




**MassHealth**  
**Nursing Facility Bulletin 140**  
**December 2015**

**TO:** Nursing Facilities Participating in MassHealth

**FROM:** Daniel Tsai, Assistant Secretary for MassHealth 

**RE:** **Nursing Facility Pay for Performance Program for Fiscal Year 2016**

## **Background**

This bulletin describes the MassHealth Nursing Facility Pay for Performance (NF P4P) Program for fiscal year 2016 (FY16). Specifically, it addresses the requirements that nursing facilities must meet in order to participate in and receive incentive payments under that program. Participation in the NF P4P program is voluntary. Facilities interested in participating must submit an attestation of eligibility by **February 4, 2016**, as further described in this bulletin.

## **About the Program**

The intent of the NF P4P program is to reward nursing facilities for providing high-quality services to MassHealth members. The program awards incentive payments to eligible nursing facilities in an effort to reward quality of care within facilities. Funding is based on the total budget for the NF P4P program (\$2.8 million) and the number of facilities that apply for and meet participation and threshold requirements. Facilities must also achieve certain performance levels on selected quality and staffing measures. MassHealth will determine the number of facilities that qualify and the amounts of incentive payments to be made to those qualifying facilities, based on the following requirements.

## **Program Participation Requirements**

Participation in the NF P4P program is a two-step process, open to all nursing facilities participating in MassHealth in FY16. All facilities, including those facilities that qualified for participation in FY14, must meet the FY16 P4P program participation requirements.

First: Nursing facilities must meet certain threshold eligibility requirements (see *Step 1: Threshold Eligibility Requirements* on the next page). Second: Upon meeting these threshold requirements, facilities must indicate to the Office of Long Term Services and Supports (OLTSS) their intent to participate in the program and attest that they are in compliance with program requirements by submitting an attestation of eligibility (see *Step 2: Attestation Requirement* on page 3). MassHealth must receive signed attestations by February 4, 2016.

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## **Program Participation Requirements (cont.)**

In May 2016, eligible facilities will receive Quality and Staffing Measure Reports, which will include the attainment threshold, high-performance threshold, and results for the selected quality and staffing measures. For more information, see the *Quality and Staffing Measure* section of this bulletin.

### **Step 1: Threshold Eligibility Requirements**

To be considered eligible for the FY16 P4P program, nursing facilities must meet the following four threshold-eligibility requirements for the program.

1. Facilities must not have an “immediate jeopardy” designation by the Massachusetts Department of Public Health, or be designated by the Centers for Medicare & Medicaid Services (CMS) as a special focus facility, between July 1, 2015, and June 30, 2016.
2. Facilities must be enrolled as a MassHealth nursing facility for at least one day between July 1, 2015, and June 30, 2016.
3. Facilities must have at least one paid MassHealth day during the measurement year of FY16 (July 1, 2015, through June 30, 2016).
4. Facilities must establish or demonstrate the existence of a “cooperative-effort” policy and committee whose purpose is to help improve quality of care within a facility for the NF P4P program, and meets the following requirements.
  - a. The committee must, *at a minimum*
    - i. meet at least on a quarterly basis; and
    - ii. discuss, during at least one such meeting before the eligibility attestation deadline of **February 4, 2016**, quality-improvement efforts that focus on the MassHealth NF P4P program, and **include at least one certified nursing assistant (CNA)** in this discussion in order to promote a balanced number of managers and nonlicensed direct-care staff attending the committee meetings when discussing the P4P program.

Note that nursing facilities are not required to create a new committee for this program. The facility may leverage the resources present in its current Quality Assessment and Assurance Committee (QAA) to focus on quality-improvement efforts related to the NF P4P program. Additional staff attending the QAA meetings for other items not related to the NF P4P program is not required to participate in the NF P4P portion of the meeting.

- b. The committee must maintain documentation of the cooperative-effort policy and committee, including the following.
  - i. A copy of the cooperative-effort policy that the facility instituted and with which it complies;
  - ii. the committee roster;
  - iii. meeting agendas;
  - iv. meeting minutes corresponding to the meeting agendas (i.e., matching meeting date and topics) and printed names, titles, and signature of attendees; and
  - v. any other documentation prepared for or by the committee related to the NF P4P program or other quality-improvement efforts.

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**Step 1: Threshold Eligibility Requirements (cont.)**

Sample documentation can be found in Attachment B. All documentation must be provided to OLTSS upon request.

- c. If audited or otherwise upon request, the facility must extend full cooperation to MassHealth to verify that it is fully compliant with the policy as defined in item 4(a) above, including by providing MassHealth with the documentation outlined in item 4.b. During an audit, MassHealth may also conduct onsite activities at the facility, including
  - i. interviewing staff involved in the committee to validate participation in the committee and involvement developing quality-improvement projects related to the NF P4P program in areas related to antipsychotic-medication use, incontinence, or staffing; and
  - ii. other relevant activities as determined by OLTSS.

