



STATE OF MARYLAND

DHMH

Maryland Department of Health and Mental Hygiene

Larry Hogan, Governor – Boyd K. Rutherford, Lt. Governor – Van T. Mitchell, Secretary

Office of Health Services
Medical Care Programs

MARYLAND MEDICAL ASSISTANCE PROGRAM

Nursing Home Transmittal #260

October 12, 2016

To: Nursing Home Administrators

From: Susan J. Tucker, Executive Director
Susan J. Tucker
Office of Health Services

Note: Please ensure that appropriate staff members in your organization are informed of the contents of this memorandum.

Re: 2016 Nursing Home Pay-for-Performance Scores

The purpose of this transmittal is to provide nursing facilities in Maryland with the 2016 pay-for-performance (P4P) results.

In accordance with legislation authorizing the Nursing Facility Quality Assessment, a portion of the revenue generated by the assessment is to be distributed to nursing facilities based on accountability measures that indicate quality of care or a commitment to quality of care. The P4P model was developed in collaboration with stakeholders and quality measures used in the rankings are determined using the following:

- Maryland Health Care Commission Family Satisfaction Survey (40%)
- Staffing Levels and Staff Stability in Nursing Facilities (40%)
- MDS Quality Indicators (16%)
- Employment of Infection Control Professional (2%)
- Staff Immunizations (2%)

Per legislation, continuing care retirement communities and facilities with fewer than 45 beds are not subject to the quality assessment and, consequently, are not eligible for participation in P4P. Facilities that meet the following criteria during the 1-year period ending March 31, 2016 are excluded from P4P:

- Facilities identified by the federal Centers for Medicare and Medicaid Services as a special focus facility;
- Facilities denied payment for new admissions by the Department; or
- Facilities identified by the Department as delivering substandard quality of care.

Under the current model, the highest scoring facilities representing 35 percent of the eligible days of care receive a quality incentive payment. In addition, facilities that do not receive a P4P incentive payment, but whose scores have improved from the previous year, are eligible for pay-for-improvement.

Each Medicaid-enrolled nursing facility will receive an enclosure with this transmittal indicating its eligibility for P4P or pay-for-improvement. Eligible providers will receive a score on each of the quality measures, a total score, rank among eligible facilities and a projected award. Data are scored for facilities that are not eligible for P4P in order to provide performance feedback. The highest scoring facilities, representing 35 percent of the eligible days of care, will receive quality incentive payments within a payment range of \$2.39 to \$4.78 per Medicaid patient day. Pay-for-improvement amounts range from \$0.51 to \$1.02 per Medicaid patient day. These ranges will vary from year to year. In total, over \$6.1 million will be distributed between the P4P and pay-for-improvement programs.

Providers have 30 days from the date of this transmittal to review results. Please note that supplemental data cannot be submitted for inclusion in the P4P results. All P4P scores are based on data previously submitted to the Department by each provider.

If there are errors in the calculation of P4P results that require significant modifications to scoring or the award, an additional 30-day review period will be given to providers.

Comments regarding this transmittal may be directed to Eric Saber at 410-767-1458 or by e-mail (preferred) to eric.saber@maryland.gov.

Enclosure

cc: Nursing Home Liaison Committee