

# Know Your Value!

## PATIENT DRIVEN PAYMENT MODEL

### Understanding the Myths and Realities of PDPM

Since October 1, 2019, skilled nursing facilities (SNFs) have been paid under a payment system known as the **Patient Driven Payment Model (PDPM)**. This system transitioned Medicare from fee-for-service to a value-based payment dependent on patients' clinical characteristics, such as diagnosis and comorbidities. This fundamentally shifted the way SNFs were paid for therapy services, changing from payment based on minutes of therapy provided to payment based on what types of services the patient may need, such as speech-language pathology services. When effectively engaged by SNFs, speech-language pathologists (SLPs) can help ensure compliance with Medicare regulations and support accurate reimbursement for their services.

When you're told "Medicare doesn't pay for that," here are the facts.



**Success under PDPM requires comprehensive diagnostic and procedure coding that is reflective of patient needs.**

SLPs play a critical role in identifying patients who would benefit from skilled services for speech, language, voice, swallowing, and/or cognitive disorders. Accurate and **comprehensive coding** ([www.asha.org/practice/reimbursement/coding/icd-10/](http://www.asha.org/practice/reimbursement/coding/icd-10/)) that recognizes all relevant diagnoses and comorbidities/complexities identified by SLPs is critical to ensure these services are appropriately reimbursed. In addition, improved coding accuracy provides Medicare with more complete data on the conditions for which SLPs are providing services, which could support advocacy efforts to make positive payment policy changes.

#### Primary diagnosis:

SNFs assign an ICD-10 code to report the patient's primary diagnosis, or the reason for the SNF stay. The primary diagnosis is coded within Section I0200B and maps to a clinical category. Speech-language pathology related primary diagnoses that map to the acute neurologic clinical category trigger speech-language pathology payment. These diagnoses are limited to speech, language, and swallowing disorders due to cerebrovascular accident (CVA) and aphasia.

#### Secondary or treating diagnosis(es):

Clinicians will use ICD-10 codes to capture additional diagnoses and comorbidities associated with the patient. These codes can factor into classification of patients into a speech-language pathology comorbidity payment. Currently, the diagnoses that trigger a speech-language pathology comorbidity payment within Section I800 of the MDS are limited to amyotrophic lateral sclerosis (ALS), oral and laryngeal cancers, and speech, language, and swallowing disorders due to CVA.

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**Payment for and quality of care under PDPM necessitates that SNFs use SLPs more effectively and holistically.**

Therapists play an imperative role in supporting quality improvement and avoiding payment adjustments under the value-based purchasing program (VBP), the quality reporting program (QRP), Nursing Home Compare, and the **annual survey and certification process** ([www.asha.org/practice/reimbursement/medicare/role-of-slp-maintaining-compliance-with-medicare-survey-and-certification-standards-for-snfs/](http://www.asha.org/practice/reimbursement/medicare/role-of-slp-maintaining-compliance-with-medicare-survey-and-certification-standards-for-snfs/)). Improved compliance and quality help SNFs avoid negative payment adjustments. For example, by ensuring patients are safely and efficiently maintaining nutrition and hydration, effectively communicating their needs, and participating in their care planning and discharge planning processes, SLPs can help reduce re-hospitalization risks and impact the discharge function score.



**Involve SLPs in the completion of the Minimum Data Set (MDS).**

Engaging SLPs in the completion of relevant sections of the MDS ensures accuracy of the data, helps identify patients who need speech-language pathology services, and facilitates interprofessional practice. SLPs can contribute to this process either directly or in consultation with the MDS coordinator. In particular, SLPs can help with completion of Section K: Swallowing and Nutrition Status; Sections B and C: Cognition; and Sections I and O: Clinical Category.



**Avoid errors in documentation and claims submission.**

SLPs play a critical role in ensuring documentation supports the claims submitted by the facility. They can help avoid negative audit findings such as:

- Changes in payment that result from changes in the coding or classification of SNF patients versus actual changes in case mix;
- Individualized, patient-centered plans of care are required by Medicare regulation; including frequency and duration of treatments, modes of treatment, and compliance with the group and concurrent therapy limit, if applicable.
- Appropriate identification of swallowing disorders and/or the need for mechanically altered diets;
- Identification and addressing of cognitive deficits when indicated; and
- Discharge planning and recommendations to promote safe transitions and minimize risk of re-hospitalization.



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### Learn more about PDPM:

[www.asha.org/Practice/reimbursement/medicare/Medicare-Skilled-Nursing-Facility-Prospective-Payment-System/](http://www.asha.org/Practice/reimbursement/medicare/Medicare-Skilled-Nursing-Facility-Prospective-Payment-System/)

### Questions? Contact

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