. It should also be used to track what leadership has communicated to staff when changes are implemented.

"We started by introducing the idea and structure of PDPM to each of the departments in each of our facilities," Youngman says. "We produced a rollout calendar that started last fall and have held bi-weekly calls until everyone involved had exposure to it."

"We produced a rollout calendar that started last fall and have had calls if not weekly, then every other week until everyone involved had exposure to it."

Kellie Youngman, director of reimbursement, Elderwood

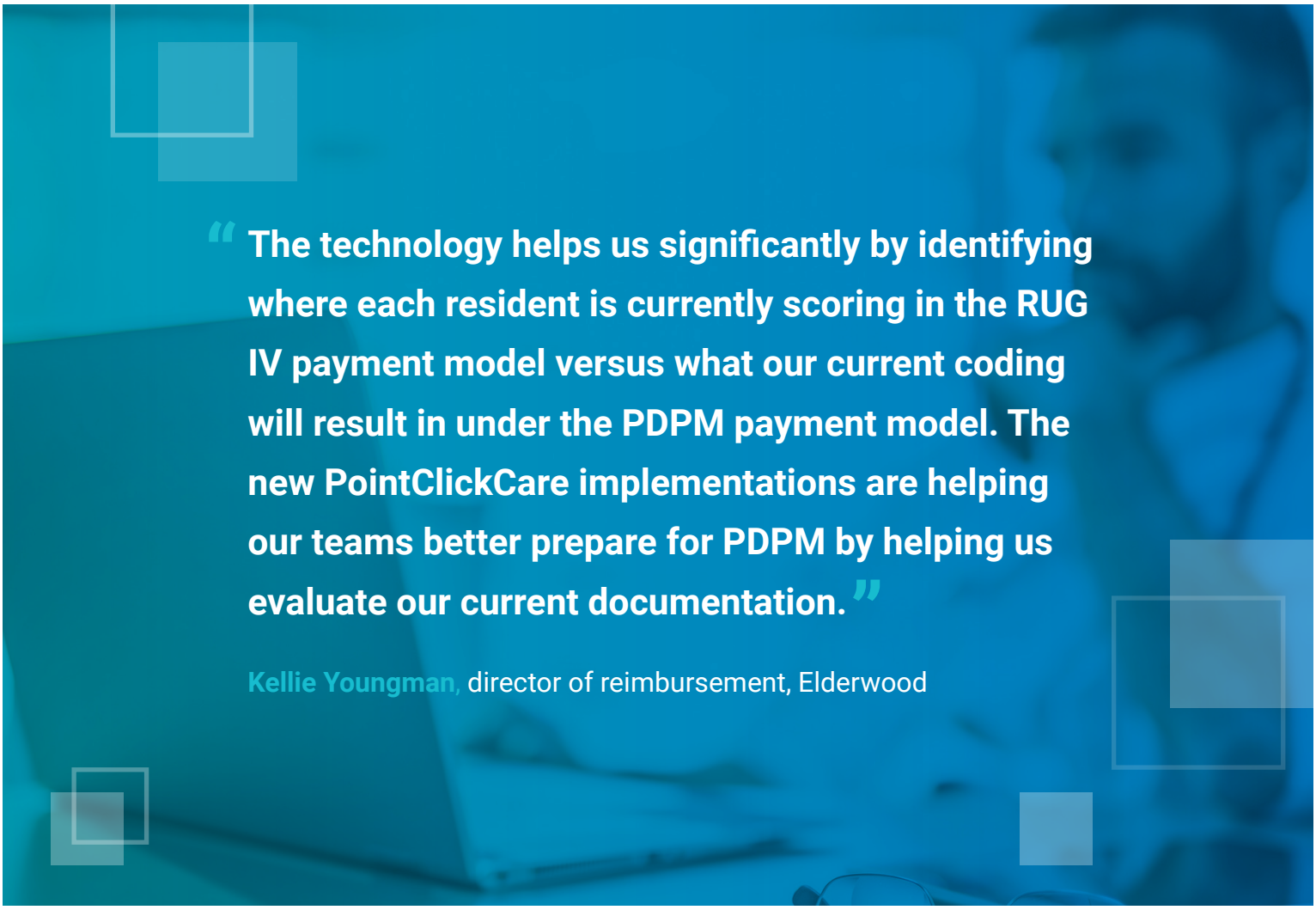
With diagnoses becoming more critical under PDPM and the expectation that residents and patients will have more diagnoses, it's important to assess staff competencies with respect to the conditions they are equipped to treat.

At Chaparral House, a nonprofit skilled nursing community in Berkeley, Calif., the organization started by doing assessments of clinical staff, and collecting self-assessments from that staff in order to identify whether new personnel would be needed, or if current clinical staff could attend workshops and trainings to build their competencies.

"Some of our nurses are going to a workshop on PICC [peripherally inserted central catheter] care, for example," says Dr. Rev. Charles Cole, CFO and chief operating officer.

Additionally, Chaparral House is training nurses to identify conditions and work with the MDS coordinator to identify comorbidities that may exist within certain diagnoses.

