Illinois Health and Hospital Association

MEDICARE PAYMENT FACT SHEET

APRIL 2021

FFY 2022 INPATIENT REHABILITATION FACILITY PROSPECTIVE PAYMENT SYSTEM PROPOSED RULE (CMS-1748-P)

On April 7, the Centers for Medicare & Medicaid Services (CMS) posted the unpublished version of the federal fiscal year (FFY) 2022 Inpatient Rehabilitation Facility (IRF) Prospective Payment System (PPS) proposed rule effective Oct. 1, 2021 through Sept. 30, 2022. CMS proposed a 1.8% update to IRF PPS payment rates. Comments on this proposed rule are due June 7.

Market Basket (*FR pp. 19095-19096*): The overall proposed FFY 2022 rate change includes a market basket update of 2.4%, a multi-factor productivity (MFP) reduction of 0.2 percentage points and a 0.3 percentage point reduction to maintain outlier payments at 3% of total payments (see below). IRFs that fail to submit required quality data will experience a 2-percentage point reduction to their payment rate.

Standard Payment Conversion Factor (*FR pp. 19098-19101*): CMS proposed an IRF standard payment conversion factor for FFY 2022 of $17,273, up from $16,856 in FFY 2021. Table 6 (*pp. 19100-19101*) displays the FFY 2022 payment rates after application of CMG relative weights.

Case-Mix Group (CMG) Relative Weights (*FR pp. 19090-19095*): CMS proposed updated CMG relative weights and average length of stay (ALOS) values for FFY 2022 using FFY 2020 IRF claims and FFY 2019 IRF cost report data. Table 2 (*pp. 19092-19095*) outlines relative weight and ALOS changes by CMG. CMS determined that 97.3% of all IRF cases are in CMGs that would experience less than a 5% change (either increase or decrease) in the CMG relative weight value as a result of proposed revisions. Proposed ALOS changes do not show any particular trends in IRF LOS patterns. CMS proposed a FFY 2022 case-mix budget neutrality factor of 0.9998 (based on FFY 2019 claims).

Wage Index (*FR pp. 19096-19098*): Proposed FFY 2022 wage index values by CBSA, found on CMS' website, are below:

CBSA	Proposed FFY 2022	Final FFY 2021
Bloomington	0.9138	0.9114
Cape Girardeau	0.8300	0.8019
Carbondale	0.8197	0.8184
Champaign-Urbana	0.8699	0.8655
Chicago-Naperville-Evanston	1.0392	1.0442
Danville	0.9427	0.9032
Decatur	0.8371	0.8326
Elgin	1.0254	1.0559
Kankakee	0.8934	0.9068
Lake County	1.0069	1.0192
Peoria	0.8475	0.8644
Rock Island	0.8391	0.8520

Rockford	0.9922	0.9693
St. Louis	0.9595	0.9317
Springfield	0.9156	0.9256
Rural	0.8404	0.8297

CMS proposed decreasing the labor-related share of the standard rate from 73.0% in FFY 2021 to 72.9% in FFY 2022.

Outlier Payments (*FR pp. 19102-19103*): CMS proposed an outlier threshold amount of $9,192 for FFY 2022, an increase from $7,906 in FFY 2021. CMS explains this increase as necessary to maintain estimated outlier payments at approximately 3% of total estimated aggregate IRF payments for FY 2022. Note, CMS utilized FFY 2020 claims to establish the IRF PPS proposed outlier threshold.

IRF Cost-to-Charge Ratio (CCR) Ceiling (*FR p. 19103*): For FFY 2022, CMS proposed a national CCR ceiling of 1.34, a rural average CCR of 0.478 and an urban average CCR of 0.393.

IRF Quality Reporting Program (QRP) (*FR pp. 19103-19112*): Table 8 (*p. 19104*) displays the 17 measures currently adopted for the FFY 2022 IRF QRP program year.

COVID-19 Vaccination Coverage among Healthcare Personnel (COVID-19 HCP): For the FFY 2023 IRF QRP, CMS proposed adopting one new measure: COVID-19 Vaccination Coverage among Healthcare Personnel (COVID-19 HCP). This proposed measure supports CMS' Meaningful Measures framework under the "Promote Effective Prevention and Treatment of Chronic Disease" quality priority. COVID-19 HCP is a process measure developed with the Centers for Disease Control and Prevention (CDC) to track COVID-19 vaccination coverage among HCP. The National Quality Forum (NQF) has not endorsed this measure; however, CMS justified collecting the measure before securing an NQF endorsement given the ongoing COVID-19 public health emergency (PHE).

