



## **Nursing Facility Provider Fee Advisory Board Meeting Minutes**

225 East 16th Avenue, Conference Room 6 A/B

November 11, 2014

### **1. Call to Order**

Matt Haynes called the meeting to order at 10:05 a.m.

### **2. Roll Call**

There were sufficient members for a quorum.

#### **A. Members Present**

Arlene Miles, Lonnie Hilzer, Greg Traxler, Janet Snipes

#### **B. Members on the Phone**

Lori Nelson, Paul Landry, Cindy Bunting, John Brammeier

#### **C. Members Excused**

Dan Stenerson, Chris Stenger

#### **D. Staff Present**

Matt haynes, Jeff Witreich, Randie Wilson via phone

### **3. Approval of Minutes**

The minutes from the October 17, 2014 meeting were approved as written.

### **4. Independent Living**

- Looking through California and Arizona's independent living regulations there are 3 areas that stand out
  - The number of independent living and assisted living units in comparison to skilled nursing facility units (60/40 in California, 50/50 in Arizona)
  - Provision for an agreement between the resident and the facility that talks about the level of care changes and how the transfer occurs from one facility to another



- Minimum List of Activities of daily living
- Next step is to evaluate the impact to the current licensure model
- Both California and Arizona purposefully combined Assisted Living and Independent Living beds when calculating their licensing beds ratios
- **Arlene Miles** – A true CCRC campus would not look like a nursing facility with one hall turned into assisted living and three beds turned into independent living. Exploring a bed ratio would be a good idea. California makes you submit an application so the burden is on the provider to prove that they have a CCRC that meets the criteria. If we are going to change anything it should be the policy where you grant an exemption then make it an application process
- **Lonnie Hilzer** – In our facility every bed is licensed as an AL even though we have IL in them because an IL person can be in an AL bed but an AL person can't be in an IL bed. That gives us flexibility
- Assisted Living defined as licensed by the department or staffed with 24/7 nursing care
- There is currently no licensure that dictates persons in independent Living must accept personal care or Assisted Living services
- Let's look at where we started and what was the minimum ratio that exist in that population
- Will ask the facility where they are at right now between the three levels of care and how has that changed since 2009
- As an individual going into a CCRC are you having an expectation that you will be there for life
- **Arlene Miles** – There is the CCRC like, they have no risk adjustment, you simply admit or move into independent living
  - There is an expectation for the people who move into those units, if you need more help you can move into assisted living and there is skilled nursing facility on campus
- Are the levels of care available on one continuous campus should you need those levels
- Have to have all three in Colorado, is there any risk or need to have a minimal understanding of independent living
- How would we know that independent living is different from assisted living, to be able to know that there is independent living there
- **Arlene Miles** – Assisted living is licensed and there is a staffing requirement
- If there are not facilities for assisted living then they are independent living by default. If there is a unit that does not provide services that would otherwise require it to be licensed as an assisted living facility then by default it is independent living. There are still restrictions, you must demonstrate that you are capable of living independently
- Will do some analysis on what the numbers look like between the facilities



## 5. FRV Process

- Are still scheduling and have about 15 facilities left, should be schedule for the first week in December
- There were some issues with the schedule but those have been resolved
- Will be a draft until it is finalized, should not affect being able to file an IR or appeal
- The IR timeline starts when you receive the final letter