**Step 2: Eligibility-Attestation Requirement**

To be considered for participation in the program, facilities must submit a signed eligibility attestation (Attachment A) to MassHealth certifying compliance with all of the threshold-eligibility requirements described above, *including compliance with the cooperative-effort policy requirement described in item 4*, by **February 4, 2016**. Facilities are required to e-mail a scanned copy of their signed attestation to [NFP4PProgram@state.ma.us](mailto:NFP4PProgram@state.ma.us). **Hard-copy attestations will not be accepted.**

**Please note:** All attestations must be submitted to MassHealth by 11:59 p.m. on February 4, 2016.

If you have questions, please send an e-mail to [NFP4PProgram@state.ma.us](mailto:NFP4PProgram@state.ma.us).

**Quality and Staffing Measures Program Component**

The NF P4P program will measure eligible facilities' performance on selected CMS Minimum Data Set (MDS) 3.0 quality and staffing measures that focus on improving the quality of care and services delivered to MassHealth members. Facilities **should not** select a specific quality or staffing measure when addressing the program; participation in the NF P4P program will be based on the three measures listed below. Facilities will be measured on all three quality and staffing measures.

OLTSS will generate Quality Measure Reports (Reports), which are based on Minimum Data Set (MDS) 3.0 data reports that nursing facilities submit to CMS.

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### **Quality and Staffing Measures Program Component (cont.)**

The MDS 3.0 data reports are federally required under 42 CFR 483.20. These quality measures are developed in accordance with 42 CFR 483.25(l), titled “Unnecessary drugs”; and 42 CFR 483.25(d), titled “Urinary Incontinence.” The selected long-stay quality measures below will be used in the FY16 P4P program. Specifications for the measures can be found in Attachment C.

- *Percent of long-stay residents who received an antipsychotic medication*
- *Percent of long-stay, low-risk residents who lose control of their bowels or bladder*

The MDS 3.0 staffing data is federally required under 42 CFR 483.30, with the staffing measure developed in accordance to 42 CFR 483.30 (e), “Nursing Services.” The selected staffing measure below will be used in the FY16 P4P program. Specifications for the measure can be found in Attachment C.

- *Total nursing staff (Aides+LPNs+RNs) average hours per resident per day.*

Facilities can access their Massachusetts average scores on these quality and staffing measures by visiting their nursing-facility profile on the Nursing Home Compare website (<https://www.medicare.gov/nursinghomecompare/search.html>).

The NF P4P program will provide incentive payments to facilities that meet benchmarks on the quality and staffing measures. The benchmarks consist of the high-performance threshold and the attainment threshold. The high-performance threshold is the 25<sup>th</sup> percentile of all Massachusetts nursing-facility performance scores for the quality measures, and the 75<sup>th</sup> percentile for the staffing measure. The attainment threshold is the 50<sup>th</sup> percentile, representing the minimum performance threshold for both the quality and staffing measures.

OLTSS will use the CMS MDS 3.0 data for Quarters 3 and 4 of 2015 to generate a Quality and Staffing Measure Report (“Report”) that will be issued in May 2016.

Nursing facilities have an opportunity to qualify for incentive payments based on their performance on this report. OLTSS will determine which facilities qualify for incentive payments based on whether their scores meet or exceed the performance thresholds. Please note that lower scores represent better performance on the quality measures selected for this program, while higher scores represent better performance on the staffing measure. Facilities must meet the program eligibility requirements, as outlined on pages 2 and 3, in order to be eligible for incentive payments.

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## **Attachments**

This bulletin includes the following attachments.

- Comparison of Program Requirements between the FY14 and FY16 NF P4P Programs (Attachment A)
- Copy of the Nursing Facility P4P Program FY16 Attestation Form (Attachment B)
- Sample of Required P4P Program Documentation Facilities Must Maintain (Attachment C)
- Measure Specifications (Attachment D)
- Explanation of Performance Payment Methodology for the Quality Measures (Attachment E)

## **NF P4P Incentive Payments**

The FY16 incentive payments will be distributed among those nursing facilities determined to be eligible for payment by the Executive Office of Health and Human Services (EOHHS), as described in this bulletin.

### ***Reminder: Submission Requirement***

*Interested facilities must submit a signed attestation of eligibility (Attachment A) to [NFP4PProgram@state.ma.us](mailto:NFP4PProgram@state.ma.us) not later than 11:59 p.m. on **February 4, 2016**.*

## **Questions**

If you have any questions about the information in this bulletin, please e-mail your inquiry to [NFP4PProgram@state.ma.us](mailto:NFP4PProgram@state.ma.us).

