



The Centers for Medicare and Medicaid Services (CMS) published its proposed rule for replacing the home health Medicare Prospective Payment System (PPS) with the Patient-Driven Groupings Model (PDGM) effective January 1, 2020.

PDGM would require claims to be paid based on 30-day payment periods instead of 60-day episodes. The data below was published by CMS to help home health agencies estimate the number of payment periods and corresponding payment change under PDGM compared to PPS. All data other than the number of agencies has been rounded to the nearest thousand.

Agency Characteristics	Number of Agencies	Actual 60-day PPS Episodes	Actual 60-day PPS Payment	Estimated 30-day Payment Periods	Estimated Payment Under PDGM	Estimated Payment Change Under PDGM
All California agencies	1,255	506	\$ 1,851,615	866	\$ 1,939,607	4.8%
Freestanding agencies	1,210	480	\$ 1,767,373	829	\$ 1,846,633	4.5%
Facility-based agencies	45	26	\$ 84,242	37	\$ 92,973	10.4%
For-profit agencies	1,132	423	\$ 1,562,581	739	\$ 1,625,109	4.0%
Government owned agencies	17	6	\$ 18,315	9	\$ 19,853	8.4%
Non-profit agencies	106	77	\$ 270,719	118	\$ 294,644	8.8%
Rural agencies	18	10	\$ 32,566	16	\$ 35,949	10.4%
Urban agencies	1,237	496	\$ 1,819,049	850	\$ 1,903,658	4.7%
Lowest nursing visits	87	43	\$ 174,429	67	\$ 161,653	-7.3%
Next lowest nursing visits	202	128	\$ 504,164	205	\$ 510,022	1.2%
Second highest nursing visits	479	187	\$ 676,337	328	\$ 709,734	4.9%
Highest nursing visits	487	148	\$ 496,684	267	\$ 558,199	12.4%
All Pacific agencies	1,400	609	\$ 2,205,562	1,039	\$ 2,289,481	3.8%
Freestanding agencies	1,312	559	\$ 2,045,548	962	\$ 2,116,069	3.4%
Facility-based agencies	88	50	\$ 160,015	77	\$ 173,412	8.4%
For-profit agencies	1,205	478	\$ 1,764,603	834	\$ 1,816,379	2.9%
Government owned agencies	32	11	\$ 34,275	18	\$ 36,811	7.4%
Non-profit agencies	163	120	\$ 406,684	187	\$ 436,292	7.3%
Rural agencies	60	28	\$ 85,860	45	\$ 91,461	6.5%
Urban agencies	1,340	582	\$ 2,119,703	994	\$ 2,198,020	3.7%
Lowest nursing visits	167	111	\$ 424,057	181	\$ 397,680	-6.2%
Next lowest nursing visits	237	151	\$ 574,270	244	\$ 584,745	1.8%
Second highest nursing visits	504	199	\$ 709,354	347	\$ 747,298	5.3%
Highest nursing visits	492	148	\$ 497,882	267	\$ 559,759	12.4%

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