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LONG-TERM CARE FACILITIES FACE COMPLIANCE DEADLINE - FIVE THINGS TO KNOW ABOUT THE MANDATORY PAYROLL BASED JOURNAL REPORTING

On Friday, March 18, 2016, CMS released a memo entitled "Payroll-Based Journal (PBJ) - Implementation of required electronic submission of Staffing Data for Long Term Care (LTC) Facilities." The memo reminds LTC providers that the mandatory PBJ submission period begins July 1, 2016. The memo also contains information on how to register for PBJ reporting and how to locate instructions on data submission.

FIVE THINGS TO KNOW ABOUT PBJ REPORTING

1. What is PBJ Reporting?

Section 6106 of the Affordable Care Act requires facilities to electronically submit direct care staffing information (including agency and contract staff) based on payroll and other auditable data. CMS then added a provision to the Requirements for Participation for LTC facilities. The data, when combined with census information, can then be used to report the level of staff in each nursing home and report on employee turnover and tenure.

CMS has developed a system for facilities to submit staffing and census information - PBJ. This system will allow staffing and census information to be collected on a regular and more frequent basis than currently collected. It will also be audited by CMS.

2. Will LTC facilities report more frequently than they do now?

Yes. The purpose of PBJ reporting is to replace the manual submission of CMS Forms 671 and 672. The result is that reported hours will be made on a quarterly basis instead of an annual basis.

3. What is being collected?

The information collected must include: (a) resident census and case mix data; (b) information on length of employment and employee turnover; (c) the category of work performed by each employee (for example: physical therapist, registered nurse, etc.); and (d) the hours of care provided by each employee category per resident, per day.

When reporting information about direct care staff, the facility must specify whether the individual is an employee of the facility or is engaged by the facility under contract or through an agency.

4. What are the categories of work performed?

CMS provides 37 mandatory categories and three optional categories. The categories include: labor code; job code; and a description of the services associated with each type of staff to be recorded in the PBJ system. The labor groups include: physician; nursing; dietary; therapeutic; and others.

5. Since this is new, how will CMS enforce these requirements?

CMS will conduct audits to assess a facility's compliance related to this requirement. CMS maintains authority to issue enforcement remedies, such as the imposition of civil money penalties, for noncompliance with this requirement. In the Friday, March 18, 2016 memo, CMS implied that they may be lenient, stating "as providers are adjusting to this new requirement, we may refrain from imposing enforcement remedies (e.g., for good faith efforts). Additionally, we will provide feedback mechanisms to providers, such as warnings, that will help facilitate compliance with this requirement."

PRACTICAL TAKEAWAYS

PBJ reporting heightens disclosure and reporting obligations to CMS for LTC providers. PBJ reporting also raises compliance challenges for LTC facilities to properly classify workers and report the data to CMS. Careful review of the PBJ provider manual and rules is necessary to avoid CMS penalties.

For more information, click [here](#).

If you have any questions or would like additional information about this topic, please contact:

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