

FY 2025 SNF PPS Final Rule

September 19, 2024 >

Disclaimer

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Learning Objectives >

1. FY 2025 Updates to the SNF Payment Rates
2. Changes in PDPM ICD-10 Code Mappings
3. Nursing Home Enforcement
4. SNF QRP Updates
5. SNF VBP Updates



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FY 2025 Updates to SNF Payment Rates



2025 SNF Payment Rate Updates

- **NET INCREASE OF 4.2%**
 - Approximately \$1.4 billion.
 - Based on market basket percentage increase of 3.0%, plus
 - A 1.7% forecast error adjustment, less
 - A 0.5% productivity adjustment.
 - Does not include SNF VBP reductions (estimated at \$196.5 million in FY 2025).

2025 SNF Payment Rate Updates

FY 2025 Unadjusted Federal Rate Per Diem - URBAN

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per diem amount	\$73.25	\$68.18	\$27.35	\$127.68	\$96.33	\$114.34

FY 2025 Unadjusted Federal Rate Per Diem – RURAL

Rate Component	PT	OT	SLP	Nursing	NTA	Non-Case-Mix
Per diem amount	\$83.50	\$76.69	\$34.46	\$121.99	\$92.03	\$116.46

2025 SNF Payment Rate Updates

- No Case Mix Index changes

PDPM Case-Mix Adjusted Federal Rates and Associated Indexes - URBAN

PDPM Group	PT CMI	PT Rate	OT CMI	OT Rate	SLP CMI	SLP Rate	Nursing CMG	Nursing CMI	Nursing Rate	NTA CMI	NTA Rate
A	1.45	\$106.21	1.41	\$96.13	0.64	\$17.50	ES3	3.84	\$490.29	3.06	\$294.77
B	1.61	\$117.93	1.54	\$105.00	1.72	\$47.04	ES2	2.90	\$370.27	2.39	\$230.23
C	1.78	\$130.39	1.60	\$109.09	2.52	\$68.92	ES1	2.77	\$353.67	1.74	\$167.61
D	1.81	\$132.58	1.45	\$98.86	1.38	\$37.74	HDE2	2.27	\$289.83	1.26	\$121.38
E	1.34	\$98.16	1.33	\$90.68	2.21	\$60.44	HDE1	1.88	\$240.04	0.91	\$87.66
F	1.52	\$111.34	1.51	\$102.95	2.82	\$77.13	HBC2	2.12	\$270.68	0.68	\$65.50
G	1.58	\$115.74	1.55	\$105.68	1.93	\$52.79	HBC1	1.76	\$224.72	-	-
H	1.10	\$80.58	1.09	\$74.32	2.7	\$73.85	LDE2	1.97	\$251.53	-	-
I	1.07	\$78.38	1.12	\$76.36	3.34	\$91.35	LDE1	1.64	\$209.40	-	-
J	1.34	\$98.16	1.37	\$93.41	2.83	\$77.40	LBC2	1.63	\$208.12	-	-
K	1.44	\$105.48	1.46	\$99.54	3.50	\$95.73	LBC1	1.35	\$172.37	-	-
L	1.03	\$75.45	1.05	\$71.59	3.98	\$108.85	CDE2	1.77	\$225.99	-	-
M	1.20	\$87.90	1.23	\$83.86	-	-	CDE1	1.53	\$195.35	-	-
N	1.40	\$102.55	1.42	\$96.82	-	-	CBC2	1.47	\$187.69	-	-
O	1.47	\$107.68	1.47	\$100.22	-	-	CA2	1.03	\$131.51	-	-
P	1.02	\$74.72	1.03	\$70.23	-	-	CBC1	1.27	\$162.15	-	-
Q	-	-	-	-	-	-	CA1	0.89	\$113.64	-	-
R	-	-	-	-	-	-	BAB2	0.98	\$125.13	-	-
S	-	-	-	-	-	-	BAB1	0.94	\$120.02	-	-
T	-	-	-	-	-	-	PDE2	1.48	\$188.97	-	-
U	-	-	-	-	-	-	PDE1	1.39	\$177.48	-	-
V	-	-	-	-	-	-	PBC2	1.15	\$146.83	-	-
W	-	-	-	-	-	-	PA2	0.67	\$85.55	-	-
X	-	-	-	-	-	-	PBC1	1.07	\$136.62	-	-
Y	-	-	-	-	-	-	PA1	0.62	\$79.16	-	-

