



# FY 2025 SNF PPS Final Rule

September 25, 2024 >

## Disclaimer

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

## Learning Objectives >

1. FY 2025 Updates to the SNF Payment Rates
2. Changes in PDPM ICD-10 Code Mappings
3. Nursing Home Enforcement
4. SNF QRP Updates
5. SNF VBP Updates



**STEPHANIE KESSLER**  
Partner | Senior Living Consulting Services



## 2025 SNF Payment Rate Updates

### • NET INCREASE OF 4.2%

- Approximately \$1.4 billion.
- Based on market basket percentage increase of 3.0%, plus
- A 1.7% forecast error adjustment, less
- A 0.5% productivity adjustment.
- Does not include SNF VBP reductions (estimated at \$196.5 million in FY 2025).

## 2025 SNF Payment Rate Updates

### FY 2025 Unadjusted Federal Rate Per Diem - URBAN

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per diem amount	\$73.25	\$68.18	\$27.35	\$127.68	\$96.33	\$114.34

### FY 2025 Unadjusted Federal Rate Per Diem – RURAL

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per diem amount	\$83.50	\$76.69	\$34.46	\$121.99	\$92.03	\$116.46

# 2025 SNF Payment Rate Updates

- No Case Mix Index changes

PDPM Case-Mix Adjusted Federal Rates and Associated Indexes - URBAN

PDPM Group	PT CMI	PT Rate	OT CMI	OT Rate	SLP CMI	SLP Rate	Nursing CMG	Nursing CMI	Nursing Rate	NTA CMI	NTA Rate
A	1.45	\$106.21	1.41	\$96.13	0.64	\$17.50	ES3	3.84	\$490.29	3.06	\$294.77
B	1.61	\$117.93	1.54	\$105.00	1.72	\$47.04	ES2	2.90	\$370.27	2.39	\$230.23
C	1.78	\$130.39	1.60	\$109.09	2.52	\$68.92	ES1	2.77	\$353.67	1.74	\$167.61
D	1.81	\$132.58	1.45	\$98.86	1.38	\$37.74	HDE2	2.27	\$289.83	1.26	\$121.38
E	1.34	\$98.16	1.33	\$90.68	2.21	\$60.44	HDE1	1.88	\$240.04	0.91	\$87.66
F	1.52	\$111.34	1.51	\$102.95	2.82	\$77.13	HBC2	2.12	\$270.68	0.68	\$65.50
G	1.58	\$115.74	1.55	\$105.68	1.93	\$53.79	HBC1	1.76	\$224.72	-	-
H	1.10	\$80.58	1.09	\$74.32	2.7	\$73.85	LDE2	1.97	\$251.53	-	-
I	1.07	\$78.38	1.12	\$76.36	3.34	\$91.35	LDE1	1.64	\$209.40	-	-
J	1.34	\$98.16	1.37	\$93.41	2.83	\$77.40	LBC2	1.63	\$208.12	-	-
K	1.44	\$105.48	1.46	\$99.54	3.50	\$95.73	LBC1	1.35	\$172.37	-	-
L	1.03	\$75.45	1.05	\$71.59	3.98	\$108.85	CDE2	1.77	\$225.99	-	-
M	1.20	\$87.90	1.23	\$83.86	-	-	CDE1	1.53	\$195.25	-	-
N	1.40	\$102.53	1.42	\$96.82	-	-	CBC2	1.47	\$187.69	-	-
O	1.47	\$107.68	1.47	\$100.22	-	-	CA2	1.03	\$131.51	-	-
P	1.02	\$74.72	1.03	\$70.23	-	-	CBC1	1.27	\$162.15	-	-
Q	-	-	-	-	-	-	CA1	0.89	\$113.64	-	-
R	-	-	-	-	-	-	BAR2	0.98	\$125.13	-	-
S	-	-	-	-	-	-	BAR1	0.94	\$120.02	-	-
T	-	-	-	-	-	-	PDE2	1.48	\$188.97	-	-
U	-	-	-	-	-	-	PDE1	1.39	\$177.48	-	-
V	-	-	-	-	-	-	PBC2	1.15	\$146.83	-	-
W	-	-	-	-	-	-	PA2	0.67	\$85.55	-	-
X	-	-	-	-	-	-	PBC1	1.07	\$136.62	-	-
Y	-	-	-	-	-	-	PA1	0.62	\$79.16	-	-