The COVID-19 HCP numerator is the cumulative number of HCP eligible to work in an IRF for at least one day during the reporting period and who received a complete vaccination course against SARS-CoV-2. The denominator is the number of HCP eligible to work in an IRF for at least one day during the reporting period, excluding persons with contraindications to COVID-19 vaccination as described by the CDC.[1]

For the FFY 2023 IRF QRP, CMS proposed requiring IRFs to submit data for Oct. 1, 2021 through Dec. 31, 2021. Starting in calendar year 2022, IRFs would be required to submit data for the entire calendar year beginning with the FFY 2024 IRF QRP.

IRFs would submit data for COVID-19 HCP through the CDC/National Healthcare Safety Network (NHSN) web-based surveillance system using the COVID-19 vaccination data-reporting module in the NHSN Healthcare Personnel Safety Component. CMS proposed IRFs submit COVID-19 HCP data for at least one week each month.

[1] Centers for Disease Control and Prevention. Interim Clinical Considerations for Use of COVID-19 Vaccines Currently Authorized in the United Sates, Appendix B. Available at https://www.cdc.gov/vaccines/covid-19/info-by-product/clinicalconsiderations.html#Appendix-B.

CMS would publicly report COVID-19 HCP beginning with the Sept. 2022 *Care Compare* refresh. If finalized as proposed, the first public display of COVID-19 HCP would be one quarter of data. CMS would add one subsequent quarter of data with each refresh until four full quarters of data are available. Once four quarters of data are available, the publicly reported measure would use four rolling quarters of data.

Transfer of Health (TOH) Information to the Patient-Post-Acute Care (PAC): CMS proposed updating the denominator for the Transfer of Health (TOH) Information to the Patient-Post-Acute Care (PAC) measure (TOH-Patient). TOH-Patient is a process-based measure that assesses the timely transfer of a patient's medication list. CMS proposed excluding patients discharged home under the care of an organized home health service organization or hospice from the denominator. Instead, the TOH-Patient denominator will only include discharges to a private home/apartment, board and care home, assisted living, group home, or transitional living.[2]

Future IRF QRP Measure Input: CMS requested input on assessment-based quality measures and measure concepts under consideration for future IRF QRP program years, including: frailty; opioid use and frequency; patient reported outcomes; shared decision making process; appropriate pain assessment and pain management processes; and health equity.

Public Reporting of IRF QRP Measures Impacted by COVID-19 Exemptions (*FR pp. 19112-19117*): CMS granted Medicare providers several exemptions from reporting quality data early in the COVID-19 PHE. Table 10 (*p. 19113*) details the original schedules for *Care Compare* refreshes affected by COVID-19 PHE exemptions. CMS also froze publicly displayed quality data, holding data constant on *Care Compare* with the December 2020 refresh. These quality data will quickly become outdated; therefore, CMS proposed to refresh the data moving forward under a scenario entitled the COVID-19 Affected Reporting (CAR) Scenario. Under the CAR scenario, CMS would begin displaying more recent data in Dec. 2021 (Q1 2019 through Q4 2019 for assessment-based measures, Q4 2017 through Q3 2019 for claims-based measures). Table 11 (*p. 19115*) summarizes the frozen data schedule and the proposed CAR schedule for assessment-based measures. Table 12 (*p. 19115*) summarizes the frozen data schedule and the proposed CAR schedule for claims-based measures.

NHSN-based measures were also frozen, and CMS proposed using the CDC's recommendation of using the four most recent non-contiguous non-exempted quarters of data for NHSN reporting in the IRF QRP. CMS would continue non-contiguous compilation quarterly reporting until the time when four contiguous quarters of reporting resumes (CDC predicts this would occur in July 2022). Tables 13 and 14 (*p. 19116*) display the original schedules for public reporting of IRF Clostridium difficile Infection (CDI) NHSN and Catheter-Associated Urinary Tract Infection (CAUTI) NHSN measures and the HCP Influenza NHSN measure, respectively. Tables 15 and 16 (*p. 19116-19117*) summarize the revised and proposed schedules for IRF CDI and CAUTI NHSN measures and the HCP Influenza measure, respectively.

Request for Information on Fast Healthcare Interoperability Resources (FHIR) and QRPs (*FR pp. 19109-19110*): CMS is seeking feedback on future plans to define digital quality measures

[2] For additional technical information on the TOH-Patient measure, see Final Specifications for IRF QRP Quality Measures and Standardized Patient Assessment Data Elements (SPADEs). Available at https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/IRF-Quality-Reporting/Downloads/Final-Specifications-for-IRF-QRP-Quality-Measures-and-SPADEs.pdf.

