State/Territory: IOWA

Additional reimbursement for non-state-owned facilities, based on the nursing facility pay for performance program, is available beginning July 1, 2009, as provided in this paragraph. The program provides a pay for performance payment based upon a nursing facility's achievement of multiple favorable outcomes as determined by established benchmarks. The pay for performance benchmarks include characteristics in four domains: 1. Quality of Life; 2. Quality of Care; 3. Access; 4. Efficiency. These characteristics are objective, measurable, and, when considered in combination with each other, deemed to have a correlation to a resident's quality of life and care. While any single measure does not ensure the delivery of quality care, a nursing facility's achievement of multiple measures suggests that quality is an essential element in the facility's delivery of resident care.

Additional reimbursement for the nursing facility-pay-for performance program is not available to Medicare-certified hospital-based nursing facilities, state-operated nursing facilities, or special population nursing facilities. Therefore, data from these facility types shall not be used when determining eligibility for or amount of additional reimbursement based on the nursing facility pay-for-performance program.

The additional reimbursement for nursing facility pay-for-performance shall be withheld from the weekly payment remittances and be paid out to qualifying nursing facilities at the end of the state fiscal year. The additional reimbursement for nursing facility pay-for-performance shall be calculated at the end of the state fiscal year but shall have a retroactive effective date of the first day of the state fiscal year. For example, for state fiscal year 2010, the additional reimbursement for nursing facility pay-for-performance shall be calculated at the end of June 30, 2010, based on points awarded on July 1, 2009, with a retroactive effective date of July 1, 2009.

For the purposes of the nursing facility pay-for-performance program, direct care worker is defined to include registered nurse (RN), licensed practical nurse (LPN), certified nurse aide (CNA), rehab nursing and other contracted nursing services. This does not include the director of nursing (DON) or Minimum Data Set (MDS) coordinator.

A. To qualify for additional Medicaid reimbursement for the nursing facility-pay-for performance program, a facility must achieve a minimum score of 51 points. The maximum available points are 100. The Iowa Medicaid enterprise shall award points based on the measures achieved in each of the four domains, as described in subparagraphs (1) through (4).

State/Territory: IOWA

(1) Domain – Quality of Life

a. Sub-Category: Person Directed Care

i. Enhanced Dining – A

1. Standard – A nursing facility shall make available menu options and alternative selections for all meals.
2. Measurement Period – The state fiscal year payment period, except for the 2009-2010 payment period, when the measurement period shall by October 1, 2009, through June 30, 2010.
3. Value – 1 point
4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

ii. Enhanced Dining – B

1. Standard – A nursing facility shall provide residents with access to food and beverages 24/7 and empower staff to honor resident choices.
2. Measurement Period – The state fiscal year payment period, except for the 2009-2010 payment period, when the measurement period shall by October 1, 2009, through June 30, 2010.
3. Value – 1 point
4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

iii. Enhanced Dining – C

1. Standard – A nursing facility shall offer at least one meal per day for an extended period so residents have the choice of what time to eat.
2. Measurement Period – The state fiscal year payment period, except for the 2009-2010 payment period, when the measurement period shall by October 1, 2009, through June 30, 2010.
3. Value – 2 points
4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

State/Territory: IOWA

iv. Resident Activities – A

1. Standard – A nursing facility shall employ a certified activity coordinator for at least 38 minutes per week per licensed bed.
2. Measurement Period – The state fiscal year payment period, except for the 2009-2010 payment period, when the measurement period shall by October 1, 2009, through June 30, 2010.
3. Value – 1 point
4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

v. Resident Activities – B

1. Standard – A nursing facility shall have either activity staff that exceed the required minimum set by law or have direct care staff that are trained to plan and conduct activities and carry out both planned and spontaneous activities on a daily basis.
2. Measurement Period – The state fiscal year payment period, except for the 2009-2010 payment period, when the measurement period shall by October 1, 2009, through June 30, 2010.
3. Value – 1 point
4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

vi. Resident Activities – C

1. Standard – A nursing facility shall have residents report that activities meet social, emotional and spiritual needs.
2. Measurement Period – Through March 31 of each state fiscal year payment period, except for the 2009-2010 payment period, when the measurement period shall by October 1, 2009, through March 31, 2010.
3. Value – 2 points
4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