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Attachment A**

**Comparison of Program Requirements between the FY14 and FY16 NF P4P Programs**

	<b>FY14 NF P4P Program</b>	<b>FY16 NF P4P Program Changes</b>
<b>Quality Measures Program Component</b>	<p>The NF P4P Program measured facility performance on selected quality measures.</p> <p><b>Three</b> long-stay quality metrics were selected for FY14.</p> <ul style="list-style-type: none"> <li>• <i>percent of long-stay residents who received an antipsychotic medication</i></li> <li>• <i>percent of long-stay high-risk residents with pressure ulcers</i></li> <li>• <i>percent of long-stay residents with a Urinary Tract Infection</i></li> </ul>	<p>OLTSS selected <b>two</b> long-stay quality measures and <b>one</b> staffing measure that will be used in the FY16 Program. The indicators highlighted in <b>bold</b> are a new measure for FY16.</p> <ul style="list-style-type: none"> <li>• <i>percent of long-stay residents who received an antipsychotic medication</i></li> <li>• <b>percent of long-stay low-risk residents who lose control of their bowels or bladder</b></li> <li>• <b>total nursing staff (Aides+LPNs+RNs) average hours per resident per day.</b></li> </ul>
<b>Application Requirements</b>	<p>Cooperative-Effort Policy:</p> <ul style="list-style-type: none"> <li>• As a component of the application, facilities were required to describe a written policy for a cooperative-effort policy in the facility. For facilities that participated in and passed the FY13 NF P4P Program, the same or updated policy that meets the criteria set forth in <i>Nursing Facility Bulletin 137</i> could be used as part of the requirement.</li> </ul>	<p>Cooperative-Effort Policy:</p> <ul style="list-style-type: none"> <li>• For the FY16 NF P4P Program, the facility's written cooperative-effort policy must, at minimum, <b>be updated</b> from the FY14 program and must meet the requirements of having the appropriate staff of at least one CNA set forth in this bulletin.</li> <li>• The updated policy must be provided to OLTSS upon request.</li> </ul>
	<p>Quality Committee Staff Roster:</p> <ul style="list-style-type: none"> <li>• Facilities were required to provide the names of staff members attending the committee meeting. Information is submitted in Table 1 of the application.</li> </ul>	<p>Quality Assessment and Assurance Committee Staff Roster:</p> <ul style="list-style-type: none"> <li>• Facilities must maintain a completed staff roster containing the names of staff members attending the committee meetings, and provide to OLTSS upon request.</li> </ul>
	<p>Submission of Application:</p> <ul style="list-style-type: none"> <li>• Facilities were strongly encouraged to send their application by e-mail to <a href="mailto:NFP4PProgram@state.ma.us">NFP4PProgram@state.ma.us</a>.</li> </ul>	<p>Submission of Eligibility Attestation:</p> <ul style="list-style-type: none"> <li>• Facilities <b>are required</b> to send their signed eligibility attestation by e-mail to <a href="mailto:NFP4PProgram@state.ma.us">NFP4PProgram@state.ma.us</a>. Hard copy attestations will not be accepted.</li> </ul>
<b>Payment Methodology</b>	<p>Included payment for improvement from baseline report to comparison report; meeting or exceeding the attainment threshold; or meeting or exceeding the high-performance threshold.</p>	<p>Includes payment for meeting or exceeding the attainment threshold or meeting or exceeding the high-performance threshold.</p>

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**MassHealth Nursing Facility Pay for Performance Program FY16  
Eligibility Attestation Form**

**Attestation of Eligibility (Please read carefully and sign.)**

I certify under the pains and penalties of perjury that the information on this form and any attached statement that I have provided has been reviewed and signed by me, and is true, accurate, and complete, to the best of my knowledge. I also certify that I am the provider or, in the case of a legal entity, duly authorized to act on behalf of the provider. I understand that I may be subject to civil penalties or criminal prosecution for any falsification, omission, or concealment of any material fact contained herein.

I certify that this facility did not have an “immediate jeopardy” designation by the Massachusetts Department of Public Health, or be designated by the Centers for Medicare & Medicaid Services (CMS) as a special focus facility during the period between July 1, 2015 and June 30, 2016.

I certify that this facility is currently enrolled as a MassHealth nursing facility, or was enrolled for at least one day between July 1, 2015, and the date of this attestation, and has had, or reasonably expects to have, a least one paid MassHealth day during the period between July 1, 2015, and June 30, 2016.

I certify that this nursing facility is in compliance with the cooperative-effort policy for participation in the FY16 Nursing Facility Pay for Performance (NF P4P) Program, including the establishment of a committee that includes at least one certified nursing assistant (CNA). I understand that if this nursing facility qualifies for and is awarded incentive payments under the FY16 NF P4P Program, representatives of employees, including CNAs and management, shall jointly discuss how to expend such incentive payments.

I certify that the facility has and will maintain the required cooperative-effort policy documentation, including the following.

- a copy of the facility's cooperative-effort policy
- agenda and minutes from a meeting occurring on or before the date of this attestation that indicates discussion of a quality-improvement effort related to the clinical-quality or staffing measures selected for the FY16 NF P4P Program
- evidence of attendance at the meeting by at least one CNA
- a copy of the signed roster for the meeting, which includes the printed name and signature of the CNA who attended the meeting

I understand and agree that the Office of Long Term Services and Supports (OLTSS) may audit this facility to verify the facility's eligibility. This may include review of documentation about the committee; discussions with applicable facility staff; and other activities as determined necessary by OLTSS.

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Provider's signature

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Printed legal name of provider

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Printed legal name of individual signing (if the provider is a legal entity)

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Date

*Reminder: Interested providers must sign and submit a scanned copy of this form to [NFP4PProgram@state.ma.us](mailto:NFP4PProgram@state.ma.us) not later than 11:59 p.m. on **February 4, 2016**.*

You can send any questions about this application to [NFP4PProgram@state.ma.us](mailto:NFP4PProgram@state.ma.us).

