

**Facility Name**  
**Cycle**

**Copley of Stoughton**  
**B**

**Turnaround**  
**1-Aug**

Documentation Month July  
15th to complete the billing

Review /Prepare in June

**Names**

**MMQ**

**Care Plan**

Check for ADLs

**1-Feb**

Documentation Month January

15th to complete the billing

Review /Prepare in December

### **ADL Flow Sheet**

Exist

Historical Coding

What happened 6  
months ago and if changed  
and update care plan  
accordingly

### **Eating Assist**

Dietary Note

Supervision for feeding  
Care Plan says continuous Supervision

### **Incontinent**

Cannot take if coded  
Independent for toileting

### **Dressing Assst**

If pt bedbound the care plan must  
state the patient is dressed for  
dignity

**Norton**

Skin Assessment  
15 or under to take  
points

Dressing and not pressure related  
need 15 days but  
on each day needs to be  
a nurse assessment,

**Diabetic Foot Care**

**Skin**

**Isolation**

60 day

**Treatments**

**Oxygen**

### **Skilled Observstion**

with an incident from Augist 1st  
60 days back  
Need paramter: Note to call MD,  
actually called and documentation

### **Skilled Procedure Points**

### **Wandering**

Cannot take if patient  
coded assit for walking

## **Behaviors**

Well defined in the care plan.

15 days

Physical

Verbal

Other - Be sure Care Plan explains

## **I.V.**

5 days in month  
for IV Fluids

90 Points

**Name  
Cycle**

A or B

**Turnaround**

**1-Aug**

Documentation Month July  
15th to complete the billing

Review /Prepare in June

**Resident**

**MMQ**

**Care Plan**

Check for ADLs

**1-Feb**

Documentation Month January

15th to complete the billing

Review /Prepare in December

**ADL Flow Sheet**

Exist

Historical Coding

What happened 6 months ago and if changed and update care plan accordingly

**Eating Assist**

Dietary Note

Supervision for feeding  
Care Plan says continuous Supervision

**Incontinent**

Cannot take if coded  
Independent for toileting



## **Dressing Asst**

If pt bedbound the care plan must  
state the patient is dressed for  
dignity

## **Norton**

Skin Assessment

15 or under to take  
points

Dressing and not pressure related  
need 15 days but  
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a nurse assessment,

## **Diabetic Foot Care**

## **Skin**

## **Isolation**

60 day

## **Treati**

ments

**Oxygen**

**Skilled Observstion**

with an incident from August 1st  
60 days back  
Need paramter: Note to call MD,  
actuallly called and documentation

**Skilled Procedure Points**

## **Wandering**

Cannot take if patient  
coded assist for walking

## **Behaviors**

Well defined in the care plan.

15 days

Physical

Verbal

Other - Be sure Care Plan explains

**I.V.**

5 days in month  
for IV Fluids  
90 Points





Medicaid payment rates for nursing homes are

Rates are primarily based on cost reports, which nursing



The nursing cost component of the rate setting formula is  
are assigned to one of 10 categories based on the level

## **HISTORY**

In 1991, the state transitioned to a facility-specific PCM

Consequently, in 1998, the state changed

The Massachusetts Division of Healthcare Finance and Policy  
receives

**Component**

Nursing Costs (approximately 50% of the base rate)

Other Operating Costs

(approximately 40% of the base rate)

Capital Costs (approximately 10% of the base rate)

\*Source: Massachusetts Division of Healthcare, Finance, and Policy

[11](#)

## Rebasing

Rates are set based primarily on nursing home cost reports  
reports fr

## Resident Acuity

Most states with PCM Medicaid nursing home reim  
Massachusetts implemented its PCM system in 1991,  
minutes for a

Payment Group
H

JK
LM
NP
RS
T

ND:ak

You asked for information on Massachusetts' Me

set by the Massachusetts Department of Health and Human Services. The dep

homes must submit annually to HFP by April 1st. State law prohibits rebasing r  
and other operating cost

statutorily required add-on payments. Nursing homes receive additional pa

accounts for resident acuity levels by categorizing residents based on their care  
l of care required in skilled nursing and activities of daily living. Based on this cla

In the 1980's, Massachusetts set Medicaid nursing home rates using a retr

l model. Rates were set in advance based on each nursing home's cost reports f  
homes that reduc

its PCM from a facility-specific model that accounted for nursing home's indivic

olicy sets Medicaid payment rates for nursing homes. Nursing homes receive a p  
e additional payments for the Medicaid portion of their nursing home user fee,

**Included Costs**



Salaries and benefits for nursing personnel

Salaries and benefits for laundry, dietary, and maintenance personnel; also includes supplies, consultant fees, and administrative and general expenses

Annual depreciation expenses (a non-cash expense), interest and equity allowances, real estate taxes, and building insurance.

