

SFY 2028 Nursing Facility Value-Based Purchasing (VBP) Methodology

Virginia Department of Medical Assistance Services

PAYMENT INNOVATION & PROGRAM EVALUATION (PIPE) DIVISION

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VIRGINIA'S MEDICAID PROGRAM



CardinalCare
Virginia's Medicaid Program

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Executive Summary

In 2021, the Virginia General Assembly directed the Department of Medical Assistance Services (DMAS) to establish a nursing facility (NF) Value-Based Purchasing (VBP) program designed to improve the quality of care furnished to Medicaid members. This document details the NF VBP program methodology for State Fiscal Year (SFY) 2028. Federal approval by the Centers for Medicare and Medicaid Services (CMS) is required for many aspects of the program's methodology. Because CMS's review and approval process will not take place until late spring of 2027, the SFY 2028 program methodology described here may be modified at a later date in order to secure CMS approval.

Program Components

In SFY 2028, payments made under the NF VBP program will consist of three parts shown in Exhibit 1.

Exhibit 1. The Components of the Total NF VBP Payment



The amount of each Performance Measure (PM) payment under the program is contingent on a NF's performance across four measures addressing staffing and the avoidance of negative care events. All payments are adjusted to account for the volume of Medicaid member days at a given NF. Table 1 shows the SFY 2028 funding allocated to each measure.

Table 1. NF VBP SFY 2028 Program Components and Measures

NF VBP Program Components	PM Weight	SFY 2028 Funding
Total Nurse Staffing Turnover (RN + LPN + nurse aides)	25%	\$46.25 M
Total Nursing Hours per Resident Day (RN + LPN + nurse aide hours)	25%	\$46.25 M
Percentage of Long-Stay Residents with One or More Falls with Major Injury	25%	\$46.25 M
Percentage of Long-Stay Residents with Pressure Ulcers	25%	\$46.25 M
Performance (Attainment and Improvement)	100%	\$185 M

Performance Measure Tiers

NFs can earn funds through both attainment on individual measures and improvement over prior years. For the attainment portion of PM payments, NFs earn funds through performance that falls into one of three categories: Fair, Better, and Best. To comply with federal regulations, only NFs that demonstrate maintenance (or improvement) compared to the previous year will earn the maximum possible attainment payment for an individual measure. If the NF falls below the minimum threshold of the Fair category, it will not receive any attainment funds for a particular measure. Table 2 illustrates the performance and improvement thresholds associated with each measure.

Table 2. NF VBP SFY 2028 PM Attainment and Improvement Thresholds

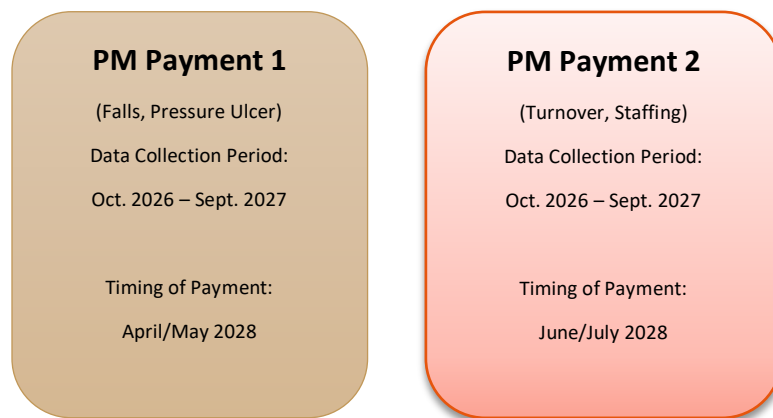
PM Tiers	Fair Thresholds	Better Thresholds	Best Thresholds	Improvement Thresholds
Total Nurse Staffing Turnover (RN, LPN, nurse aides)	48.61 – 58.80	40.31 – 48.60	0.00 – 40.30	≥5%; up to the Best tier*
Total Nurse Staffing Hours per Resident Day (RN, LPN, CNA) – case-mix adjusted	3.20 – 3.57	3.58 – 3.98	3.99 +	≥0.5%; up to the Best tier*
Percentage of Long-Stay Residents with One or More Falls with Major Injury	3.30 – 4.65	2.04 – 3.29	0.00 – 2.03	≥5%
Percentage of Long-Stay residents with pressure ulcers	5.23 – 7.63	3.45 – 5.22	0.00 – 3.44	≥5%

**NF can earn improvement when they move into a higher tier than previously held.*

Payment Timing and Structure

Due to regulatory, budget, and data availability constraints associated with the program, DMAS will distribute NF VBP payments in lump sums at two different points throughout the year as shown in Exhibit 2.