PDPM Case-Mix Adjusted Federal Rates and Associated Indexes - RURAL

PDPM Group	PT CMI	PT Rate	OT CMI	OT Rate	SLP CMI	SLP Rate	Nursing CMG	Nursing CMI	Nursing Rate	NTA CMI	NTA Rate
A	1.45	\$121.08	1.41	\$108.13	0.64	\$22.05	ES3	3.84	\$468.44	3.06	\$281.61
B	1.61	\$134.44	1.54	\$118.10	1.72	\$59.27	ES2	2.90	\$353.77	2.39	\$219.95
C	1.78	\$148.63	1.60	\$122.70	2.52	\$86.84	ES1	2.77	\$337.91	1.74	\$160.13
D	1.81	\$151.14	1.45	\$111.20	1.38	\$47.55	HDE2	2.27	\$276.92	1.26	\$115.96
E	1.34	\$111.89	1.33	\$102.00	2.21	\$76.16	HDE1	1.88	\$229.34	0.91	\$83.75
F	1.52	\$126.92	1.51	\$115.80	2.82	\$97.18	HBC2	2.12	\$258.62	0.68	\$62.58
G	1.58	\$131.93	1.55	\$118.87	1.93	\$66.51	HBC1	1.76	\$214.70	-	-
H	1.10	\$91.85	1.09	\$83.59	2.7	\$93.04	LDE2	1.97	\$240.32	-	-
I	1.07	\$89.35	1.12	\$85.89	3.34	\$115.10	LDE1	1.64	\$200.06	-	-
J	1.34	\$111.89	1.37	\$105.07	2.83	\$97.52	LBC2	1.63	\$198.84	-	-
K	1.44	\$120.24	1.46	\$111.97	3.50	\$120.61	LBC1	1.35	\$164.69	-	-
L	1.03	\$86.01	1.05	\$80.52	3.98	\$137.15	CDE2	1.77	\$215.92	-	-
M	1.20	\$100.20	1.23	\$94.33	-	-	CDE1	1.53	\$186.64	-	-
N	1.40	\$116.90	1.42	\$108.90	-	-	CBC2	1.47	\$179.33	-	-
O	1.47	\$122.75	1.47	\$112.73	-	-	CA2	1.03	\$125.65	-	-
P	1.02	\$85.17	1.03	\$78.99	-	-	CBC1	1.27	\$154.93	-	-
Q	-	-	-	-	-	-	CA1	0.89	\$108.57	-	-
R	-	-	-	-	-	-	BAR2	0.98	\$119.55	-	-
S	-	-	-	-	-	-	BAR1	0.94	\$114.67	-	-
T	-	-	-	-	-	-	PDE2	1.48	\$180.55	-	-
U	-	-	-	-	-	-	PDE1	1.39	\$169.57	-	-
V	-	-	-	-	-	-	PBC2	1.15	\$140.29	-	-
W	-	-	-	-	-	-	PA2	0.67	\$81.73	-	-
X	-	-	-	-	-	-	PBC1	1.07	\$130.53	-	-
Y	-	-	-	-	-	-	PA1	0.62	\$75.63	-	-

# 2025 SNF Payment Rate Updates

- Labor Portion
  - The labor portion of the rate will increase in FY25 to 71.9%, from 71.1% in FY24
- Variable per diem
  - The variable per diem remains unchanged.
    - Non-Therapy Ancillary component
      - Days 1 – 3: Paid at 300%
      - Days 4 -100: Paid at 100%
    - PT and OT components
      - Days 1 – 20: Paid at 100%
      - Starting on day 21, decline by 2% every 7 days

## 2025 SNF Payment Rate Updates

- PDPM Case-Mix Adjustment Rate Calculation Example

Component	Component Group	Component Rate	VPD Adjustment Factor	VPD Adj. rate
PT	N	\$102.55	1.00	\$102.55
OT	N	\$96.82	1.00	\$96.82
SLP	H	\$73.85	1.00	\$73.85
Nursing	N	\$187.69	1.00	\$187.69
NTA	C	\$167.61	3.00	\$502.83
Non-Case-Mix	-	\$114.34	-	\$114.34
Total PDPM Case-Mix Adj. Per Diem				\$1,078.08

HIPPS Code	PDPM Case-Mix Adjustment Per Diem	Labor Portion	Wage Index	Wage index Adjusted Rate	Non-Labor Portion	Total Case Mix and Wage Index Avg. Rate
NHNC1	\$1,078.08	\$776.22	0.9876	\$766.59	301.86	\$1,068.45

## 2025 SNF Payment Rate Updates

- PDPM Case-Mix Adjustment Rate Calculation Example

Day of Stay	NTA VPD Adjustment Factor	PT/OT VPD Adjustment Factor	Case Mix and Wage Index Adjusted Per Diem Rate
1	3.0	1.0	\$1,068.45
2	3.0	1.0	\$1,068.45
3	3.0	1.0	\$1,068.45
4	1.0	1.0	\$736.23
5	1.0	1.0	\$736.23
6	1.0	1.0	\$736.23
7	1.0	1.0	\$736.23
8	1.0	1.0	\$736.23
9	1.0	1.0	\$736.23
10	1.0	1.0	\$736.23
11	1.0	1.0	\$736.23
12	1.0	1.0	\$736.23
13	1.0	1.0	\$736.23
14	1.0	1.0	\$736.23
15	1.0	1.0	\$736.23
16	1.0	1.0	\$736.23
17	1.0	1.0	\$736.23
18	1.0	1.0	\$736.23
19	1.0	1.0	\$736.23
20	1.0	1.0	\$736.23
21	1.0	0.98	\$732.28
22	1.0	0.98	\$732.28
23	1.0	0.98	\$732.28
24	1.0	0.98	\$732.28
25	1.0	0.98	\$732.28
26	1.0	0.98	\$732.28
27	1.0	0.98	\$732.28
28	1.0	0.96	\$728.32
29	1.0	0.96	\$728.32
30	1.0	0.96	\$728.32
Total Payment			\$23,032.18