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**MassHealth Nursing Facility Pay for Performance (P4P) Program FY16**

**Sample of Required P4P Program Documentation That Facilities Must Maintain**

If audited, the facility must extend full cooperation to MassHealth to ensure that the cooperative-effort policy requirement is fully compliant with Nursing Facility P4P program requirements. The facility must demonstrate compliance through a review of the documents listed below. A sample of each document is provided in the following pages for reference only.

- A copy of the facility's cooperative-effort policy (**for FY16, facilities must submit an updated policy from 2015**)
- The Quality Assessment and Assurance Committee (QAA) roster
- Meeting agendas that match submitted meeting minutes
- Meeting minutes with matching date, printed names, titles, and signature of attendees

**Sample Cooperative Effort Policy** [*The following sample policy is intended to serve only as a model. Facilities can select one or more clinical indicators of their choosing to focus quality-improvement efforts for FY16*].

ABC Nursing Facility has the following cooperative-effort policy that it instituted in February 2015.

***Cooperative-Effort Policy***

**Purpose:** To help improve the quality of care within ABC Nursing Facility for MassHealth's Nursing Facility Pay for Performance Program.

**Standards**

- A. The Quality Assessment and Assurance Committee will meet at least quarterly.
- B. For all committee discussions about the MassHealth NF P4P program, the committee will include at least one CNA to promote a balanced number of managers and nonlicensed direct-care staff attending the QAA meetings when discussing the P4P program.
- C. The goal of the committee is to focus on quality-improvement efforts for models of care addressing staffing and the use of antipsychotic medications.
- D. The committee will develop an agenda for its meetings and record minutes and attendance of staff for all meetings.

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***Cooperative-Effort Policy*** (cont.)

**Sample minutes from the last Quality Assessment and Assurance Committee (QAA) meeting**

The content of the minutes must be focused on at least one of the selected long-stay quality measures. The minutes must be from the most recent QAA and contain signatures of QAA members present at the meeting. Minutes must include the correct meeting date and names of the members attending the meeting. **The date on the minutes must correspond to the date on the staff roster** (refer to Attachment B, Table 1: Staff Roster). Information in the minutes that does not pertain to the MassHealth NF P4P program must be redacted from the minutes submitted to MassHealth. (**Note:** *Minutes must be from a meeting that took place between October 1, 2015, and February 3, 2016.*)

**Sample Response**

Quality Assurance and Assurance Committee—November 23, 2015

<b>Meeting Topic</b>	<b>Discussion</b>	<b>Action</b>	<b>Person(s) Responsible</b>
Behavioral Care Planning	Discussion held on establishing a training program aimed at improving behavioral assessments.	Team will meet to discuss training curriculum.	A. Anderson; M. Brown
Antipsychotic-Medication Tracking	Discussion held on how to track medication usage in facility.	Team will discuss tracking process at next meeting.	C. Martin

***Instructions***

In the following Staff Roster table, provide the names of staff members attending the QAA meeting. The committee must consist of at least one nonlicensed direct care staff member. Nonlicensed staff must be CNAs. **The staff roster date must correspond to the date of the submitted meeting minutes.**

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***Cooperative-Effort Policy*** (cont.)

***Instructions*** (cont.)

In the following Staff Roster table, provide the names of staff members attending the QAA meeting. The committee must consist of at least one nonlicensed direct care staff member. Nonlicensed staff must be CNAs. **The staff roster date must correspond to the date of the submitted meeting minutes.**

A completed staff roster is required to be presented to OLTSS if the facility is audited. If more space is needed to document the entire list of attendees, the staff roster may be submitted in the form of an appendix or attachment.

**Sample Response** [*The following sample staff roster is intended to serve as a model only. Facilities should provide a completed roster with those staff names and signatures present at the QAA meeting.*]

**Table 1—Quality Assurance and Assurance Committee Staff Roster**

**Quality Assurance and Assurance Committee Meeting—November 23, 2015**

<b>Position</b>	<b>Printed Staff Name</b>	<b>Credentials</b>	<b>Signed Staff Name (signatures are mandatory)</b>	<b>Meeting Date</b>
Physician	Dr. Mark Jones	M.D.	<i>Dr. Mark Jones</i>	11/23/15
Nurse Manager	Jane Martin	DNS	<i>Jane Martin</i>	11/23/15
Administrator	Mary Brown	Administrator	<i>Mary Brown</i>	11/23/15
Certified Nursing Asst.	Chris Jackson	CNA	<i>Chris Jackson</i>	11/23/15

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**Attestation of Eligibility (Please read carefully and sign.)**

I certify under the pains and penalties of perjury that the information on this form and any attached statement that I have provided has been reviewed and signed by me, and is true, accurate, and complete, to the best of my knowledge. I also certify that I am the provider or, in the case of a legal entity, duly authorized to act on behalf of the provider. I understand that I may be subject to civil penalties or criminal prosecution for any falsification, omission, or concealment of any material fact contained herein.