[This rate covers routine room and board and nursing care. Other ancillary expenses](#)

Reports submitted annually to HFP by April 1st. But, according to HFP's Michael Gr  
from four years prior to set the rates for multiple years. For the current rate year

The nursing cost component of Massachusetts' rate setting formula ta

bursement systems use CMS' Resource Utilization Groups (RUGs) case-mix mea  
the RUGs system was unavailable. It chose to instead use the Management Mi  
resident theoretically correspond directly to staffing needs. Nursing homes mu

Residents are placed into one of 10 cat

<b>Management Minute Range</b>
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0-30 minutes
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30.1-110 minutes
110.1-170 minutes
170.1-225 minutes
225.1-270 minutes
270.1 minutes and above

[Massachusetts Division of Health Care Finance and Policy](#)

**28-Jan-09**

**MASSACHUSETTS' MEDICAID NURSING HOME PAYMENT SYSTEM**

By Nicole Dube, Associate Legislative Analyst

Medicaid rate setting system for nursing homes. Specifically, you were interested in how the system ac

**SUMMARY**

Department's Division of Healthcare Finance and Policy (HFP) calculates these rates using a prospective

rates more frequently than once every four years. (HFP relies on cost reports from four years prior and  
components of the rate setting formula are adjusted each year for inflation. Rates are also adjusted

payments for the Medicaid portion of its nursing home user fee, and if they operate a kosher kitchen o

ne needs and assigning different payment levels to each category. Nursing homes with “higher need” classification, nursing homes are paid one of six rates. Homes must submit quarterly MMS surveys on e reflect that change.

pective cost based system. Nursing homes were reimbursed for their allowable Medicaid costs at

from a prior year. Each nursing home was paid one of 10 case-mix adjusted rates based on patient acuity. Homes with lower costs received lower reimbursement rates while homes with increased costs received higher rates.

Transitioned to an industry-based pricing model that pays each nursing home the same amount for certain services regardless of individual costs.

## MEDICAID NURSING HOME RATES

The per diem rate for each Medicaid-eligible resident based on three components: nursing costs, other services, and if they operate a kosher kitchen or if more than 75% of their residents have multiple sclerosis. The rate is adjusted for inflation.

**Table 1: Massachusetts Medicaid Nursing Home Rate Components**

<b>Standard Payment Method</b>
--------------------------------

Standard is based on the statewide median cost of nursing care; 6 different payment categories, ba

Standard is the statewide median cost for other operating expenses; a sub component, administrat

New construction is paid at a standard allowance of up to \$28.06 per day; Payments for existing cap  
their 2005 capital payment. Standards range from \$4.45 to \$22.56.

[ses, including pharmacy and physical therapy, are paid separately by MassHealth \(the state's Medic](#)

enier, state law does not allow costs to be re-based more frequently than once every four years. Thi  
ir, HFP is using the 2005 cost report. Grenier indicates that the nursing and other operating cost con

kes into account the specific care needs of each nursing home resident. Nursing homes whose reside

asurement system to measure patient acuity. (The RUGs system places residents into one of 44 reso  
nute System (MMS). MMS constructs an index for each resident based on a range of resident charac  
st submit quarterly MMS surveys on each patient. If a resident's acuity level changes during the qua

tegies based on their care needs; each category is assigned one of six payment levels. Table 2 lists

**Table 2: Nursing Cost Payment Categories**





## HYPERLINKS

[, "Standard Payments to Nursing Facilities", http://www.mass.gov/Eeohhs2/docs/dhcfp/g/regs/114](http://www.mass.gov/Eeohhs2/docs/dhcfp/g/regs/114)

<b>Payment Group</b>	<b>Management Minute Range</b>	
<b>H</b>	0-30	minutes
<b>JK</b>	30.1-110	minutes
<b>LM</b>	110.1-170	minutes
<b>NP</b>	170.1-225	minutes
<b>RS</b>	225.1-270	minutes
<b>T</b>	270.1	minutes and above

<b>Standard Payment</b>
\$14.08
\$37.55
\$65.72
\$95.76
\$116.69
\$137.60