Exhibit 2. Payment Timeline for the PM Payments



Project Overview

In 2021, the Virginia General Assembly directed DMAS to establish a NF VBP program. This program seeks to improve the quality and outcomes of care furnished to Medicaid members by enhancing performance accountability in the areas of staffing and avoiding negative care events. This document provides the NF VBP program methodology for SFY 2028 (July 1, 2027 – June 30, 2028), which makes program payments based on performance during Federal Fiscal Year (FFY) 2027 (October 1, 2026 – September 30, 2027). SFY 2028 is the 6th year of program implementation, with approximately \$185 million in performance-based funding available to facilities that meet or exceed designated performance and improvement thresholds associated with the provision of high-quality care to Medicaid members.¹

Stakeholder Engagement

Since the program's beginning, DMAS has engaged with a wide range of NF stakeholders to consult on the evolution of the program. Current consultants include NF executives, NF association representatives, Medicaid MCOs and MCO association representatives, member advocacy via the State Long-Term Care Ombudsman, the Department of Aging and Rehabilitative Services (DARS) representatives, and Virginia's Quality Improvement Organization (QIO). For the SFY 2028 methodology, DMAS met with the stakeholder groups five times.

Program Eligibility

Eligibility for the program includes the following facilities: NFs participating in Medicaid managed care; NFs that do not participate in managed care but previously received enhanced per diem payments as part of COVID-19 response support and assistance; and NFs not currently under a cost settlement structure. NFs are defined as Provider Types 010 (Skilled Nursing Home) or 015 (Intermediate Care Nursing Home). Beginning in SFY 2027, DMAS began excluding NFs designated as a Special Focus Facility (SFF) or a SFF candidate at the end of the performance period.²

Performance Measures

All PMs for SFY 2028 are drawn from standard reporting for Virginia NFs through the CMS Minimum Data Set (MDS) and iQIES (formerly Payroll Based Journal) reporting systems³. Details on the SFY 2028 PMs are provided in Table 3, below.

Table 3. SFY 2028 Nursing Facility VBP Performance Measures⁴

Performance Measure	Description	Domain	NF VBP Performance Weight
Total Nurse Staffing Turnover (RN, LPN, nurse aides)⁵	Percentage of nursing staff that left the nursing home over a 12-month period	Staffing	25%
Total nursing hours per resident day (RN + LPN + nurse aide hours) – case-mix adjusted⁶	Total nurse staffing hours per resident day within a quarter, adjusted for case-mix.	Staffing	25%
Percentage of Long-Stay Residents with One or More Falls with Major Injury⁷	Percentage of long-stay residents who have experienced one or more falls with major injury reported in the target period or look-back period (one full calendar year).	Avoidance of Negative Care Events	25%
Percentage of Residents with Pressure Ulcers⁸	Percentage of long-stay, residents with Stage II-IV or unstageable pressure ulcers.	Avoidance of Negative Care Events	25%

Data Collection

A combination of data sources currently used by CMS' Nursing Home Care Compare Five-Star Quality Rating will be used to evaluate performance on the NF VBP PMs. These data sources include CMS' nursing home provider information, nursing home MDS based quality measures, and nursing staffing data reported through the Payroll-Based Journal and available through CMS system, iQIES. Utilizing these data sources does not require additional reporting, data collection, or submission on the part of participating NFs. The available measures, data collection, and reporting are managed by CMS and therefore the measure specifications may change at CMS' discretion. The NF VBP program will evaluate eligible facilities' performance based on the applicable methodology for PMs based on available data.

Calculating Resident Days

For all eligible NFs participating in Medicaid managed care, resident days for each facility will be based on its eligible Medicaid days using managed care encounters submitted to DMAS'

Enterprise Data Warehouse Solution (EDWS) system. DMAS will use resident days in the calculation of payment levels under the program.

Due to the steps required to validate MCO Medicaid encounters by both DMAS and its vendor partners, the 4th quarter Medicaid days' encounter data for the performance period are under review when payment 1 performance data become available. To address the incomplete fourth quarter NF days while still distributing funds to NFs responsively, the NF VBP program generates a proxy value for the 4th quarter Medicaid days for each CMS Certification Number (CCN). This value is based on an average of the Medicaid days of the first three quarters' performance year across data sources (i.e., Medicaid fee-for service or managed care). The total Performance Year Medicaid Member days for each CCN is the sum of the first three quarters of Medicaid days' data and the proxy 4th quarter Medicaid days, as follows:

$$Q1days + Q2days + Q3days + \left(\frac{Q1days + Q2days + Q3days}{3} \right)$$

For the limited number of NFs that are eligible for the NF VBP program but do not participate in managed care, resident days for each facility will be based on fee-for-service paid Medicaid claims. Days are calculated by taking the header end date of service and subtracting the header first day of service and adding 1 (for the discharge date). If this calculation is 0 (because the header starts and end dates are the same date), then the days count is set to 1.

