



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 Tennessee agencies	126	138	\$ 376,415	246	\$ 366,006	-2.8%
Freestanding agencies	114	129	\$ 350,538	230	\$ 340,444	-2.9%
Facility-based agencies	12	10	\$ 25,877	16	\$ 25,562	-1.2%
For-profit agencies	101	122	\$ 334,571	220	\$ 325,037	-2.8%
Government owned agencies	7	3	\$ 7,604	5	\$ 7,387	-2.9%
Non-profit agencies	18	13	\$ 34,240	21	\$ 33,582	-1.9%
Rural agencies	37	37	\$ 95,678	68	\$ 96,212	0.6%
Urban agencies	89	101	\$ 280,736	178	\$ 269,794	-3.9%
Lowest nursing visits	67	65	\$ 192,756	116	\$ 176,068	-8.7%
Next lowest nursing visits	43	51	\$ 132,896	89	\$ 131,846	-0.8%
Second highest nursing visits	16	22	\$ 50,763	41	\$ 58,092	14.4%
Highest nursing visits	-	-	\$ -	-	\$ -	0.0%
All East South Central agencies	423	485	\$ 1,248,113	867	\$ 1,261,065	1.0%
Freestanding agencies	365	441	\$ 1,143,885	792	\$ 1,150,083	0.5%
Facility-based agencies	58	44	\$ 104,228	75	\$ 110,981	6.5%
For-profit agencies	298	412	\$ 1,072,889	744	\$ 1,077,597	0.4%
Government owned agencies	57	18	\$ 41,685	31	\$ 44,268	6.2%
Non-profit agencies	68	56	\$ 133,538	91	\$ 139,199	4.2%
Rural agencies	188	194	\$ 473,137	353	\$ 496,729	5.0%
Urban agencies	235	291	\$ 774,976	514	\$ 764,335	-1.4%
Lowest nursing visits	149	137	\$ 397,485	241	\$ 366,225	-7.9%
Next lowest nursing visits	159	218	\$ 559,049	388	\$ 559,530	0.1%
Second highest nursing visits	85	107	\$ 245,339	196	\$ 276,202	12.6%
Highest nursing visits	30	23	\$ 46,240	42	\$ 59,107	27.8%

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