

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 Minnesota agencies	153	53	\$ 176,376	83	\$ 166,352	-5.7%
Freestanding agencies	113	44	\$ 148,075	68	\$ 138,647	-6.4%
Facility-based agencies	40	10	\$ 28,301	15	\$ 27,704	-2.1%
For-profit agencies	57	21	\$ 73,794	34	\$ 66,170	-10.3%
Government owned agencies	24	1	\$ 2,645	2	\$ 2,783	5.2%
Non-profit agencies	72	32	\$ 99,937	48	\$ 97,398	-2.5%
Rural agencies	66	7	\$ 20,345	11	\$ 19,331	-5.0%
Urban agencies	87	46	\$ 156,032	72	\$ 147,021	-5.8%
Lowest nursing visits	66	22	\$ 78,281	35	\$ 68,566	-12.4%
Next lowest nursing visits	43	27	\$ 86,001	42	\$ 84,750	-1.5%
Second highest nursing visits	29	4	\$ 10,975	6	\$ 11,647	6.1%
Highest nursing visits	15	1	\$ 1,119	1	\$ 1,389	24.1%
All West North Central agencies	703	249	\$ 716,397	394	\$ 688,514	-3.9%
Freestanding agencies	500	195	\$ 577,504	315	\$ 550,326	-4.7%
Facility-based agencies	203	53	\$ 138,893	79	\$ 138,188	-0.5%
For-profit agencies	290	112	\$ 342,981	190	\$ 319,295	-6.9%
Government owned agencies	145	14	\$ 34,291	20	\$ 34,633	1.0%
Non-profit agencies	268	123	\$ 339,126	184	\$ 334,586	-1.3%
Rural agencies	339	60	\$ 153,380	96	\$ 152,022	-0.9%
Urban agencies	364	189	\$ 563,018	298	\$ 536,493	-4.7%
Lowest nursing visits	276	94	\$ 303,520	149	\$ 266,083	-12.3%
Next lowest nursing visits	182	101	\$ 281,827	156	\$ 279,783	-0.7%
Second highest nursing visits	158	44	\$ 110,069	72	\$ 118,335	7.5%
Highest nursing visits	87	10	\$ 20,981	17	\$ 24,313	15.9%

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](#)