## 6. RUG III and RUG IV

- The Department is still on RUG III Groupers
- Colorado is a case mix state, the case mix index for each of residents in the nursing facility is used in a portion of the rate calculation
- When Colorado adopted case mix CMS was utilizing MDS 2.0, every facility in the state was using the same MDS assessment tool for their residents
  - the RUG grouping that was applicable was the RUG III 34 Grouper
  - Classifies every one of the residents into these 34 groups
  - Each group assigned a CMI to that resident
- In 2010 CMS released the new MDS 3.0
  - They created a new assessment tool which was more extensive
  - Released new RUGS groupings for MDS 3.0
  - Uses RUG IV grouping
- The first option from the RUG IV Grouping is the 48 Grouper
- Also changed the CMI rating under each of the categories
- Second option under RUG IV is the 66 Grouper
  - Only difference between 48 Grouper and 66 Grouper is the number of rehab categories
- Where a resident will fall under the 66 grouper is significantly different from where they will fall under the 34 grouper
- CMS knew that State Medicaid systems that were case mixed could not transition to the 66 or 48 grouper at that time
  - The reimbursement rates used CMI data that is several years old
- This is the first year that we can now transition every piece of the rate to MDS 3.0
- Because Colorado's system was using the MDS 2.0 and the 34 grouper data CMS created a crosswalk that converted the MDS 3.0 assessment to the RUG III 34 Grouper
  - It is imperfect and some things are not addressed



- Do we still want to utilize this crosswalk or jump into 2015 and start utilizing the new system
- Under the 48 grouper there would be a total increase of reimbursement to all of the nursing facilities in Colorado of about \$4 million
- Under the 66 grouper there would only be about a \$1 million increase
- At 7-1-13 not every piece of the rate could be converted to MDS 3.0
- CMI has an impact for Colorado in the Medicaid acuity ratio
- Medicaid ratio is calculated by taking Medicaid acuity CMI of 1.1547 and dividing it by the facility wide CMI
- Took same data and run using the 48 and 66 grouper
  - Under 48 grouper rate increased
  - Under 66 grouper rate decreased
  - Only difference in the two is the rehab categories
- Under this system that allowable Medicaid cost is going to be lower
- Our system has regulations in place that are mutually exclusive to this
- The reason there is a difference is because of how the rehab rates are being grouped
- In the 66 grouper you can more appropriately identify things where they should be and have more weights for things that are overweighed
- You can better distribute the population between 23 categories then you can under 5 categories
- The Department also has to look at what is the best system to most appropriately allocate the cost

## 7. CPS

- When CMS created that crosswalk to transition that MDS 3.0 assessment back to the RUG III 34 Grouper the CPS supplemental payment was directed impacted by that
- There are two significant Medicaid regulations that are impacted by this CPS
  - These were written when the MDS 2.0 was in place
- The MDS 3.0 assessment form now has two areas to address cognitive impairment, BIMS score and CPS
  - The BIMS score is evaluated for the majority of the nursing facility residents. It is what occurs if a resident can be interviewed
  - Every resident no longer has a CPS score, now the majority have BIMS scores
- If a resident cannot be interviewed then they will be evaluated under CPS
  - The MDS 3.0 form does not assign a CPS score
- Our regulations say that if a resident receives a CPS score of 4,5, or 6 they will be included in the analysis of whether or not a supplemental payment is received



- No one gets a CPS score of 4,5, or 6 anymore
- The crosswalk first evaluates the BIMS score, if the score is less than 9 the resident is deemed cognitively impaired. If resident receives a score of 9 or lower they are included in that listing for the supplemental payment
- If the resident doesn't get a BIMS score the crosswalk looks at the CPS evaluation
  - Since there is no longer a CPS score it crosswalks back to assign a CPS score
- If you are getting a BIMS score of 9 or lower you were most likely getting a CPS score of 4,5, or 6 under MDS 2.0
- Do we need to refine our rules and statute, is that a necessary action we need to take

## 8. Public Comment

There was no public comment

## 9. Action Items

There were no action items

## 10. The meeting was adjourned at 12:15 p.m.

The next scheduled meeting is at 10:00 a.m. on Friday, January 16, 2015 at 225 East 16th Avenue, Denver, CO in conference room 6 A/B.

Reasonable accommodations will be provided upon request for persons with disabilities. Please notify the Nancy Dolson at 303-866-3698 or [nancy.dolson@state.co.us](mailto:nancy.dolson@state.co.us) or the 504/ADA Coordinator [hcpf504ada@state.co.us](mailto:hcpf504ada@state.co.us) at least one week prior to the meeting.

