

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 Washington agencies	60	67	\$ 235,152	111	\$ 226,419	-3.7%
Freestanding agencies	46	51	\$ 185,167	86	\$ 175,120	-5.4%
Facility-based agencies	14	15	\$ 49,985	25	\$ 51,299	2.6%
For-profit agencies	34	38	\$ 141,071	65	\$ 132,311	-6.2%
Government owned agencies	5	4	\$ 12,565	7	\$ 13,197	5.0%
Non-profit agencies	21	25	\$ 81,516	39	\$ 80,911	-0.7%
Rural agencies	9	9	\$ 31,133	16	\$ 31,522	1.2%
Urban agencies	51	57	\$ 204,018	94	\$ 194,897	-4.5%
Lowest nursing visits	40	52	\$ 191,009	87	\$ 180,009	-5.8%
Next lowest nursing visits	12	10	\$ 31,123	16	\$ 31,833	2.3%
Second highest nursing visits	7	4	\$ 12,501	7	\$ 13,919	11.3%
Highest nursing visits	1	0	\$ 519	0	\$ 659	26.9%
All Pacific agencies	1,417	631	\$ 2,290,735	1,074	\$ 2,376,723	3.8%
Freestanding agencies	1,331	581	\$ 2,127,633	996	\$ 2,201,552	3.5%
Facility-based agencies	86	51	\$ 163,102	77	\$ 175,171	7.4%
For-profit agencies	1,220	494	\$ 1,822,431	858	\$ 1,879,033	3.1%
Government owned agencies	31	12	\$ 37,631	19	\$ 40,394	7.3%
Non-profit agencies	166	126	\$ 430,673	197	\$ 457,296	6.2%
Rural agencies	61	28	\$ 90,853	47	\$ 96,315	6.0%
Urban agencies	1,356	603	\$ 2,199,882	1,027	\$ 2,280,409	3.7%
Lowest nursing visits	166	115	\$ 436,387	186	\$ 409,741	-6.1%
Next lowest nursing visits	249	157	\$ 599,240	253	\$ 608,043	1.5%
Second highest nursing visits	500	203	\$ 726,926	353	\$ 765,490	5.3%
Highest nursing visits	502	156	\$ 528,183	282	\$ 593,450	12.4%

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