Organizations may also benefit from working directly with physicians and case managers to obtain complete diagnoses as soon as possible.



> **“The technology helps us significantly by identifying where each resident is currently scoring in the RUG IV payment model versus what our current coding will result in under the PDPM payment model. The new PointClickCare implementations are helping our teams better prepare for PDPM by helping us evaluate our current documentation.”**

Kellie Youngman, director of reimbursement, Elderwood

STEP 2:

Ensure consistency

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When to do it?

May-June /
Months 2-3

After creating a plan, it’s important to standardize your organization’s approach across staff, processes, and workflows. This involves examining what the company’s technology partners bring to the table as well as ensuring there are tools in place to continue an ongoing assessment process.

Specifically, the electronic health record platform needs to be able to adapt to the changes PDPM brings and accommodate the new information skilled nursing providers are capturing.

“The technology helps us significantly by identifying where each resident is versus where they should be in the first days [following] admission,” Cole says. “Let’s say the dietary and activities teams have done their assessments, but the social services team has not. Our EHR, PointClickCare, will note for us that we have an assessment that hasn’t been done yet.”

Where an EHR provider can help

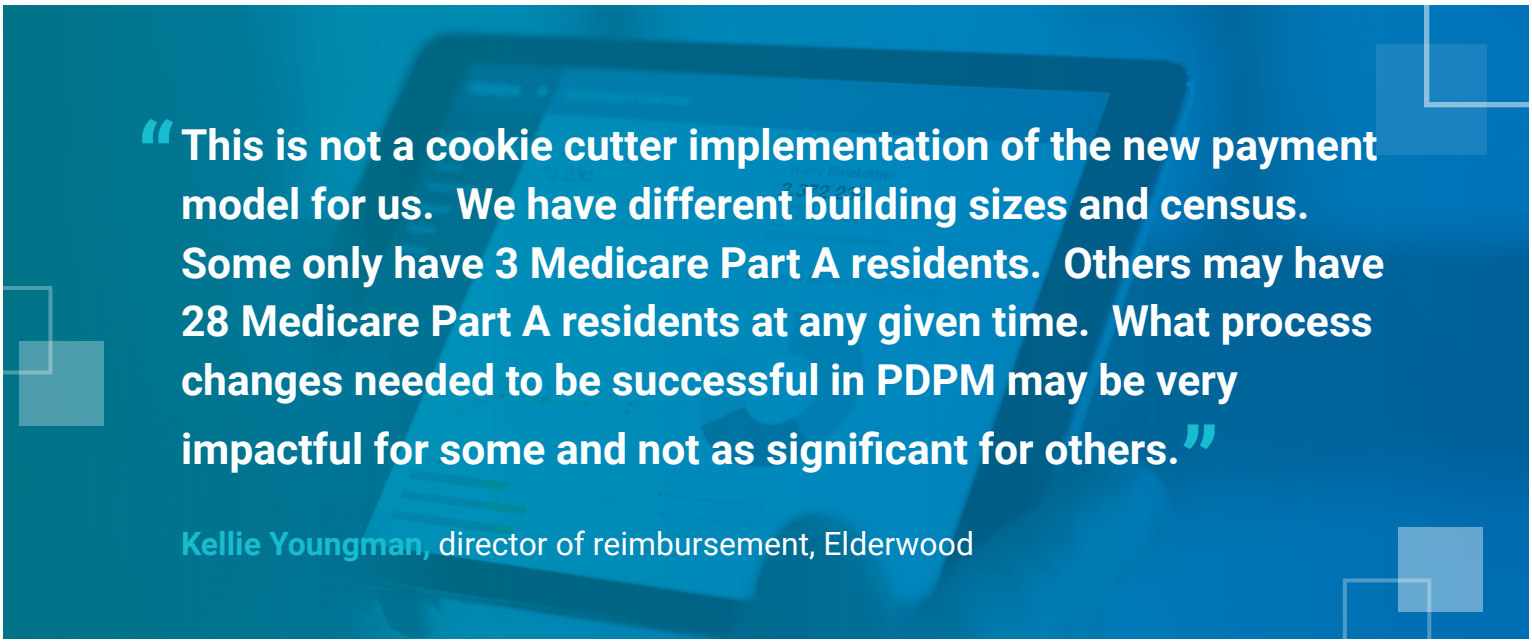
- **Tracking resident assessments.** Noting which assessments have been completed and which ones are yet to be completed, following admission.
- **Diagnostics.** An EHR should be able to collect data to identify which comorbidities and/or conditions are commonly experienced together.
- **Billing.** Identifying the points associated with each service that ultimately translate into payment. "For a human to do that would be close to impossible," Cole says.
- **Providing data.** MDS has historically provided a baseline for patient assessments, but as the frequency of MDS decreases drastically, providers will need assessment information not only to support the care they provide but also to look for opportunities to improve their operations and reconsider the types of patients they pursue.