State/Territory: IOWA

vii. Resident Choice – A

1. Standard – A nursing facility shall allow residents to set their own schedules including what time to get up and what time to go to bed.
2. Measurement Period – The state fiscal year payment period, except for the 2009-2010 payment period, when the measurement period shall by October 1, 2009, through June 30, 2010.
3. Value – 1 point
4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

viii. Resident Choice – B

1. Standard – A nursing facility shall allow residents to have a choice of whether to take a bath or shower, which days this will happen, and at what time it will be done.
2. Measurement Period – The state fiscal year payment period, except for the 2009-2010 payment period, when the measurement period shall by October 1, 2009, through June 30, 2010.
3. Value – 1 point
4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

ix. Consistent Staffing

1. Standard – A nursing facility shall have the same staff work with the same residents at least 70% of the time.
2. Measurement Period – The state fiscal year payment period, except for the 2009-2010 payment period, when the measurement period shall by October 1, 2009, through June 30, 2010.
3. Value – 3 points
4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

State/Territory: IOWA

x. National Accreditation

1. Standard – A nursing facility shall have CARF or another nationally recognized accreditation, for the provision of person directed care. (Facility does not receive points for any other measures listed in the person directed care sub-category, if receive a point for this measure.)

2. Measurement Period – The state fiscal year payment period, except for the 2009-2010 payment period, when the measurement period shall by October 1, 2009, through June 30, 2010.

3. Value – 13 points

4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

b. Sub-Category: Resident Satisfaction

i. Resident/Family Satisfaction survey

1. Standard – A nursing facility shall administer on an annual basis a resident/family satisfaction survey. The results must be tabulated by an entity external to the facility. To qualify for the measure the facility must have a response rate of at least 35%. A summary report of the aggregate survey results and point scale must be made publicly available and posted prominently until the next survey is completed, along with the facility's state survey results. The survey tool must be developed, recognized, and standardized by an entity external to the facility. The survey process must be anonymous.

2. Measurement Period – For the purposes of determining the July 1, 2009-June 30, 2010 rate, a resident/family satisfaction survey may be completed any time during the period from September 1, 2008 through March 31, 2010. For purposes of determining rates for state fiscal year payment periods beginning on or after July 1, 2010, a resident/family satisfaction survey must be completed during the payment period, between October 1 and March 31.

3. Value – 5 points

State/Territory: IOWA

4. Source – The nursing facility shall have an independent party collect and compile the results of the survey and communicate the results to the department on form 470-3891, *Nursing Facility Opinion Survey Transmittal*. For the purposes of determining the July 1, 2009-June 30, 2010 rate, the transmittal report form 470-3891, must be submitted to the department by May 1, 2010. For purposes of determining rates for state fiscal year payment periods beginning on or after July 1, 2010, the transmittal report form 470-3891 must be submitted to the IME by May 1 of each payment period.

ii. Long Term Care Ombudsman

1. Standard – A nursing facility shall have resolved 70% or more of complaints received and investigated by the local or state ombudsman.
2. Measurement Period – The 12 month period ending December 31 of the state fiscal year payment period.
3. Value – 5 points
4. Source – The department shall request that the office of the long-term care ombudsman furnish by May 1 of each year a listing of nursing facilities that have met the standard.

iii. Resident Advocate Committees

1. Standard – To qualify for this measure, a nursing facility shall have an active resident advocate committee and shall submit meeting minutes to the LTC Ombudsman at least quarterly. The minutes shall contain comments from residents (either positive or negative). If comments are negative, minutes must address how the facility worked to resolve the situation.
2. Measurement Period – For 12 month period ending December 31 of the payment period (state fiscal year)
3. Value – 2 points
4. Source – The department shall request that the office of the long-term care ombudsman furnish by May 1 of each year a listing of nursing facilities that have met the standard.

State/Territory: IOWA

(2) Domain – Quality of Care

a. Sub-Category: Survey

i. Deficiency Free Survey

1. Standard – Facilities shall be deficiency-free on the latest annual state and federal licensing and certification survey and any subsequent surveys, complaint investigations, or revisit investigations. If a nursing facility's only scope and severity deficiencies are an "A" level pursuant to 42 CFR, Part 483, Subparts B and C, as amended to July 30, 1999, the facility shall, for purposes of this measure, be deemed to have a deficiency-free survey. Surveys are considered complete when all appeal rights have been exhausted.

2. Measurement Period – The measurement period shall be from January 1 of the previous state fiscal year payment period through December 31 of the current state fiscal year payment period, and include any subsequent surveys, complaint investigations, or revisit investigations.

