



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 Kentucky agencies	102	99	\$ 261,058	170	\$ 258,942	-0.8%
Freestanding agencies	86	87	\$ 232,711	152	\$ 229,816	-1.2%
Facility-based agencies	16	12	\$ 28,347	19	\$ 29,126	2.7%
For-profit agencies	55	71	\$ 194,206	125	\$ 190,292	-2.0%
Government owned agencies	12	5	\$ 11,169	8	\$ 11,099	-0.6%
Non-profit agencies	35	23	\$ 55,684	37	\$ 57,550	3.4%
Rural agencies	55	41	\$ 103,359	73	\$ 105,646	2.2%
Urban agencies	47	57	\$ 157,699	98	\$ 153,296	-2.8%
Lowest nursing visits	38	36	\$ 102,802	61	\$ 95,248	-7.3%
Next lowest nursing visits	36	45	\$ 117,723	78	\$ 118,038	0.3%
Second highest nursing visits	23	16	\$ 36,369	28	\$ 40,377	11.0%
Highest nursing visits	5	2	\$ 4,164	4	\$ 5,278	26.7%
All East South Central agencies	423	475	\$ 1,212,902	851	\$ 1,224,067	0.9%
Freestanding agencies	364	434	\$ 1,119,085	780	\$ 1,122,539	0.3%
Facility-based agencies	59	41	\$ 93,817	71	\$ 101,528	8.2%
For-profit agencies	296	398	\$ 1,029,367	721	\$ 1,031,447	0.2%
Government owned agencies	55	17	\$ 39,374	30	\$ 42,360	7.6%
Non-profit agencies	72	60	\$ 144,162	100	\$ 150,260	4.2%
Rural agencies	188	191	\$ 457,519	348	\$ 480,087	4.9%
Urban agencies	235	284	\$ 755,383	503	\$ 743,980	-1.5%
Lowest nursing visits	150	137	\$ 396,153	242	\$ 363,702	-8.2%
Next lowest nursing visits	160	210	\$ 534,980	375	\$ 535,104	0.0%
Second highest nursing visits	83	105	\$ 236,876	192	\$ 267,588	13.0%
Highest nursing visits	30	23	\$ 44,894	42	\$ 57,674	28.5%

**BKD, LLP** is a top national accounting and consulting firm that provides a full range of services for home health and hospice agencies throughout the nation. Questions? Click one of the following.

[Access CMS data](#)

[Contact BKD](#)

[Visit bkd.com](#)