

# 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](mailto:ronald.lambert@cms.hhs.gov)