



Provider Newsflash



A fax bulletin for the Molina Healthcare of Washington Provider Network

October 1, 2019

Memorandum: Medicare Reimbursement SNF PPS Patient-Driven Payment Model

Information for Molina Healthcare Providers

On October 1, 2019, the new Patient-Driven Payment Model (PDPM) will be implemented by the Centers for Medicare and Medicaid Services (CMS). CMS is replacing the Resource Utilization Group (RUG), Version IV for the Skilled Nursing Facility (SNF) Prospective Payment System (PPS).

Molina Healthcare will follow CMS Medicare methodology for the PDPM implementation and is posting a Frequently Asked Questions (FAQ) resource document on our website.

Molina providers reimbursed under the Medicare SNF PPS will be subject to the PDPM payment transition starting with dates of service on/after October 1, 2019. The payment transition will apply to all lines of business that are contracted/required to pay Medicare allowable rates.

In order to prevent payment disruption, action is required to modify claim billing practices. There is no transition period between RUG-IV and PDPM. RUG-IV billing ends September 30, 2019. PDPM billing begins October 1, 2019.

CMS has released resources to help you prepare on the PDPM webpage, including fact sheets, FAQs, and training materials. Please visit the CMS website at [cms.gov](https://www.cms.gov) and under the "Medicare" tab, find the "Medicare Fee-for-Service Payment" section, then select "Skilled Nursing Facility PPS."