

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 New Jersey agencies	42	126	\$ 405,897	190	\$ 415,233	2.3%
Freestanding agencies	36	105	\$ 342,030	161	\$ 350,262	2.4%
Facility-based agencies	6	21	\$ 63,867	29	\$ 64,971	1.7%
For-profit agencies	14	34	\$ 116,774	54	\$ 117,612	0.7%
Government owned agencies	-	-	\$ -	-	\$ -	0.0%
Non-profit agencies	28	92	\$ 289,123	136	\$ 297,621	2.9%
Rural agencies	-	-	\$ -	-	\$ -	0.0%
Urban agencies	42	126	\$ 405,897	190	\$ 415,233	2.3%
Lowest nursing visits	6	27	\$ 90,076	39	\$ 85,446	-5.1%
Next lowest nursing visits	24	71	\$ 231,520	106	\$ 237,889	2.8%
Second highest nursing visits	12	29	\$ 84,301	44	\$ 91,898	9.0%
Highest nursing visits	-	-	\$ -	-	\$ -	0.0%
All Middle Atlantic agencies	480	568	\$ 1,728,719	878	\$ 1,770,846	2.4%
Freestanding agencies	411	469	\$ 1,436,102	735	\$ 1,464,118	2.0%
Facility-based agencies	69	99	\$ 292,617	144	\$ 306,728	4.8%
For-profit agencies	275	190	\$ 604,460	309	\$ 600,170	-0.7%
Government owned agencies	11	5	\$ 12,246	8	\$ 13,657	11.5%
Non-profit agencies	194	373	\$ 1,112,013	561	\$ 1,157,019	4.0%
Rural agencies	59	28	\$ 67,672	44	\$ 71,172	5.2%
Urban agencies	421	540	\$ 1,661,047	834	\$ 1,699,674	2.3%
Lowest nursing visits	87	76	\$ 256,782	121	\$ 236,828	-7.8%
Next lowest nursing visits	170	219	\$ 667,487	340	\$ 669,919	0.4%
Second highest nursing visits	166	251	\$ 740,929	382	\$ 793,407	7.1%
Highest nursing visits	57	22	\$ 63,521	35	\$ 70,691	11.3%

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