PDPM Case-Mix Adjusted Federal Rates and Associated Indexes - RURAL

PDPM Group	PT CMI	PT Rate	OT CMI	OT Rate	SLP CMI	SLP Rate	Nursing CMG	Nursing CMI	Nursing Rate	NTA CMI	NTA Rate
A	1.45	\$121.08	1.41	\$108.13	0.64	\$22.05	ES3	3.84	\$468.44	3.06	\$281.61
B	1.61	\$134.44	1.54	\$118.10	1.72	\$59.27	ES2	2.90	\$353.77	2.39	\$219.95
C	1.78	\$148.63	1.60	\$122.70	2.52	\$86.84	ES1	2.77	\$337.91	1.74	\$160.13
D	1.81	\$151.14	1.45	\$111.20	1.38	\$47.55	HDE2	2.27	\$276.92	1.26	\$115.96
E	1.34	\$111.89	1.33	\$102.00	2.21	\$76.16	HDE1	1.88	\$229.34	0.91	\$83.75
F	1.52	\$126.92	1.51	\$115.80	2.82	\$97.18	HBC2	2.12	\$258.62	0.68	\$62.58
G	1.58	\$131.93	1.55	\$118.87	1.93	\$66.51	HBC1	1.76	\$214.70	-	-
H	1.10	\$91.85	1.09	\$83.59	2.7	\$93.04	LDE2	1.97	\$240.32	-	-
I	1.07	\$89.35	1.12	\$85.89	3.34	\$115.10	LDE1	1.64	\$200.06	-	-
J	1.34	\$111.89	1.37	\$105.07	2.83	\$97.52	LBC2	1.63	\$198.84	-	-
K	1.44	\$120.24	1.46	\$111.97	3.50	\$120.61	LBC1	1.35	\$164.69	-	-
L	1.03	\$86.01	1.05	\$80.52	3.98	\$137.15	CDE2	1.77	\$215.92	-	-
M	1.20	\$100.20	1.23	\$94.33	-	-	CDE1	1.53	\$186.64	-	-
N	1.40	\$116.90	1.42	\$108.90	-	-	CBC2	1.47	\$179.33	-	-
O	1.47	\$122.75	1.47	\$112.73	-	-	CA2	1.03	\$125.65	-	-
P	1.02	\$85.17	1.03	\$78.99	-	-	CBC1	1.27	\$154.93	-	-
Q	-	-	-	-	-	-	CA1	0.89	\$108.57	-	-
R	-	-	-	-	-	-	BAB2	0.98	\$119.55	-	-
S	-	-	-	-	-	-	BAB1	0.94	\$114.67	-	-
T	-	-	-	-	-	-	PDE2	1.48	\$180.55	-	-
U	-	-	-	-	-	-	PDE1	1.39	\$169.57	-	-
V	-	-	-	-	-	-	PBC2	1.15	\$140.29	-	-
W	-	-	-	-	-	-	PA2	0.67	\$81.73	-	-
X	-	-	-	-	-	-	PBC1	1.07	\$130.53	-	-
Y	-	-	-	-	-	-	PA1	0.62	\$75.63	-	-

2025 SNF Payment Rate Updates

- Labor Portion
 - The labor portion of the rate will increase in FY25 to 71.9%, from 71.1% in FY24
- Variable per diem
 - The variable per diem remains unchanged.
 - Non-Therapy Ancillary component
 - Days 1 – 3: Paid at 300%
 - Days 4 -100: Paid at 100%
 - PT and OT components
 - Days 1 – 20: Paid at 100%
 - Starting on day 21, decline by 2% every 7 days

2025 SNF Payment Rate Updates

- PDPM Case-Mix Adjustment Rate Calculation Example

Component	Component Group	Component Rate	VPD Adjustment Factor	VPD Adj. rate
PT	N	\$102.55	1.00	\$102.55
OT	N	\$96.82	1.00	\$96.82
SLP	H	\$73.85	1.00	\$73.85
Nursing	N	\$187.69	1.00	\$187.69
NTA	C	\$167.61	3.00	\$502.83
Non-Case-Mix	-	\$114.34	-	\$114.34
Total PDPM Case-Mix Adj. Per Diem				\$1,078.08

HIPPS Code	PDPM Case-Mix Adjustment Per Diem	Labor Portion	Wage Index	Wage index Adjusted Rate	Non-Labor Portion	Total Case Mix and Wage Index Avg. Rate
NHNC1	\$1,078.08	\$776.22	0.9876	\$766.59	301.86	\$1,068.45

