



# This Will Be Law Before You Know It: Get Ready!

By Susan Saldibar

A while back I spoke with Mark Besch, Chief Clinical Officer for [Aegis Therapies](#) (a Senior Housing Forum partner) about the Patient Driven Payment Model (PDPM) and the Proposed Rule, when it was in its final review stage. The Final Rule for PDPM was issued on July 31st. And it is scheduled to become effective October 2019.

Mark Besch, along with Bill Goulding, National Director of Outcomes and Reimbursement for Aegis, held a webinar recently that really does a great job of explaining the PDPM Final Rule, along with details on all the changes and what providers need to do to prepare. If you want to cut to the chase, you can view it [here](#).

Just to recap, here is what is contained in the PDPM Final Rule:

- The final per diem (daily) payment will be based upon five case-mix categories and one category that will represent fixed “overhead” costs.
- The case-mix categories are nursing, physical therapy, occupational therapy, speech-language pathology, and non-therapy ancillary.
- Patients will be assigned a case-mix value in each of the five primary categories based on patient characteristics, not on the volume of services received.
- For physical and occupational therapy, the per diem rate adjusts downward after the 20th day of therapy. This model is based upon data analysis of payment patterns that demonstrated that PT and OT costs are often “front-loaded”.
- As has always been the case with Medicare reimbursement, there are variations between rural and urban geographic areas.

The Final Rule also includes updates to the SNF VBP (value-based purchasing program), and SNF QRP (Quality Reporting Program). Mark notes that it is very important to understand these updates as well.

So, what should providers do in 2018 to prepare for PDPM in 2019? Mark and Bill make the following recommendations:

- Learn as much as possible. Arm yourself with information and keep up to date. Be prepared.
- Get good at working with Section GG. Data from Section GG will be used in PDPM payment calculations, as well as Section GG measures that are part of the Quality Reporting piece. Be complete and accurate in your reporting.
- Get good at Coding. Make sure you are accurate and that you are clear on the order that codes are entered on the MDS (Item I8000), as only the code in the first position is considered for PDPM.
- Review the MDS Processes. Also, note that there are a number of other sections on the MDS that are important for PDPM patient classification, not just Section GG.
- Access the resources that are available to you. Several are mentioned in the webinar.

This is a really digested version of what you need to know about PDPM. I really recommend that you take the time to [watch the webinar](#). It fills in all the necessary gaps and you will leave with a much better understanding of PDPM, along with some solid resources.



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