

## Checklist to Prepare for the Patient-Driven Payment Model (PDPM)

A common question that is heard in PDPM discussions is what do we need to do as an organization to be ready for the change coming on October 1<sup>st</sup>. Here are some actions on the roadmap to prepare and what resources are available for you.

- Determine the financial impact of PDPM based on a crosswalk of current (or past) resident case-mix.

With the proposed rule introducing the PDPM model, the Centers for Medicare and Medicaid Services (CMS) released a [provider-specific impact file](#). Note that the provider and resident data is for fiscal year 2017 and represents estimated payments under PDPM, assuming no changes in provider behavior or resident case-mix.

Vendors are available that can work with you to translate your existing MDS and associated resident information to provide a more current estimate based on your existing resident case-mix. LeadingAge has a webinar on April 10 presented by silver partner, CLA, that will address the financial considerations of PDPM. Registration is available at <https://learninghub.leadingage.org/courses/recognizing-the-financial-implications-of-pdpm>. Additional financial preparedness resources are being developed at LeadingAge and with our corporate alliance partners and anticipated to be released during the summer.

For those interested in a granular walkthrough of determining an individual resident's PDPM payment classification, there is a [calculation worksheet](#) developed by CMS. The worksheet categorizes an individual into the five case-mix adjusted components: PT, OT, SLP, NTA, and Nursing. Each resident is classified into one and only one group for each of the five case-mix adjusted components.

- Develop an education and training plan for your staff

While the changes that are part of the transition to PDPM are significant, you are able to prepare. A good starting place is to go directly to the source and review [CMS' website on PDPM](#). It contains fact sheets, FAQs, a training presentation, and resources. For a LeadingAge hosted training, you can access the [overview webinar](#) conducted in August 2018 on the Learning Hub.

Additional educational resources were presented at the LeadingAge 2018 Annual Meeting. Presentations from CLA, Judy Willhide Brandt, and The Good Samaritan Society are [available](#). In particular, LeadingAge member, The Good Samaritan Society, has

focused on 4 critical areas – MDS coding accuracy, clinical capabilities, ICD-10 coding, and therapy programs – in their back to basic training approach.

Additional educational resources are currently in development with online learning products set to be released in May focusing on the increased level of interdependence between physical therapy, occupational therapy, speech therapy, and nursing as well as how the changes in payment groups can affect therapy provision, whether in-house or contracted. A series of recorded sessions that walk through each of the case-mix categories in greater detail to delve into MDS and ICD-10 specifics are going to be available on demand, specifically tailored for accessibility of clinical staff, in the summer.

In addition to resources available through LeadingAge at the national level, many LeadingAge state associations are offering training and education sessions that we encourage you to take advantage of to prepare your organization and staff.

Prepare your team to take on ICD-10 coding changes

The move to ICD-10 does not mean becoming an expert in all ICD-10 codes, rather an understanding of how the codes map to clinical categories for payment, and how the decision on which code will support the resources needed to care for the conditions and clinical characteristics of the resident. You can find two valuable resources that map [ICD-10 codes to clinical categories](#) and [non-therapy ancillary comorbidities](#) from CMS.

We'll announce later in the summer the release of the on-demand recorded sessions that walk through each of the case-mix categories in greater detail to delve into MDS and ICD-10 specifics that will be on the LeadingAge [Learning Hub](#).

Talk to your therapy provider about pricing strategies

With the shift away from therapy provision driving payment as under the current RUGs system to a more resident condition specific model, many questions have arisen around changes to therapy. To be certain, therapy remains a crucial component of skilled nursing facility services under PDPM. However, the new payment system will require even greater coordination between therapy providers and nursing.

In May, LeadingAge silver partner, Select Rehabilitation, will be featured in two sessions on the Learning Hub. The first will focus on topics for organizations to think about regarding therapy both if they use in-house or contract providers, including pricing strategies. The second will focus on educating front line staff including topics such as: retooling of daily life in the building, the Medicare meeting, roles and responsibilities of the interdisciplinary team, and what to be looking at and for in the hospital record.

Evaluate changes for your interdisciplinary clinical teams as it relates to your ability to manage complex residents

After examining the potential financial impact of PDPM on your existing case-mix of residents, you may want to examine your resource allocation to successfully support the range of post-acute care beneficiaries including those with medical complexity. This includes evaluating your assessment staff, therapy staff, nursing staff, and non-therapy ancillary resources.

Work with your electronic medical record vendor about your system readiness

Health information technology has the potential to bridge the gap between the challenges in the RUGs system and the required change to improve the quality, accuracy, and efficiency of providing patient care and accurate reimbursement under PDPM. Some good conversation topics with your electronic medical record vendor include:

- Will the assessment be standardized to guide best practices?
- Will there be a pre-admission calculator to determine whether the admission is a good fit for your organization?
- Will updates be available to assess current residents' care needs and how payment will change with PDPM?
- Will there be treatment protocols to deliver the necessary care for each unique resident?
- Will the system predict necessary resources to achieve the desired functional outcomes for residents, regardless of how clinically complex the needs are?
- Will flags be in place to support QAPI reporting, such as underutilization of therapy minutes compared to the previous year, group therapy thresholds, and trend changes in mechanically altered diets?

The bottom line is if you haven't already begun your preparation for PDPM, start today. LeadingAge National and State Partners have made available and are continuing to develop and offer educational resources so that you thrive under the new reimbursement system. If you have any questions we encourage you to send your questions and concerns to [pdpm@leadingage.org](mailto:pdpm@leadingage.org). We are here to assist you in your preparations.

**Key Dates:**

April 10, 2019: [Recognizing the Financial Implications of PDPM webinar](#)

May 2019: Therapy sessions focusing on changes to therapy provisions and pricing as well as operational changes to the daily life of your interdisciplinary team

Summer 2019: On-demand online sessions going into detail of ICD-10 and MDS specifics for each case-mix category

October 1, 2019: Implementation of PDPM