I certify that this facility did not have an “immediate jeopardy” designation by the Massachusetts Department of Public Health, or be designated by the Centers for Medicare & Medicaid Services (CMS) as a special focus facility during the period between July 1, 2015, and June 30, 2016.

I certify that this facility is currently enrolled as a MassHealth nursing facility, or was enrolled for at least one day between July 1, 2015, and the date of this attestation, and has had, or reasonably expects to have, a least one paid MassHealth day during the period between July 1, 2015, and June 30, 2016.

I certify that this nursing facility is in compliance with the cooperative-effort policy for participation in the FY16 Nursing Facility Pay for Performance (NF P4P) Program, including the establishment of a committee that includes at least one certified nursing assistant (CNA). I understand that if this nursing facility qualifies for and is awarded incentive payments under the FY16 NF P4P Program, representatives of employees, including CNAs and management, shall jointly discuss how to expend such incentive payments.

I certify that the facility has and will maintain the required cooperative-effort policy documentation, including the following.

- a copy of the facility's cooperative-effort policy
- minutes from a meeting occurring on or before the date of this attestation that indicates discussion of a quality-improvement effort related to the clinical quality or staffing measures selected for the FY16 NF P4P Program
- evidence of attendance at the meeting by at least one CNA
- a copy of the signed roster for the meeting, which includes the printed name and signature of the CNA who attended the meeting.

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I understand and agree that the Office of Long Term Services and Supports (OLTSS) may audit this facility to verify the facility's eligibility. This may include review of documentation about the committee; discussions with applicable facility staff; and other activities as determined necessary by OLTSS.

*Sarah Smith*

Printed legal name of provider

ABC Nursing Facility

Printed legal name of individual signing (if the provider is a legal entity)

Sarah Smith

Date

1/4/16

Please e-mail any questions about this application to [NFP4PProgram@state.ma.us](mailto:NFP4PProgram@state.ma.us).

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**MassHealth Nursing Facility Pay for Performance (P4P) Program—FY16 Quality-Measure Specifications<sup>1</sup>**

**Percent of Long-Stay Residents Who Received an Antipsychotic Medication**

<b>Measurement Period</b>	July through December 2015 (Q3 and Q4 CY15). Please note that this measurement period combines two separate quarters of data.
<b>Numerator</b>	Long-stay residents with a selected target assessment indicating that antipsychotic medications were received.
<b>Denominator</b>	<p>All long-stay residents with a selected target assessment, except those with any of the following related conditions present on the target assessment (unless otherwise indicated).</p> <ol style="list-style-type: none"> <li>1. Schizophrenia</li> <li>2. Tourette’s Syndrome</li> <li>3. Tourette’s Syndrome on the prior assessment if this item is not active on the target assessment and if a prior assessment is available</li> <li>4. Huntington’s Disease</li> </ol> <p>NOTE: Because the measurement period includes data from two separate quarters, a facility’s combined denominator for this measure could potentially be higher than the facility’s actual bed capacity. This is not an error: It is a result of adding denominators from two quarters.</p>

**Percent of Long-Stay Residents Who Lose Control of Their Bowels or Bladder**

<b>Measurement Period</b>	July through December 2015 (Q3 and Q4 CY15) Please note that this measurement period combines two separate quarters of data.
<b>Numerator</b>	Long-stay residents with a selected target assessment that indicates frequent or constant incontinence of the bladder
<b>Denominator</b>	<p>All long-stay residents with a selected target assessment, except those with exclusions</p> <p>NOTE: Because the measurement period includes data from two separate quarters, a facility’s combined denominator for this measure could potentially be higher than the facility’s actual bed capacity. This is not an error: It is a result of adding denominators from two quarters.</p>

<sup>1</sup> Measure specification descriptions are from the MDS 3.0 Quality Measures User’s Manual v8.0: 4/15/13. The specs exclude specific coding elements.

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**Percent of Long-Stay Residents Who Lose Control of Their Bowels or Bladder (cont.)**

<b>Exclusions</b>	<ol style="list-style-type: none"> <li>1. Target assessment is an admission assessment or a PPS 5-day or readmission/return assessment.</li> <li>2. Resident is not in numerator.</li> <li>3. Residents who have any of the following high-risk conditions:             <ol style="list-style-type: none"> <li>a. severe cognitive impairment on the target assessment;</li> <li>b. total dependence on bed mobility self-performance;</li> <li>c. total dependence on transfer self-performance; and</li> <li>d. total dependence on locomotion on unit self-performance.</li> </ol> </li> <li>4. Resident does not qualify as high risk (see #3 above) and both of the following two conditions are true for the target assessment:</li> <li>5. Resident does not qualify as high risk (see #3 above) and any of the following three conditions are true:             <ol style="list-style-type: none"> <li>a. total dependence on bed mobility self-performance;</li> <li>a. total dependence on transfer self-performance; and</li> <li>c. total dependence on locomotion on unit self-performance.</li> </ol> </li> <li>6. Resident is comatose, or comatose status is missing on the target assessment.</li> <li>7. Resident has an indwelling catheter, or indwelling catheter status is missing on the target assessment.</li> <li>8. Resident has an ostomy, or ostomy status is missing on the target assessment.</li> </ol>
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***Total nursing staff (Aides+LPNs+RNs) average hours per resident per day***

