

State of Colorado Department of Health Care Policy and Financing

2012 Nursing Facilities Pay for Performance Review

June 30, 2012



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I. EXECUTIVE SUMMARY

The Colorado Nursing Facility Pay for Performance (P4P) program, sponsored by the Colorado Department of Health Care Policy and Financing, has just commenced its fourth year of administration. For the fourth consecutive year, Public Consulting Group has reviewed, evaluated, and validated nursing home applications. The current year's review process included an update of PCG's prior-developed evaluation tool, the assessment of nursing home application scores, and the evaluation of appeals contesting the reviewers' interpretation of submitted materials.

The purpose of the P4P program is to encourage and support the implementation of resident-centered policies and home-like environments throughout the nursing homes of Colorado. Homes that execute these changes are incentivized with a supplemental payment. Participating facilities must have submitted an application by February 29, 2012; this application provided evidence of its performance in establishing measures designed to improve quality of life and quality of care within the home. Incentive payments are determined according to established point thresholds. These thresholds are provided below with the corresponding number of homes that fall into each of these ranges.

| Point Range | Per Diem Rate Add-On | Number of 2012 Homes |
|-------------|----------------------|----------------------|
| 0 - 20 | No Add-On | 5 |
| 21 - 45 | \$1.00 | 25 |
| 46 - 60 | \$2.00 | 21 |
| 61 - 79 | \$3.00 | 27 |
| 80 - 100 | \$4.00 | 39 |

The 2012 application was identical to the 2011 application with the exception of the Nationally Reported Quality Measures. These five performance measures were removed from the application; no substitutes were included in their place. The twenty five points formerly allocated to these measures were redistributed among the remaining measures in the application. Each performance measure was worth one additional point from its 2011 value.

In Section V, PCG highlights comments from Nursing Home Administrators (NHAs) regarding their experience with the P4P application. Discussions frequently centered on commentary about Consistent Assignments and Neighborhoods performance measures. Section VI provides analysis of the scores of those homes which have applied all four years of the program. This section also contains a review of the number of homes applying for each performance measure versus the number of homes qualifying for points.

Finally, PCG provided an overview of pay for performance programs in Iowa, Utah, Minnesota, and Oklahoma. Each state's implementation of the program varies, but through these differing ideas one can examine what works in other states and potentially use this knowledge to influence or inspire changes to the Colorado program.

II. INTRODUCTION

A. Purpose of Project

In December 2010, the Department of Health Care Policy and Financing (the Department) sought quotations from qualified and experienced vendors to conduct reviews to evaluate and validate whether nursing homes that applied for additional reimbursement under the P4P program have implemented and are in compliance with performance measures as defined by the Department.

The Department wishes to foster a person-centered and directed model of care in a home-like environment for Colorado's nursing home residents. Under HB 08-1114, an additional per diem rate based upon performance was to be paid to those nursing home providers that provide services resulting in better care and higher quality of life for their residents effective July 1, 2009. Using this per diem add-on methodology, nursing homes could apply for the P4P program quarterly. Under SB 09-263, additional payments to nursing homes for the Pay-For-Performance program are paid a supplemental payment rather than a per diem payment effective July 1, 2009. Nursing homes must now apply for the Pay-For-Performance program annually, with a deadline of February 29th for 2012, as all supplemental payments for the year must be calculated prior to the July 1 rate-setting date.

B. Goals of the P4P Initiative

The Department received 117 applications by the February 29, 2012 deadline. These applications were reviewed, evaluated, and validated using the Colorado Nursing Homes 2011 Pay-For-Performance (P4P) Application. The rate effective date for these providers is July 1, 2012.

C. Major Deliverables

PCG was tasked with reviewing, evaluating, and validating whether nursing homes that applied for additional reimbursement related to the Pay-For-Performance program are eligible for additional reimbursement. The performance measures serve to gauge how homes provide high quality of life and high quality of care to their residents.

The P4P measures have been established in the application in two domains:

1. Quality of Life
2. Quality of Care

The 2012 P4P application has 25 performance measures in the domains of Quality of Life and Quality of Care. The reimbursement for these measures is based on points. A nursing home may earn a total of up to 100 points. The threshold for any reimbursement begins with scores of 46 points or higher.¹ Sixty six

¹ See Colorado Code of Regulations at 10 CCR 2505-10 8:443.1

² for points associated with the pay-for-performance per diem add ons. Retrieved on 6-14-2012 from <http://www.sos.state.co.us/CCR/Rule.do?deptID=7&deptName=2505,1305> Department of Health Care Policy and

points are possible for the Quality of Life domain and 34 points are possible for the Quality of Care domain. Each nursing home chooses which of these measures it applies for.

Within each domain are sub-category measures. On the application forms, each of these sub-category measures is further described by definitions, minimum requirements, required documentation, and the possible points for each sub-category measure. The state has directed the Contractor to assign the points merited for each measure contingent upon the review, evaluation and validation that the sub-category measurement requirements have been documented and met.

Specifically, the Department required that the contractor is responsible for the following:

- Reviewing, evaluating, and validating applications submitted by nursing homes that applied between February 1, 2011 and February 28, 2012 to participate in the P4P program.
- Developing and implementing the evaluation tool that will be used to measure compliance with each P4P subcategory measure.
- Developing and maintaining a record file for each nursing home that applies for the P4P program.
- Making the results of all evaluations and reports available to the Department for a period of six (6) years after the end of the contract resulting from the DQ.
- Reviewing and providing final analysis and decisions about score revisions to the Department regarding facilities' requests for reconsiderations of the review results.
- Developing template letters to inform the Department and the homes about the results of its review, evaluation, and validation of the P4P application and supporting documentation review.
- Developing the reporting mechanisms and any other ancillary documents and systems to successfully implement this program.
- Holding bi-weekly meetings with the Department to ensure that the work is progressing appropriately.
- Making recommendations to the Department for which homes should have on-site visits and conducting review and validations of no less than 10 percent of the P4P applicants.
- Providing evaluation results of the P4P applications to the Department in a standardized format developed by the Contractor and approved by the Department by April 30, 2012.
- Providing a report to the Department by June 30, 2012 detailing the Contractor's experience with this project and submitting recommendations to the Department for continuing and improving this project that might be used in a future solicitation process.

D. Project Team

PCG assembled a team of nationally recognized Subject Matter Experts (SMEs) in long term care policy and planning for this effort. The project was directed by Sean Huse, an experienced manager in Colorado for Medicaid over the past eight years. Mr. Huse managed the project with support from two technical



advisors: Les Hendrickson, a national expert on long term care reimbursement policy and planning; and Amy Elliot of the Pioneer Network, a national leader in the work on models of person-directed care in nursing homes.

This team of project managers and technical advisors was assisted by PCG Senior Consultants, Consultants, and Business Analysts with backgrounds researching and analyzing P4P reimbursement structures. Team members included Joe Weber, Lauren Rodrigues, Alison O'Connell, Susan Adler, and Douglas Grapski. PCG believes this staffing approach is balanced, thoughtful, and represents the knowledge and experience necessary to successfully accomplish the Department's multiple objectives.

III. APPROACH

A. Assessment of Applications

PCG drew on the experience gained from reviewing Colorado P4P applications for the past three years to develop a standardized approach for reviewing the current year's 117 applications that were submitted to the Department. During the period of May 7th, 2012 through May 18th, 2012, PCG's team of reviewers worked together to evaluate the applications. Working together in this collaborative environment allowed reviewers the opportunity to discuss ambiguous applications and develop a uniform approach to the reviews.