## 2025 SNF Payment Rate Updates

- New OMB statistical area delineations
  - 54 counties current considered an urban CBSA will be considered located in a rural area

Federal Information Processing Standard (FIPS) County Code	County Name	State	Current CBSA	Current CBSA Name
01129	Washington	AL	33660	Mobile, AL
05025	Cleveland	AR	38220	Pine Bluff, AR
05047	Franklin	AR	22900	Fort Smith, AR-OK
05069	Jefferson	AR	38220	Pine Bluff, AR
05079	Lincoln	AR	38220	Pine Bluff, AR
09015	Windham	CT	49340	Worcester, MA-CT
10005	Sussex	DE	41540	Salisbury, MD-DE
13171	Lamar	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA
16077	Power	ID	38540	Pocatello, ID
17057	Fulton	IL	37900	Peoria, IL
17077	Jackson	IL	16060	Carbondale-Marion, IL
17087	Johnson	IL	16060	Carbondale-Marion, IL
17183	Vermilion	IL	19180	Danville, IL
17199	Williamson	IL	16060	Carbondale-Marion, IL
18121	Perry	IN	45460	Terre Haute, IN
18133	Putnam	IN	26900	Indianapolis-Carmel-Anderson, IN
18161	Union	IN	17140	Cincinnati, OH-KY-IN
21091	Hancock	KY	36980	Owensboro, KY
21101	Henderson	KY	21780	Evansville, IN-KY
22045	Iberia	LA	29180	Lafayette, LA
24001	Allegany	MD	19060	Cumberland, MD-WV
24047	Worcester	MD	41540	Salisbury, MD-DE
25011	Franklin	MA	44140	Springfield, MA

Federal Information Processing Standard (FIPS) County Code	County Name	State	Current CBSA	Current CBSA Name
26155	Shiawassee	MI	29620	Lansing-East Lansing, MI
27075	Lake	MN	20260	Duluth, MN-WI
28031	Covington	MS	25620	Hattiesburg, MS
31051	Dixon	NE	43580	Sioux City, IA-NE-SD
36123	Yates	NY	40380	Rochester, NY
37049	Craven	NC	35100	New Bern, NC
37077	Granville	NC	20500	Durham-Chapel Hill, NC
37085	Harnett	NC	22180	Fayetteville, NC
37087	Haywood	NC	11700	Asheville, NC
37103	Jones	NC	35100	New Bern, NC
37137	Pamlico	NC	35100	New Bern, NC
42037	Columbia	PA	14100	Bloomington-Berwick, PA
42085	Mercer	PA	49660	Youngstown-Warren-Boardman, OH-PA
42089	Monroe	PA	20700	East Stroudsburg, PA
42093	Montour	PA	14100	Bloomington-Berwick, PA
42103	Pike	PA	35084	Newark, NJ-PA
45027	Clarendon	SC	44940	Sumter, SC
48431	Sterling	TX	41660	San Angelo, TX
49003	Box Elder	UT	36260	Ogden-Clearfield, UT
51113	Madison	VA	47894	Washington-Arlington-Alexandria, DC-VA-MD-WV
51175	Southampton	VA	47260	Virginia Beach-Norfolk-Newport News, VA-NC
51620	Franklin City	VA	47260	Virginia Beach-Norfolk-Newport News, VA-NC

## 2025 SNF Payment Rate Updates

- New OMB statistical area delineations
  - 54 counties current considered an urban CBSA will be considered located in a rural area

Federal Information Processing Standard (FIPS) County Code	County Name	State	Current CBSA	Current CBSA Name
54035	Jackson	WV	16620	Charleston, WV
54043	Lincoln	WV	16620	Charleston, WV
54057	Mineral	WV	19060	Cumberland, MD-WV
55069	Lincoln	WI	48140	Wausau-Weston, WI
72001	Adjuntas	PR	38660	Ponce, PR
72055	Guanica	PR	49500	Yauco, PR
72081	Lares	PR	10380	Aguadilla-Isabela, PR
72083	Las Marias	PR	32420	Mayagüez, PR
72141	Utua	PR	10380	Aguadilla-Isabela, PR

## 2025 SNF Payment Rate Updates

- New OMB statistical area delineations
  - 54 counties current considered a rural CBSA will be considered located in a urban area

