Payroll-Based Journal (PBJ) Reporting for Long-Term Care Facilities
Understanding Requirements

Summary

Beginning in July 2016, long-term care (LTC) facilities will be required to report staffing and census information quarterly through a new software application, Payroll-Based Journal (PBJ). Facilities currently have the option to begin reporting information to the Centers for Medicare and Medicaid Services (CMS) voluntarily as a practice period through June 30, 2016.

While census information remains straightforward, facilities will need to account for the daily activities of every direct care worker, including job duties and hours worked—a time-consuming administrative task for resource-strapped LTC facilities. To raise the stakes, the Centers for Medicare and Medicaid Services note that they plan to audit data submissions and take noncompliance action on facilities providing inaccurate information.

PBJ offers two ways to submit staffing information: manual entry (time-intensive and error-prone) and data upload. Data upload, which entails generating a file from a payroll or time and attendance system and uploading it to PBJ, is the optimal choice. Rather than relying on a payroll system that translates time and attendance information into pay, ensure a seamless process with a time and attendance system configured to output PBJ-compatible data files and offer both employees and managers the ability to ensure time and attendance information is captured in an accurate and timely manner.

ACA Requires New Staffing Information for Long-Term Care

There's no question about it—the Affordable Care Act has changed the game for employers, workers, even entire industries. And long-term healthcare is no exception.

Starting July 1, 2016, all LTC facilities are required to submit staffing data for all workers through the Payroll-Based Journal.

According to Section 6106 of the Affordable Care Act, long-term care (LTC) facilities will be required to electronically submit direct care staffing information to the Centers for Medicare and Medicaid Services (CMS) through its new software application, the Payroll-Based Journal (PBJ).[1]

Starting July 1, 2016, all LTC facilities are required to submit staffing information for all direct care workers (including agency and contract employees) including hire date, pay type, work type and hours worked each day at a specific job.[2] Until then, LTC facilities can use PBJ to report hours on a voluntary basis.

And accuracy is crucial as CMS makes clear that it will "conduct audits to access a facility's compliance" in submitting correct information, noting, "Facilities that do not meet these requirements will be considered noncompliant and subject to enforcement actions by CMS."[3]

Staffing and Census Data to be Submitted Quarterly through PBJ

As LTC facilities know, the Centers for Medicare and Medicaid Services (CMS) have been collecting census data as a way to gauge and compare quality of care among facilities.

Under ACA, facilities will be required to electronically submit daily staffing and monthly census data each fiscal quarter through PBJ. Access to PBJ is free and facilities can connect to the application through the Quality Improvement and Evaluation System (QIES) with a valid CMSnet user ID.

Fiscal Quarter	Dates
1	Oct 1 – Dec 31
2	Jan 1 – Mar 31
3	Apr 1 – Jun 30
4	July 1 – Sep 30

Deadline for submissions is the 45th day after the final date of each quarter at 11:59 pm ET.

While there is a hard deadline for each quarter, facilities can submit data multiple times throughout the quarter. CMS will consider the last submission closest to the deadline as the facility's final submission. PBJ will continue to accept quarterly submissions after the deadline, but they will not be considered on time.[4]

Which Types of Data Will CMS Require?

In addition to census data, CMS expects detailed accounts of each employee's service, including job title, services performed, and daily number of hours worked. See the sample PBJ entry screens below. More specifically, this information includes:

Sample PBJ entry screen for employee information

- *Employee ID* – Facilities must assign each employee a unique ID in PBJ. To protect privacy, PBJ will not accept or store any identifiable personal employee information (such as name or SSN).

- *Hire Date* – The first date the employee starts work (and will be paid for services delivered).

- *Termination Date* – If applicable, the last date the employee worked (and was paid for services delivered).

- *Pay Type* –Direct employee (exempt or non-exempt) or contract staff. CMS defines contract staff as individuals working under contract and individuals working at the facility through a staffing agency.

- *Hours Worked* – Number of hours worked by the employee each day of the quarter. If the employee works more than one job at the facility, daily hours need to be separated out according to the services performed.

- *Job Title and Labor Category Code* –Employee's job title(s) and services performed according to a list of 40 CMS-defined job codes and descriptions.[5,6]

In summary, CMS expects facilities to account for the daily activities of every employee—no small task for busy, admin-strapped LTC operations.

How You Submit Data Can Make a Difference

So, how can facilities submit their data through PBJ? CMS identifies two ways: (1) manual entry or (2) data upload from an automated payroll or time and attendance system. Facilities can also use a combination of data upload and manual entry.

Why You Should Avoid Manual Entry

While CMS has prioritized PBJ's interface as "intuitive" and "user-friendly," manual entry is the most time-consuming and error-prone option. Whether entered weekly, monthly, or all at once, inputting the daily hours and activities of every employee is a daunting task. Coupled with the specter of compliance enforcement actions if an audit reveals data has been entered incorrectly, most facilities should avoid this option whenever possible.

