



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 California agencies	1,270	525	\$ 1,925,374	897	\$ 2,015,954	4.7%
Freestanding agencies	1,224	499	\$ 1,837,001	858	\$ 1,919,537	4.5%
Facility-based agencies	46	27	\$ 88,373	39	\$ 96,417	9.1%
For-profit agencies	1,146	437	\$ 1,617,171	762	\$ 1,683,752	4.1%
Government owned agencies	18	7	\$ 23,046	11	\$ 24,833	7.8%
Non-profit agencies	106	81	\$ 285,157	124	\$ 307,369	7.8%
Rural agencies	18	11	\$ 34,485	17	\$ 37,730	9.4%
Urban agencies	1,252	515	\$ 1,890,889	880	\$ 1,978,224	4.6%
Lowest nursing visits	86	45	\$ 179,996	69	\$ 167,154	-7.1%
Next lowest nursing visits	212	133	\$ 525,976	214	\$ 530,327	0.8%
Second highest nursing visits	476	192	\$ 692,558	334	\$ 726,742	4.9%
Highest nursing visits	496	156	\$ 526,844	281	\$ 591,730	12.3%
All Pacific agencies	1,417	631	\$ 2,290,735	1,074	\$ 2,376,723	3.8%
Freestanding agencies	1,331	581	\$ 2,127,633	996	\$ 2,201,552	3.5%
Facility-based agencies	86	51	\$ 163,102	77	\$ 175,171	7.4%
For-profit agencies	1,220	494	\$ 1,822,431	858	\$ 1,879,033	3.1%
Government owned agencies	31	12	\$ 37,631	19	\$ 40,394	7.3%
Non-profit agencies	166	126	\$ 430,673	197	\$ 457,296	6.2%
Rural agencies	61	28	\$ 90,853	47	\$ 96,315	6.0%
Urban agencies	1,356	603	\$ 2,199,882	1,027	\$ 2,280,409	3.7%
Lowest nursing visits	166	115	\$ 436,387	186	\$ 409,741	-6.1%
Next lowest nursing visits	249	157	\$ 599,240	253	\$ 608,043	1.5%
Second highest nursing visits	500	203	\$ 726,926	353	\$ 765,490	5.3%
Highest nursing visits	502	156	\$ 528,183	282	\$ 593,450	12.4%

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