To maintain a consistent, equitable evaluation of all of the applications across the team of reviewers, a strict interpretation of the definition, minimum requirements, and required documentation for each performance measure as described in the published P4P application was adopted. Reviewers took the position that the application was a request for state and federal reimbursement for nursing home services and the application would be held to the same standards of accuracy and verifiability that would be required of a Medicaid cost report form.

Each performance measure was broken down into one or more specific minimum requirements based on the language and checklist items listed for each measure in the application. Reviewers examined the supporting documentation submitted in each provider's application to answer "Yes" or "No" to the question, "Did the home meet the minimum requirement?" To gain points on a measure, the provider needed to show the required documentation for each minimum requirement.

The 2012 application included the same high level of detail for each measure that was established in the 2010 application, listing types of required documentation such as narratives, pictures, policy documents, and testimonials. When documentation was listed as required, each piece had to be present in order to meet the requirement. Reviewers did, however, exercise judgment in reviewing documentation provided. For example, if there was no explicit statement that staff members assist with resident room decoration, but pictures show various paint colors, wall hangings, and large pieces of personal furniture, the reviewer would assume that the nursing home staff assisted with the process. To ensure that applications were scored consistently, reviewers debated ambiguous documentation and made sure to apply decisions to all application materials throughout the process.

In all cases, a literal definition of the minimum requirements was applied. If, for example, the requirement is for 12 hours or more of continuing education, answers of 11.99 or less did not meet the requirement. If the care planning requirement calls for both ten initial and ten quarterly care plans, then there had to be at least ten of each present to meet the requirement.

In some cases, if no supporting documentation was included in the section designated for a particular performance measure, the reviewer searched the other sections in the application to see if documentation could be found elsewhere that would meet the minimum requirement. If the application showed that the

minimum requirement for a measure was in fact met, then a “Yes” answer was assigned to the measure regardless of whether or not the home claimed a score for that measure. For example, if a home did not report a score for the neighborhoods/households measure yet the application provided ample documentation that the home had neighborhoods, the reviewer would assign a “Yes” score to the measure. Also, for performance measures containing an option for multiple point levels, such as the +2, +4, or +6 continuing education, reviewers would change the number of points awarded when appropriate. For example, if the provider applied for +6 continuing education, but the documentation only showed +4, the reviewer would say “No” to +6 and add a “Yes” to +4.

B. Evaluation Tool

In 2009 and 2010, PCG utilized a Microsoft Access database developed as an evaluation tool to store information, self-reported scores, and application evaluations for each provider that submitted an application. The evaluation tool used with the 2011 applications was redesigned to incorporate changes in the 2012 application.

After entering in provider information, such as address, phone number, preparer name, etc., reviewers entered in the homes’ self-reported scores. Self-reported scores were entered exactly as provided, even when the homes awarded themselves partial points or points for both options of an either/or measure. Then, reviewers read each application and its supporting documentation to evaluate and score the applications on each of the subcategory performance measures.

As previously mentioned, the measures were broken down into one or more minimum requirements and reviewers would assign a “Yes,” “No,” or “Did Not Apply” to each as appropriate. The database contained a field for reviewers to add comments pertaining to any of the minimum requirements or the decision that was made. The points for a measure would only be assigned when all minimum requirements had a “Yes” entered as a status. Partial points cannot be assigned for a performance measure.

A “No” response for any of the minimum requirements resulted in no points being awarded for that performance measure. For instance, for “Enhanced Dining,” the reviewer would need to see back-up documentation that all of the following minimum requirements were met:

1. Include a detailed narrative describing your enhanced dining program.
2. Evidence that menu options are more than the entree and alternate selection.
3. Evidence that these options included input from a resident/family advisory group such as resident council or a dining advisory committee.
4. Evidence that the residents have had input into the appearance of the dining atmosphere.
5. Evidence that the Residents have access to food at any time and staff are empowered to provide it.
6. Supporting documentation can be resident signed testimonials, resident council minutes, minutes from another advisory group or a narrative and photographs of changes in the dining atmosphere.

If the home failed to provide evidence for any of the above mentioned requirements, a “No” response would be entered for that requirement resulting in the home receiving zero points for the performance measure.

The database entry fields were designed so that the total score being accumulated by the applicant was not apparent to the reviewer. This ensured that the supporting documentation for each minimum requirement for each performance measure was evaluated independently without knowledge of cumulative point thresholds.

After all of the applications had been evaluated, summary reports could be run showing nursing home scores, as well as detailed reports by nursing home showing all scores and reviewer comments for each minimum requirement.

C. Quality Assurance

Throughout the evaluation process, steps were taken to ensure the quality of reviews. Discussions between reviewers on ambiguous aspects of documentation allowed for a standardized approach to scoring the large number of applications. Also, the database was designed to guide the reviewer through each performance measure, documenting his or her decision on each minimum requirement during the review.

In redesigning the evaluation tool for 2011, new quality assurance measures were built in to ensure review integrity. First to ensure that a reviewer could not accidentally skip a minimum requirement when evaluating a performance measure, automatic system checks were designed to check the status of all minimum requirements before proceeding from one performance measure to the next. If any minimum requirement status was blank, the system would show an error message and ask the reviewer to double check any missing statuses. Second, the assigning of scores for performance measure was automated. Processes were built into the evaluation tool to read the reviewers’ “Yes” or “No” answers to minimum requirements and determine if points should be awarded or not. If the system found all “Yes” answers for a performance measure, then points would be assigned. If the system encountered any “No” or “Did Not Apply” answers for a performance measure, then no points would be assigned. This more automated scoring process provided real-time updating of score reports as any changes were made to a review.

Finally, during the site visits reviewers took notes about their findings with regard to specific performance measures. While no new documentation was accepted, reviewers identified any instances where documentation may have been misinterpreted in the original evaluation of an application, and after speaking with nursing home staff, it was deemed appropriate to change the scoring based on what was originally provided. For example, a training sign-in sheet for “Bathing Without a Battle” that was not clearly identified in the application could be verified on a site visit. Also, any situations where reviews were seemingly inconsistent on a performance measure were noted. Upon returning from the visits, all

reviewer comments and binders were checked a second time with regard to those noted performance measures to ensure accuracy.

IV. 2012 P4P APPLICATION, SCORING, AND COMMENTS

A. Overview of Application

Pursuant to HB 08-1114 the Department is required to reimburse nursing homes in Colorado an additional per diem rate based upon performance.² The payment is made to support policies that create a resident-centered and resident-directed model of care in a home-like environment for Colorado’s nursing home residents.³

A P4P program is one way the Department can provide an incentive payment rewarding Colorado nursing homes that provide high quality of life and quality of care to their residents. The program is designed to be financially appealing to providers, simple to administer, contain easily accessible data to determine compliance, and is built around measures that are important to nursing home residents, families and consumers. The measures are centered on two “domains,” “Quality of Life” and “Quality of Care.”

Each measure has assigned points that, when totaled, will determine the amount of additional reimbursement per patient day. The following table shows the amount of the per diem add-on that can be obtained for 2012.

| Calculation of the Per Diem Rate Add-On |
|---|
| 0 – 20 points = No add-on |
| 21 – 45 points = \$1.00 per day add-on |
| 46 – 60 points = \$2.00 per day add-on |
| 61 – 79 points = \$3.00 per day add-on |
| 80 – 100 points = \$4.00 per day add-on |

The performance measures for 2012 are shown below. They are divided into two general domains, Quality of Life and Quality of Care.

| DOMAIN: QUALITY OF LIFE | DOMAIN: QUALITY OF CARE |
|-------------------------------------|-------------------------------|
| Subcategory: Resident-Directed Care | Subcategory: Quality Of Care |
| Enhanced Dining | 12 hours Continuing Education |

² 10 CCR 2505-10 Section 8.443.12.

