

ODM Finalizes July 1, 2020 Medicaid Rates

The Ohio Department of Medicaid (ODM) just published SNF final rates for July 1, 2020. All rates can be found at <https://medicaid.ohio.gov/Provider/ProviderTypes/NursingFacilities>. Based upon these rates from 930 providers and other calculations, we have provided you with some data analytics below:

Total Medicaid Rate Trend

For the entire state of Ohio, rates have increased 3.55% overall to an average of \$209.14 per day from \$201.97 per day. The rate increase has been attributable to the increase in the quality incentive payment from 2.4% to 5.2%. In addition, the direct care portion of the rate has increased due to an increase in Case Mix scores year over year. As shown below, when comparing, July 1, 2020 to July 18, 2019, some components of the rate decreased around 2.4% due to the Market Basket change, but this was offset by the new quality incentives. The highest Medicaid rate is \$282.55 and the lowest is \$166.80.

Average 7/1/20 Rates Comparison												
Peer Group	Direct Rate	Anc / Sup	Capital	Tax Add-on	5165.15 Add-on	Critical Access	Old Qlty 5165.25	New Qlty 5165.26	7/1/20 Rate	7/18/19 Rate	Incr / (Decr)	Provider Count
1-L	119.16	58.99	11.11	2.51	16.44	0.19	0.00	9.95	\$ 218.36	\$ 209.56	\$ 8.80	54
1-S	112.33	61.65	10.50	1.91	16.44	0.33	0.10	\$10.07	\$ 213.33	\$ 206.49	\$ 6.84	81
2-L	110.93	61.15	10.17	2.34	16.44	0.08	0.09	\$9.77	\$ 210.97	\$ 203.89	\$ 7.08	213
2-S	110.23	63.85	10.79	2.12	16.44	0.05	0.12	\$9.01	\$ 212.61	\$ 206.36	\$ 6.25	366
3-L	104.77	57.68	7.99	1.62	16.44	-	0.05	\$9.96	\$ 198.52	\$ 189.92	\$ 8.60	36
3-S	102.90	56.84	9.54	1.41	16.44	-	0.23	\$10.01	\$ 197.38	\$ 189.98	\$ 7.40	180
FP	111.15	61.13	10.30	2.43	16.44	0.09	0.12	\$9.85	\$ 211.51	\$ 203.97	\$ 7.54	714
NFP	104.13	61.42	10.31	0.69	16.44	0.04	0.13	\$8.63	\$ 201.80	\$ 196.12	\$ 5.68	201
Gov	100.66	59.18	9.77	0.10	16.44	-	0.14	\$8.42	\$ 194.71	\$ 188.43	\$ 6.27	15
SWA- 7/1/20	109.47	61.16	10.29	2.02	16.44	0.08	0.12	\$9.56	\$ 209.14	\$ 201.97	\$ 7.17	930
SWA- 1/1/20	108.21	61.12	10.28	2.01	16.45	0.08	0.06	\$5.38	\$ 202.60	\$ 201.97	\$ 0.63	929
% Change	1.16%	0.08%	0.16%	0.13%	-0.04%	-3.08%	108.09%	77.69%	3.23%			
SWA- 7/1/20	109.47	61.16	10.29	2.02	16.44	0.08	0.12	\$9.56	\$ 209.14	\$ 201.97	\$ 7.17	213
SWA- 7/18/19	109.89	62.51	10.52	2.07	16.83	0.08	0.08		\$ 201.97			934
% Change	-0.39%	-2.16%	-2.17%	-2.59%	-2.29%	1.53%	59.51%		3.55%			

*Eight facilities qualified for Critical Access at July 1, 2020; six at January 1, 2020 and July 18, 2019

*The January 1, 2020 rate's sum of components do not foot to the average total rate

*The July 18, 2019 rate included the 2.4% market basket applied to all cost centers

Average Case Mix

Below are the Medicaid average case mix scores for the past semi-annual periods. Case-mix increased in all Peer Groups, FP, and NFP.

Case Mix Trend					
Peer Group	7/18/2019 Avg Case Mix	1/1/2020 Avg Case Mix	Increase / (Decrease)	7/1/2020 Avg Case Mix	Increase / (Decrease)
1-L	2.8236	2.8384	0.52%	2.9177	2.79%
1-S	2.7118	2.7214	0.36%	2.7505	1.07%
2-L	2.8007	2.8099	0.33%	2.8511	1.46%
2-S	2.7821	2.8073	0.91%	2.8330	0.92%
3-L	2.8205	2.8451	0.87%	2.9079	2.20%
3-S	2.8087	2.8339	0.90%	2.8561	0.78%
FP	2.8309	2.8567	0.91%	2.8881	1.10%
NFP	2.6457	2.6524	0.25%	2.6909	1.45%
Gov	2.6319	2.6516	0.75%	2.6863	1.31%
SWA	2.7965	2.8090	0.45%	2.8423	1.18%

