

Assessing payment adequacy : Skilled nursing facilities

ISSUE: Each year, MedPAC assesses the adequacy of current payments and develops an update recommendation for skilled nursing facilities in 2012. Key questions to consider:

- Are Medicare payments for skilled nursing facility (SNF) care adequate?
- How should Medicare’s payments change for fiscal year 2012?

KEY POINTS: We use the Commission’s payment adequacy framework to discuss the update for SNF services for 2012. 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 should review the findings in preparation for voting on the chairman’s draft recommendation.

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