³ See the SB 06131 Pay for Performance Subcommittee Report and Recommendations for discussion of the rationale behind performance measure selection. Retrieved on June 14, 2012 from <http://165.127.10.10/cs/Satellite?blobcol=urldata&blobheader=application%2Fpdf&blobkey=id&blobtable=MungoBlobs&blobwhere=1224913928031&ssbinary=true>



| DOMAIN: QUALITY OF LIFE | DOMAIN: QUALITY OF CARE |
|---|--|
| Flexible and Enhanced Bathing | 14 Hours Continuing Education |
| Daily Schedules | 16 Hours Continuing Education |
| End of Life Program | Quality Program Participation |
| | |
| Subcategory: Home Environment | Subcategory: Influenza Immunization for Staff and Residents |
| Resident Rooms | Staff Influenza Immunization |
| Public and Outdoor Space | |
| Overhead Paging | |
| Neighborhoods/Households | |
| | |
| Subcategory: Relationships with Staff, Family, Resident, and Community | Subcategory: Facility Management |
| 50% Consistent Assignments | 10% Medicaid above state average |
| 80% Consistent Assignments | 5% Medicaid above state average |
| Internal Community | |
| External Community | |
| Living Environment | |
| Volunteer Program | |
| | |
| Subcategory: Staff Empowerment | Subcategory: Staff Stability |
| Care Planning | Staff Retention Rate |
| Career Ladders/Career Paths | Staff Retention Improvement |
| Person-Directed Care | Director of Nursing Retention |
| New Staff Program | Nursing Home Administrator Retention |
| | Employee Satisfaction Survey |

Changes to the 2012 P4P Application

The 2012 Pay for Performance application is 18-pages long consisting of 11 pages listing each measure and 7 pages of appendices providing information on how to score specific measures. Previous reports outlined the changes to prior year applications, including changes from the 2009 to the 2010 application,



and the 2010 and 2011 application. This section of the 2012 report describes the changes from the 2011 to the 2012 application.

The description of the changes is discussed in two parts: changes affecting only one measure and changes in the scoring of measures.

Changes Affecting Only One Measure

In 2012, the only major change to the application was the removal of the Nationally Reported Quality Measure Scores. These measures were temporarily removed from the application; no substitute measures were included in their place. The 25 points formerly available for the fulfillment of these criteria were redistributed throughout the remaining performance measures in the application.

Changes in the Scoring of Measures

With the removal of the Nationally Reported Quality Measure Scores from the 2012 application, twenty five points were reallocated amongst the remaining performance measures so that the total points available for the entire application remained one hundred points. As a result of this redistribution, each of the remaining measures received one extra point to their available score as exhibited in the chart below. In 2011, the points available for each domain were weighted similarly with 51 points available for the Quality of Care domain and 49 points available for the Quality of Life domain. In the 2012, the application was more heavily weighted towards the Quality of Life domain with 66 points available versus the 34 points available for the Quality of Care domain.

| DOMAIN: QUALITY OF LIFE | POINTS AVAILABLE 2011 | POINTS AVAILABLE 2012 |
|---|------------------------------|------------------------------|
| Subcategory: Resident-Directed Care | 11 | 15 |
| Enhanced Dining | 3 | 4 |
| Flexible and Enhanced Bathing | 3 | 4 |
| Daily Schedules | 3 | 4 |
| End of Life Program | 2 | 3 |
| | | |
| Subcategory: Home Environment | 11 | 15 |
| Resident Rooms | 2 | 3 |
| Public and Outdoor Space | 2 | 3 |
| Overhead Paging | 2 | 3 |
| Neighborhoods/Households | 5 | 6 |
| | | |
| Subcategory: Relationships with Staff, Family, Resident, and Community | 15 | 20 |
| 50% Consistent Assignments | 5 | 6 |
| 80% Consistent Assignments | 6 | 7 |
| Internal Community | 3 | 4 |



| DOMAIN: QUALITY OF LIFE | POINTS AVAILABLE 2011 | POINTS AVAILABLE 2012 |
|--|------------------------------|------------------------------|
| External Community | 2 | 3 |
| Living Environment | 2 | 3 |
| Volunteer Program | 2 | 3 |
| | | |
| Subcategory: Staff Empowerment | 12 | 16 |
| Care Planning | 6 | 7 |
| Career Ladders/Career Paths | 2 | 3 |
| Person-Directed Care | 2 | 3 |
| New Staff Program | 2 | 3 |
| | | |
| Total Points Available for Quality of Life Domain | 49 | 66 |

| DOMAIN: QUALITY OF CARE | POINTS AVAILABLE 2011 | POINTS AVAILABLE 2012 |
|--|------------------------------|------------------------------|
| Subcategory: Quality Of Care | 34 | 12 |
| 12 hours Continuing Education | 2 | 3 |
| 14 Hours Continuing Education | 4 | 5 |
| 16 Hours Continuing Education | 6 | 7 |
| Quality Program Participation | 1 | 2 |
| | | |
| Nationally Reported Quality Measure Scores | | |
| Falls - Score of 13.7 or less | 5 | N/A |
| Falls - Score >13.7 but <= 16.8 | 3 | N/A |
| High-Risk Pressure Ulcers -Score of 5.8 or less | 5 | N/A |
| High-Risk Pressure Ulcers -Score of > 5.8 but <= 8.1 | 3 | N/A |
| Chronic Care Pain Score -Score of 1.2 or less | 5 | N/A |
| Chronic Care Pain Score -Score of >1.2 but <= 2.1 | 3 | N/A |
| Physical Restraints -Score of zero | 5 | N/A |
| Physical Restraints -Score of 1.4 or less | 3 | N/A |
| UTI -Score of 5.6 or less | 5 | N/A |
| UTI -Score >5.6 but <= 7.8 | 3 | N/A |
| | | |
| Staff Influenza Immunization | 2 | 3 |
| | | |
| Subcategory: Facility Management | 5 | 6 |
| 10% Medicaid above state average | 5 | 6 |
| 5% Medicaid above state average | 3 | 4 |
| | | |
| Subcategory: Staff Stability | 12 | 16 |
| Staff Retention Rate | 4 | 5 |

| | | |
|--|-----------|-----------|
| Staff Retention Improvement | 4 | 5 |
| Director of Nursing Retention | 2 | 3 |
| Nursing Home Administrator Retention | 2 | 3 |
| Employee Satisfaction Survey | 4 | 5 |
| | | |
| Total Points Available for Quality of Care Domain | 51 | 34 |

B. Prerequisites for Participation

The Code of Colorado administrative regulations at 10 CCR 2505 8.443.12 at 2.a. and 2.b. set two prerequisites for applying for the P4P add-on to the per diem:⁴

2.a. No home with substandard deficiencies on a regular annual, complaint, or any other Colorado Department of Public Health and Environment survey will be considered for P4P

2.b. The home must perform a resident/family satisfaction survey. The survey must (a) be developed, recognized, and standardized by an entity external to the home; and, (b) be administered on an annual basis with results tabulated by an agency external to the home. The home must report their response rate, and a summary report must be made publically available along with the home's State's survey results

These prerequisites were unchanged in 2012 from prior application years.

