Clover

Clover Health Skilled Nursing Facility PDPM Validation Reimbursement Policy

Policy # RP-080

Policy Title	Skilled Nursing Facility (SNF) PDPM Validation Reimbursement Policy
Policy Department	Payment Strategy & Optimization
Effective Date	10/1/2022
Revision Date(s)	
Next Review Date	

Disclaimer:
Clover Health applies The Center for Medicare and Medicaid Services (CMS) criteria and guidelines, National Coverage Determinations (NCD), Local Coverage Determinations (LCD), Clover Policies, and MCG for determining medical necessity. Clover Policies are intended to provide a standard guideline but are not used to preempt providers' judgment in rendering services. Providers are expected to provide care based on best practices and use their medical judgment for appropriate care.

Description:

This policy describes a post pay review process for Clover Health, where the billed Health Insurance Prospective Payment System (HIPPS) is validated using medical records.

Definitions:

- Skilled Nursing Facility (SNF)
  - A nursing facility with the staff and equipment to give skilled nursing care and/or skilled rehabilitation services and other related health services.
- Health Insurance Prospective Payment System (HIPPS)
  - These are rate codes which represent specific sets of patient characteristics (or case-mix groups) to make payment determinations under several prospective payment systems. These are 5 digit number/letter combinations submitted on the SNF claim.
- Patient-Driven Payment Model (PDPM)

- Effective 10/1/2019, a case-mix classification model used to describe the level of severity for a member in a SNF. In the PDPM, there are five case-mix adjusted components: Physical Therapy (PT), Occupational Therapy (OT), Speech-Language Pathology (SLP), Non-Therapy Ancillary (NTA), and Nursing. Each member is to be classified into one and only one group for each of the five case-mix adjusted components. These claims are paid on a per diem basis using the HIPPS code.

- Minimum Data Set (MDS)
  - The MDS is an assessment tool that covers all aspects of the patient's status: medical, psychological, functional, social, and demographic. It may be completed by an LPN but must be signed by an RN.

Policy:

Clover Health will flag SNF claims for review and send a medical record request via a third party vendor.

Once records are received, Clover will validate each component of the billed HIPPS code against the documentation in the medical record. This validation includes the category of the primary diagnosis, the patient's function score, speech therapy comorbidities, nursing category, and active conditions that impact the patient's NTA score. Auditors will calculate the HIPPS code supported in the record.

To verify the billed HIPPS code, reviewers will validate the values for the first 5 components of the HIPPS code, which are derived from the responses input in the Minimum Date Set (MDS).

The MDS itself does not contain physician documentation nor require physician sign-off, but any answers related to specific diagnoses must be supported by physician documentation in the SNF medical record and in the record for the acute care inpatient stay that immediately preceded the SNF admission.

Based on certain MDS responses, each of the 5 PDPM clinical components (PT, OT, SLP, Nursing, and NTA) is assigned a payment group.

The HIPPS code is like a DRG, in that it represents the clinical picture and serves as the basis for payment. When the documentation supports that the patient's condition changed in a HIPPS-impacting way, the auditor will calculate the new HIPPS code, effective on the date of the change and covering the remainder of stay (unless another HIPPS-impacting change occurs).

Documentation requirements for auditing:

- Complete SNF record: History and Physical, physician orders and progress notes, any MD consults, Nutrition assessment and notes, PT/OT/ST assessments and notes, nursing notes and flowsheets, and MAR.
- The MDS responses
- Transfer documentation, which at a minimum should include the acute care H&P and discharge summary, and ideally would also include any operative reports, physician consults, progress notes, and orders.

References
PDPM Calculation Worksheet
CMS Patient Driven Payment Model