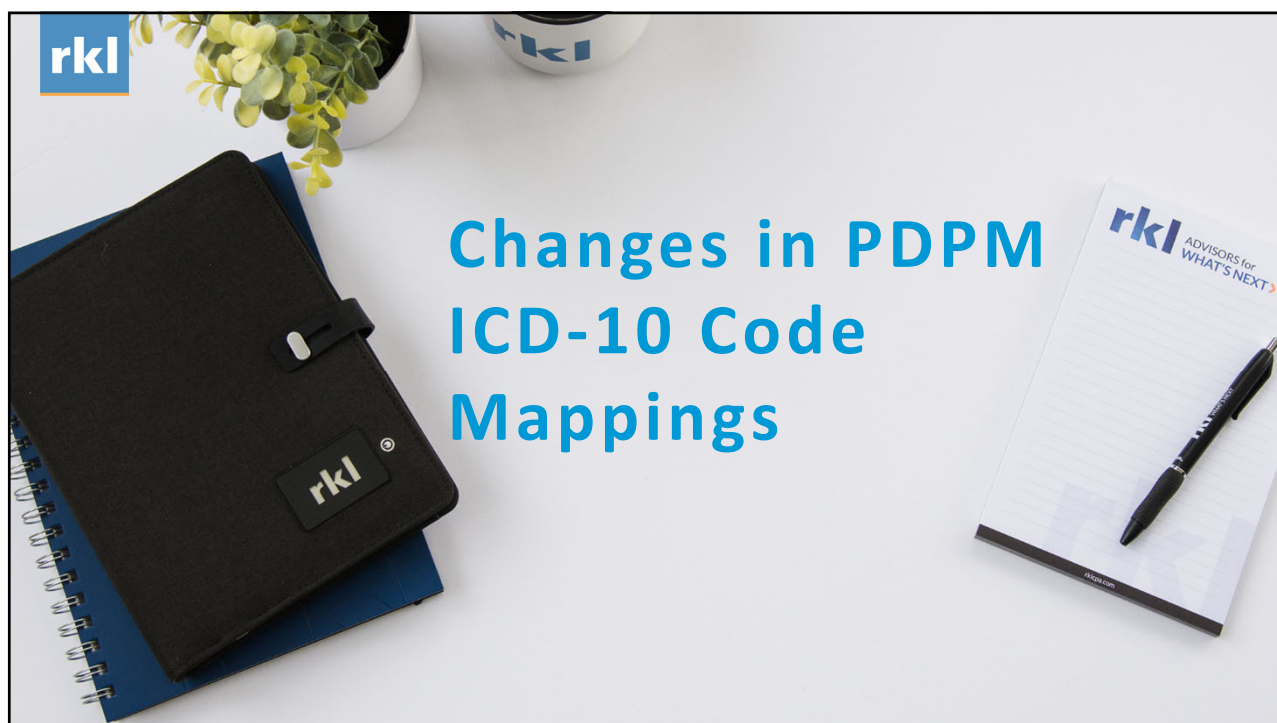
FIPS County Code	County	State	CBSA	CBSA Name
01087	Macon	AL	12220	Auburn-Opelika, AL
01127	Walker	AL	13820	Birmingham, AL
12133	Washington	FL	37460	Panama City-Panama City Beach, FL
13187	Lumpkin	GA	12054	Atlanta-Sandy Springs-Roswell, GA
15005	Kalawao	HI	27900	Kahului-Wailuku, HI
17053	Ford	IL	16580	Champaign-Urbana, IL
17127	Massac	IL	37140	Paducah, KY-IL
18159	Tipton	IN	26900	Indianapolis-Carmel-Greenwood, IN
18179	Wells	IN	23060	Fort Wayne, IN
20021	Cherokee	KS	27900	Joplin, MO-KS
21007	Ballard	KY	37140	Paducah, KY-IL
21039	Carlisle	KY	37140	Paducah, KY-IL
21127	Lawrence	KY	26580	Huntington-Ashland, WV-KY-OH
21139	Livingston	KY	37140	Paducah, KY-IL
21145	Mc Cracken	KY	37140	Paducah, KY-IL
21179	Nelson	KY	31140	Louisville/Jefferson County, KY-IN
22053	Jefferson Davis	LA	29340	Lake Charles, LA
22083	Richland	LA	33740	Monroe, LA
26015	Barry	MI	24340	Grand Rapids-Wyoming-Kentwood, MI
26019	Benzie	MI	45900	Traverse City, MI
26055	Grand Traverse	MI	45900	Traverse City, MI
26079	Kalkaska	MI	45900	Traverse City, MI
26089	Leelanau	MI	45900	Traverse City, MI

