

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 Montana agencies	27	8	\$ 21,287	12	\$ 20,509	-3.7%
Freestanding agencies	13	5	\$ 14,941	8	\$ 14,192	-5.0%
Facility-based agencies	14	2	\$ 6,346	4	\$ 6,318	-0.5%
For-profit agencies	8	3	\$ 7,095	4	\$ 6,623	-6.7%
Government owned agencies	2	1	\$ 1,577	1	\$ 1,524	-3.4%
Non-profit agencies	17	5	\$ 12,615	7	\$ 12,363	-2.0%
Rural agencies	19	4	\$ 11,462	7	\$ 11,212	-2.2%
Urban agencies	8	4	\$ 9,825	5	\$ 9,298	-5.4%
Lowest nursing visits	19	6	\$ 17,138	10	\$ 16,266	-5.1%
Next lowest nursing visits	2	1	\$ 2,756	2	\$ 2,664	-3.3%
Second highest nursing visits	4	1	\$ 1,167	1	\$ 1,323	13.3%
Highest nursing visits	2	0	\$ 226	0	\$ 257	13.8%
All Mountain agencies	679	269	\$ 841,009	446	\$ 798,588	-5.0%
Freestanding agencies	614	251	\$ 790,131	418	\$ 748,815	-5.2%
Facility-based agencies	65	18	\$ 50,878	28	\$ 49,773	-2.2%
For-profit agencies	537	216	\$ 690,114	365	\$ 653,230	-5.3%
Government owned agencies	28	4	\$ 12,533	7	\$ 12,179	-2.8%
Non-profit agencies	114	49	\$ 138,362	74	\$ 133,179	-3.7%
Rural agencies	138	33	\$ 91,722	55	\$ 90,763	-1.0%
Urban agencies	541	237	\$ 749,287	391	\$ 707,825	-5.5%
Lowest nursing visits	244	109	\$ 355,585	173	\$ 313,121	-11.9%
Next lowest nursing visits	179	86	\$ 266,573	142	\$ 252,293	-5.4%
Second highest nursing visits	167	54	\$ 164,606	95	\$ 171,200	4.0%
Highest nursing visits	89	20	\$ 54,245	36	\$ 61,974	14.2%

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