

# CMS proposes 1.4% rate hike and quality measures for skilled nursing facilities

By [Virgil Dickson](#) | April 15, 2015

Skilled nursing facilities would get a 1.4% Medicare rate increase for fiscal 2016 [under a proposed rule issued by the CMS Wednesday](#). That change would lead to \$500 million in higher [Medicare](#) payments.

The proposed increase [is down from the 2% bump](#), or additional \$750 million, that SNFs received for fiscal 2015.

There are more than 15,000 SNFs that admit more than 2 million patients in the traditional Medicare program each year.

In addition to the rate increase, the rule proposes implementation of a 30-day, all-cause readmission measure to examine why people return to a SNF after discharge.

The CMS also proposed shifting more payments to being value-based rather than volume-based. Such a shift would mean implementing quality measures related to residents' functional status, cognitive function, skin integrity and their incidence of major falls. But those quality measures wouldn't be used to determine payment until fiscal 2018.

For the fiscal 2018 value-based payment model, SNFs would submit data on the proposed quality measures for residents who are admitted to their facilities between Oct. 1, 2016 and Dec. 31, 2016.

Comments on the proposed CMS rule will be accepted until June 15.