FIPS County Code	County	State	CBSA	CBSA Name
27133	Rock	MN	43620	Sioux Falls, SD-MN
28009	Benton	MS	32820	Memphis, TN-MS-AR
28123	Scott	MS	27140	Jackson, MS
30007	Broadwater	MT	25740	Helena, MT
30031	Gallatin	MT	14580	Bozeman, MT
30043	Jefferson	MT	25740	Helena, MT
30049	Lewis And Clark	MT	25740	Helena, MT
30061	Mineral	MT	33540	Missoula, MT
32019	Lyon	NV	39900	Reno, NV
37125	Moore	NC	38240	Pinehurst-Southern Pines, NC
38049	McHenry	ND	33500	Minot, ND
38075	Renville	ND	33500	Minot, ND
38101	Ward	ND	33500	Minot, ND
39007	Ashland	OH	17410	Cleveland, OH
39043	Erie	OH	41780	Sandusky, OH
41013	Crook	OR	13460	Bend, OR
41031	Jefferson	OR	13460	Bend, OR
42073	Lawrence	PA	38300	Pittsburgh, PA
45087	Union	SC	43900	Spartanburg, SC
46033	Custer	SD	39660	Rapid City, SD
47081	Hickman	TN	34980	Nashville-Davidson--Murfreesboro--Franklin, TN

## 2025 SNF Payment Rate Updates

- New OMB statistical area delineations
  - 54 counties current considered a rural CBSA will be considered located in a urban area

FIPS County Code	County	State	CBSA	CBSA Name
48007	Aransas	TX	18580	Corpus Christi, TX
48035	Bosque	TX	47380	Waco, TX
48079	Cochran	TX	31180	Lubbock, TX
48169	Garza	TX	31180	Lubbock, TX
48219	Hockley	TX	31180	Lubbock, TX
48323	Maverick	TX	20580	Eagle Pass, TX
48407	San Jacinto	TX	26420	Houston-Pasadena-The Woodlands, TX
51063	Floyd	VA	13980	Blacksburg-Christiansburg-Radford, VA
51181	Surry	VA	47260	Virginia Beach-Chesapeake-Norfolk, VA-NC
55123	Vernon	WI	29100	La Crosse-Onalaska, WI-MN



# Changes in PDPM ICD-10 Code Mappings

## PDPM ICD-10 Mapping Changes >

- International Classification of Diseases, 10<sup>th</sup> Revision.
- Changes to primary diagnosis and clinical categories.
- To allow providers with a more accurate, consistent, and appropriate diagnoses that meet criteria for skilled intervention during a Part A SNF stay.
- Changes to the ICD-10 code mappings an lists used are available on the PDPM website:
  - <https://www.cms.gov/medicare/payment/prospective-payment-systems/skilled-nursing-facility-snf/patient-driven-model>

PDPM ICD-10-CM Mappings FY2025		
Purpose	ICD-10-CM codes related mappings for the purposes of resident classification under the Patient-Driven Payment Model (PDPM) for Medicare Part A SNF stays.	
Table of Contents		
ICD-10-CM to Clinical Category Mapping	<a href="#">Clinical Category</a>	Mapping of the ICD-10-CM Codes Recorded in Item 00205 of the MDS Assessment to PDPM Clinical Categories
SLP Comorbidity to ICD-10-CM Mapping	<a href="#">SLP Comorbidity</a>	Mapping of Comorbidities Included in the PDPM SLP Component to ICD-10-CM Codes
NTA Comorbidity to ICD-10-CM Mapping	<a href="#">NTA Comorbidity</a>	Mapping of Comorbidities Included in the PDPM NTA Component to ICD-10-CM Codes





## Nursing Home Enforcement >

### CHANGES TO CMS' ENFORCEMENT POLICIES

- Changes to the civil money penalties (CMPs) for health and safety violations.
  - Expanded the types of CMPs that can be imposed on nursing homes for health and safety violations.
  - Allowing multiple CMPs per instance for the same type of noncompliance, and both per instance and per day CMPs for the same deficiency during the same stay.
  - Went into effect October 5, 2025, but CMS will begin operationalizing them on March 3, 2025.



## Updates to the SNF QRP >

### **SOCIAL DETERMINATES OF HEALTH:**

- Adding four Social Determinates of Health (SDOH) measures: (1) Living Situation (1 item), (2) Food (2 items), and (3) Utilities (1 item).
  - Beginning with residents admitted on October 1, 2025.

### **DATA VALIDATION:**

- SNF participation is required in the validation process, which is similar to the SNF VBP process.
- Approximately 1,500 SNFs will be randomly selected to share a very limited set of medical records for validation.
  - CMS is required by section 1888(h)(12)(A) of the Act (as added by section 111(a)(4) of Division CC of the Consolidated Appropriations Act, 2021 (Pub. L. 116–260)) to apply a process to validate data submitted under the SNF QRP.

## Updates to the SNF QRP >

### TRANSPORTATION:

- Modification of the Transportation item in the MDS, collected under the SDOH category. The modifications will improve and align data collection in three ways:
  - (1) specify the look-back period for identifying if and when a patient experienced a lack of reliable transportation,
  - (2) simplify the response options for the resident, and
  - (3) require collection at admission only, which will decrease provider burden since the current assessment item is collected at both admission and discharge.
- Beginning with residents admitted on October 1, 2025.

