

SPECIAL eBULLETIN

FOR FACILITY PROVIDERS

June 2019

ATTENTION: SKILLED NURSING FACILITIES

HIGHMARK TO MAINTAIN RESOURCE UTILIZATION GROUP METHODOLOGY (RUG) IN 2020

On October 1, 2019, it's widely anticipated that The Centers for Medicare and Medicaid Services (CMS) will be replacing the Resource Utilization Group (RUG) pricing methodology with the Patient Driven Payment Model (PDPM). The new methodology, which focuses more on clinical presentation and less on volume of services delivered, represents a fundamental change to the current method CMS utilizes to reimburse Skilled Nursing Facilities.

Highmark is committed to working with health care providers to assure that our members, your patients, receive high-quality, medically necessary care, and that reimbursement is both appropriate and timely. To that end, Highmark will be maintaining the current Resource Utilization Group (RUG) pricing methodology for the immediate future, while monitoring the progress of Patient Driven Payment Model (PDPM) for potential adoption at a later date.

There will be no immediate impact to either your current contract or reimbursement rates. Likewise, there will be no immediate change in the manner you submit claims. Rather, given PDPM's relative unknown impact on claims and current pay-for-value programming, Highmark's decision to maintain RUGs will ensure continued consistency around claims reporting and provider payment.

At the same time, as Highmark continues to innovate in the post-acute space, we will closely monitor the effects of PDPM deployment in the market, as well as other alternative reimbursement methodologies, for potential implementation at a later date.



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