The source data for the staffing measures is CMS form CMS-671 (Long Term Care Facility Application for Medicare and Medicaid) from CASPER. The resident census is based on the count of total residents from CMS form CMS-672 (Resident Census and Conditions of Residents). The specific fields that are used in the RN, LPN, and nurse-aide-hours calculations are:

- RN hours: Includes registered nurses (tag number F41 on the CMS-671 form), RN director of nursing (F39), and nurses with administrative duties (F40).
- LPN hours: Includes licensed practical/licensed vocational nurses (F42)
- Nurse-aide hours: Includes certified nurse aides (F43), aides in training (F44), and medication aides/technicians (F45)

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***Total nursing staff (Aides+LPNs+RNs) average hours per resident per day*** (cont.)

Note that the CASPER staffing data include both facility employees (full time and part time) and individuals under an organization (agency) contract or an individual contract. The CASPER staffing data do not include private-duty nursing staff reimbursed by a resident or his/her family. Also not included are hospice staff and feeding assistants.

A set of exclusion criteria are used to identify facilities with unreliable CASPER staffing data, and neither staffing data nor a staffing rating are reported for these facilities. The exclusion criteria are intended to identify facilities with unreliable CASPER staffing data and facilities with outlier staffing levels.

The resident census, used in the denominator of the staffing calculations, uses data reported in block F78 of the CMS-672 form. This includes the total residents in the nursing facility and the number for whom a bed is being maintained on the day the nursing home survey begins (bed-holds). The CMS-671 form separately collects hours for full-time, part-time, and contract staff. These hours are converted to full-time equivalents (FTE), which are summed across full-time, part-time and contract staff and converted to hours per resident per day (HRD) as follows.

$$\text{HRD} = \text{total hours for each nursing discipline} / \text{resident census} / 14 \text{ days}$$

This calculation is done separately for RNs, LPNs and nurse aides as described above, and all three of these are summed to calculate total nursing hours.

The measures are adjusted for case-mix differences based on the Resource Utilization Group (RUG-III) case-mix system. Data from the CMS Staff Time Measurement Studies were used to measure the number of RN, LPN, and nurse aide minutes associated with each RUG-III group (using the 53 group version of RUG-III). Case-mix adjusted measures of hours per resident day were calculated for each facility for each staff type.

*(Technical Users Guide, February 2015, pages 7-9)*

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**MassHealth Nursing Facility Pay for Performance (P4P) Program—FY16  
Quality-Measure Specifications**

**Explanation of Performance Payment Methodology for Quality Measures**

The MassHealth Nursing Facility Pay for Performance (NF P4P) Program will use a method adapted from CMS's Value-Based Purchasing (VBP) initiative to determine performance payments for the quality measure component of the MassHealth NF P4P Program. This method allows nursing facilities to receive payments for

- meeting a high-performance threshold; or
- meeting a minimum-attainment threshold.

The quality-measure component of the NF P4P Program for Fiscal Year 2016 (FY16) focuses on two clinical quality measures—use of antipsychotic medications and loss of bowel and bladder control; and one staffing measure—total nursing staff average hours per resident day. For the two quality measures, a lower score indicates better performance, while for the staffing measure, a higher score indicates better performance. **Facilities can become eligible for a performance payment for each of the three measures as long as other criteria are met.**

The NF P4P program will reward nursing facilities for achieving certain benchmark performance levels on the quality measures. The Office of Long Term Services and Supports (OLTSS) will calculate these benchmarks from Minimum Data Set (MDS) 3.0 data reports that nursing facilities submit to CMS. Data reports from July through December 2015 (combining two separate reports from 3<sup>rd</sup> and 4<sup>th</sup> quarters) will be used both to determine the benchmarks and to calculate incentive payments. Facilities should receive their reports, and be notified of their payment amounts, in June 2016.

The performance benchmarks consist of the high-performance threshold and the attainment threshold. The high-performance threshold is the 25th percentile of all Massachusetts nursing facility performance scores for the two quality measures, and the 75<sup>th</sup> percentile of all Massachusetts nursing facility performance on the staffing measure, representing high performance and the standard for achievement for the quality and staffing measures. The attainment threshold is the 50th percentile, representing the minimum performance threshold for the quality measure. (Lower scores indicate better performance for the two quality measures, while higher scores indicate better performance for the staffing measure.) The high-performance threshold and the attainment threshold were adapted from the CMS VBP initiative.

To participate in the quality measure component, a nursing facility must have at least 10 residents (as defined in Attachment D) who meet the CMS requirements for at least one of the two quality measures. **All facilities are eligible for the staffing measure component, and there are no specific denominator criteria that facilities must meet in order to participate.**

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**Explanation of Performance Payment Methodology for Quality Measures (cont.)**

Nursing facilities have an opportunity to qualify for incentive payments based on performance in Quarters 3 and 4 of 2015. The Performance Report will demonstrate, using MDS 3.0 data from Quarters 3 and 4 of 2015, whether facilities have met or performed better than the high-performance or attainment thresholds (25th and 50th percentiles, respectively, for the two quality measures, or 75<sup>th</sup> and 50<sup>th</sup> percentiles for the staffing measure).