DMAS will use the FFY 2027 timeframe (i.e., October 1, 2026 to September 30, 2027) to calculate Medicaid days for SFY 2028. The Medicaid days' data for this period will be considered final after the third month following the end of the prior performance year. DMAS reserves the right to decide the appropriate days used for payment determination.

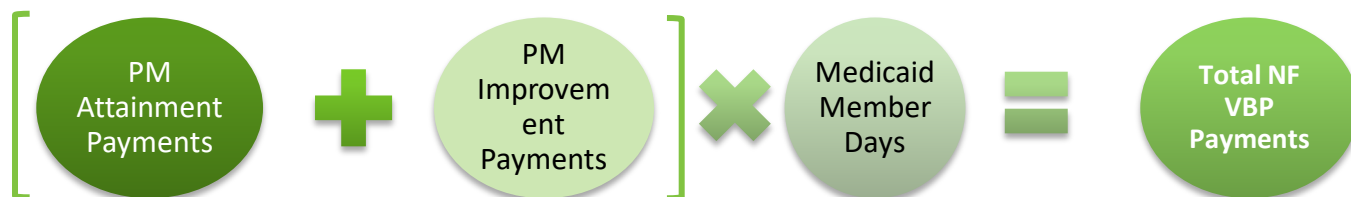
Performance Evaluation Period

SFY 2028 performance-based payments will consider both attainment on the specified measures, as well as improvement from the previous performance year. In the sixth year of the NF VBP program, the PM performance evaluation period will run from October 2026 through September 2027.

NF VBP Payment Mechanics Components of Total NF VBP Payment

As depicted in Exhibit 3, DMAS will derive payment under the NF VBP program based on several components. These components include (1) earned attainment funds for each measure, (2) earned improvement funds for applicable measures (if available), and (3) the number of applicable Medicaid days for the facility.

Exhibit 3. Components of the NF VBP Payment



Performance Measure Weights

PM weights define the total dollar amount allocated to each PM based on available funding for the program. Table 4 describes the distribution of total funds across the PMs for SFY 2028. Staffing measures account for 50% of the total funds available for the PM component of the program, compared to 40% in previous years. Measures to avoid negative care events account for the remaining 50% of performance funds, compared to 60% in previous years. Changes to the measure weights for SFY 2028 were made to heighten incentives/available funding for staffing in light of long-standing performance gaps between Virginia staffing performance and other states.

Table 4. SFY 2028 NF VBP PM Weights

Components of VBP Program	Weight	Total SFY 2028 Funding
Total Nurse Staffing Turnover (RN, LPN, nurse aides)	25%	\$46.25 M
Total Nurse Staffing Hours per Resident Day (RN, LPN, CNA) – case-mix adjusted	25%	\$46.25 M
Percentage of Long-Stay Residents with One or More Falls with Major Injury	25%	\$46.25 M
Percentage of Long-Stay Residents with Pressure Ulcers	25%	\$46.25 M
Performance (Attainment and Improvement)	100%	\$185 M

Performance Measure Tiers & Payment Calculation

Table 5, below, depicts the PM level thresholds associated with each level of performance for each measure. When a measure is first introduced to the program, DMAS uses historical 25th, median, and 75th percentile values for facilities to set the thresholds for the Fair, Better and Best performance tiers. Over time, DMAS may modify thresholds based on a variety of factors, including evolution of performance, changes to measures themselves, and agency priorities. As such, the historical performance period used to set thresholds varies for each measure.⁹ In particular, SFY 2028 tier thresholds for the Total Nurse Staffing Hours per Resident Measure were increased by four percent (4%) compared to SFY 2027 thresholds. This modification is based on DMAS' assessment of NF performance over time and DMAS' intent to better incentivize higher

performance on this measure.¹⁰ Additional details on the development of the performance measure tiers for prior program years are available from the NF VBP methodology document for each year.

