Pay-for-Performance

Maryland nursing facilities are eligible to participate in a pay-for-performance program if they have 45 or more licensed nursing facility beds, are not a continuing care retirement community, and have not been, during the 1-year period ending March 31, denied payment for new admissions, identified as delivering substandard quality of care, or identified as a Special Focus Facility.

Providers shall be scored and ranked based on the following criteria:

(1) Staffing levels and staff stability.

In order to evaluate and compare staffing, the Program will use its annual Nursing Facility Wage Survey. Comparison of staff hours and facility census enables the Program to calculate average hours of care per resident per day. Using a 4.13 hours standard for a facility with an average resident acuity, the Program sets an acuity-adjusted goal for each provider based on its resident mix. Providers are scored on their actual staffing relative to their facility-specific goal. Providers that meet or exceed their goal shall be scored at 100 percent.

Continuity and stability of nursing staff will be measured by the percent of nursing staff who have been employed by the facility for 2 years or longer.

Staff levels (20%) and staff stability (20%) will comprise 40 percent of the overall score.

(2) Family satisfaction.

Family satisfaction is based on results from the facility's most recent Nursing Facility Family Survey conducted by the Maryland Health Care Commission. Providers are scored on questions regarding general satisfaction (20%) and on several categories of questions regarding specific aspects of care and environment in the facility (20%). These questions will comprise 40 percent of the overall score.

(3) Minimum Data Set quality indicators.

Providers shall receive scores for the 3-month period ending December 31 of the most recent prior State fiscal year based on the following quality indicators for long-stay residents from the Minimum Data Set published by the Centers for Medicare & Medicaid Services. (Payments distributed during State fiscal year 2012 shall be based upon scores for the 3-month period ending September 30, 2010.) These scores will comprise 16 percent of the overall score.

- Percent of High-Risk Residents Who Have Pressure Sores
- Percent of Residents Who Were Physically Restrained
- Percent of Residents Who Have/Had a Catheter Inserted and Left in Their Bladder
- Percent of Residents with a Urinary Tract Infection
- Percent of Long-Stay Residents Given Influenza Vaccination During the Flu Season
- Percent of Long-Stay Residents Who Were Assessed and Given Pneumococcal Vaccination

(4) Employment of infection control coordinator.

Providers are required to employ an infection control coordinator who has attended an approved training program. Providers shall receive 1 point (1%) for complying with this requirement and may receive 1 additional point (1%) if, in a facility with 200 or more beds, the coordinator is dedicated 35 hours or more per week to infection control responsibilities, or, in a facility with fewer than 200 beds, the coordinator is dedicated 15 hours or more per week to infection control responsibilities. These scores will comprise 2 percent of the overall score.

(5) Staff immunizations.

Providers shall receive 2 points if 80 percent or more of the nursing facility's staff, which includes all staff classifications, have been vaccinated against seasonal influenza. This score will comprise 2 percent of the overall score.

Eligible facilities shall receive scores for staffing levels and staff stability, family satisfaction, and clinical quality indicators based on the following methodology:

- The highest ranked facility receives 100 percent of the points available;
- The average score, weighted by total days of care, receives 50 percent of the points available;
- Zero points would be received by any facility whose raw score is below the mean by an amount equal to or greater than the difference between the highest score and the mean score; and
- All other facilities will receive points proportionate to where the score falls within the range between the highest and zero.

Facilities will receive an overall score comprised of the sum of the points awarded for each quality measure.

Payments will be distributed annually.

During State Fiscal Year 2011, July 1, 2010 through June 30, 2011, 0.2445 percent of the budget allocation for nursing facility services shall be distributed based on pay-for-performance scores. Beginning in State Fiscal Year 2012, July 1, 2011 through June 30, 2012, and each year thereafter, 0.5 percent of the budget for nursing facility services shall be distributed based on pay-for-performance scores. Eighty-five percent of the funds shall be distributed to the highest scoring facilities, representing 35 percent of the eligible days of care, such that the highest scoring facility receiving payment shall receive twice the amount per Medicaid day of care as the lowest-scoring facility receiving payment.

Fifteen percent of the pay-for-performance funds shall be distributed to eligible facilities that did not score among the highest 35 percent of the eligible days of care, but whose scores represented an improvement compared with the prior State fiscal year. Facilities shall be ranked according to the greatest point increase compared with the prior fiscal year, and funds shall be distributed such that the facility with the greatest point increase shall receive twice the amount per Medicaid day of care as the facility with the smallest point increase.

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