Colorado Department of Public Health and Environment Survey

PCG reviewers were supplied with a definition of a substandard deficiency and used the Colorado Department of Public Health and Environment (CDPHE) website at <http://www.cdph.state.co.us/hf/ncf/index.html> to check on homes. The upper left hand corner of the webpage provides search choices. The CDPHE database contains a list of Colorado nursing homes and the results of surveys and complaint investigations. PCG staff looked up each home in the CDPHE database and identified any deficiency that CDPHE assigned to the home that fit the definition of substandard and occurred within the time frame specified. The survey closest to January 2012 was deemed to be the most recent survey. One home, Palisade Living Center, had a deficiency in regulation 309 with a severity level of K. All of the other homes submitting applications met this prerequisite.

Resident/Family Satisfaction Survey

This prerequisite measure was defined in the 2012 P4P application as "Survey must be developed, recognized, and standardized by an entity external to the facility. The acceptable verification said that the

⁴ [http://www.sos.state.co.us/CCR/Rule.do?deptID=7&deptName=2505,1305 Department of Health Care Policy and Financing&agencyID=69&agencyName=2505 Medical Services Board&ccrDocID=2921&ccrDocName=10 CCR 2505-10 8.400 MEDICAL ASSISTANCE - SECTION 8.400&subDocID=50025&subDocName=8.443 NURSING HOME REIMBURSEMENT&version=20](http://www.sos.state.co.us/CCR/Rule.do?deptID=7&deptName=2505,1305%20Department%20of%20Health%20Care%20Policy%20and%20Financing&agencyID=69&agencyName=2505%20Medical%20Services%20Board&ccrDocID=2921&ccrDocName=10%20CCR%202505-10%208.400%20MEDICAL%20ASSISTANCE%20-%20SECTION%208.400&subDocID=50025&subDocName=8.443%20NURSING%20HOME%20REIMBURSEMENT&version=20)

“Resident/family satisfaction surveys must have been conducted and tabulated between January 1 and December 31 of the previous year. A Summary Report, identifying vendor completing, must be attached to this application and made available to the public along with the home's State Survey Results.”

As in reviews conducted during prior application years, some homes supplied the full copy of the survey whereas others only supplied cover pages of the survey. Reviewers gave credit to those homes that only supplied the cover pages, reasoning that these were evidence that the survey had been completed.

C. Score Reporting

Summary Chart Showing Scores of Homes

The following table provides a summary of the self-reported and reviewer scores by home. The scores are the final scores submitted to the homes and do not include any points gained through the appeal process.

| Provider # | Facility Name | Points Available | Self Score | Reviewer Score |
|-------------------|---|-------------------------|-------------------|-----------------------|
| 63934272 | Allison Care Center | 100 | 94 | 91 |
| 96339349 | Alpine Living Center | 100 | 86 | 70 |
| 77105753 | Amberwood Rehab and Care Community | 100 | 87 | 94 |
| 03604250 | Applewood Living Center | 100 | 28 | 15 |
| 60958855 | Aspen Living Center | 100 | 50 | 45 |
| 83603041 | Bear Creek Care & Rehab | 100 | 76 | 76 |
| 11434317 | Belmont Lodge Health Care Center | 100 | 24 | 26 |
| 30576016 | Berkley Manor Care Center | 100 | 76 | 50 |
| 06934242 | Boulder Manor | 100 | 37 | 37 |
| 05650866 | Brighton Care Center | 100 | 53 | 46 |
| 71787267 | Brookshire House | 100 | 88 | 88 |
| 05652813 | Brookside Inn | 100 | 50 | 28 |
| 55754244 | Cambridge Care Center | 100 | 84 | 78 |
| 05652631 | Canon Lodge Care Center | 100 | 45 | 30 |
| 54454735 | Cedarwood Health Care Center | 100 | 46 | 37 |
| 53308310 | Centennial Health Care Center | 100 | 87 | 31 |
| 99474743 | Cherrellyn Healthcare Center | 100 | 71 | 26 |
| 05654520 | Cheyenne Manor | 100 | 87 | 75 |
| 75951274 | Cheyenne Mountain Care & Rehab | 100 | 65 | 51 |
| 37976231 | Christian Living Communities - The Johnson Center | 100 | 58 | 35 |
| 42988268 | Christopher House | 100 | 86 | 88 |
| 05650338 | Clear Creek Care Center | 100 | 91 | 91 |
| 34308741 | Colonial Columns Nursing Center | 100 | 27 | 19 |
| 05653274 | Colorado State Veterans Center - Homelake | 100 | 91 | 91 |
| 05652748 | Colorado State Veterans Center - Rifle | 100 | 81 | 78 |
| 05652607 | Colorow Care Center | 100 | 97 | 97 |



| Provider # | Facility Name | Points Available | Self Score | Reviewer Score |
|------------|---|------------------|------------|----------------|
| 05650833 | Columbine West Health & Rehab | 100 | 62 | 64 |
| 05654223 | CSV - Bruce McCandless | 100 | 86 | 80 |
| 82159815 | CSV - Fitzsimons | 100 | 86 | 86 |
| 05651922 | CSV - Walsenburg | 100 | 88 | 88 |
| 73422070 | Denver North Care Center | 100 | 97 | 97 |
| 05652250 | Devonshire Acres | 100 | 94 | 53 |
| 05653357 | E. Dene Moore Care Center | 100 | 59 | 54 |
| 13086863 | Eagle Ridge at Grand Valley | 100 | 94 | 94 |
| 05653365 | Eben Ezer Lutheran Care Center | 100 | 86 | 67 |
| 05652961 | Elms Haven Care and Rehab | 100 | 45 | 20 |
| 05650080 | Exempla Colorado Lutheran Home | 100 | 91 | 91 |
| 05653423 | Fairacres Manor | 100 | 94 | 90 |
| 00122777 | Forest Street Compassionate Care Center | 100 | 58 | 37 |
| 99000792 | Four Corners Health Care Center | 100 | 63 | 59 |
| 05653464 | Frasier Meadows Health Care Center | 100 | 76 | 73 |
| 34432850 | Ft. Collins Health Care Center | 100 | 32 | 27 |
| 05655410 | Glen Ayr Health Center | 100 | 94 | 91 |
| 01404849 | Golden Peaks Care and Rehabilitation Center | 100 | 83 | 80 |
| 05653704 | Good Samaritan Society - Loveland Village | 100 | 63 | 63 |
| 05650957 | Good Samaritan Society-Bonell Community | 100 | 85 | 87 |
| 05652367 | Gunnison Health Care | 100 | 54 | 47 |
| 42402069 | Harmony Pointe Nursing Center | 100 | 95 | 95 |
| 05653779 | Health Center at Franklin Park | 100 | 70 | 46 |
| 15526755 | Highline Rehab | 100 | 86 | 86 |
| 05653571 | Hildebrand Care Center | 100 | 87 | 80 |
| 05651245 | Holly Heights Nursing | 100 | 100 | 100 |
| 05655147 | Holly Nursing Care Center | 100 | 97 | 97 |
| 05652672 | Horizon Heights | 100 | 97 | 97 |
| 77678737 | Jewell Care Center | 100 | 71 | 63 |
| 34300724 | Julia Temple Healthcare Center | 100 | 60 | 60 |
| 05652565 | Juniper Village - The Spearly Center | 100 | 92 | 92 |
| 05652052 | Juniper Village at Lamar | 100 | 95 | 59 |
| 05652045 | Juniper Village at Monte Vista | 100 | 92 | 94 |
| 11651016 | Kenton Manor | 100 | 48 | 45 |
| 05650841 | Kindred Transitional Care & Rehabilitation - Aurora | 100 | 44 | 32 |
| 05650890 | Kindred Transitional Care & Rehabilitation - Cherry Hills | 100 | 52 | 52 |
| 05650874 | Kindred Transitional Care and Rehab - Malley | 100 | 70 | 63 |
| 56836546 | La Villa Grande Care Center | 100 | 56 | 36 |
| 05652334 | Larchwood Inns | 100 | 71 | 71 |
| 05650122 | Laurel Manor Care Center | 100 | 71 | 58 |
| 05653290 | Lemay Avenue Health & Rehab | 100 | 69 | 63 |