Table 5. SFY 2028 NF VBP Performance Measure Tier Thresholds¹¹

Domain	Performance Measure	Threshold		
		Fair	Better	Best
Staffing	Total Nurse Staffing Turnover (RN, LPN, nurse aides)	48.61 – 58.80	40.31 – 48.60	0 – 40.30
	Total Nurse Staffing Hours per Resident Day (RN, LPN, CNA) Case – mix adjusted	3.20 – 3.57	3.58 – 3.98	3.99+
Avoidance of Negative Care Events	Percentage of Long – Stay Residents with One or More Falls with Major Injury	3.30 – 4.65	2.04 – 3.29	0 – 2.03
	Percentage of Long – Stay Residents with Pressure Ulcers	5.23 – 7.63	3.45 – 5.22	0 – 3.44

NFs can earn the maximum per diem award for attainment through performance levels in the Best performance tier. Partial awards are made for performance in lower tiers (Better and Fair).

As depicted in Exhibit 4, NFs can earn the full value (i.e., 100%) of the per diem award for attainment through performance levels in the Best performance tier. The maximum attainment payment for the “Better” tier is 75% of the per diem award, and the maximum attainment payment for the “Fair” tier is 50% of the per diem award. The “Below” tier does not earn attainment payments. Each PM is evaluated independently for each eligible NF.

Exhibit 4. SFY 2028 NF VBP Performance Measure Tier Maximums

<u>Best</u>	<u>Better</u>	<u>Fair</u>	<u>Below</u>
100% PM per diem earned	75% PM per diem earned	50% PM per diem earned	0% PM per diem earned
75 th percentile +	Median – 75 th percentile	25 th percentile – Median	Below 25 th percentile

Federal regulations at 42 CFR § 438.6(c)(2)(vi)(B) published in 2024 require that the program only award NFs that demonstrate maintenance (or improvement) compared to the previous year.¹² For SFY 2028, DMAS defines maintenance as:

Total Nurse Staffing measure: Remaining in the same tier as the prior year or declining by no more than one tier compared to SFY 2027 result for a given measure. That is, if an NF's performance on a given measure drops by two tiers from the prior period, no payment is awarded. For NFs that fall by one tier, the attainment payment is reduced compared to the maximum attainment payment possible for the Better and Fair tiers. The leftmost columns ("Total Nurse Staffing") in Table 6, below, describes the attainment payment schedule that results from this definition of maintenance.

All other measures: Remaining in the same tier as the prior year or 1) not falling by more than one tier compared to SFY 2027 result **and** 2) the SFY 2028 measure result is as good as or better than the SFY 2026 national average.¹³ A two-tier decline receives no payment. The middle columns ("All Other Measures (SFY 2028 Result $\leq$ SFY 2026 National Average)") in Table 6 describes the attainment payment schedule for Nursing Facilities whose SFY 2028 measure result is as good as or better than the SFY 2026 national average. The rightmost column ("All Other Measures (SFY 2028 Result $>$ SFY 2026 National Average)") in Table 6 describes the attainment payment schedule for Nursing Facilities whose SFY 2028 measure result is worse than the SFY 2026 national average. Note that for all three measures to which these columns apply, lower is better. Refer to the following data sources for national averages per measure.¹⁴

Table 6. Attainment Payment Schedule

Total Nurse Staffing			All Other Measures (SFY 2028 Result ≤ SFY 2026 National Average)			All Other Measures (SFY 2028 Result > SFY 2026 National Average)		
SFY 2027 Result	SFY 2028 Result	% Per Diem	SFY 2027 Result	SFY 2028 Result	% Per Diem	SFY 2027 Result	SFY 2028 Result	% Per Diem
Best	Best	100%	Best	Best	100%	Best	Best	100%
	Better	50%		Better	75%		Better	0%
	Fair	0%		Fair	0%		Fair	0%
	Below	0%		Below	0%		Below	0%
Total Nurse Staffing			All Other Measures (SFY 2028 Result ≤ SFY 2026 National Average)			All Other Measures (SFY 2028 Result > SFY 2026 National Average)		
SFY 2027 Result	SFY 2027 Result	% Per Diem	SFY 2027 Result	SFY 2027 Result	SFY 2027 Result	SFY 2027 Result	SFY 2027 Result	SFY 2027 Result
Better	Best	100%	Better	Best	100%	Better	Best	100%
	Better	75%		Better	75%		Better	75%
	Fair	25%		Fair	50%		Fair	0%
	Below	0%		Below	0%		Below	0%
Total Nurse Staffing			All Other Measures (SFY 2028 Result ≤ SFY 2026 National Average)			All Other Measures (SFY 2028 Result > SFY 2026 National Average)		
SFY 2027 Result	SFY 2027 Result	% Per Diem	SFY 2027 Result	SFY 2027 Result	% Per Diem	SFY 2027	SFY 2028	% Per Diem
Fair	Fair	50%	Fair	Fair	50%	Fair	Fair	50%
Below	Below	0%	Below	Below	0%	Below	Below	0%
No Result			No Result			No Result		

If year-to-year changes in tier thresholds cause a NF to move to a lower tier even though its measure score is unchanged or improved compared to the prior year, the NF will receive the maximum attainment payment possible for that tier.

