

Assessing payment adequacy and updating payments: Skilled nursing facility services

ISSUE: MedPAC assesses the adequacy of current payments and develops an update recommendation for skilled nursing facilities in 2020. Key questions to consider:

- Are Medicare payments for skilled nursing facility (SNF) care adequate?
- How should Medicare’s payments change for fiscal year 2020?

KEY POINTS: We use the Commission’s payment adequacy framework to discuss the payment update for SNF services for 2020. This framework considers:

- beneficiary access to care (including the supply of providers and volume of services),
- indicators of the quality of care furnished to beneficiaries,
- access to capital markets, and
- changes in Medicare costs and payments.

ACTION: Commissioners will discuss the findings and vote on the draft update recommendations at the January meeting.

Assessing payment adequacy and updating payments: Home health care services

ISSUE: Each year the Commission examines measures of the adequacy of payments to fee-for-service providers, pursuant to the statutory framework.

KEY POINTS: We examine several factors to determine the adequacy of Medicare's payments for home health services, including access to care (supply of providers and service utilization), quality of care, providers' access to capital, and Medicare payments and costs.

ACTION: The Commissioners will discuss the update to the home health prospective payment system and vote on the recommendation for 2020.

Assessing payment adequacy and updating payments: Inpatient rehabilitation facility services

ISSUE: By law, each year the Commission is required to review Medicare payment policies and to make recommendations to the Congress. The Commission asks whether payments to inpatient rehabilitation facilities (IRFs) are adequate and how they should be updated in 2020.

KEY POINTS: We use the Commission’s payment adequacy framework to discuss the payment update for IRF services for 2020. This framework considers: beneficiaries’ access to care, the supply of IRFs, changes in the volume of services furnished, quality of care, providers’ access to capital, and Medicare’s payments and costs.

ACTION: Commissioners will review the findings and vote on the draft update recommendations at the January meeting.