



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 Tennessee agencies	126	135	\$ 367,885	242	\$ 356,726	-3.0%
Freestanding agencies	114	129	\$ 349,789	230	\$ 338,796	-3.1%
Facility-based agencies	12	7	\$ 18,097	11	\$ 17,930	-0.9%
For-profit agencies	101	120	\$ 327,986	217	\$ 317,387	-3.2%
Government owned agencies	6	3	\$ 6,963	4	\$ 6,831	-1.9%
Non-profit agencies	19	13	\$ 32,937	20	\$ 32,507	-1.3%
Rural agencies	37	37	\$ 93,482	67	\$ 93,784	0.3%
Urban agencies	89	99	\$ 274,403	174	\$ 262,942	-4.2%
Lowest nursing visits	68	66	\$ 194,807	118	\$ 177,002	-9.1%
Next lowest nursing visits	43	48	\$ 124,428	84	\$ 123,717	-0.6%
Second highest nursing visits	14	22	\$ 48,602	40	\$ 55,943	15.1%
Highest nursing visits	1	0	\$ 48	0	\$ 64	32.6%
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%

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