



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 Texas agencies	2,211	668	\$ 1,845,319	1,243	\$ 1,918,495	4.0%
Freestanding agencies	2,166	656	\$ 1,812,170	1,221	\$ 1,884,535	4.0%
Facility-based agencies	45	13	\$ 33,149	22	\$ 33,961	2.4%
For-profit agencies	2,093	642	\$ 1,774,024	1,196	\$ 1,845,203	4.0%
Government owned agencies	34	5	\$ 13,830	10	\$ 14,343	3.7%
Non-profit agencies	84	21	\$ 57,465	38	\$ 58,949	2.6%
Rural agencies	214	100	\$ 250,957	188	\$ 271,436	8.2%
Urban agencies	1,997	568	\$ 1,594,362	1,055	\$ 1,647,059	3.3%
Lowest nursing visits	222	93	\$ 311,981	163	\$ 274,827	-11.9%
Next lowest nursing visits	422	204	\$ 608,173	374	\$ 594,914	-2.2%
Second highest nursing visits	567	212	\$ 571,658	397	\$ 606,202	6.0%
Highest nursing visits	1,000	160	\$ 353,507	308	\$ 442,552	25.2%
All West South Central agencies	2,753	1,030	\$ 2,734,410	1,909	\$ 2,860,410	4.6%
Freestanding agencies	2,646	985	\$ 2,626,215	1,832	\$ 2,746,844	4.6%
Facility-based agencies	107	45	\$ 108,195	77	\$ 113,565	5.0%
For-profit agencies	2,544	962	\$ 2,564,602	1,790	\$ 2,683,402	4.6%
Government owned agencies	49	10	\$ 24,572	18	\$ 26,042	6.0%
Non-profit agencies	160	57	\$ 145,237	100	\$ 150,966	3.9%
Rural agencies	435	224	\$ 538,996	419	\$ 584,530	8.4%
Urban agencies	2,318	806	\$ 2,195,414	1,490	\$ 2,275,880	3.7%
Lowest nursing visits	276	136	\$ 437,054	243	\$ 393,619	-9.9%
Next lowest nursing visits	564	297	\$ 854,770	543	\$ 839,860	-1.7%
Second highest nursing visits	757	371	\$ 954,252	691	\$ 1,020,567	6.9%
Highest nursing visits	1,156	226	\$ 488,334	432	\$ 606,363	24.2%

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