Long-Term Care Regulation Provider Letter

Number: PL 2022-27	
Title: Texas NFs Must Update their Minimum Data Set (MDS) Software for Section GG Data Collection	
Provider Types: Nursing Facilities (NFs)	
Date Issued: November 17, 2022	

1.0 Subject and Purpose

Effective November 1, 2022, NF providers must complete Section GG and related fields before they submit an Omnibus Budget Reconciliation Act (OBRA) assessment with an Assessment Reference Date (ARD) on or after November 1, 2022.

This data collection will help HHSC compare and evaluate costs under different payment models:

- Resource Utilization Group (RUG) III; and

- Patient Driven Payment Model (PDPM).

This PL provides information on the data to be collected and how NFs are affected. The information in this PL applies to every NF provider, regardless of Medicaid participation, because 26 TAC Rule §554.801 requires all NF providers to complete OBRA assessments.

2.0 Policy Details & Provider Responsibilities

2.1 Assessments Affected

Effective November 1, 2022, HHSC will capture data from specific sections of the MDS when a NF submits a comprehensive OBRA assessment or a quarterly assessment. The assessments include:
- Admission assessment
- Quarterly assessment

- Annual assessment
- Significant change in status assessment (SCSA)
- Significant correction to prior comprehensive assessment (SCPA)
- Significant correction of a prior quarterly assessment

PDPM data will not be collected in other non-comprehensive OBRA assessments, including Entry Tracking, Death in Facility Tracking, and Discharge.

2.2 MDS Sections to be Activated for Data Collection

As of November 1, 2022, all comprehensive OBRA and quarterly assessments must have the following sections completed:

- GG0130: Self-Care, column 1 only.
- GG0170: Mobility, column 1 only.
- I0020: Indicate the resident's primary medical condition category. Select items 1-13 which meet criteria in section I for active diagnoses. In I0020B, select the International Classification of Diseases (ICD-10) diagnosis code. I0020B should be an active diagnosis and primary medical reason the resident is in the facility.
- J2100: Recent Surgery Requiring Active Skilled Nursing Facility (SNF) Care (If J2100 is checked "yes," J2300-J5000 are to be completed). Recent surgery would be surgery within the last 30 days.
- J2300-J5000: Surgical Procedures must be completed if J2100 is "Yes."

The addition of these data elements does NOT affect the resident or current payment method. Once Section GG is activated, data entered in the applicable MDS fields should not affect OBRA required assessments of resident well-being and will not affect the calculation of the MDS RUG III code used by Texas Medicaid for payment purposes.

As part of this change, Texas will no longer require the calculation of an alternate Medicaid billing RUG.

Reminder regarding Diagnosis in Section I: Please be aware that Texas Health and Safety Code §81.103 prohibits the input of select ICD-10

diagnosis codes for Human Immunodeficiency Virus (HIV) and Acquired-Immunodeficiency Syndrome (AIDS).

2.3 GG Data Collection Periods and the Assessment Reference Date (ARD)

The collection period for Section GG data on stand-alone OBRA assessments will be the ARD plus the two previous calendar days.

If a facility elects to combine a Medicare Part A 5-day Prospective Payment System (PPS) Assessment with an OBRA Assessment, the facility must follow Medicare data collection instructions. The Section GG data collection period ends at 11:59PM on the 3rd calendar day.

2.4 Software

On or before November 1, 2022, NF providers must:

- Set the STATE_PDPM_OBRA_CD value to "1 (Yes, perform PDPM calculations for OBRAs)" in their MDS software. This setting ensures that the software prompts the user for Section GG data items and not Section G items. Please consult your software vendor on how to update the value setting.

- Remove RUG-IV 48 Group version 1.03 as the setting for MDS Item Z0250, Alternate State Medicaid Billing.

Providers should also consult their software vendor to ensure the "*Return-to-Provider*" ICD-10 codes are not blocked for long-term care residents, if they are blocked for SNF residents.

3.0 Background/History

Effective October 1, 2019, the Centers for Medicare and Medicaid Services (CMS) replaced the RUG Version IV Medicare Part A, Skilled NF reimbursement methodology with a new classification model, the PDPM.

The Nursing Facility Payment Methodology Advisory Committee (NF-PMAC), established by Title 1 of the Texas Administrative Code (1 TAC) §351.839, was tasked with advising HHSC on the establishment and implementation of recommended improvements to the NF reimbursement methodology.

The Health and Human Services Commission (HHSC) Provider Finance Department has been working with a stakeholder led NF-PMAC to develop a new PDPM. This model will adapt PDPM concepts for Texas Medicaid Long-Term Care residents with the goal of creating a new system for NF payment methodology. This new system will replace the current RUG III Case-Mix system.

In order to create a new NF payment methodology, HHSC needs to collect PDPM data elements and compare them with the current RUG III methodology. PDPM data collection will also be used to assist in future Medicaid Upper Payment Limit (UPL) calculations.

4.0 Resources
- [Minimum Data Set (MDS) 3.0 Resident Assessment Instrument (RAI) Manual](#) (CMS)
- [Minimum Data Set (MDS) Technical Information](#) (CMS)

5.0 Contact Information

If you have any questions about this letter, please contact the Policy and Rules Section by email at LTCRPolicy@hhs.texas.gov or call (512) 438-3161.