(dQMs) for the IRF QRP, as well as the potential use of FHIR for dQMs within the IRF QRP in an effort to align with other quality programs. FHIR is a free and open source standards framework created by the Health Level Seven International (HL7®) that establishes a common language and process for health information technology.

The standardized dQM definition CMS may adopt is as follows: Digital Quality Measures (dQMs) are quality measures that use one or more sources of health information that are captured and can be transmitted electronically via interoperable systems. A dQM includes a calculation that processes digital data to produce a measure score(s). Data sources for dQMs may include, but are not limited to, administrative systems, electronically submitted clinical assessment data, electronic health records (EHRs), and health information exchanges.

Additionally, CMS is evaluating the use of FHIR-based application programming interfaces (APIs) to access assessment data collected and maintained through the Quality Improvement and Evaluation System QIES) and Internet QIES (iQIES) health information systems, and is working with healthcare standards organizations to assure that their evolving standards fully support CMS' assessment instrument content. Additionally, as more IRFs adopt EHRs, CMS is evaluating using FHIR interfaces (APIs) for accessing patient data directly from IRF EHRs.

Thus, CMS is considering the development and staged implementation of a cohesive portfolio of dQMs across CMS quality programs, agencies, and private payers. This portfolio would require, where possible, alignment of: (1) measure concepts and specifications including narrative statements, measure logic, and value sets, and (2) the individual data elements used to build these measure specifications and calculate the measures. Required data elements would be limited to standardized, interoperable elements as possible.

CMS envisions these changes as ongoing to allow for continuous refinement. CMS expects movement toward increased interoperability would include conformance with standards and health IT module updates, future adoption of technologies incorporated within the Office of the National Coordinator (ONC) Health IT Certification Program, and may also include standards adopted by ONC (e.g., to enable standards-based APIs). Coordination would build on the principles outlined in the U.S. Department of Health and Human Services' (HHS) National Health Quality Roadmap,[3] focusing on safety, timeliness, efficiency, effectiveness, equitability, and patient centeredness.

CMS requested comments on these plans, including:

- What EHR/IT systems do you use, and do you participate in a health information exchange (HIE)?
- How do you currently share information with other providers?
- In what ways could CMS incentivize or reward innovative uses of health IT that could reduce burden for post-acute care settings?
- What additional resources or tools would post-acute care settings and health IT vendors find helpful to support the testing, implementation, collection, and reporting of all

[3] Department of Health and Human Services. National Health Quality Roadmap. May 15, 2020. Available at: https://www.hhs.gov/sites/default/files/national-health-quality-roadmap.pdf.

measures using FHIR standards via secure APIs to reinforce the sharing of patient health information between care settings?

- Are vendors interested in or willing to participate in pilots or models of alternative approaches to quality measurement that would align standards for quality data collection across care settings to improve care coordination, such as sharing patient data via secure FHIR API as the basis for calculating and reporting digital measures?

Request for Information on Closing the Health Equity Gap (*FR pp. 19110-19112*): CMS adopted standardized patient assessment data elements (SPADEs) for the IRF QPR. SPADEs include several social determinants of health measures finalized in the FFY 2020 IRF PPS final rule. To further address health equity through the IRF QRP, CMS is seeking comment on possibly revising measure developing and collecting additional SPADEs that address gaps in health equity in the IRF QRP. Specifically, CMS invited public comment on the following:

CMS requested comments on the following:

- Recommendations for quality measures or measurement domains that address health equity;
- Additional items, including SPADEs, that could be used to assess health equity in the care of IRF patients;
- Recommendations for how CMS can promote health equity in outcomes among IRF patients;
- Methods that commenters or their organizations use in employing data to reduce disparities and improve patient outcomes, including data sources used; and
- Any existing challenges providers encounter for effective capture, use, and exchange of health information, such as data on race, ethnicity, and other social determinants of health, to support care delivery and decision-making.

Contact:

Cassie Yarbrough, Director, Medicare Policy
630-276-5516 | cyarbrough@team-iha.org

Sources:
Centers for Medicare & Medicaid Services. Medicare Program; Inpatient Rehabilitation Facility Prospective Payment System for Federal Fiscal Year 2022 and Updates to the IRF Quality Reporting Program. April 7, 2021. Available from: https://www.federalregister.gov/public-inspection/2021-07343/medicare-program-inpatient-rehabilitation-facility-prospective-payment-system-for-federal-fiscal. Accessed April 8, 2021.

Centers for Medicare & Medicaid Services. CMS-1748-P FY 2022 IRF PPS Data Files. Available from: https://www.cms.gov/files/zip/fy-2022-irf-pps-data-files-proposed.zip. Accessed April 8, 2021.