3. Value – 10 points

4. Source – The department shall request that the Department of Inspections and Appeals furnish by May 1 of each year a listing of nursing facilities that have met the standard.

ii. Regulatory Compliance with Survey

1. Standard – Facilities shall be considered to be in regulatory compliance if no on-site revisit is required for recertification surveys or for any substantiated complaint investigations during the measurement period.

2. Measurement Period – The measurement period shall be from January 1 of the previous state fiscal year payment period through December 31 of the current state fiscal year payment period, and include any recertification survey or complaint investigations.

3. Value – 5 points

4. Source – The department shall request that the Department of Inspections and Appeals furnish by May 1 of each year a listing of nursing facilities that have met the standard.

State/Territory: IOWA

b. Sub-Category: Staffing

i. Nursing Hours Provided

1. Standard – A nursing facility's per-resident-day nursing hours are at or above ½ standard deviation above the mean of per-resident-day nursing hours for all facilities. Nursing hours include those of registered nurses, licensed practical nurses, certified nursing assistants, rehabilitation nurses and other contracted nursing services. Nursing hours shall be normalized to remove variations in staff hours associated with different levels of resident case mix. The case-mix index used to normalize nursing hours shall be the facility cost report period case-mix index.

2. Measurement Period – The measurement period shall be the period of the latest form 470-0030, *Financial and Statistical Report*, with a fiscal year end on or before December 31 of the state fiscal year payment period.

3. Value – 5 points if case-mix adjusted nursing hours are above mean plus ½ standard deviation or 10 points if greater than mean plus 1 standard deviation.

4. Source – The IME Provider Cost Audit and Rate Setting Unit staff shall calculate whether the nursing facility has met this measure from form 470-0030, *Financial and Statistical Report*.

ii. Employee Turnover

1. Standard – A nursing facility shall have overall employee turnover of 50% or less and CNA turnover of 55% or less.

2. Measurement Period – The measurement period shall be the period of the latest form 470-0030, *Financial and Statistical Report*, with a fiscal year end on or before December 31 of the state fiscal year payment period.

3. Value – 5 points if overall employee turnover is between 40% and 50% and CNA turnover is between 45% and 55%; 10 points if overall employee turnover is less than or equal to 40% and CNA turnover is less than or equal to 45%.

4. Source – The IME Provider Cost Audit and Rate Setting Unit staff shall calculate whether the nursing facility has met this measure from form 470-0030, *Financial and Statistical Report*.

State/Territory: IOWA

iii. Staff Education, Training and Development

1. Standard – A nursing facility shall provide staff education, training, and development at 25 % above the basic requirements for each position that requires continuing education. The number of hours for these programs must apply to at least 75% of all staff of the facility, based upon Administrator or Officer certification.
2. Measurement Period – For the 12-month period ending December 31 of the payment period (state fiscal year).
3. Value – 5 points
4. Source – Completed self-certification form 470-4828, *Nursing Facility Medicaid Pay-for-Performance Self-Certification Report*, submitted by the facility to IME by May 1 of each year.

iv. Staff Satisfaction Survey

1. Standard –A nursing facility shall administer on an annual basis a staff satisfaction survey. The results must be tabulated by an entity external to the facility. To qualify for this measure the facility must have a response rate of at least 35%. A summary report of the aggregate survey results and point scale must be made publicly available and posted prominently until the next survey is completed, along with the facility's state survey results. The survey tool must be developed, recognized and standardized by an entity external to the facility. The survey tool must identify worker job classification, and the survey process must be anonymous.
2. Measurement Period – For the purposes of determining the July 1, 2009-June 30, 2010 rate, a staff satisfaction survey must be completed during the period between September 1, 2008, and March 31, 2010. For purposes of determining rates for state fiscal year payment periods beginning on or after July 1, 2010, a staff satisfaction survey must be completed during the payment period, between October 1 and March 31.
3. Value – 5 points

State/Territory: IOWA

4. Source – The nursing facility shall have an independent party collect and compile the results of the survey and communicate the results to the department on form 470-3891, *Nursing Facility Opinion Survey Transmittal*. For the purposes of determining the July 1, 2009-June 30, 2010 rate, the transmittal report form 470-3891 must be submitted to the department by May 1, 2010. For purposes of determining rates for state fiscal year payment periods beginning on or after July 1, 2010, the transmittal report form 470-3891 must be submitted to the IME by May 1 of the payment period.

