

## Fact Sheet: PDPM Patient Classification

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### Background

Under PDPM, payment is determined through the combination of six payment components. Five of the components are case-mix adjusted, including the physical therapy (PT) component, the occupational therapy (OT) component, the speech-language pathology (SLP) component, the non-therapy ancillary (NTA) services component, and the nursing component. Additionally, there is a non-case-mix adjusted component to cover utilization of SNF resources that do not vary according to patient characteristics.

The per-diem payment under PDPM is determined by two primary factors, base rates that correspond to each of the six payment components and case-mix index (CMI) values that correspond to each classification group within the case-mix adjusted payment components. The payment for each of the case mix adjusted components is calculated by multiplying the component CMI for the resident's classification group by the component base rate, then by the specific day in the variable per diem adjustment schedule, when applicable (details on the variable per diem schedule may be found in the Variable Per Diem Schedule fact sheet available at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/PDPM.html>). An additional payment adjustment is applied for residents with HIV/AIDS (details on the effect of an HIV/AIDS diagnosis on SNF payment may be found in the PDPM Payments for SNF Patients with HIV/AIDS fact sheet available at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/PDPM.html>). These payments are then added together along with the non-case-mix component payment rate to create a resident's total SNF PPS per diem rate under the PDPM, which is then wage-adjusted in the same manner as rates under RUG-IV.

This fact sheet provides details on the classification criteria used under each PDPM component.

### PT and OT Classification

Both the PT and OT components use the clinical reason for the SNF stay and the resident's functional status to assign a patient to one of 16 CMGs.

SNF patients are first classified into a clinical category based on the primary diagnosis for the SNF stay (Note: It is possible that the primary diagnosis for the SNF stay may be different from the primary diagnosis from the preceding hospital stay). ICD-10-CM codes, coded on the MDS 3.0 in Item I0020B, are mapped to a PDPM clinical category. This clinical classification, based

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on the primary SNF diagnosis, may be adjusted in cases where the patient received a surgical intervention during the preceding hospital stay associated with that diagnosis. These surgical procedures are captured in items J2100 through J5000 on the MDS. On the basis of the patient's primary diagnosis and presence of a surgical category, the patient is then classified into one of the ten clinical categories listed in the table below.

## PDPM Clinical Categories

Major Joint Replacement or Spinal Surgery	Cancer
Non-Surgical Orthopedic/Musculoskeletal	Pulmonary
Orthopedic Surgery (Except Major Joint Replacement or Spinal Surgery)	Cardiovascular and Coagulations
Acute Infections	Acute Neurologic
Medical Management	Non-Orthopedic Surgery

A mapping of the ICD-10 diagnosis and/or surgical category used to classify a SNF resident into each of the 10 clinical categories is available on the SNF website at:

<https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPSP/PDPM.html>

Given similar costs among certain clinical categories, as they relate to PT and OT costs, CMS collapsed certain clinical categories together under the PT and OT components. A crosswalk between the overall clinical categories and the collapsed clinical categories used under the PT and OT components may be found in the table below.

## Collapsed Clinical Categories for PT and OT Classification

PDPM Clinical Category	Collapsed PT and OT Clinical Category
Major Joint Replacement or Spinal Surgery	Major Joint Replacement or Spinal Surgery
Non-Orthopedic Surgery	Non-Orthopedic Surgery and Acute Neurologic
Acute Neurologic	
Non-Surgical Orthopedic/Musculoskeletal	Other Orthopedic
Orthopedic Surgery (Except Major Joint Replacement or Spinal Surgery)	
Medical Management	Medical Management
Acute Infections	
Cancer	
Pulmonary	
Cardiovascular and Coagulations	

As discussed above, in addition to the patient's clinical category, the patient is also classified into a PT and OT component group using the patient's functional score. Details on how the patient's functional score is calculated may be found in the PDPM Functional and Cognitive

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Scoring Fact Sheet available at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/PDPM.html>

The PT and OT classification groups, along with the relevant classification criteria and case-mix indexes for the PT and OT components are listed in the table below.