Why Data Upload Is the Better Option

Data upload from a time and attendance or payroll system offers several benefits. First, the data upload process will be similar to the way census information is currently submitted to CMS, so most facilities will be familiar with it.

Sample PBJ entry screen for staffing hours

Also, uploading data transfers information directly from one system (a time and attendance or payroll system) to another (PBJ) without interference. This eliminates keying or other human errors associated with manual entry.

Finally, data uploads save hours of time compared to manual input—a key consideration for resource-strapped facilities.

If data upload is clearly the best option, which system can save you more time and prevent accidental data errors?

The Value of a Time and Attendance System

While it's possible for some payroll systems to provide the information CMS requires (others do not track daily hours), a time and attendance system is a better fit due to its functionality and purpose.

By design, a time and attendance system captures—and reports on—time and attendance information, such as hours worked at specific jobs and employee status (full- or part-time, exempt or non-exempt). Payroll is designed only to mirror time and attendance information by translating it into pay and may not be configured to accurately report on this type of information.

To minimize erroneous data, the best policy is to go straight to the source—in this case, by utilizing a time and attendance system.

What to Look For in a Time and Attendance System

While a time and attendance system is a better solution for quarterly PBJ uploads, certain features will help ensure the process is seamless and error-free.

- *Data upload files that meet PBJ's data submission specifications.* PBJ has detailed specific technical specifications a data file must meet in order to be submitted successfully. It is crucial to ensure your time and attendance system will create files that meet these specifications to avoid a future of manual entry.

- *Ability for employees to enter and/or approve their hours.* To meet CMS criteria, time and attendance should reflect actual hours worked, not scheduled hours. Because employees are the most accurate source of their time and attendance information, a time and attendance system that allows employees to punch in or enter their hours (through a Web browser, mobile app or time clock) and approve their time card creates a solid foundation of accurate time and attendance information.

- *Access for managers to edit and change hours.* Managers also need the ability to edit employee hours, whether in the event of sick leave, a shift change, or a missed punch. (Ensure that the system will track and log any changes for verification, if necessary.) Giving access to both managers and employees provides a checks-and-balances system to keep time and attendance data accurate and timely.

Conclusion

As CMS rolls out the Payroll-Based Journal to early users, all LTC facilities will need to begin preparing to provide quarterly staffing and census information starting in July 2016. Rather than opting for error-prone manual entry, facilities are wise to choose data upload through a time and attendance system because it is the most reliable way to submit information. The right time and attendance system will meet PBJ's technical specifications for successful submission for data upload and encourage accurate data capture with both employee and manager access.

ABOUT ATTENDANCE ON DEMAND, INC.

Attendance on Demand supports the labor management needs of thousands of companies and over three-quarters of a million employees across North America. Launched in 2006, Attendance on Demand is a rapidly deployed, cloud-based solution that minimizes a company's risk and technology investment while providing advanced features for securely managing labor data—calculating pay rules, scheduling employees, budgeting labor, automating recordkeeping for labor law compliance and managing employee status and reporting for the Affordable Care Act. With standard uptime over the industry average of 99.995% and above average customer retention rates, Attendance on Demand removes the worry of maintaining expensive infrastructure. An extensive North American distribution network helps organizations use Attendance on Demand to reduce labor expenses and improve decision making.

This document simplifies a complex Act as it is understood by Attendance on Demand, Inc. It is not to be taken as legal advice. For further information about ACA and CMS compliance, please visit the Centers for Medicare and Medicaid Services at www.cms.gov.

References

1 Centers for Medicare and Medicaid Services. "Implementation of Section 6106 of the Affordable Care Act – Collection of Staffing Data for Long Term Care Facilities." CMS.gov. 10 Apr 2015. Web. Accessed 8 Jun 2015. http://www.cms.gov/Medicare/Provider-Enrollment-and-Certification/Survey-CertificationGenInfo/Downloads/Survey-and-Cert-Letter-15-35.pdf

2 Interested facilities can apply now to begin submitting this information voluntarily through PBJ.

3 Centers for Medicare and Medicaid Services. "Electronic Staffing Data Submission Payroll-Based Journal, Long-Term Care Facility Policy Manual, Version 1.1." CMS.gov. Aug 2015. Web https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/NursingHomeQualityInits/Downloads/PBJ-Policy-Manual-Draft-V11.pdf

4 Ibid.

5 The list of job codes and descriptions can be found in Table 1 (pages 2-5 to 2-9) at http://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/NursingHomeQualityInits/Downloads/PBJ-Policy-Manual-Draft.pdf.

6 Centers for Medicare and Medicaid Services. "Electronic Staffing Data Submission Payroll-Based Journal, Long-Term Care Facility Policy Manual, Version 1.0."

attendance® ON DEMAND

To find out how Attendance on Demand can help your organization, call 800-465-9980 or visit www.attendanceondemand.com

Ready to learn more?
Contact us today »