



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 Iowa agencies	155	33	\$ 86,206	52	\$ 87,570	1.6%
Freestanding agencies	108	24	\$ 63,845	39	\$ 64,863	1.6%
Facility-based agencies	47	9	\$ 22,361	13	\$ 22,707	1.5%
For-profit agencies	48	8	\$ 22,117	13	\$ 21,059	-4.8%
Government owned agencies	58	4	\$ 9,330	6	\$ 9,871	5.8%
Non-profit agencies	49	21	\$ 54,758	33	\$ 56,640	3.4%
Rural agencies	98	11	\$ 28,185	17	\$ 28,611	1.5%
Urban agencies	57	22	\$ 58,021	35	\$ 58,959	1.6%
Lowest nursing visits	45	8	\$ 24,239	13	\$ 21,516	-11.2%
Next lowest nursing visits	28	5	\$ 13,308	8	\$ 13,528	1.6%
Second highest nursing visits	56	18	\$ 45,944	29	\$ 49,332	7.4%
Highest nursing visits	26	1	\$ 2,714	2	\$ 3,194	17.7%
All West North Central agencies	706	256	\$ 742,707	405	\$ 711,666	-4.2%
Freestanding agencies	504	199	\$ 589,991	321	\$ 561,412	-4.8%
Facility-based agencies	202	57	\$ 152,716	84	\$ 150,253	-1.6%
For-profit agencies	294	117	\$ 358,271	197	\$ 333,878	-6.8%
Government owned agencies	145	14	\$ 36,551	21	\$ 36,438	-0.3%
Non-profit agencies	267	125	\$ 347,885	187	\$ 341,349	-1.9%
Rural agencies	338	62	\$ 161,253	98	\$ 158,970	-1.4%
Urban agencies	368	195	\$ 581,453	307	\$ 552,696	-4.9%
Lowest nursing visits	277	98	\$ 317,959	156	\$ 279,752	-12.0%
Next lowest nursing visits	182	103	\$ 288,015	158	\$ 284,181	-1.3%
Second highest nursing visits	161	46	\$ 114,827	74	\$ 122,496	6.7%
Highest nursing visits	86	10	\$ 21,906	17	\$ 25,237	15.2%

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