## Updates to the SNF QRP >

### MEASURES - MDS

- SNF QRP Measure #1: Application of Percent of Residents Experiencing One or More Falls with Major Injury (Long Stay)
- SNF QRP Measure #2: Drug Regimen Review Conducted with Follow-Up for Identified Issues—PAC SNF QRP
- SNF QRP Measure #3: Changes in Skin Integrity Post-Acute Care: Pressure Ulcer/Injury
- SNF QRP Measure #4: Application of IRF Functional Outcome Measure: Discharge Self-Care Score for Medical Rehabilitation Patients
- SNF QRP Measure #5: Application of IRF Functional Outcome Measure: Discharge Mobility Score for Medical Rehabilitation Patients
- SNF QRP Measure #6: Transfer of Health Information to the Provider-Post-Acute Care (PAC)

## Updates to the SNF QRP >

### MEASURES – MDS (CONT'D)

- SNF QRP Measure #7: Transfer of Health Information to the Patient-Post-Acute Care (PAC)
- SNF QRP Measure #8: Discharge Function Score
- **\*SNF QRP Measure #9: COVID-19 Vaccine: Percent of Patients/Residents Who Are Up to Date**

### MEASURES – CDC NHSN

- SNF QRP Measure #10: COVID-19 Vaccination Coverage among Healthcare Personnel (HCP)
- SNF QRP Measure #11: Influenza Vaccination Coverage among Healthcare Personnel (HCP)

\*Data collection period begins 10/1/2024.

## Updates to the SNF QRP >

### MEASURES – CLAIMS BASED

- SNF QRP Measure #12: Medicare Spending Per Beneficiary (MSPB)– Post-Acute Care (PAC) SNF QRP
- SNF QRP Measure #13: Discharge to Community - PAC SNF QRP
- SNF QRP Measure #14: Potentially Preventable 30-Day Post-Discharge Readmission Measure – SNF QRP
- SNF QRP Measure #15: SNF Healthcare-Associated Infections (HAI) Requiring Hospitalization

## Updates to the SNF QRP >

### FAQS

- What is the best way to verify MDS assessment submission?
  - The best way to verify that your current MDS assessment data submission has been accepted into iQIES is by reviewing the final validation reports.
- How do you verify your CDC NHSN data submission?
  - The best way to verify your current NHSN data submission is by running the CMS report found in the Analysis Reports section of NHSN. As you review your error messages, be sure to correct any instances where the value submitted for the quality measure item is a dash (-).

## SNF Value-Based Purchasing Program

## Updates to the SNF VBP

- Measure retention and removal policy to help ensure that the SNF VBP Program's measure set remains focused on the best and most appropriate metrics for assessing care quality in the SNF setting. CMS is also adopting a measure selection, retention, and removal policy that aligns with a similar policy currently in place in the SNF QRP program.
- CMS is also adopting a technical measure update policy allowing the agency to update previously finalized SNF VBP measure specifications using a sub-regulatory process.
- CMS is finalizing administrative policy updates, including an update to the review and corrections policy that CMS previously finalized for the program, to ensure that SNFs can review and correct data used to calculate their measure rates.

## Updates to the SNF VBP

### TIMELINE

Program Year	Baseline Period	Performance Period
FY2025*	FY 2019 (10/1/2018-9/30/2019)	FY 2023 (10/1/2022-9/30/2023)
FY2026	FY 2022 (10/1/2021-9/30/2022)	FY 2024 (10/1/2023-9/30/2024)
FY2027	FY 2023 (10/1/2022-9/30/2023)	FY 2025 (10/1/2024-9/30/2025)

\*In response to the COVID-19 PHE, CMS excluded qualifying claims in the first two quarters of CY 2020 (1/1/2020-6/30/2020) from use in the SNF VBP Program. Thus, the baseline period for FY2025 Program year remained FY2019 and was not advanced by one year to avoid any use of the excluded qualifying claims.

## SNF VBP

- For FY2025, the SNF VBP Program remains the same
  - SNF 30-Day All Case Readmission Measure (SNFRM)
- Beginning in the FY2026 Program year, the SNF VBP Program is expanding to assess performance in multiple quality measures rather than a single measure.
- Measures will continue to expand through FY 2028, which will add the SNF Within-Stay Potentially Preventable Readmission Measure, which will replace our current SNFRM.