2025 SNF Payment Rate Updates

- PDPM Case-Mix Adjustment Rate Calculation Example

Day of Stay	NTA VPD Adjustment Factor	PT/OT VPD Adjustment Factor	Case Mix and Wage Index Adjusted Per Diem Rate
1	3.0	1.0	\$1,068.45
2	3.0	1.0	\$1,068.45
3	3.0	1.0	\$1,068.45
4	1.0	1.0	\$736.23
5	1.0	1.0	\$736.23
6	1.0	1.0	\$736.23
7	1.0	1.0	\$736.23
8	1.0	1.0	\$736.23
9	1.0	1.0	\$736.23
10	1.0	1.0	\$736.23
11	1.0	1.0	\$736.23
12	1.0	1.0	\$736.23
13	1.0	1.0	\$736.23
14	1.0	1.0	\$736.23
15	1.0	1.0	\$736.23
16	1.0	1.0	\$736.23
17	1.0	1.0	\$736.23
18	1.0	1.0	\$736.23
19	1.0	1.0	\$736.23
20	1.0	1.0	\$736.23
21	1.0	0.98	\$732.28
22	1.0	0.98	\$732.28
23	1.0	0.98	\$732.28
24	1.0	0.98	\$732.28
25	1.0	0.98	\$732.28
26	1.0	0.98	\$732.28
27	1.0	0.98	\$732.28
28	1.0	0.96	\$728.32
29	1.0	0.96	\$728.32
30	1.0	0.96	\$728.32
Total Payment			\$23,032.18

2025 SNF Payment Rate Updates

- New OMB statistical area delineations
 - 54 counties current considered an urban CBSA will be considered located in a rural area

Federal Information Processing Standard (FIPS) County Code	County Name	State	Current CBSA	Current CBSA Name
01129	Washington	AL	33660	Mobile, AL
05025	Cleveland	AR	38220	Pine Bluff, AR
05047	Franklin	AR	22900	Fort Smith, AR-OK
05069	Jefferson	AR	38220	Pine Bluff, AR
05079	Lincoln	AR	38220	Pine Bluff, AR
09015	Windham	CT	49340	Worcester, MA-CT
10005	Sussex	DE	41540	Salisbury, MD-DE
13171	Lamar	GA	12060	Atlanta-Sandy Springs-Alpharetta, GA
16077	Power	ID	38540	Pocatello, ID
17057	Fulton	IL	37900	Peoria, IL
17077	Jackson	IL	16060	Carbondale-Marion, IL
17087	Johnson	IL	16060	Carbondale-Marion, IL
17183	Vermilion	IL	19180	Danville, IL
17199	Williamson	IL	16060	Carbondale-Marion, IL
18121	Parke	IN	45460	Terre Haute, IN
18133	Putnam	IN	26900	Indianapolis-Carmel-Anderson, IN
18161	Union	IN	17140	Cincinnati, OH-KY-IN
21091	Hancock	KY	36980	Owensboro, KY
21101	Henderson	KY	21780	Evansville, IN-KY
22045	Iberia	LA	29180	Lafayette, LA
24001	Allegany	MD	19060	Cumberland, MD-WV
24047	Worcester	MD	41540	Salisbury, MD-DE
25011	Franklin	MA	44140	Springfield, MA

Federal Information Processing Standard (FIPS) County Code	County Name	State	Current CBSA	Current CBSA Name
26155	Shiawassee	MI	29620	Lansing-East Lansing, MI
27075	Lake	MN	20260	Duluth, MN-WI
28031	Covington	MS	25620	Hattiesburg, MS
31051	Dixon	NE	43580	Sioux City, IA-NE-SD
36123	Yates	NY	40380	Rochester, NY
37049	Craven	NC	35100	New Bern, NC
37077	Granville	NC	20500	Durham-Chapel Hill, NC
37085	Harnett	NC	22180	Fayetteville, NC
37087	Haywood	NC	11700	Asheville, NC
37103	Jones	NC	35100	New Bern, NC
37137	Pamlico	NC	35100	New Bern, NC
42037	Columbia	PA	14100	Bloomsburg-Berwick, PA
42085	Mercer	PA	49660	Youngstown-Warren-Boardman, OH-PA
42089	Monroe	PA	20700	East Stroudsburg, PA
42093	Montour	PA	14100	Bloomsburg-Berwick, PA
42103	Pike	PA	35084	Newark, NJ-PA
45027	Clarendon	SC	44940	Sumter, SC
48431	Sterling	TX	41660	San Angelo, TX
49003	Box Elder	UT	36260	Ogden-Clearfield, UT
51113	Madison	VA	47894	Washington-Arlington-Alexandria, DC-VA-MD-WV
51175	Southampton	VA	47260	Virginia Beach-Norfolk-Newport News, VA-NC
51620	Franklin City	VA	47260	Virginia Beach-Norfolk-Newport News, VA-NC

2025 SNF Payment Rate Updates

- New OMB statistical area delineations
 - 54 counties current considered an urban CBSA will be considered located in a rural area

Federal Information Processing Standard (FIPS) County Code	County Name	State	Current CBSA	Current CBSA Name
54035	Jackson	WV	16620	Charleston, WV
54043	Lincoln	WV	16620	Charleston, WV
54057	Mineral	WV	19060	Cumberland, MD-WV
55069	Lincoln	WI	48140	Wausau-Weston, WI
72001	Adjuntas	PR	38660	Ponce, PR
72055	Guanica	PR	49500	Yauco, PR
72081	Lares	PR	10380	Aguadilla-Isabela, PR
72083	Las Marias	PR	32420	Mayagüez, PR
72141	Utua	PR	10380	Aguadilla-Isabela, PR