5165.26 Quality Add-On

The new quality incentive payment was introduced in the January 1st rates per Ohio Revised Code (ORC) 5165.26. This removes the market basket increase that was included in the July 18, 2019 to December 31, 2019 rate period. This quality calculation was based on 2018 results on the four quality measures for each facility. The four quality measures are:

- Long-stay high-risk residents with pressure ulcers
- Long-stay high-risk residents who have or had a catheter inserted and left in their bladder
- Long-stay residents with a urinary tract infection
- Long-stay residents whose ability to move independently worsens

For the July 1, 2020 rates, the quality calculation was based on the 2019 results of the four quality measures. Facilities that have less than 80% licensed occupancy for CY 2019, or earned less than 15 quality points, received no quality incentive.

ODM did exclude any SNF that had a change of operator (CHOP) between January 2, 2019 and December 31, 2019 from the new quality program. In addition, a new facility that opened in 2019 would not have a full four quarters of quality data and ODM opted to exclude those providers as well.

Each new quality point was valued at \$0.85 per point compared to \$.40 for January 1, 2020 rates. For the 703 facilities that qualified for the new quality incentive, the average point value was 14.9 or \$12.65. There were 139 providers who earned at least 15 new quality points. There were 227 providers who did not receive the new quality incentive. This was either due to the occupancy

penalty, new facility or a change of ownership in calendar year 2019. The highest number of points received was 22.5 points, with the lowest number of points being 2 points.

New Quality 5165.26 Distribution				
Type	Statewide	FP	NFP	Gov
Number of SNFs	703	540	153	10
Highest Points	22.5	22.5	20.8	19.0
Lowest Points	2.0	2.0	5.2	10.5
Average Points	14.9	15.3	13.3	14.9

*This does not include the 227 facilities that received zero NQ pts

Below are the average new quality points earned for the 759 facilities that qualified in all Peer Groups, FP, NFP, and Government.

Distribution		
Peer Group	Points Earned	Provider Count
1-L	15.4	41
1-S	15.2	63
2-L	14.8	165
2-S	14.7	263
3-L	15.1	28
3-S	14.8	143
FP	15.3	540
NFP	13.3	153
Gov	14.9	10
SWA	12.6	703

5165.25 Quality Add-on and Deduction

The quality measures that ODM uses to distribute the SNF quality incentive payment are short/long stay pressure ulcers, short/long stay antipsychotics, long stay unplanned weight loss, staff retention, and the Ohio Department of Aging Consumer Survey. The 40th percentile is used uniformly for the pressure ulcers, antipsychotics, weight loss, and staff retention measures.

Some changes for FY 2021 include the PELI (Preferences for Everyday Living Inventory) was replaced with the Ohio Department of Aging Consumer Survey. The threshold for earning this point was expected to be at 50th percentile. The Resident Satisfaction Survey will be used for even-numbered State fiscal years, and the Family Satisfaction Survey will be used for odd-numbered State fiscal years. For FY 2021, the 2018 family data was used since it was the most

current information. In addition, for FY 2021, the hospice exclusion was removed from the short-stay antipsychotic medication measure.

Each provider's rate still included the original quality add-on of \$16.44. Each rate was reduced by the same \$1.79 with \$.52 earned back per point. Below is an overall distribution of awarded points.

Old Quality 5165.25 Point Spread Distribution - 7/1/20								
Points	SWA		FP		NFP		Gov	
	No. of SNFs	Percent	No. of SNFs	Percent	No. of SNFs	Percent	No. of SNFs	Percent
1	33	3.5%	26	3.6%	7	3.5%	-	0.0%
2	141	15.2%	105	14.7%	34	16.9%	2	13.3%
3	221	23.8%	176	24.6%	39	19.4%	6	40.0%
3.67	58	6.2%	39	5.5%	18	9.0%	1	6.7%
4	243	26.1%	190	26.6%	51	25.4%	2	13.3%
5	153	16.5%	116	16.2%	34	16.9%	3	20.0%
6	72	7.7%	57	8.0%	15	7.5%	-	0.0%
7	9	1.0%	5	0.7%	3	1.5%	1	6.7%
Total	930	100.0%	714	100.0%	201	100.0%	15	100.0%

Please note that 58 facilities received the SWA of 3.67 points due to new facility or change in ownership. All facilities received the satisfaction survey point.

Critical Access Add-on

Only eight SNFs qualified for the critical access add-on. This is an increase of two SNFs that qualified in FY 2020. If your facility is located in an empowerment zone and you did not receive the add-on, it's most likely your census based upon **licensed** beds did not meet the 85% threshold.