## SNF VBP

- Measures adopted by the SNF VBP Program: FY 2025 through FY 2028 Program years

Measure and Link to Technical Report	Adopted in SNF PPS Final Rule	FY 2025 Program Year	FY 2026 Program Year	FY 2027 Program Year	FY 2028 Program Year
<a href="#">SNF 30-Day All-Cause Readmission Measure (SNFRM)</a>	<a href="#">FY 2016</a>	✓	✓	✓	–
<a href="#">Skilled Nursing Facility Healthcare-Associated Infections (SNF HAI) Requiring Hospitalization</a>	<a href="#">FY 2023</a>	–	✓	✓	✓
<a href="#">Total Nurse Staffing Hours per Resident Day (including Registered Nurse [RN], Licensed Practical Nurse [LPN], and Nurse Aide hours)</a>	<a href="#">FY 2023</a>	–	✓	✓	✓
<a href="#">Total Nursing Staff Turnover</a>	<a href="#">FY 2024</a>	–	✓	✓	✓
<a href="#">Discharge to Community—Post-Acute Care (DTC-PAC) Measure for SNFs</a>	<a href="#">FY 2023</a>	–	–	✓	✓
<a href="#">Percent of Residents Experiencing One or More Falls with Major Injury (Long-Stay)</a>	<a href="#">FY 2024</a>	–	–	✓	✓
<a href="#">Discharge Function Score for SNFs</a>	<a href="#">FY 2024</a>	–	–	✓	✓
<a href="#">Number of Hospitalizations per 1,000 Long Stay Resident Days</a>	<a href="#">FY 2024</a>	–	–	✓	✓
<a href="#">Skilled Nursing Facility Within-Stay Potentially Preventable Readmission (SNF WS PPR) Measure</a>	<a href="#">FY 2024</a>	–	–	–	✓

## SNF VBP

- SNF VBP Program year data periods: FY 2019 through 2027 Program years

SNF VBP Program year	Baseline period	Performance period
<b>FY 2019<sup>a</sup></b>	CY 2015 (1/1/2015–12/31/2015)	CY 2017 (1/1/2017–12/31/2017)
<b>FY 2020</b>	FY 2016 (10/1/2015–9/30/2016)	FY 2018 (10/1/2017–9/30/2018)
<b>FY 2021</b>	FY 2017 (10/1/2016–9/30/2017)	FY 2019 (10/1/2018–9/30/2019)
<b>FY 2022</b>	FY 2018 (10/1/2017–9/30/2018)	4/1/2019–12/1/2019 <sup>b</sup>
<b>FY 2023</b>	FY 2019 (10/1/2018–9/30/2019)	FY 2021 (10/1/2020–9/30/2021)
<b>FY 2024<sup>c</sup></b>	FY 2019 (10/1/2018–9/30/2019)	FY 2022 (10/1/2021–9/30/2022)
<b>FY 2025<sup>c</sup></b>	<b>FY 2019 (10/1/2018–9/30/2019)</b>	<b>FY 2023 (10/1/2022–9/30/2023)</b>
<b>FY 2026</b>	FY 2022 (10/1/2021–9/30/2022)	FY 2024 (10/1/2023–9/30/2024)
<b>FY 2027</b>	FY 2023 (10/1/2022–9/30/2023)	FY 2025 (10/1/2024–9/30/2025)

Notes: CY = Calendar Year; FY = Fiscal Year; the current Program year is in bold font.

<sup>a</sup> The SNF VBP Program shifted from calendar year to fiscal year measurement periods beginning in the FY 2020 Program year to mitigate logistical calculations concerns.

<sup>b</sup> In response to the COVID-19 public health emergency (PHE), CMS excluded qualifying claims in the first two quarters of CY 2020 (January 1, 2020 – June 30, 2020) from use in the SNF VBP Program. Thus, the FY 2022 SNF VBP Program performance period originally specified in the [interim final rule with comment](#) was restricted to April 1, 2019 through December 1, 2019. For further information please see the [interim final rule with comment](#) (pages 54835–54837) and the [FY 2022 SNF PPS final rule](#) (pages 42503–42516).

<sup>c</sup> In response to the COVID-19 PHE, CMS excluded qualifying claims in the first two quarters of CY 2020 (January 1, 2020 – June 30, 2020) from use in the SNF VBP Program. Thus, the baseline periods for the FY 2024 and FY 2025 Program years remained FY 2019 and were not advanced by one year to avoid any use of the excluded qualifying claims.

## FAQs

- What is the SNF-VBP Program?
  - CMS awards incentive payments to SNFs through the SNF VBP Program to encourage SNFs to improve the quality of care they provide to patients. For the FY 2025 Program year, performance in the SNF VBP Program is based on a single measure of all-cause hospital readmissions.
  - The Protecting Access to Medicare Act of 2024 (PAMA) specifies that under this Program, SNFs:
    - Are evaluated by their performance on a hospital readmission measure;
    - Are assessed on both improvement and achievement, and scored on the higher of the two;
    - Earn incentive payments based on their performance;
    - Are subject to a 2-percent payment withhold, of which between 50 and 70 percent is paid back; and
    - Receive quarterly confidential feedback reports containing information about their performance.