Table 7 illustrates the projected per diem level equivalent each NF can earn through achieving various levels of performance on designated measures. Projected per diem amounts listed in

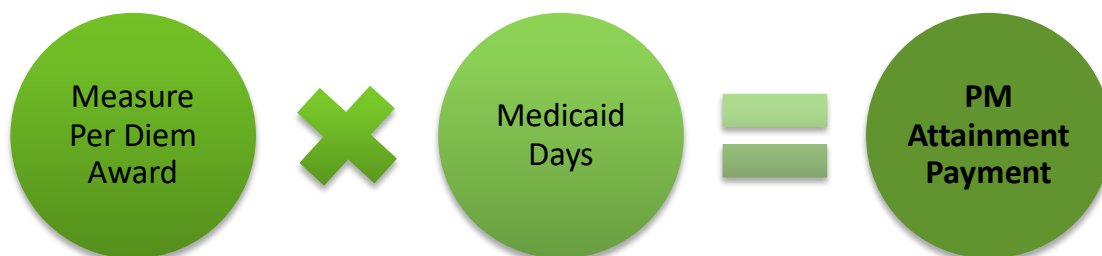
Table 7 are calculated from applying the distribution of SFY 2027 performance across each measure to the total amount of program funding available in SFY 2028. Should the distribution of SFY 2028 performance for any of the measures cause a misalignment between the size of the improvement pool relative to program goals, final SFY 2028 per diem amounts – which can only be calculated once all data are analyzed – may be increased relative to the projected per diem amounts. The magnitude of increases will depend on the magnitude of differences between NF performances in SFY 2027 compared to performance in SFY 2028. If the distribution of SFY 2028 performance for any of the measures causes the expenditure level to exceed allocated funding, the projected per diem amounts may be reduced to cap funding for that measure at the allocated amount.

Table 7. Projected SFY 2028 NF VBP Performance Measure Per Diems

Domain	Performance Measure	Threshold		
		Fair	Better	Best
Staffing	Total Nurse Staffing Turnover (RN, LPN, nurse aides)	\$5.52	\$8.27	\$11.03
	Total Nurse Staffing Hours per resident day (RN, LPN, CNA) – case-mix adjusted	\$10.12	\$15.18	\$20.24
Avoidance of Negative Care Events	Percentage of Long-Stay Residents with One or More Falls with Major Injury	\$4.91	\$7.36	\$9.81
	Percentage of Long-Stay Residents with Pressure Ulcers	\$5.59	\$8.39	\$11.18

To calculate the full attainment award earned by a facility for a designated measure, multiply the per-diem attainment (determined by DMAS) by the number of applicable Medicaid days in the performance period (Exhibit 5).

