



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

PDGM requires 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.

Note: The data below **does not** account for a proposed reduction of 6.42% in 2020 payment rates for "behavioral adjustments."

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 Alabama agencies	149	127	\$ 314,097	228	\$ 318,234	1.3%
Freestanding agencies	128	120	\$ 299,678	216	\$ 302,180	0.8%
Facility-based agencies	21	7	\$ 14,419	12	\$ 16,053	11.3%
For-profit agencies	107	118	\$ 295,223	213	\$ 297,702	0.8%
Government owned agencies	31	4	\$ 8,759	7	\$ 9,781	11.7%
Non-profit agencies	11	4	\$ 10,115	7	\$ 10,750	6.3%
Rural agencies	65	35	\$ 82,005	64	\$ 85,856	4.7%
Urban agencies	84	92	\$ 232,092	164	\$ 232,378	0.1%
Lowest nursing visits	37	24	\$ 66,507	43	\$ 61,714	-7.2%
Next lowest nursing visits	60	68	\$ 168,084	122	\$ 167,867	-0.1%
Second highest nursing visits	32	33	\$ 75,378	59	\$ 83,266	10.5%
Highest nursing visits	20	2	\$ 4,128	4	\$ 5,387	30.5%
All East South Central agencies	423	485	\$ 1,248,113	867	\$ 1,261,065	1.0%
Freestanding agencies	365	441	\$ 1,143,885	792	\$ 1,150,083	0.5%
Facility-based agencies	58	44	\$ 104,228	75	\$ 110,981	6.5%
For-profit agencies	298	412	\$ 1,072,889	744	\$ 1,077,597	0.4%
Government owned agencies	57	18	\$ 41,685	31	\$ 44,268	6.2%
Non-profit agencies	68	56	\$ 133,538	91	\$ 139,199	4.2%
Rural agencies	188	194	\$ 473,137	353	\$ 496,729	5.0%
Urban agencies	235	291	\$ 774,976	514	\$ 764,335	-1.4%
Lowest nursing visits	149	137	\$ 397,485	241	\$ 366,225	-7.9%
Next lowest nursing visits	159	218	\$ 559,049	388	\$ 559,530	0.1%
Second highest nursing visits	85	107	\$ 245,339	196	\$ 276,202	12.6%
Highest nursing visits	30	23	\$ 46,240	42	\$ 59,107	27.8%

**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](#)