c. Sub-Category: Nationally Reported Quality Measures

i. High Risk Pressure Ulcer

1. Standard – A nursing facility shall have occurrences of high-risk pressure ulcer at rates ½ standard deviation or more below the mean percentage of occurrences for all facilities, based on MDS data as applied to the nationally reported quality measures.
2. Measurement Period – The 12-month period ending September 30 of the state fiscal year payment period.
3. Value – 5 points if 1 standard deviation or more below the mean percentage of occurrences; 3 points if ½-1 standard deviation below the mean percentage of occurrences.
4. Source – The IME Medical Services Unit shall furnish a listing of nursing facilities that have met the standard by May 1 of each payment period, based on MDS data as reported by CMS for the nationally reported quality measures.

ii. Physical Restraints

1. Standard – A nursing facility shall have a physical restraint rate of 0% based on MDS data as applied to the nationally reported quality measures.
2. Measurement Period – For 12-month period ending September 30 of the payment period (state fiscal year).
3. Value – 5 points
4. Source – The IME Medical Services Unit shall furnish a listing of nursing facilities that have met the standard by May 1 of each payment period, based on MDS data as reported by CMS for the nationally reported quality measures.

State/Territory: IOWA

iii. Chronic Care Pain

1. Standard – A nursing facility shall have occurrences of chronic care pain at rates ½ standard deviation or more below the mean rate of occurrences for all facilities based on MDS data as applied to the nationally reported quality measures.
2. Measurement Period – For 12-month period ending September 30 of the payment period (state fiscal year).
3. Value – 5 points if 1 standard deviation or more below the mean rate of occurrences; 3 points if ½-1 standard deviation below the mean rate of occurrences.
4. Source – The IME Medical Services Unit shall furnish a listing of nursing facilities that have met the standard by May 1 of each payment period, based on MDS data as reported by CMS for the nationally reported quality measures.

iv. High Achievement of Nationally Reported Quality Measures

1. Standard – To qualify for this measure a nursing facility must receive at least 9 points from a combination of the measures listed in the sub-category of Nationally Reported Quality Measures.
2. Measurement Period – The 12-month period ending September 30 of the state fiscal year payment period.
3. Value – 4 points if the facility receives 13-15 points in the sub-category of nationally reported Quality Measures, or 2 points if it receives 9-12 points in the sub-category of nationally reported Quality Measures.
4. Source – The IME Medical Services Unit shall furnish a listing of nursing facilities that have met the standard by May 1 of each payment period, based on MDS data as reported by CMS for the nationally reported quality measures.

(3) Domain – Access

a. Special Licensure Classification

i. Standard – Nursing facility unit shall be licensed for the care of residents with chronic confusion or a dementing illness (CCDI unit)

ii. Measurement Period – Facility's status on December 31 of the state fiscal year payment period.

iii. Value – 4 points

State/Territory: IOWA

iv. Source – The department shall request that the Department of Inspections and Appeals furnish by May 1 of each year a listing of nursing facilities that have met the standard.

b. High Medicaid Utilization

i. Standard – Nursing facility shall have Medicaid utilization at or above the state-wide median plus 10%. Medicaid utilization is determined by dividing total nursing facility Medicaid days by total nursing facility patient days.

ii. Measurement Period – The measurement period shall be the period of the latest form 470-0030, *Financial and Statistical Report*, with a fiscal year end on or before December 31 of the state fiscal year payment period.

iii. Value – 3 points if Medicaid utilization is more than the median plus 10% or 4 points if Medicaid utilization is more than the median plus 20%.

iv. Source – The IME Provider Cost Audit and Rate Setting Unit staff shall calculate whether the nursing facility has met this measure from form 470-0030, *Financial and Statistical Report*.

(4) Domain – Efficiency

a. High Occupancy Rate

i. Standard – A nursing facility shall have an occupancy rate at or above 95%. "Occupancy rate" is defined as the percentage derived when dividing total patient days based on census logs by total bed days available based on the number of authorized licensed beds within the facility.

ii. Measurement Period – The measurement period shall be the period of the latest form 470-0030, *Financial and Statistical Report*, with a fiscal year end on or before December 31 of the state fiscal year payment period.

iii. Value – 4 points

iv. Source – The IME Provider Cost Audit and Rate Setting Unit staff shall calculate whether the nursing facility has met this measure from form 470-0030, *Financial and Statistical Report*.

b. Low Administrative Costs

i. Standard – A nursing facility's percentage of administrative costs to total allowable costs shall be ½ standard deviation or more below the mean percentage of administrative costs for all Iowa facilities.