Exhibit 5. NF VBP Performance Measure Attainment Award Calculation

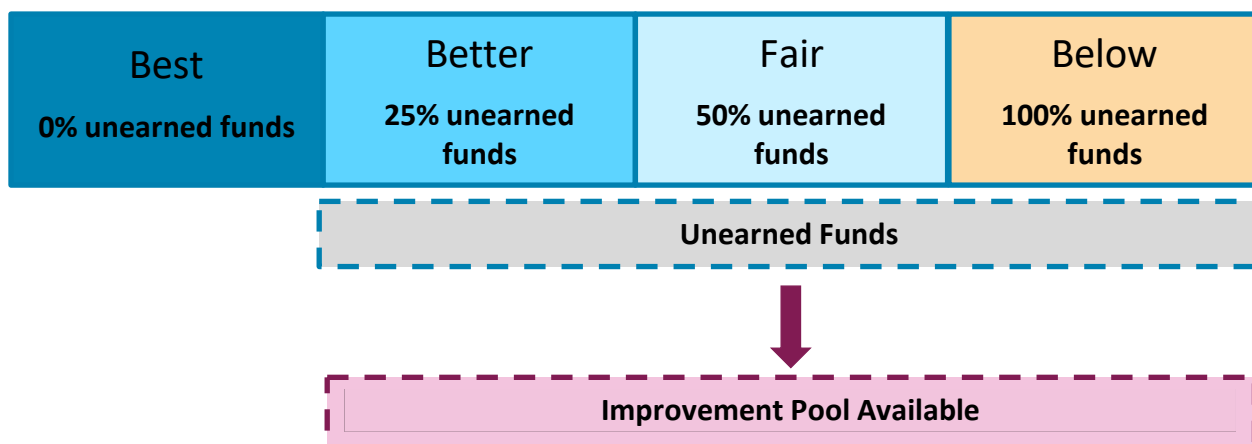


Performance Measure Improvement

After calculating all PM attainment awards, the NF VBP program creates a separate “improvement pool” for each measure out of any remaining, unearned funds. The improvement pool is the sum of the remaining funds from facilities that did not earn any attainment funding or attained in the Better and Fair tiers (i.e., less than the maximum attainment per diem for a given PM), see Exhibit 6. The improvement pools are created on a measure-by-measure basis.

While an unlikely scenario, if all facilities attain at the Best tier for a specific PM, there would be no improvement pool for that PM because the facilities would have already earned all funding available for that PM.

Exhibit 6. NF VBP Performance Measure Improvement Pool Mechanics



Facilities that participated in the NF VBP program during a previous program year that meet or exceed a PM improvement target are eligible for improvement awards, pending pool availability. Improvement award amounts are dependent on each measure’s available improvement pool and the number of Medicaid days for the facilities that met the PM improvement target. By allowing unearned attainment funds to roll over into an improvement pool for a specific measure, the program can ensure that all funding available for a PM is dispersed based on NF performance, whether that performance is based on attainment and/or improvement. In most circumstances, facilities are eligible to earn funds for both attainment and improvement.

For each measure, the improvement payment per Medicaid day is calculated by dividing the improvement pool amount by the number of total Medicaid days attributable to the NFs that meet the improvement threshold. The exact size of this award will vary based on 1) the size of the improvement pool and 2) the number of Medicaid days for NFs that meet the improvement target for any given measure. Exhibit 7 shows this formula.

For both staffing measures (the Total Nurse Staffing Turnover and the Total Nurse Staffing Hours Case-Mix Adjusted), NFs cannot earn an improvement payment if their previous performance placed them in the Best performance tier (i.e. NFs cannot earn improvement funds for improvement within the Best tier). For all avoidance of negative care event PMs, NFs are eligible for improvement awards regardless of their previous or current tier.

Table 8 provides additional details.

Exhibit 7. Formula for Improvement Award for each NF Meeting PM Improvement Targets

