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MEMORANDUM

TO: RHCF Members

FROM: Elliott Frost, Senior Policy Analyst

DATE: March 18, 2009

SUBJECT: **Nursing Home Value-Based Purchasing Demonstration Project**

ROUTE TO: Administrator, Department Heads

ABSTRACT: Opportunity to participate in federal nursing home demonstration project.

The Centers for Medicare & Medicaid Services (CMS) has just announced that New York is one of four states selected to participate in a Nursing Home Value-Based Purchasing (NHVBP) demonstration. CMS will be holding a Special Open Door Forum (ODF) to present an overview of the demonstration, which will take place **Monday, April 6, 2009, from 2:00-4:00 pm.**

The NHVBP demonstration is a CMS initiative intended to improve the quality and efficiency of care furnished to Medicare beneficiaries residing in nursing homes. Under the demonstration, nursing homes will be eligible to receive payments if they achieve the highest performance levels or the most significant quality improvements based on four domains: nurse staffing, avoidable hospitalizations, minimum data set (MDS) outcomes and survey deficiencies. The availability of performance payments will depend on whether the demonstration produces Medicare program savings. More information on this project is available on the CMS Medicare Demonstrations page at: <http://www.cms.hhs.gov/DemoProjectsEvalRpts/MD/list.asp#TopOfPage>.

The implementation phase of this demonstration is scheduled for July 1, 2009 through June 30, 2012. **CMS is currently accepting applications from nursing homes through May 1, 2009.** All applicants will be required to submit payroll and census data for the first quarter of calendar year 2009. During the pre-implementation period, nursing homes that volunteer to participate in the demonstration will be stratified and randomly assigned either to the demonstration, to a comparison group, or to neither group. Nursing homes assigned to the demonstration group will be required to submit payroll and census data every quarter throughout the demonstration.

To participate in the ODF call on April 6th, dial the following: 1-800-837-1935 and reference Conference ID: 87622411. An audio recording of this call will be posted to the Special Open Door Forum Web site and will be accessible for downloading beginning April 14, 2009 at: http://www.cms.hhs.gov/OpenDoorForums/05_ODF_SpecialODF.asp.

During this call, CMS will explain in greater detail: (1) the application process and next steps for nursing homes interested in participating in the demonstration, and (2) an overview of the final demonstration design. A question and answer session will follow the presentation but due to the limited time available, questions from those eligible to participate will be answered first.

If you have questions or comments, please contact me at 518-449-2707, ext. 140 or via e-mail at efrost@nyahsa.org.

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