To summarize: Data and scores from July through December 2015 will be used to determine both performance benchmarks and payment amounts.

**Payment Scenarios**

Two opportunities exist for nursing facilities to receive Pay for Performance payments for the quality measure. Nursing facilities can receive payments if they

1. meet or perform better than the **high-performance threshold**; or
2. meet or perform better than the **attainment threshold**.

The amount of payment depends on which of the above conditions the nursing facility meets. If a facility qualifies for payment under multiple scenarios, it will receive the higher of the applicable payment amounts.

Please note that payments will be made **solely** on the results from the performance report that will be sent in June 2016, covering performance during the 3<sup>rd</sup> and 4<sup>th</sup> quarters of calendar year 2015. The high-performance and attainment thresholds, as well as the individual facility payments, will all be calculated from the June through December of 2015 data.

Please also note that facilities will be eligible for payment only for those quality measures for which they have at least **10** or more measure-eligible residents who had an MDS assessment during the measurement period. However, smaller facilities that do not meet the 10 eligible-resident requirements will still be eligible to receive payment for performance on the staffing measure. Facilities will be potentially able to receive the same amount of payment (based on number of MassHealth-paid resident days overall) for performance, regardless of whether they meet the 10 eligible-resident requirement for the quality measures. The objective of this policy is to avoid disadvantaging smaller facilities that may not reach the 10-resident requirement for the two measures. **All facilities are eligible for the staffing-measure component, and there are no specific denominator criteria that facilities must meet in order to participate.**

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**Quality-Measure Example 1: Facility Met/Performed Better Than High-Performance Threshold for Antipsychotic-Medication-Use Measure**

Facility Name: **XYZ Nursing Facility**

Measurement Period (Two Quarters) Score: **17.0%**

High-Performance Threshold: **17.3%** (25<sup>th</sup> percentile of nursing facility scores)

Attainment Threshold: **22.6%** (median of nursing facility scores)

For the examples that follow, assume that the CMS MDS 3.0 data for Massachusetts nursing facilities in the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2015 had a 25<sup>th</sup> percentile high-performance threshold of 17.3% and a 50<sup>th</sup> percentile attainment threshold of 22.6%. This means that the highest-performing 25% of Massachusetts nursing facilities had antipsychotic-medication-use scores of 17.3% or lower for their long-stay residents. The attainment threshold, or median (50<sup>th</sup> percentile), indicates that half of Massachusetts nursing facilities had antipsychotic-medication-use scores of at least 22.6% or lower for their long-stay residents.

In this hypothetical example, the facility's comparison score is lower (better) than the high-performance threshold of 17.3%, so the facility will be eligible to receive full payment for this measure. (Since the comparison score is lower than the high-performance threshold, it does not matter what the facility's baseline score was.)

**Payment Calculation for Example 1: Facility Met/Performed Better Than High-Performance Threshold**

In Quality Measure Example 1, XYZ Nursing Facility performed better than the high-performance threshold score, so it is eligible for the full incentive payment, per MassHealth-paid day. (*Please note that MassHealth-paid resident day data are from calendar year 2014.*)

*Payment Calculation Assumptions*

- XYZ Nursing Facility had 10,000 MassHealth-paid days in 2014.
- Payment level per MassHealth-paid day for meeting/performing better than high-performance threshold = \$1.00.
- Performance score is 1, meaning facility qualifies for 100% of the per-day payment.

Using these hypothetical assumptions, and the following formula, the result is as follows.

$$\begin{aligned} \text{Payment} &= (\# \text{ MassHealth paid days}) * (\text{High-Performance Threshold} \\ &\text{Payment} * \text{Performance Score}) \\ &= (10,000) * (\$1.00 * 1.0) \\ &= (10,000) * (\$1.00) \\ &= \mathbf{\$10,000} \text{ incentive payment to XYZ Nursing Facility} \end{aligned}$$

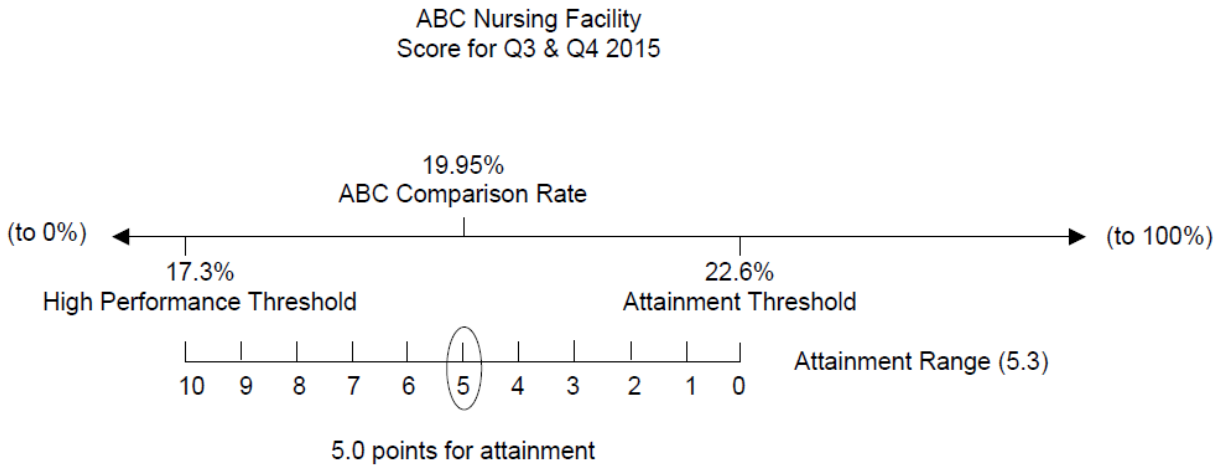
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**Quality-Measure Example 2: Facility Met Attainment Threshold for Antipsychotic-Medication-Use Measure**