## PT and OT Case-mix Classification Groups

Clinical Category	Section GG Function Score	PT OT Case-Mix Group	PT Case-Mix Index	OT Case-Mix Index
Major Joint Replacement or Spinal Surgery	0-5	TA	1.53	1.49
Major Joint Replacement or Spinal Surgery	6-9	TB	1.70	1.63
Major Joint Replacement or Spinal Surgery	10-23	TC	1.88	1.69
Major Joint Replacement or Spinal Surgery	24	TD	1.92	1.53
Other Orthopedic	0-5	TE	1.42	1.41
Other Orthopedic	6-9	TF	1.61	1.60
Other Orthopedic	10-23	TG	1.67	1.64
Other Orthopedic	24	TH	1.16	1.15
Medical Management	0-5	TI	1.13	1.18
Medical Management	6-9	TJ	1.42	1.45
Medical Management	10-23	TK	1.52	1.54
Medical Management	24	TL	1.09	1.11
Non-Orthopedic Surgery and Acute Neurologic	0-5	TM	1.27	1.30
Non-Orthopedic Surgery and Acute Neurologic	6-9	TN	1.48	1.50
Non-Orthopedic Surgery and Acute Neurologic	10-23	TO	1.55	1.55
Non-Orthopedic Surgery and Acute Neurologic	24	TP	1.08	1.09

## SLP Classification

The SLP component uses the patient's PDPM clinical category, cognitive function, the presence of an SLP related comorbidity, and the presence of a swallowing disorder or a mechanically-altered diet to assign a resident to an SLP component group.

With regard to the presence of an acute neurologic condition, this criteria solely depends on if the patient is classified into the Acute Neurologic clinical category. If the patient is not classified into this clinical category, then they would not qualify for this aspect of the SLP component classification criteria. For the presence of a cognitive impairment, any level of cognitive impairment (mild or above) is sufficient to qualify the patient for this aspect of the SLP

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component classification criteria. Details on how to calculate the patient’s cognitive score and assess cognitive impairment under PDPM may be found in the PDPM Functional and Cognitive Scoring Fact Sheet available at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/PDPM.html>.

With regard to the presence of an SLP-related comorbidity, CMS identified twelve comorbidities that were directly correlated with increased SLP costs. Rather than separately accounting for each of these twelve conditions, the presence of any one of these conditions is sufficient to qualify the patient under this aspect of the SLP component classification criteria. The twelve SLP-related comorbidities that will be used under the SLP component may be found in the table below.

## SLP-Related Comorbidities

Aphasia	Laryngeal Cancer
CVA, TIA, or Stroke	Apraxia
Hemiplegia or Hemiparesis	Dysphagia
Traumatic Brain Injury	ALS
Tracheostomy Care (While a Resident)	Oral Cancers
Ventilator or Respirator (While a Resident)	Speech and Language Deficits

The presence of a swallowing disorder or mechanically altered diet are captured on the MDS in items K0100 and K0510C2, respectively.

The SLP classification groups, along with the relevant classification criteria and case-mix indexes for the SLP component are listed in the table below.

## SLP Case-Mix Classification Groups

Presence of Acute Neurologic Condition, SLP-Related Comorbidity, or Cognitive Impairment	Mechanically Altered Diet or Swallowing Disorder	SLP Case- Mix Group	SLP Case-mix Index
None	Neither	SA	0.68
None	Either	SB	1.82
None	Both	SC	2.67
Any one	Neither	SD	1.46
Any one	Either	SE	2.34

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Presence of Acute Neurologic Condition, SLP-Related Comorbidity, or Cognitive Impairment	Mechanically Altered Diet or Swallowing Disorder	SLP Case- Mix Group	SLP Case-mix Index
Any one	Both	SF	2.98
Any two	Neither	SG	2.04
Any two	Either	SH	2.86
Any two	Both	SI	3.53
All three	Neither	SJ	2.99
All three	Either	SK	3.70
All three	Both	SL	4.21

## Nursing Classification

The nursing component under PDPM uses the same basic structure as used under RUG-IV for assigning patients to a nursing group. The nursing case mix component utilizes the use of extensive services, certain clinical conditions, the presence of depression, restorative nursing services provided, and the patient's functional score to assign a patient to a nursing case-mix group. Details on calculating the functional score for the nursing component may be found in the PDPM Functional and Cognitive Scoring Fact Sheet available at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/PDPM.html>.

