

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 Minnesota agencies	154	56	\$ 183,531	86	\$ 172,690	-5.9%
Freestanding agencies	112	43	\$ 145,143	67	\$ 135,637	-6.5%
Facility-based agencies	42	13	\$ 38,387	19	\$ 37,053	-3.5%
For-profit agencies	58	22	\$ 75,812	35	\$ 68,253	-10.0%
Government owned agencies	22	1	\$ 2,669	2	\$ 2,798	4.8%
Non-profit agencies	74	33	\$ 105,050	50	\$ 101,640	-3.2%
Rural agencies	66	7	\$ 21,326	11	\$ 20,153	-5.5%
Urban agencies	88	48	\$ 162,205	75	\$ 152,537	-6.0%
Lowest nursing visits	66	24	\$ 84,899	38	\$ 74,896	-11.8%
Next lowest nursing visits	43	27	\$ 85,986	41	\$ 84,221	-2.1%
Second highest nursing visits	31	4	\$ 11,871	6	\$ 12,596	6.1%
Highest nursing visits	14	0	\$ 775	1	\$ 977	26.1%
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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