Facility Name: **ABC Nursing Facility**  
 Measurement Period (Two Quarters) Score: **19.95%**  
 High-Performance Threshold: **17.3%** (25<sup>th</sup> Percentile of Nursing Facility Scores)  
 Attainment Threshold: **22.6%** (Median of Nursing Facility Scores)

In this example of the performance payment calculation, the facility does not meet the high-performance threshold, but would still qualify for payment based on exceeding the attainment threshold. The facility's score of 19.95% would earn it five *attainment points*, which are calculated by first defining the *attainment range*. This range is defined as the scale between the attainment threshold (50<sup>th</sup> percentile) and the high-performance threshold (25<sup>th</sup> percentile). In this example, the attainment range is 5.3 (22.6%–17.3%). The following chart (Graphic 1) uses a number line to help with visualizing this example.

Graphic 1: Antipsychotic Drug Measure (Lower is better)



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**Payment Calculation for Example 2: Facility Met Attainment Threshold**

Payment Calculation for Example 2

In Example 2, ABC Nursing Facility received five points for attainment, so it is eligible for 50% of the incentive payment, per MassHealth-paid day. (Please note that MassHealth-paid resident day data is from calendar year 2014.)

*Payment Calculation Assumptions*

- ABC Nursing Facility had 10,000 MassHealth-paid days in 2014.
- Payment level per MassHealth-paid day for meeting/performing better than the high-performance threshold (HPT Payment) = \$1.00.
- Performance score is 0.5, meaning that the facility qualifies for 50% of the per-day payment.

Using these hypothetical assumptions, and the following formula, the result is as follows.

$$\begin{aligned}\text{Payment} &= (\# \text{ MassHealth paid days}) * (\text{HPT Payment} * \text{Performance Score}) \\ &= (10,000) * (\$1.00 * 0.5) \\ &= (10,000) * (\$0.5) \\ &= \mathbf{\$5,000} \text{ incentive payment to ABC Nursing Facility}\end{aligned}$$

***Appendix D. 1: Data Collection Dates***

**Measurement Period Data**

The CMS MDS 3.0 data used to calculate the 25<sup>th</sup> percentile high-performance threshold for the quality measures, 75<sup>th</sup> percentile high-performance threshold for the staffing measure, and median-attainment thresholds, cover the 3<sup>rd</sup> and 4<sup>th</sup> quarters of 2015. Data from the two quarters is added together. The data represents MDS 3.0 resident assessments made from July through December 2015.

***APPENDIX D. 2: Formulas Used in Payment Calculation 2***

**Calculation of Points in Example 2**

$$\begin{aligned}\text{Attainment Points} &= ((\text{Attain-Score}) / \text{AttRange}) * 10 \\ &= ((22.6 - 19.95) / 5.3) * 10 \\ &= (2.65 / 5.3) * 10 \\ &= 0.5 * 10 \\ &= 5.0 \text{ Points}\end{aligned}$$

*Score* = Facility's measure score in comparison quarter

*Attain* = The attainment threshold, or median baseline score (22.6%)

*AttRange* = Attainment range (between median and high-performance score; 5.3 percentage points in this example)

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***APPENDIX D. 3: Glossary of Terms***

**Attainment Points**—A number between 0 and 10 that represents where a facility’s quality-measure score in the comparison period falls on the scale of the attainment range.

**Attainment Range**—The scale between the attainment threshold (median, or 50<sup>th</sup> percentile) and the high-performance threshold (25<sup>th</sup> percentile), both of which were established in the baseline data.

**Attainment Threshold**—The median, or 50<sup>th</sup> percentile, of all Massachusetts nursing facility baseline scores for a quality measure. (This includes only facilities that had a sufficient number of eligible residents to meet the measure threshold.) The attainment threshold is the minimum level of performance in the comparison data that will make a facility eligible to receive a performance payment for a quality measure.

**Measurement Period Data**—Quality measure scores calculated from CMS MDS 3.0 data, which was collected during the time periods shown in Appendix D. 1 (above).

**High-Performance Threshold**—The 25<sup>th</sup> percentile of all Massachusetts nursing facility baseline scores for a quality measure. (This includes only facilities that had a sufficient number of eligible residents to meet the measure threshold.)