

A PDPM Cheat Sheet for Physicians

PDPM specifically impacts long-term care (LTC) – but acute providers will play a vital role in its success. Here's what hospitals, physicians, and medical directors must know to play in the new payment game.



PDPM At-A-Glance

The Patient-Driven Payment Model (PDPM), effective October 1, 2019, is a reimbursement method that sets Medicare Part A payment rates for SNFs according to a residents' unique sets of clinical needs. By replacing the fee-for-service (RUG-IV) model, CMS aims to reward SNFs that provide resident-centric care and discourage excessive therapy utilization.

Quick tip: Primary care providers must promptly complete Medicare certifications and re-certifications for Medicare Part A.

Data Exchange

Under PDPM, the Initial 5-Day Medicare Assessment sets reimbursement rates for a resident's entire SNF stay, so SNFs will want the following info upfront from discharging hospitals:



■ The primary diagnosis:

Rehab-based diagnoses won't cut it anymore. SNFs must start with a clinically relevant diagnosis to then determine accurate ICD-10-CM codes (required on the Minimum Data Set (MDS) under PDPM).

■ Comorbidities:

The presence of comorbidities bears a significant impact on PDPM reimbursement rates. Traditional discharge summaries may not have captured every comorbidity – but SNFs now need these, along with their respective ICD-10 codes.

■ Patient surgical history:

SNFs require this info to complete the MDS and to determine residents' PT and OT case-mix classification groups.

■ Medication or special equipment needs:

The cost of certain meds or the need for an IV can easily surpass an LTC resident's entire Medicare payment. Discharging hospitals should work with SNFs to transfer patients' complete pharmacy records and medication history.

■ Unique patient characteristics:

Seemingly minor details about a patient can end up influencing their required level of daily assistance, manifested as a comorbidity, or predicate a change in condition. SNFs need to account for these factors in advance.

■ Upon SNF admission:

CMS law requires residents to receive a physician assessment shortly after admission. Also, SNFs will now depend on physicians to help them determine ICD-10-CM codes for a resident's primary diagnosis. They'll require supporting documentation and a physician to verify diagnoses as well.

Quick tip: SNFs can have physicians pick from a cheat sheet of commonly used ICD-10 codes during the initial visit. This should be shared with the Acute Care Discharge Planners to validate the need for services.

■ Throughout the LOS:

In addition to the Initial 5-Day and discharge assessments, PDPM's Interim Payment Assessment (IPA) gives SNFs a single opportunity to correct for changes in a resident's condition. SNFs may require ongoing input from physicians to identify these clinical changes.

Collaborative Care