| Provider # | Facility Name | Points Available | Self Score | Reviewer Score |
|------------|--|------------------|------------|----------------|
| 75482282 | Life Care Center of Evergreen | 100 | 64 | 49 |
| 05650742 | Life Care Center Pueblo | 100 | 93 | 82 |
| 58301747 | Mantey Heights Rehabilitation & Care Centre | 100 | 59 | 55 |
| 00565034 | Medalion Retirement Community/Centura Health | 100 | 64 | 61 |
| 46279865 | Mesa Manor Rehab Care Center | 100 | 72 | 72 |
| 01627015 | Minnequa Mediacenter | 100 | 31 | 27 |
| 38305828 | Monaco Parkway Health and Rehabilitation Center | 100 | 36 | 27 |
| 05650734 | Mount St. Francis Nursing Center | 100 | 90 | 87 |
| 05650155 | Mountain Vista Nursing Home | 100 | 64 | 54 |
| 85608742 | Namaste Alzheimer Center | 100 | 86 | 87 |
| 05651294 | North Shore Health & Rehab | 100 | 81 | 81 |
| 26554939 | North Star Rehabilitation and Care Community | 100 | 97 | 89 |
| 98774239 | Palisade Living Center | 100 | 46 | 39 |
| 16433548 | Paonia Care & Rehab | 100 | 70 | 59 |
| 05651757 | Park Forest Care Center, Inc | 100 | 65 | 54 |
| 54603528 | Parkview Care Center | 100 | 94 | 94 |
| 76173712 | Pearl Street Health and Rehabilitation | 100 | 46 | 43 |
| 05652839 | Pine Ridge Extended Care Center | 100 | 72 | 72 |
| 43784020 | Regent Park Nursing and Rehab | 100 | 54 | 16 |
| 73787868 | Rehabilitation and Nursing Center of the Rockies | 100 | 57 | 8 |
| 75825571 | Rio Grande Inn | 100 | 54 | 35 |
| 05652508 | Rowan Community | 100 | 97 | 97 |
| 19005296 | San Juan Living Center | 100 | 85 | 79 |
| 05652615 | San Luis Care Center | 100 | 87 | 76 |
| 05651534 | Sandalwood Manor | 100 | 87 | 53 |
| 21675830 | Sandrock Ridge Care & Rehab | 100 | 55 | 50 |
| 16876334 | Sierra Rehabilitation & Care Community | 100 | 87 | 94 |
| 72008041 | Skyline Ridge Nursing & Rehab | 100 | 92 | 82 |
| 96731591 | Spring Creek Health Care Center | 100 | 21 | 21 |
| 13359240 | Springs Village Care Center | 100 | 78 | 27 |
| 05656269 | St. Paul Health Care Center | 100 | 87 | 87 |
| 58606882 | Summit Rehabilitation and Care Center | 100 | 68 | 53 |
| 41328582 | Sunset Manor | 100 | 26 | 26 |
| 05652789 | The Peaks Care Center | 100 | 70 | 65 |
| 23409231 | The Suites at Clermont Park | 100 | 76 | 70 |
| 05651880 | The Valley Inn | 100 | 86 | 76 |
| 05656053 | The Villas at Sunny Acres | 100 | 40 | 27 |
| 05654058 | Trinidad Inn Nursing Home | 100 | 67 | 64 |
| 05650817 | Union Printers Home | 100 | 65 | 65 |
| 05650114 | University Park Care Center | 100 | 68 | 42 |
| 08858721 | Uptown Care Center | 100 | 83 | 97 |



| Provider # | Facility Name | Points Available | Self Score | Reviewer Score |
|-------------------|-----------------------------------|-------------------------|-------------------|-----------------------|
| 05655121 | Valley Manor Care Center | 100 | 77 | 43 |
| 05651468 | Valley View Health Care Center | 100 | 94 | 94 |
| 05655709 | Villa Manor Care Center | 100 | 85 | 82 |
| 89157231 | Vista Grande Inn | 100 | 87 | 76 |
| 05656343 | Walsh Healthcare Center | 100 | 89 | 74 |
| 05652664 | Westwind Village | 100 | 88 | 88 |
| 80636217 | Wheatridge Manor Care Center | 100 | 72 | 68 |
| 70601577 | Woodridge Terrace Nursing & Rehab | 100 | 54 | 49 |
| 71956000 | Yuma Life Care Center | 100 | 77 | 61 |

The table shows instances where reviewers assigned a higher score than the home requested. This situation occurs when, in the judgment of reviewers, the applications contained documentation that the home qualified for a measure even though the home did not apply for that measure. In other situations, a home may have applied for a performance measure with multiple point thresholds and through their documentation showed that they actually qualify for additional points. This was seen regularly with the Medicaid Occupancy Average performance measure. A number of homes applied for the 5% Medicaid Occupancy Average, but in reality qualified for the 10% Medicaid Average. This was likely due to conflicting opinions regarding how to calculate 5% above the statewide average.

V. ON-SITE REVIEWS

A. Selection of Homes to Review

As in prior years, reviewers were required to perform on-site reviews of at least ten percent of nursing homes in the applicant pool, which consisted of 117 homes in 2012. Reviewers consulted with the Department and determined that fourteen homes would be selected for on-site reviews. In determining which of the 117 homes would be selected, reviewers considered Colorado Code at 10 CCR 2505 section 8.443.12 4. which states that “Facilities will be selected for onsite verification of performance measures representations based on risk.” Taking this statement into consideration, the selection of homes included both purposive and random sampling.

First, during the review of applications, reviewers took note of any instances where they were left with a question or idea that could warrant selection for an on-site review. A master list was maintained that could be consulted during the selection process. Six homes were noted with intriguing reasons that could merit an on-site review:

- Colorow Care Center’s passion for culture change was evident in their application. Reviewers wanted to see how this translated into daily life for residents at the facility.
- Christopher House and Clear Creek Care Center showed significant improvement from last year’s application.
- Reviewers also noted a number of first time applicant homes and homes that did not apply last year, which either had very poor scores or very good scores. These included Larchwood Inns, Valley Manor, and Union Printers Home.
- A number of Sava Senior Care homes showed up in the 2012 applicant pool for the first time, and reviewers decided that selecting one or two of these homes would be a good addition to the on-site reviews.

When it came time to begin the selection process, reviewers concluded that any homes that had been visited for prior application years did not present as high of a risk and should therefore be excluded from the pool in 2012. The remaining homes were grouped into geographic regions to ensure that homes from across the state would be part of the sample. The six homes listed above were selected first, leaving seven homes to be chosen at random. Reviewers then sought the list of Sava Senior Care homes and chose two homes that were in the same geographic areas as other homes which were being visited. A combination of geographic location and varying point levels was used to determine the remaining five homes.

