

Steps in the SNF Medicare Rate Calculation

SNF
responsible
for items 1-4

1. Federal base payment rate adjusted by marketbasket update

2. RUG-IV + HIV/AIDS add-on if applicable

3. Labor-related portion of case-mix adjusted rate x Wage Index Adjustment + Non-labor-related portion of case-mix adjusted rate = **Adjusted per-diem rate**

4. Bill submitted to the MAC using the **Adjusted per-diem rate**

5. 2% SNF QRP adjustment to the marketbasket update for SNF's that failed to meet the QRP data submission threshold/APU requirement

6. SNF VBP incentive payment multiplier adjustment made for all SNF's' per-diem rates after all other payment adjustments ranging from: 0.9802457176 to 1.0164677296

7. 2% sequestration adjustment

8. Medicare payment and remittance advice returned by MAC

MAC
responsible
for items 5-8