

Post-Acute Care Quality Programs

Updated Fiscal Year 2028 Skilled Nursing Facility Value-Based Purchasing (SNF VBP) Program Performance Standards

This communication pertains to the Fiscal Year (FY) 2028 Skilled Nursing Facility Value-Based Purchasing (SNF VBP) Program performance standards for the Number of Hospitalizations per 1,000 Long Stay Resident Days (Long Stay Hospitalization) measure which the Centers for Medicare & Medicaid Services (CMS) published in the FY 2026 SNF Prospective Payment System (PPS) Final Rule on August 4, 2025. The Long Stay Hospitalization measure is one of the eight measures included in the SNF VBP Program for the FY 2028 Program year. This communication does not affect the current FY 2026 SNF VBP Program scoring and incentive payments, nor does it affect prior FYs. SNFs do not need to do anything at this time, or in the future. The performance standards for each measure adopted by the SNF VBP Program consist of the achievement threshold and the benchmark. The achievement threshold is the 25th percentile of all SNFs' performance on a measure during the Program year's applicable baseline period, and the benchmark is the mean of the top decile of all SNFs' performance on a measure during the Program year's applicable baseline period. For the FY 2028 SNF VBP Program year, the baseline period is FY 2024 and the performance period is FY 2026 for the Long Stay Hospitalization measure. The performance standards are used together with each SNF's performance on a measure during the baseline period and the performance period to calculate a measure score for each measure, for each SNF.

CMS identified a technical update for the Long Stay Hospitalization measure which impacts the calculation of the achievement threshold and benchmark for the FY 2028 SNF VBP Program year.

Technical measure update: The Long Stay Hospitalization measure's risk adjustment methodology uses functional status items from the Minimum Data Set (MDS) 3.0 for Nursing Homes. CMS updated the MDS 3.0 to replace Section G data elements with Section GG data elements starting at the beginning of FY 2024 (October 1, 2023). The measure's risk adjustment methodology initially removed Section G items for a year because state timelines

for implementing these elements varied, then added Section GG items into the risk adjustment model to replace Section G items once all states implemented Section GG.

Updates to FY 2028 Program year performance standards: To confirm the performance standards calculated using FY 2024 baseline period data – which had removed Section G elements – are as comparable as possible to the performance period measure results to be calculated using data from FY 2026 – which will use Section GG items – CMS is updating the performance standards for the FY 2028 Program year. The technical measure specifications utilizing Section GG items are described in more detail in the 2025 Nursing Home Compare Claims-Based Quality Measure Technical Specifications, available within the Minimum Data Set (MDS) 3.0 Quality Measures (QM) User's Manual v17.0 .zip file package located on the CMS website. The table below displays the original performance standards published in the FY 2026 SNF PPS final rule and the updated performance standards for the FY 2028 Program year. The updated performance standards will be used in upcoming FY 2028 SNF VBP Program scoring and payment calculations. As mentioned above, this update does not need to do anything at this time, and this process will not require any future action from providers.

FY 2028 Program Year Long Stay Hospitalization Performance Standards

	Original Performance Standards Published in FY 2026 Final Rule	Updated Performance Standards
Benchmark	0.99963	0.99962
Achievement Threshold	0.99768	0.99774

Please contact the SNF VBP Program Help Desk at <u>SNFVBPquestions@cms.hhs.gov</u> with any questions.

Center for Clinical Standards and Quality