Based on the above criteria for selection, the following fourteen homes were chosen for an on-site review:

- Belmont Lodge
- Cherrelyn Healthcare Center
- Christopher House
- Clear Creek Care Center

- Colorow Care Center
- Fort Collins Health Care Center
- Harmony Pointe Nursing
- Larchwood Inns
- Mantey Heights Rehab & Care Center
- Mesa Manor Care & Rehabilitation
- San Juan Living Center
- Union Printers Home
- University Park Care Center
- Valley Manor Care Center

B. Methods Used To Review Homes

The visits to the fourteen nursing homes involved three distinct phases. In each case, a tour of the building was undertaken, a meeting with administrative staff was held, and interviews were conducted with at least two residents of the facility.

Home Tour

The purpose of the tour was to obtain a better idea of the physical environment of the facility and the programs of the home. Generally, the reviewers used the tour to obtain verification of performance measures that could be visually observed. These included the:

- degree to which resident rooms were personalized;
- amount of institutional objects in hallways such as drug carts, lifts, and wheelchairs;
- home décor of the bathing area;
- presence of volunteers;
- presence of community groups;
- access of residents to food outside their main dining area;
- use of an overhead paging system;
- presence of animals and plants;
- memorial areas in remembrance of former residents; and
- evidence of neighborhoods.

Discussion with Staff

The meeting with administrative staff focused on the review of the application. The purposes of the review were to:

- learn how the application was put together;
 - Why did the home apply?

- When did the home start work on it?
- Did the home receive any help from any one in putting it together?
- Discuss each section of the application;
- Learn why decisions were made to apply for some measures but not others;
- Provide the administrative staff with the reviewers' reaction to the documentation;
- Discuss the documentation with the home, and
- Solicit opinions from the nursing home staff as to how to improve the process.

Resident Interviews

The resident interviews were conducted to accomplish two main goals:

- Obtain first-hand verification of the performance measures for the individual home. There are components (e.g. bathing environment) that can be seen on a tour of the home, so the interview is an additional opportunity to assess certain measures, (e.g. consistency assignments, internal and external community) which are not necessarily evident through a tour of the home.
- Assess any commonalities in findings of resident interviews from the cross-section of homes. This could be particularly valuable in providing additional insight into the overall efficacy of the P4P program from a resident perspective.

The reviewers maintained the position taken in prior years that no supplemental documentation would be accepted during a site visit. This decision was guided by administrative regulation 8.443.13 3., stating that “The required documentation for each performance measure is identified on the application and must be submitted with the application.” Applications and supporting documentation as received are considered complete. Reviewers did not accept additional information, such as material that had been accidentally omitted from the application. If, however, the visit to the home showed reviewers had not correctly understood information that was already in the application, then that changed understanding was used to review the scoring of the measure.

C. Site Visit Comments

During the site visits, reviewers collected noteworthy comments from administrators and other nursing home staff members regarding the P4P application. Comments and concerns regarding Consistent Assignments and Neighborhoods were common themes discussed during visits to many of the homes.

- Neighborhoods – Organizing activities by neighborhood can have unintended consequences in some facilities. Occasionally, a neighborhood will partake in a particular activity and residents in other neighborhoods will wish to participate. In the spirit of neighborhoods, some facilities will put on the same activity for each neighborhood so that all residents can enjoy it eventually; however, this can be much more labor intensive than organizing the same activity on a larger scale for the entire home to enjoy. Another challenge can be when residents have friends in different neighborhoods that they would prefer to enjoy these activities with.

Some homes discussed their unique challenges with the neighborhoods requirement. One home, a small facility, has found neighborhoods difficult to execute. If a number of residents in a hall are not interested in neighborhood activities and meetings, it diminishes the feelings of community that it is meant to evoke for the remaining residents. Another facility reiterated this sentiment-neighborhoods are great, but only if you can get residents to come to the meetings. An older facility had a different challenge – a lack of meeting places. There are no alcoves or areas for the residents to meet in their own neighborhoods, and due to the structure of the building, there was no space to renovate and add these spaces.

- Knowledge Sharing - One first time applicant mentioned that they would like to see knowledge sharing between the facilities. It would be helpful to hear ideas regarding what as a facility they can do better and what additional improvements they might be able to make, including inexpensive ways other homes have implemented some culture change initiatives.
- Consistent Assignments- A number of homes mentioned issues with the Consistent Assignments. One home has CNAs on 12 hour shifts, which does not fit well with the Consistent Assignment formula. This home has been able to find a way to arrange the shifts so that they are able to fulfill the performance measure requirement, but the home did struggle with this initially. Another facility felt that the Consistent Staffing formula does not work well for small homes and is better suited for an institutional model. In a small facility like theirs, there are not always two employees on both the day and night shift.
- Care Plans- A nursing home administrator mentioned her difficulty organizing the presence of CNAs in Care Conferences since CNAs are needed more urgently on the floor.
- Influenza Immunization- An administrator mentioned that she felt that the immunization percentage should include the total number of staff immunized as opposed to the total number of staff with immunization employed at the end of the year. Many employees at her facility received the shot and then subsequently left the facility, so their percentage was brought down due to the turnover of these employees.

VI. COLORADO P4P PARTICIPATION ANALYSIS 2009 – 2012

A. Participating Homes by Application Year

The P4P program has now been in effect for four years, and PCG has analyzed the participation of homes over the periods of 2009 – 2012. The table below shows the breakdown of homes participating in the program during 2012 by the years they have previously submitted an application.

Number of Homes Participating by Application Year

| Home Participation | | | | |
|--------------------|------|------|------|------|
| # of Homes | 2012 | 2011 | 2010 | 2009 |
| 50 | X | X | X | X |
| 10 | X | X | X | |
| 1 | X | X | | X |
| 9 | X | | X | X |
| 8 | X | | | X |
| 7 | X | | X | |
| 9 | X | X | | |
| 23 | X | | | |

There have been a total of 145 participant homes over all four years of the P4P program, 117 of which applied for the 2012 application year. Fifty of these 117 homes participated in all four application years, 10 had applied for the past three application years, 9 had applied during the past two application years, and 23 were applying for the first time in 2011. Of the remaining homes, 10 had previously participated in pay for performance during three non-consecutive application years while 15 participated in two non-consecutive years.

PCG was able to use the application data from these participant groups to examine trends over the 2009 – 2012 period, focusing especially on the group of 50 homes participating in all four years.

B. Score Improvement Analysis

PCG identified multiple trends in score improvements for homes participating in the P4P program over multiple years. First, the table below breaks out the 117 homes that applied in 2012 based on how many years they have participated and shows an average reviewer score for each group.

Average Reviewer Score of 2012 Applicant Homes by Number of Years Participating

| Average Score* | 2012 | 2011 | 2010 | 2009 |
|----------------|------|------|------|------|
| 80.4 | X | X | X | X |

| Average Score* | 2012 | 2011 | 2010 | 2009 |
|----------------|------|------|------|------|
| 57.8 | X | X | X | |
| 60.0 | X | X | | X |
| 65.2 | X | X | | |
| 51.3 | X | | | |
| 44.3 | X | | X | X |
| 47.9 | X | | | X |
| 28.3 | X | | X | |

*These scores are prior to the appeal process

There was a significant difference between those homes that participated in the program last year from those that did not. Out of homes that participated in pay for performance for the second or third time this year those homes that submitted an application last year did 20.8 points better, on average, than those homes that did not participate last year. This may be due to the fact that the application did not change significantly from 2011 to 2012.

However, the group of 50 homes that have participated in all four years of the program showed an average reviewer score approximately 29.7 points higher than the rest of the homes applying in 2012. This trend shows that the four-year group has successfully implemented significantly more programs to meet the application performance measures than other homes in 2012.