## FAQs

- How are incentive payments determined?
  - To fund the SNF VBP Program for the FY 2025 Program year, CMS withholds 2 percent of SNFs' Medicare FFS Part A payments, and CMS redistributes 60 percent of the withhold to SNFs as incentive payments. The remaining 40 percent of the withhold is retained in the Medicare Trust Fund. CMS is required to redistribute between 50 and 70 percent of the withheld funds to SNFs as incentive payments; the 60-percent redistribution policy was finalized in the FY 2018 SNF PPS final rule (pages 36619–36621).
- How do I interpret my incentive payment multiplier?

Incentive Payment Multiplier <sup>2</sup>	1.0039268707
---	--------------

Incentive payment multiplier result	Impact to payment
Incentive Payment Multiplier < 1	SNF receives less than the 2-percent withhold ( <b>net-negative</b> ). That is, your SNF will earn less than it would have in the absence of the SNF VBP Program.
Incentive Payment Multiplier = 1	SNF receives the full 2-percent withhold ( <b>net-neutral</b> ). That is, your SNF will earn the same amount it would have in the absence of the SNF VBP Program.
Incentive Payment Multiplier > 1	SNF receives more than the 2-percent withhold ( <b>net-positive</b> ). That is, your SNF will earn more than it would have in the absence of the SNF VBP Program.

Do you have questions?



## Resources >

### FEDERAL REGISTER

- <http://www.federalregister.gov/public-inspection/current>

### FISCAL YEAR 2025 SKILLED NURSING FACILITY PROSPECTIVE PAYMENT SYSTEM FINAL RULE (CMS 1802-F)


- <https://www.cms.gov/newsroom/fact-sheets/fiscal-year-2025-skilled-nursing-facility-prospective-payment-system-final-rule-cms-1802-f>

### PDPM ICD-10 MAPPING

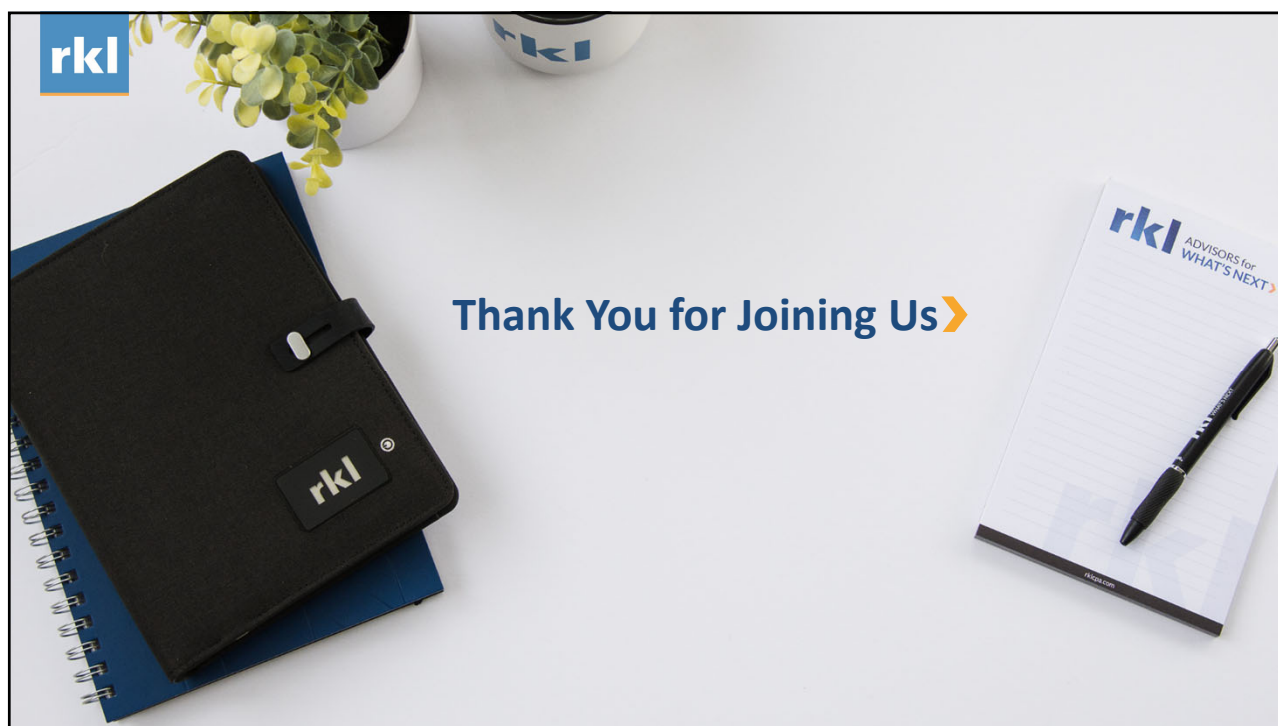
- <https://www.cms.gov/medicare/payment/prospective-payment-systems/skilled-nursing-facility-snf/patient-driven-model>

## Contact Information:

 Stephanie Kessler

 717-885-5724

 [SKessler@RKLcpa.com](mailto:SKessler@RKLcpa.com)



Thank You for Joining Us ➤