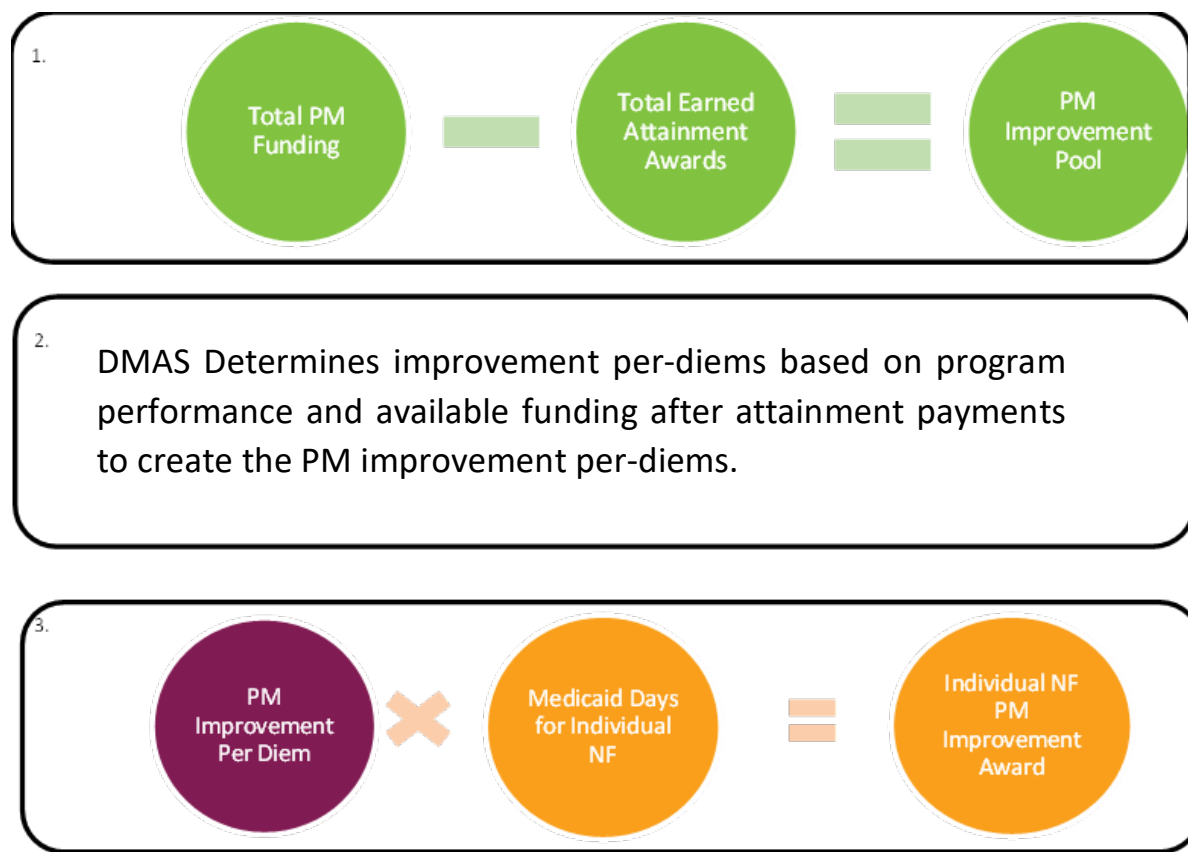


Table 8. SFY 2028 NF VBP Performance Measure Improvement Thresholds

Domain	NF VBP Quality Measure	Improvement
Staffing	Total Nurse Staffing Turnover (RN, LPN, nurse aides)	Improvement of $\geq 5\%$; up to the Best tier*
	Total Nurse Staffing Hours per Resident Day (RN, LPN, CNA) – case-mix adjusted	$\geq 0.5\%$; up to the Best tier*
Avoidance of Negative Care Events	Percentage of Long-Stay Residents with One or More Falls with Major Injury	Improvement of $\geq 5\%$
	Percentage of Long-Stay Residents with Pressure Ulcers (see Table 6 for details).	Improvement of $\geq 5\%$

*NF can earn improvement when they move into a higher tier than previously held.

VBP Program Payment Distributions

Payment Responsibility

To limit administrative burden and support transparency of total payments, each participating NF will receive their NF VBP payments from a single entity. For NFs that do not participate in Medicaid managed care, DMAS will be responsible for such payments. For NFs that do participate in Medicaid managed care, managed care plans will be responsible for making this payment in accordance with the timing and size of payment directed by DMAS.

As each NF may serve members from multiple managed care plans, DMAS will review available data to attribute each eligible facility to a single managed care plan.

Payment Timing

The Total NF VBP payments earned – performance attainment and performance improvement will be paid in two lump sums throughout the year. This timeline addresses limitations presented by two (2) significant requirements or impacts in implementing the program:

1. All funds allocated for the SFY must be distributed by DMAS to MCOs within that SFY.
2. PM data are available at differing intervals, and claims/encounter data used to determine Medicaid days require certain run-out periods.

Table 9 shows the data collection period, data reporting month, and anticipated payment month for each portion of NF VBP payments in program year 6. This schedule anticipates that eligible NFs will receive lump sum payments associated with the program components for both April/May 2028 and June/July 2028 in the sixth program year.

Table 9. NF VBP SFY 2028 Payment Timing

Performance Measure	Data Collection Period	Data Available	Payment Month
Percentage of Long-Stay Residents with Pressure Ulcers	October 2026 – September 2027 (FFY 2027)	January 2028	April/May, 2028
Percentage of Long-Stay Residents with One or More Falls with Major Injury			
Total Nurse Staffing Hours per Resident Day (RN, LPN, CNA) – case-mix adjusted		April 2028	June/July, 2028
Total Nurse Staffing Turnover (RN, LPN, nurse aides)			

Additional Stipulations

CMS Approval of SFY28 Methodology

NF VBP Program funding is authorized as a value-based “State Directed Payment” by CMS. The program methodology described in this document is subject to annual CMS approval of the NF VBP Program “preprint”. (see 42 CFR at 438.6(c)) Per federal guidelines, DMAS will seek CMS approval of the SFY 2028 program funding at least 90 days before July 1, 2027. Aspects of this methodology may need to be revised at a future date should CMS require methodological modifications as part of its approval process.

DMAS Consideration of Final Results

The full amount of NF VBP program funding will be distributed to eligible NFs based on the criteria established above. Because actual performance period data are not known in advance, DMAS reserves the right to review the final results and make adjustments necessary to distribute the available funding equitably and completely without exceeding the total program allocation. DMAS will provide notice of any such changes to program criteria prior to finalizing payments.