The second trend found in score improvements relates to the annual improvement for the core group of 50 homes participating in all four years. The table below shows the average reviewer score for these 50 homes in each year of the program.

Annual Improvement in Average Reviewer Score for Homes Participating All 4 Years

| Category | 2009 | 2010 | 2011 | 2012* |
|---------------------------|------|------|------|-------|
| Average Reviewer Score | 61.2 | 65.5 | 69.5 | 80.4 |
| Annual Score Improvement | | 4.3 | 4.0 | 10.9 |
| Percent Score Improvement | | 7.0% | 6.1% | 15.7% |

*These scores are prior to the appeal process

The average reviewer score for this group of homes has steadily increased in each year of the program, showing a 7 percent increase from 2009 to 2010, a 6.1 percent increase from 2010 to 2011, and a 15.7 percent increase from 2011 to 2012. These score improvements coupled with the overall higher 2012 average score shown in the earlier table illustrate that the P4P application is incentivizing continuous annual improvement for homes.

C. Self Score vs. Reviewer Score Analysis

PCG also compared self scores with reviewer scores to determine how well homes were identifying the performance measures that they qualify for under the application requirements. For this analysis, PCG again focused on the group of 50 homes participating in all four years to determine how this group was improving over time. The table below shows the average self score, average reviewer score, average point change, and average improvement in self scoring for each year of the program.

Improvement in Average Point Change from 2009 to 2012

| Category | 2009 | 2010 | 2011 | 2012* |
|-------------------------------------|-------------|-------------|-------------|--------------|
| Average Self Score | 72.8 | 74.6 | 75.8 | 84.5 |
| Average Reviewer Score | 61.2 | 65.5 | 69.5 | 80.4 |
| Average Point Change | (11.7) | (9.2) | (6.3) | (4.1) |
| Average Improvement in Self Scoring | | 2.5 | 2.8 | 2.3 |

*These scores are prior to the appeal process

For these 50 homes, the average point change decreases steadily in each year implying less of a gap between what reviewers think and what the homes think. While the average self scores are fairly similar in all four years, increasing average reviewer scores create an approximate three point reduction in average point change each year. This improvement is likely due to multiple factors, including improved understanding of the application and increased implementation of programs by homes. However, a significant factor in this improvement is also likely due to improved clarity of performance measure requirements over time. In the second year of the program, the 2010 application incorporated changes from the 2009 application. Three new performance measures were added, available points were redistributed, and the requirements for performance measurements were detailed at much greater length with lists of example documentation. The 2011 application did not include as many drastic changes, but was again reorganized to include requirements in checklist form and to make other key clarifications.

The 2012 application was nearly identical to the 2011 application except for the removal of the Nationally Reported Quality Measures. This likely contributed to the jump in the average scores for 2012. Since the applications were similar to the previous year, those homes that applied last year could use the feedback from last year's application to help them complete their 2012 application. Homes could assess the comments that the reviewers provided when they did not receive points for a measure and use that feedback to reapply for the same measure while incorporating the suggested changes.

Included below is a chart expressing the relationship between the number of homes applying for a performance measure and the number of homes receiving points. Many of the performance measures with lower percentages are “either/or” measures where a home could qualify for either one metric or another. During the evaluation process, reviewers noticed a number of homes that rated themselves incorrectly – awarding themselves fewer points when the backup provided qualifies them for additional points. The chart shows that most of the percentages are above 80%, which seem to indicate that homes have a good understanding of what performance measures they qualify for.

Homes Applying for Measures versus Homes Receiving Points*

| Performance Measure | Applied for Measure | Received Points | Percentage |
|-------------------------------|---------------------|-----------------|------------|
| Quality of Life | | | |
| Enhanced Dining | 108 | 86 | 80% |
| Flexible and Enhanced Bathing | 91 | 82 | 90% |
| Daily Schedules | 94 | 74 | 79% |
| End Of Life Program | 95 | 67 | 71% |
| Resident Rooms | 110 | 108 | 98% |
| Public and Outdoor Space | 101 | 96 | 95% |
| Overhead Paging | 91 | 83 | 91% |
| Neighborhoods/Households | 71 | 53 | 75% |
| 50% Consistent Assignments | 23 | 14 | 61% |
| 80% Consistent Assignments | 79 | 70 | 89% |
| Internal Community | 73 | 61 | 84% |
| External Community | 106 | 96 | 91% |
| Living Environment | 105 | 92 | 88% |
| Volunteer Program | 107 | 101 | 94% |
| Care Planning | 71 | 63 | 89% |
| Career Ladders/Career Paths | 104 | 97 | 93% |
| Person-Directed Care | 70 | 55 | 79% |
| New Staff Program | 97 | 78 | 80% |
| Quality of Care | | | |
| +2 Continuing Education | 9 | 6 | 67% |
| +4 Continuing Education | 6 | 4 | 67% |
| +6 Continuing Education | 71 | 67 | 94% |
| Quality Program Participation | 85 | 85 | 100% |
| Staff Influenza Immunization | 76 | 68 | 89% |
| 10% Medicaid | 48 | 48 | 100% |

| Performance Measure | Applied for Measure | Received Points | Percentage |
|------------------------------|---------------------|-----------------|------------|
| 5% Medicaid | 19 | 12 | 63% |
| Staff Retention Rate | 94 | 88 | 94% |
| Staff Retention Improvement | 6 | 3 | 50% |
| DON Retention | 40 | 36 | 90% |
| NHA Retention | 50 | 46 | 92% |
| Employee Satisfaction Survey | 77 | 65 | 84% |

*These scores are prior to the appeal process

D. Appeal Process

Following the receipt of their score reports, facilities have 35 calendar days to contest the scoring of their submitted application. Facilities are free to appeal if they feel certain documentation may have been misinterpreted by the reviewer; no additional documentation is accepted during the appeal process. At the end of the 35th day, the opportunity to appeal expires and the evaluated score is considered final. The chart below reflects the facilities that submitted appeals and their revised scores if applicable.

Appeals and Score Adjustments by Facility

| Facility | Original Score | Appealed Points | Points Awarded | Revised Score |
|--------------------------|----------------|-----------------|----------------|---------------|
| St. Paul Health Center | 66 | 21 | 21 | 87 |
| Vista Grande | 76 | 6 | 0 | 76 |
| Valley Manor | 43 | 11 | 7 | 50 |
| Sandalwood Manor | 53 | 27 | 27 | 80 |
| Summit Rehab | 53 | 15 | 15 | 68 |
| Devonshire Acres | 53 | 29 | 16 | 69 |
| Forest Street | 37 | 12 | 5 | 42 |
| Alpine Living Center | 70 | 10 | 7 | 77 |
| Applewood Living Center | 15 | 7 | 7 | 22 |
| Kenton Manor | 45 | 3 | 3 | 48 |
| San Juan Living Center | 79 | 6 | 6 | 85 |
| Juniper Village at Lamar | 59 | 32 | 19 | 78 |

VII. PAY FOR PERFORMANCE INITIATIVES IN OTHER STATES

Each state that has implemented a pay for performance program for nursing facilities has designed it from their own unique perspective – no two programs are alike. These states have diverse populations and demographics, and as a result, must address different needs when designing such a program. This in turn has resulted in programs which vary greatly in structure but still address the same issue: incentivizing nursing facilities to implement culture change or quality of life improvements, and to increase quality of care for residents. Included in this section are overviews of pay for performance programs from multiple states – Iowa, Utah, Minnesota, and Oklahoma, and how they promote change through their programs.