State/Territory: IOWA

ii. Measurement Period – The measurement period shall be the period of the latest form 470-0030, *Financial and Statistical Report*, with a fiscal year end on or before December 31 of the state fiscal year payment period.

iii. Value – 3 points if administrative costs percentage is less than the mean less ½ standard deviation; 4 points if administrative costs percentage is less than the mean less 1 standard deviation.

iv. Source – The IME Provider Cost Audit and Rate Setting Unit staff shall calculate whether the nursing facility has met this measure from form 470-0030, *Financial and Statistical Report*.

B. The number of points awarded shall be determined annually. A determination is made on whether a facility qualifies for an add-on payment at the end of the payment period (state fiscal year). Based upon the number of points awarded, a retroactive add-on payment is made effective beginning the first day of the payment period (state fiscal year) as follows, subject to paragraph C:

0 – 50 points	No additional reimbursement
51 – 60 points	1 percent of the direct care plus non-direct care cost component patient-day-weighted medians, subject to reduction as provided in subparagraph (D)
61 – 70 points	2 percent of the direct care plus non-direct care cost component patient-day-weighted medians subject to reduction as provided in subparagraph (D)
71 – 80 points	3 percent of the direct care plus non-direct care cost component patient-day-weighted medians, subject to reduction as provided in subparagraph (D)
81 – 90 points	4 percent of the direct care plus non-direct care cost component patient-day-weighted medians, subject to reduction as provided in subparagraph (D)
91 – 100 points	5 percent of the direct care plus non-direct care cost component patient-day-weighted medians, subject to reduction as provided in subparagraph (D)

C. A nursing facility shall not be eligible for any additional reimbursement under this rule if during the payment period (state fiscal year) the nursing facility receives a deficiency resulting in actual harm or immediate jeopardy, pursuant to the federal certification guidelines at an H level scope and severity or higher, regardless of the amount of fines assessed.

State/Territory: IOWA

D. The additional reimbursement for the nursing facility pay for performance program calculated according to subparagraph (B) shall be subject to reduction based on survey compliance as follows:

(1) The payment add-on shall be suspended for any month in which the nursing facility has received denial of payment for new admission status that was enforced by CMS.

(2) A facility's payment add-on shall be reduced by 25 percent for each citation received during the year for a deficiency resulting in actual harm at a scope and severity level of G pursuant to the federal certification guidelines.

(3) If the facility fails to cure a cited level G deficiency within the time allowed by the department of inspections and appeals, the payment add-on shall be forfeited and the facility shall not receive any nursing facility pay for performance program payment for the payment period (state fiscal year).

E. The additional reimbursement for the nursing facility pay for performance program shall be paid to qualifying facilities at the end of the state fiscal year. At the end of each state fiscal year, the Iowa Medicaid enterprise shall:

(1) Retroactively adjust each qualifying facility's quarterly rates from the first day of the state fiscal year to include the amount of additional reimbursement for the nursing facility pay for performance program as calculated above and

(2) Reprice all facility claims with dates of service during the period in which an additional reimbursement for the nursing facility pay for performance program is effective to reflect the adjusted reimbursement rate.

F. As a condition of eligibility for such payments, any additional payments received by a nursing facility for the pay for performance program must be used to:

(1) Support direct care staff through increased wages, enhanced benefits, and expanded training opportunities; and

(2) Be used in a manner that improves and enhances quality of care for residents.

OS Notification

State/Title/Plan Number: Iowa 09-010

Type of Action: SPA Approval

Required Date for State Notification: December 28, 2009

Fiscal Impact:

FY 2009	$ (477,293)
FY 2010	$ (1,919,430)

Number of Services Provided by Enhanced Coverage, Benefits or Retained Enrollment: 0

Number of Potential Newly Eligible People: 0

Eligibility Simplification: No

Provider Payment Increase: No

Delivery System Innovation: No

Number of People Losing Medicaid Eligibility: No

Reduces Benefits: No

Detail: Effective July 1, 2009, this amendment (SPA) revises components of the State's Nursing Facility Accountability Measures rate enhancement program and renames it the NF Pay for Performance program.

Other Considerations:

This plan amendment has not generated significant outside interest and we do not recommend the Secretary contact the governor.

This OSN has been reviewed in the context of the ARRA and approval of the OSN is not in violation of ARRA provisions.

CMS Contact: Tim Weidler (816) 426-6429, NIRT