From a billing perspective, organizations also need to take specific measures toward adapting to PDPM. This includes:

- **Triple checks –** What the organization needs to look at has changed, including the way case-mix groups are broken down by discipline. This can mean expanding the triple check process to make sure the disciplines are reviewing their case mix groups and supporting documentation.
- **Ensure setup for PDPM is done in the EHR –** There will be payer setup changes required as payers move to PDPM or decide to adopt other payment models and those need to be in place for the transition to take place.
- **Claim submission preparation —** During the transition period, there could be a lot of activity, depending on your Medicare A census. Make sure the resources are in place to create and submit claims for all of the transition assessments.

Additionally, Chaparral House has found the EHR platform to be a key support in identifying patient diagnoses as it provides a database that suggests certain diagnoses and comorbidities that commonly go hand in hand, saving time and money.

"It saves time and helps us get our assessments timely," Cole says.



> **"This is not a cookie cutter implementation of the new payment model for us. We have different building sizes and census. Some only have 3 Medicare Part A residents. Others may have 28 Medicare Part A residents at any given time. What process changes needed to be successful in PDPM may be very impactful for some and not as significant for others."**

Kellie Youngman, director of reimbursement, Elderwood

STEP 3:
Examine outcomes and create processes to continue re-examining outcomes

When to do it?
July /
Month 4

With two months to go in the journey toward preparing for PDPM, it's a critical time to examine outcomes under the new standardized process. With the systems in place for consistency and all information available from The Centers for Medicare and Medicaid Services (CMS), these outcomes will shape the goals of the organization going forward with respect to revenue, staffing, and operations.

These outcomes should be examined in three major areas with the following questions in mind:

- **Quality mix.** Review the data to determine how resident or patient quality mix has been impacted. How has revenue changed as a result?
- **Remaining gaps.** Is the information being collected at the right time? Is documentation sufficient?
- **MDS comparison.** How have process changes impacted MDS accuracy? Is the new process leading to the right case-mix group under PDPM?

Depending on the organization type and whether there are multiple sites, this process may need to be applied on a site-by-site basis.

"There is not a cookie cutter set up," says Youngman. "We have differences in the sizes of our buildings and locations. They have different census and different populations. Some only have Medicare Part A. Others might have a 28-bed Medicare census at any given time. What might be impactful for some buildings may not be for others."

STEP 4:
Close the gaps

When to do it?
August /
Month 5

After examining outcomes, leadership and operations needs to focus on adjusting accordingly. Now is the time to take a look at the data and identify areas that are inefficient and to re-examine the current services provided by your organization and specialize accordingly.

This might include:

- Implementing QAPI programs to close any gaps that have been identified
- Updating facility assessments with any learnings and how they will change patient/resident and resource needs
- Shifting business models to seize new reimbursement opportunities
- Specialize if needed
- Examine the market for opportunities such as consolidation and new partnerships

"For facilities that are willing to become more skilled in clinical areas and have the current staff or ability to hire for certain competencies to serve more clinically complex patients—that is going to be huge," Cole says.

STEP 5:
Master PDPM. Repeat.

When to do it?
September /
Month 6

The journey does not end on October 1. The year 2020 will be a critical time to prepare and scale for the next wave of changes.

Effectively, skilled nursing providers need to execute the transition as the first step in the ongoing journey toward value based care.

1. Transition to PDPM
2. Monitor and audit MDS under the new reimbursement rules
3. Monitor care delivery
4. Ensure your organization can survive an audit without lost reimbursements
5. Scale approaches for all payers, keeping in mind that RUGs III and IV will be retired sometime after October 1, 2020

PDPM Brings Nurses Back to Nursing

One of the benefits identified by Registered Nurses (RNs) and other clinical professionals under the new payment model is that nurses will get back to their roots in nursing, versus time-consuming charting and administrative tasks.

"Nurses are busy and they just want to provide the best care," says Karen Camacho, Director of Information Analytics for Elderwood. "If we can give them the right tools to capture the right information in an easy format, then we are giving them the tools to do a better job. It can be hard to sit down in front of a blank screen to try to write about what happened in the last few hours. We are giving them more guidance to get the right patient information documented."

Ultimately, the new model is an opportunity for the providers to update, adapt, analyze, standardize, and continue evolving along with the health care payment landscape.

"This can be a positive change for every SNF," Youngman says. "This is the first time in as long as I can remember that providers are going to be reimbursed for those clinically complex individuals whose comorbid conditions can be quite costly to the provider. We appreciate that CMS was able to recognize that this type of adjustment needed to happen. As a nurse, I think it's a positive impact to our quality of care, outcomes for the residents and reimbursement."

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Once PDPM takes effect, it's important to continue to measure, assess, and adapt under the new structure and then repeat that process for all payers. This continuous improvement process includes ongoing audits, continued communication and assessment for staff, and adhering to standards previously adopted so that compliance is achieved and operations are optimal. When it comes to the planning and implementation for PDPM, success is truly a journey and not a destination.

Contact PointClickCare to learn more about how our solutions will not only get you ready for PDPM, but will help you through the longer term transformation to better quality care.

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About PointClickCare

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