Changes in PDPM ICD-10 Code Mappings





PDPM ICD-10 Mapping Changes >

- International Classification of Diseases, 10th Revision.
- Changes to primary diagnosis and clinical categories.
- To allow providers with a more accurate, consistent, and appropriate diagnoses that meet criteria for skilled intervention during a Part A SNF stay.
- Changes to the ICD-10 code mappings an lists used are available on the PDPM website:
 - <https://www.cms.gov/medicare/payment/prospective-payment-systems/skilled-nursing-facility-snf/patient-driven-model>

PDPM ICD-10-CM Mappings FY2025		
Purpose		ICD-10-CM codes related mappings for the purposes of resident classification under the Patient-Driven Payment Model (PDPM) for Medicare Part A SNF stays.
Table of Contents		
ICD-10-CM to Clinical Category Mapping	Clinical Category	Mapping of the ICD-10-CM Codes Recorded in Item I0020B of the MDS Assessment to PDPM Clinical Categories
SLP Comorbidity to ICD-10-CM Mapping	SLP Comorbidity	Mapping of Comorbidities Included in the PDPM SLP Component to ICD-10-CM Codes
NTA Comorbidity to ICD-10-CM Mapping	NTA Comorbidity	Mapping of Comorbidities Included in the PDPM NTA Component to ICD-10-CM Codes



Nursing Home Enforcement



Nursing Home Enforcement >

CHANGES TO CMS' ENFORCEMENT POLICIES

- Changes to the civil money penalties (CMPs) for health and safety violations.
 - Expanded the types of CMPs that can be imposed on nursing homes for health and safety violations.
 - Allowing multiple CMPs per instance for the same type of noncompliance, and both per instance and per day CMPs for the same deficiency during the same stay.
 - Went into effect October 5, 2025, but CMS will begin operationalizing them on March 3, 2025.



Skilled Nursing Facility Quality Reporting Program



Updates to the SNF QRP >

SOCIAL DETERMINATES OF HEALTH:

- Adding four Social Determinates of Health (SDOH) measures: (1) Living Situation (1 item), (2) Food (2 items), and (3) Utilities (1 item).
 - Beginning with residents admitted on October 1, 2025.

DATA VALIDATION:

- SNF participation is required in the validation process, which is similar to the SNF VBP process.
- Approximately 1,500 SNFs will be randomly selected to share a very limited set of medical records for validation.
 - CMS is required by section 1888(h)(12)(A) of the Act (as added by section 111(a)(4) of Division CC of the Consolidated Appropriations Act, 2021 (Pub. L. 116–260)) to apply a process to validate data submitted under the SNF QRP.

Updates to the SNF QRP >

TRANSPORTATION:

- Modification of the Transportation item in the MDS, collected under the SDOH category. The modifications will improve and align data collection in three ways:
 - (1) specify the look-back period for identifying if and when a patient experienced a lack of reliable transportation,
 - (2) simplify the response options for the resident, and
 - (3) require collection at admission only, which will decrease provider burden since the current assessment item is collected at both admission and discharge.
- Beginning with residents admitted on October 1, 2025.



Updates to the SNF QRP >

TIMELINE

- Discuss upcoming QRPs



SNF Value-Based Purchasing Program



Updates to the SNF VBP

- Measure retention and removal policy to help ensure that the SNF VBP Program's measure set remains focused on the best and most appropriate metrics for assessing care quality in the SNF setting. CMS is also adopting a measure selection, retention, and removal policy that aligns with a similar policy currently in place in the SNF QRP program.
- CMS is also adopting a technical measure update policy allowing the agency to update previously finalized SNF VBP measure specifications using a sub-regulatory process.
- CMS is finalizing administrative policy updates, including an update to the review and corrections policy that CMS previously finalized for the program, to ensure that SNFs can review and correct data used to calculate their measure rates.

Updates to the SNF VBP

TIMELINE

- Discuss upcoming VBPs

Do you have questions?



Resources >

FEDERAL REGISTER

- <http://www.federalregister.gov/public-inspection/current>

FISCAL YEAR 2025 SKILLED NURSING FACILITY PROSPECTIVE PAYMENT SYSTEM FINAL RULE (CMS 1802-F)

- <https://www.cms.gov/newsroom/fact-sheets/fiscal-year-2025-skilled-nursing-facility-prospective-payment-system-final-rule-cms-1802-f>

PDPM ICD-10 MAPPING

- <https://www.cms.gov/medicare/payment/prospective-payment-systems/skilled-nursing-facility-snf/patient-driven-model>

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