Nursing Home Value-Based Purchasing Demonstration

Implementation and Evaluation

December 2008
Pre-Implementation Approach

• Two-stage solicitation:
  – CMS will select up to 4 host States
  – CMS will then solicit nursing homes within those States

• State Selection:
  – State Medicaid Agencies should submit a letter of invitation to:
    • Ron Lambert, Mail Stop C4-17-27, Centers for Medicare and Medicaid Services, Woodlawn, Md. 21244
Nursing Home Solicitation

• Application Process:
  – Nursing homes will submit a 1-page application and complete a data collection form
  – Data elements include:
    • Contact information
    • Nurse staff payroll data
    • Resident census data
    • Nurse agency staff data
    • Staff influenza immunizations
    • Use of resident of care experience surveys
CMS Considerations for State Selection

- Welcome and endorse the demonstration
- Good survey and certification processes
- Anticipate that at least 100 nursing homes will apply
- Willing to conduct standard survey of demonstration homes every demonstration year
- Geographic diversity
- Status of QIS implementation
Quality Indicator Survey (QIS)

- QIS designed to identify a broader range of deficiencies than traditional survey
- Eleven States will be using QIS to some degree when the demonstration begins
  - Only one State has implemented QIS Statewide
- To assure a level playing field, demonstration nursing homes should be subject to the same survey process throughout the demonstration
Ongoing Design Considerations

• MDS 3.0
  – CMS will transition to MDS 3.0 - based quality measures as soon as they are available

• Improving Nursing Home Compare (5 Star)
  – CMS will align the demonstration design with the 5 Star design in most cases

• Additional quality measures
Evaluation

• Evaluation contractor: L & M Policy Research and Harvard Medical School

• Study Aims:
  – Examine organizational and patient characteristics for demonstration and control group nursing homes
  – Analyze impact of demonstration on nursing homes
  – Assess impact of demonstration on Medicare and Medicaid program expenditures
  – Assess feasibility of broader implementation
Evaluation: Analyzing the Impact on Nursing Homes

• Quantitative assessment
  – Performance outcomes
  – Financial outcomes

• Qualitative assessment
  – Management and operations
  – Care delivery
  – Culture
Projected Timeline

- State letter of invitation due to CMS: January 9
- CMS selects States: late February
- CMS begins nursing home solicitation: March
- Nursing home applications due to CMS: May
- CMS assigns nursing homes to demonstration groups: June
- Demonstration begins: July 1, 2009
Contact Information

• If you have questions or to request call-in information for the State conference call, please contact:
  • Ron Lambert
  • (410) 786-6624
  • ronald.lambert@cms.hhs.gov