




Benchmark: 2nd Period LUPA %

Background

➤ PDGM Background & Definitions

- 60-day payment episodes replaced with 30-day periods
- Increase total number of case-mix weights from 153 to 432
- Resource use and total length of stay stats
 - Regional trends
 - Ranges from ~45 to 80+ days depending on the region
 - National trends show decreased ALOS over the past year
- LUPA definition
 - **Under PPS:** 60-day episode with four or fewer total visits are paid per visit
 - **Under PDGM:** LUPAs now have variable thresholds based on HHRG to low utilization payment adjustments (LUPAs)




LUPAs - PDGM

- LUPAs now have variable thresholds based on HHRG
 - Different level for each of the 432 HHRGs
 - 10th percentile value of visits for each threshold
 - LUPA Add-on remains

Visit Threshold	HHRGs	%
2	94	21.8%
3	128	29.6%
4	137	31.7%
5	63	14.6%
6	10	2.3%

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LUPAs - PDGM

- LUPA Thresholds By Clinical Grouping
 - 30 Day periods are grouped into 12 clinical groups based on principle diagnosis

Clinical Group	2	3	4	5	6
Behavioral Health	12	9	15		
Complex	16	13	6	1	
MMTA - Cardiac	6	9	17	4	
MMTA - Endocrine	4	14	13	5	
MMTA - GI/GU	9	12	13	2	
MMTA - Infectious	10	21	5		
MMTA - Other	5	11	10	10	
MMTA - Respiratory	9	8	16	3	
MMTA - Surgical Aftercare	9	10	12	5	
MS Rehab	7	3	8	12	6
Neuro	6	5	9	12	4
Wound	1	13	13	9	
Grand Total	94	128	137	63	10

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Assumptions

- Assumptions & Data Used for Benchmark
 - CMS LDS claims data used to monitor trends in LUPA %s by state
 - Model based on claims with through dates in 2017 that were processed by March 2, 2018
 - ~6.7M episodes reviewed
 - ~7,500 cost reports
 - ~14% episodes excluded
 - Due to non-linked OASIS

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- Benchmarks for 2nd Period LUPA %
 - 2nd Period LUPAs account for **45 to 55%** of all LUPAs captured under PDMG on a national level
 - Regional impact based on case mix weights
 - Lower impact in southern states
 - Higher impact in northern and mid-west states
 - **Recommendations based on findings:**
 - Determine your agency's Average Length of Stay (ALOS) and how it impacts reimbursement under PDGM
 - 1st Period – Early
 - 2nd Period – Late LUPA
 - Evaluate your unique referral details to determine overall impact
 - Utilize episode management and case conferencing as ways to monitor patient outcomes and appropriate visit counts

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