DMAS will make all final determinations with regards to payments under the NF VBP program, including, but not limited to, determinations of any features pertaining to PM attainment and PM improvement, as well as any underlying data used to determine such payments. DMAS will work with stakeholders to address any disagreements in determinations on these points, but if

DMAS and the stakeholder are unable to come to an agreement, DMAS decisions are final and not subject to appeal.

¹ Item 313#27c (DMAS) Continue Nursing Home Per Diem Payment & Begin Value-based Purchasing Program. HB1800 – Conference Report. (2021). Virginia’s Legislative Information System. <https://budget.lis.virginia.gov/amendment/2021/2/HB1800/Introduced/CR/313/27c/>; Item 304 Section 000 2.a-c (DMAS) Medicaid Program Services. HB30 - Chapter 2. (2022). Virginia’s Legislative Information System. <https://budget.lis.virginia.gov/item/2022/2/HB30/Chapter/1/304/>.

² DMAS will exclude the SFF and SFF candidates listed in CMS’ Provider Information dataset published in October 2026. The most recent information about the Special Focus Facility program is available from: <https://www.cms.gov/files/document/sff-posting-candidate-list-august-2026.pdf>

³ [Payroll Based Journal \(PBJ\) Transition to iQIES](#)

⁴ Information on the technical specifications for the measures used in the DMAS NF VBP program are available from the CMS document “Design for Care Compare Nursing Home Five-Star Quality Rating System: Technical Users’ Guide” at: <https://www.cms.gov/medicare/provider-enrollment-and-certification/certificationandcompliance/downloads/usersguide.pdf>

⁵ Data for the Total Nurse Turnover measure are found in the NH Provider Information File available from: <https://data.cms.gov/provider-data/dataset/4pq5-n9py#overview>

⁶ Data for the total nursing hours per resident day case-mix adjusted measure are found in the NH Provider Information File available from: <https://data.cms.gov/provider-data/dataset/4pq5-n9py#overview>. The Total nursing hours per resident day (RN + LPN + nurse aide hours) – case-mix adjusted measure result are determined through a calculation of the weighted average of the four quarters of data based on resident days as published by CMS.

⁷ Data for the Percentage of Long-Stay Residents with One or More Falls with Major Injury are found in the NH Compare Quality Measure MDS File available from: <https://data.cms.gov/provider-data/dataset/djen-97ju#overview>.

⁸ Data for the Percentage of Long-Stay Residents with Pressure Ulcers are found in the NH Compare Quality Measure MDS File available from: <https://data.cms.gov/provider-data/dataset/djen-97ju#overview>.

⁹ Thresholds for the current measure were first set during the following program years: Total Nurse Staffing Hours: SFY 2028; Total Nurse Staffing Turnover, Major Falls with Injury: SFY 2027; Pressure Ulcer: SFY 2026.

¹⁰ NF VBP program participants’ performance on this measure has been well below national averages since the beginning of the program. DMAS increased this measure’s tier thresholds by 4% to better incentivize increased staffing in the aggregate and closing Virginia’s performance gap.

¹¹ Values are not rounded prior to threshold designation. If a measure value is exactly equivalent to a threshold value, it is determined to be within the set threshold. A value is not determined to be within a tier until that value is more than the minimum threshold for that tier. (e.g., if a facility has Total Nurse Staffing Hours per resident day (RN, LPN, CNA) – case-mix adjusted of 3.8399, this facility will fall within the Better threshold).

¹² Federal regulations at 42 CFR 438.6(c)(2)(vi)(B)(5) require that MCO payments to providers made under a State directed payment, such as the NF VBP program, are restricted to providers that demonstrate maintenance or improvement over baseline on the performance metrics upon which payments are based.

¹³ The SFY 2026 national average, corresponding to FFY 2025, is the latest full year of data available to DMAS as of the beginning of the SFY 2028 performance period.

¹⁴ National averages for SFY 2026 (i.e., Federal Fiscal Year 2025): TNS Turnover – CMS’ NH_StateUSAverages_May2026.csv dataset (46.2); TNS Case-Mix Adjusted – see SFY 2028 Methodology Appendix document (3.86); % of Long-Stay Residents with One or More Falls with Major Injury – CMS’ NH_StateUSAverages_Mar_2026.csv dataset (3.255281); % of Long-Stay Residents with Pressure Ulcers – CMS’ NH_StateUSAverages_Mar_2026.csv dataset (5.055223)