

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 Virginia agencies	228	151	\$ 441,070	247	\$ 422,880	-4.1%
Freestanding agencies	204	125	\$ 374,062	207	\$ 354,934	-5.1%
Facility-based agencies	24	26	\$ 67,008	40	\$ 67,945	1.4%
For-profit agencies	189	106	\$ 319,166	179	\$ 303,772	-4.8%
Government owned agencies	1	3	\$ 6,211	4	\$ 6,412	3.2%
Non-profit agencies	38	42	\$ 115,693	64	\$ 112,695	-2.6%
Rural agencies	47	20	\$ 49,064	34	\$ 51,386	4.7%
Urban agencies	181	131	\$ 392,006	213	\$ 371,494	-5.2%
Lowest nursing visits	104	58	\$ 186,332	95	\$ 167,208	-10.3%
Next lowest nursing visits	79	72	\$ 205,221	118	\$ 201,791	-1.7%
Second highest nursing visits	33	19	\$ 45,926	31	\$ 49,585	8.0%
Highest nursing visits	12	2	\$ 3,591	3	\$ 4,295	19.6%
All South Atlantic agencies	1,647	1,238	\$ 3,658,484	2,047	\$ 3,471,353	-5.1%
Freestanding agencies	1,538	1,135	\$ 3,394,919	1,891	\$ 3,206,738	-5.5%
Facility-based agencies	109	103	\$ 263,565	156	\$ 264,614	0.4%
For-profit agencies	1,361	967	\$ 2,926,171	1,635	\$ 2,751,347	-6.0%
Government owned agencies	47	29	\$ 75,109	46	\$ 74,718	-0.5%
Non-profit agencies	239	242	\$ 657,205	366	\$ 645,288	-1.8%
Rural agencies	189	127	\$ 337,181	218	\$ 338,109	0.3%
Urban agencies	1,458	1,111	\$ 3,321,303	1,829	\$ 3,133,244	-5.7%
Lowest nursing visits	627	484	\$ 1,513,452	799	\$ 1,370,497	-9.4%
Next lowest nursing visits	535	545	\$ 1,559,493	903	\$ 1,512,583	-3.0%
Second highest nursing visits	303	173	\$ 482,526	286	\$ 481,684	-0.2%
Highest nursing visits	182	35	\$ 103,013	59	\$ 106,589	3.5%

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