A. Iowa

Iowa’s pay-for-performance system, the Nursing Facility Accountability Measures program, began in 2002 and was revised in 2010 as the Nursing Facility Pay-for-Performance program. The current program bears resemblance to the Colorado Pay for Performance program regarding the domains and quality measures under consideration. The Nursing Facility Pay-for-Performance program has four domains with varying points available: Quality of Life with a maximum score of 25 points; Quality of Care with a maximum of 59 points; Access with a maximum of 8 points; and Efficiency with a maximum of 8 points. Participants in the program must achieve a score of at least 51 points in order to receive reimbursement from the program.⁵

Below is a chart of Iowa’s domains and the quality measures tracked under each.

| Quality of Life | Quality of Care | Access | Efficiency |
|---|---|---|---|
| <ul style="list-style-type: none"> • Enhanced Dining • Resident Activities • Resident Choice • Consistent Staffing • National Accreditation • Resident/Family Satisfaction Survey • Long-Term Care Ombudsman | <ul style="list-style-type: none"> • Deficiency-Free Survey • Regulatory Compliance with Survey • Nursing Hours Provided • Employee Turnover • Staff Education, Training and Development • Staff Satisfaction Survey • Nationally Reported Quality Measures <ul style="list-style-type: none"> ○ High-Risk Pressure Ulcer ○ Physical Restraints ○ Chronic Care Pain ○ High Achievement of ○ Nationally Reported Quality Measures | <ul style="list-style-type: none"> • Special Licensure Classification • High Medicaid Utilization | <ul style="list-style-type: none"> • High Occupancy Rate • Low Administrative Costs |

⁵“5-2-2012.Rule.441.81.6.” *RTF - Iowa Legislature*. May 2, 2012. Web. June 20, 2012. <http://iowa.gov/pages/search?q=pay+for+performance>

B. Utah

Utah has implemented the Quality Improvement Incentives (QII) program, a two part program where nursing facilities are paid a designated Medicaid bed rate based on each successfully achieved Quality Improvement Factor. The QII 1 application is a checklist for which facilities need to provide supporting documentation of such categories as: implementation of a quality improvement plan, customer satisfaction surveys, process for implementing culture change, and an employee satisfaction survey. Any categories which were rated “below average” for the prior survey period must provide an action plan for how they plan to address and improve any of the areas identified. Payments for this initiative come out of a pool of \$1,000,000 (for FY 2012); each facility’s payments vary based upon the proportion of Medicaid patients served, so those facilities with higher Medicaid ratios will receive a larger portion of money.⁶

In addition, those homes that have applied for the QII 1 program can apply for the QII 2 program. Utah established a separate pool of funds to incentivize homes that make capital improvements to improve quality. This pool for FY 2012 is \$4,275,900.⁵

QII 2 initiatives for 2012 are evaluated are as follows:⁵

1. New nurse call system or enhancements to its existing nurse call system
2. Purchase of new patient lift systems
3. Bathing Improvements
4. Purchase patient life enhancing devices
5. Staff training on quality
6. Purchase or improve Vans or Van Equipment
7. Purchase or enhance clinical information systems software
8. Purchase or enhance heating, ventilating and air-conditioning
9. Improved Dining Experience
10. Outcome Proven Awards
11. Worker Immunization

Initiatives number 7, 10, and 11 have been added or expanded from the 2011 application. Additional measures are added each year so that homes can both choose what measures they would like to implement and how they would like to go about implementing those measures in their home. Reviewing these QII 2 initiatives, one would notice that many of these measures are present in the Colorado P4P application. Utah also utilizes a checklist approach for the application, outlining for the application exactly what documentation needs to be present in order to be eligible for an award.⁵

⁶ Bagley, Kevin. “NH Introduction Letter.” *Utah Medicaid Unit, Long-Term Care Resources*. October 17, 2011. Web. June 18, 2012.

<http://health.utah.gov/medicaid/stplan/NursingHomes/QI/FY12%20NF%20QII%20Intro%20Letter.pdf>

C. Minnesota

In 2006, the Minnesota Department of Human Services (DHS) launched the Nursing Home Performance-Based Incentive Payment Program (PIPP). PIPP supports provider-initiated projects aimed at improving the quality and efficiency of nursing home care. Provider-initiated projects are selected through a competitive process and funded for up to 5% of the weighted average operating payment rate. Providers risk losing up to 20% of their project funding if they fail to achieve measurable outcomes tied to state nursing home performance measures.⁷

Minnesota has made a significant investment in PIPP by supporting 89 individual or collaborative projects, representing 268 facilities and total funding of over \$70 million to date. Nursing faculties should contour their applications around one of the following initiatives:

- Improve the quality of care and quality of life of nursing home residents in a measurable way.
- Deliver good quality care more efficiently.
- Rebalance long-term care and make more efficient and effective use of resources.⁶

Applications for PIPP are centered on identifying a problem, explaining the data and criteria that led to identifying this problem, and providing a work flow and implementation plan to improve this issue. Funding and review of these applications are conducted by the federal Agency for Healthcare Research and Quality (AHRQ).⁶

What makes Minnesota's program unique is that encourages collaboration among facilities. In fact, collaborative proposals are encouraged. There are many benefits to this approach for facilities, including but not limited to: economies of scale, increased efficiency, opportunities for knowledge sharing, training, and the distribution of costs. In addition, Minnesota DHS, Nursing Facility Rates and Policy Division holds a number of workshops each year providing an overview of the program, details about new measures, and instruction on completing the application and the semi-annual and final reports. There is also time allocated for a break out session which allows facilities the opportunity to begin planning their initiative with the opportunity to seek the guidance of the technical advisors present at the workshop.⁶

D. Oklahoma

The state of Oklahoma implemented the "Focus on Excellence" program in July of 2007. This program was established as an incentive-based rate plan for all long-term care facilities designed to measure improvements in the quality of life, care, and services. All Oklahoma Long Term Care Facilities are

⁷ "PIPP 2012 Request for Proposals." *Nursing Facility Performance-Based Incentive Payment Program (PIPP)-Minnesota Department of Human Services*. October 17, 2011. Web. June 18, 2012.
http://www.dhs.state.mn.us/main/idcplg?IdcService=GET_DYNAMIC_CONVERSION&RevisionSelectionMethod=LatestReleased&dDocName=dhs16_136547.

eligible to participate in the program, although participation is voluntary.⁸ There are currently 291 facilities actively participating in the Focus on Excellence program.⁹

Facilities report data for ten quality indicators for which they will receive a star rating of up to five stars. The quality measures include:⁷

1. Quality of life
2. Resident/family satisfaction
3. Employee satisfaction
4. System-wide culture change
5. Certified Nurse Aide/Nurse Aide stability
6. Nurse stability
7. Clinical measures
8. State survey compliance
9. Medicare utilization
10. Direct care hours per patient day

Participation in the Focus on Excellence program provides facilities with the potential to earn performance payments based on whether they meet or exceed the established thresholds of the ten quality measures. In addition to the financial benefit to the nursing facilities, Focus on Excellence provides consumers, family members, and the community with a web site that features Focus on Excellence's Long Term Care facilities. The site provides the ability to search facilities alphabetically, individually, by quality metric and/or by significance/importance.⁷

⁸ "Focus on Excellence/Oklahoma Nursing Home Ratings." *Oklahoma Health Care Authority*. Web. June 18.2012. <http://okhca.org/individuals.aspx?id=8135>.

⁹ "Focus on Excellence- Quarterly Fast Facts." *Oklahoma Health Care Authority*. Web. June 18.2012. <http://okhca.org/individuals.aspx?id=8135>.