The nursing classification groups, along with the relevant classification criteria and case-mix indexes for the nursing component are listed in the table below.

### Nursing Case-Mix Classification Groups

RUG-IV nursing RUG	Extensive services	Clinical conditions	Depression	Number of restorative nursing services	GG-based function score	PDPM nursing case-mix group	Nursing case-mix index
ES3	Tracheostomy & Ventilator				0-14	ES3	4.06
ES2	Tracheostomy or Ventilator				0-14	ES2	3.07

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RUG-IV nursing RUG	Extensive services	Clinical conditions	Depression	Number of restorative nursing services	GG-based function score	PDPM nursing case-mix group	Nursing case-mix index
ES1	Infection				0-14	ES1	2.93
HE2/HD2		Serious medical conditions e.g. comatose, septicemia, respiratory therapy	Yes		0-5	HDE2	2.40
HE1/HD1		Serious medical conditions e.g. comatose, septicemia, respiratory therapy	No		0-5	HDE1	1.99
HC2/HB2		Serious medical conditions e.g. comatose, septicemia, respiratory therapy	Yes		6-14	HBC2	2.24
HC1/HB1		Serious medical conditions e.g. comatose, septicemia, respiratory therapy	No		6-14	HBC1	1.86
LE2/LD2		Serious medical conditions e.g. radiation therapy or dialysis	Yes		0-5	LDE2	2.08
LE1/LD1		Serious medical conditions e.g. radiation therapy or dialysis	No		0-5	LDE1	1.73
LC2/LB2		Serious medical conditions e.g. radiation therapy or dialysis	Yes		6-14	LBC2	1.72
LC1/LB1		Serious medical conditions e.g. radiation therapy or dialysis	No		6-14	LBC1	1.43
CE2/CD2		Conditions requiring complex medical care e.g. pneumonia, surgical wounds, burns	Yes		0-5	CDE2	1.87
CE1/CD1		Conditions requiring complex medical care e.g. pneumonia, surgical wounds, burns	No		0-5	CDE1	1.62

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RUG-IV nursing RUG	Extensive services	Clinical conditions	Depression	Number of restorative nursing services	GG-based function score	PDPM nursing case-mix group	Nursing case-mix index
CC2/CB2		Conditions requiring complex medical care e.g. pneumonia, surgical wounds, burns	Yes		6-14	CBC2	1.55
CA2		Conditions requiring complex medical care e.g. pneumonia, surgical wounds, burns	Yes		15-16	CA2	1.09
CC1/CB1		Conditions requiring complex medical care e.g. pneumonia, surgical wounds, burns	No		6-14	CBC1	1.34
CA1		Conditions requiring complex medical care e.g. pneumonia, surgical wounds, burns	No		15-16	CA1	0.94
BB2/BA2		Behavioral or cognitive symptoms		2 or more	11-16	BAB2	1.04
BB1/BA1		Behavioral or cognitive symptoms		0-1	11-16	BAB1	0.99
PE2/PD2		Assistance with daily living and general supervision		2 or more	0-5	PDE2	1.57
PE1/PD1		Assistance with daily living and general supervision		0-1	0-5	PDE1	1.47
PC2/PB2		Assistance with daily living and general supervision		2 or more	6-14	PBC2	1.22
PA2		Assistance with daily living and general supervision		2 or more	15-16	PA2	0.71
PC1/PB1		Assistance with daily living and general supervision		0-1	6-14	PBC1	1.13
PA1		Assistance with daily living and general supervision		0-1	15-16	PA1	0.66

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## NTA Classification

The NTA component utilizes an NTA comorbidity score to assign the patient to an NTA component classification group, which is determined by the presence of comorbidities and/or the use of extensive services. Details on the calculation of the NTA comorbidity score may be found in the NTA Comorbidity Score fact sheet available at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/SNFPPS/PDPM.html>.

The NTA classification groups, along with the relevant classification criteria and case-mix indexes for the NTA component are listed in the table below.

**NTA Case-Mix Classification Groups**

NTA score range	NTA case-mix group	NTA case-mix index
12+	NA	3.24
9-11	NB	2.53
6-8	NC	1.84
3-5	ND	1.33
1-2	NE	0.96
0	NF	0.72