

In July 2019 the Centers for Medicare and Medicaid Services (CMS) published its proposed Medicare home health agency (HHA) payment rule for 2020. This proposed rule included updates to the Patient Driven Groupings Model (PDGM) scheduled for implementation on January 1, 2020.

This report contains a summary comparison of the overall estimated financial impact of PDGM using 2017 and 2018 claims and OASIS data. All payment information has been rounded to the nearest thousand.

Agency Characteristics	Based on 2018 CMS Data				Based on 2017 CMS Data	
	No. of HHAs	Actual PPS Payment	Estimated Payment Under PDGM	Estimated Payment Change Under PDGM	Estimated Payment Under PDGM	Estimated Payment Change Under PDGM
All Michigan agencies	465	\$ 493,571	\$ 478,775	-3.0%	\$ 549,631	-4.2%
Freestanding agencies	451	\$ 441,457	\$ 426,010	-3.5%	\$ 493,843	-4.6%
Facility-based agencies	14	\$ 52,115	\$ 52,765	1.2%	\$ 55,788	-0.7%
For-profit agencies	405	\$ 320,433	\$ 300,058	-6.4%	\$ 359,108	-6.7%
Government owned agencies	7	\$ 15,667	\$ 15,594	-0.5%	\$ 14,398	-4.1%
Non-profit agencies	53	\$ 157,471	\$ 163,123	3.6%	\$ 176,125	1.3%
Rural agencies	45	\$ 57,020	\$ 59,764	4.8%	\$ 63,734	2.9%
Urban agencies	420	\$ 436,551	\$ 419,010	-4.0%	\$ 485,897	-5.1%
Lowest nursing visits	315	\$ 237,931	\$ 211,631	-11.1%	\$ 264,676	-11.3%
Second lowest nursing visits	80	\$ 152,783	\$ 155,375	1.7%	\$ 155,699	0.4%
Second highest nursing visits	61	\$ 99,846	\$ 107,999	8.2%	\$ 123,762	6.9%
Highest nursing visits	9	\$ 3,011	\$ 3,769	25.2%	\$ 5,494	21.5%
All East North Central agencies	1,890	\$ 2,235,072	\$ 2,217,008	-0.8%	\$ 2,331,364	-1.3%
Freestanding agencies	1,780	\$ 2,009,252	\$ 1,987,247	-1.1%	\$ 2,079,891	-1.5%
Facility-based agencies	110	\$ 225,821	\$ 229,761	1.7%	\$ 251,473	0.7%
For-profit agencies	1,554	\$ 1,511,377	\$ 1,481,851	-2.0%	\$ 1,558,167	-2.1%
Government owned agencies	53	\$ 40,281	\$ 39,674	-1.5%	\$ 42,497	-1.8%
Non-profit agencies	283	\$ 683,415	\$ 695,483	1.8%	\$ 730,699	0.5%
Rural agencies	245	\$ 236,662	\$ 239,518	1.2%	\$ 247,484	0.2%
Urban agencies	1,645	\$ 1,998,410	\$ 1,977,489	-1.0%	\$ 2,083,880	-1.5%
Lowest nursing visits	707	\$ 761,219	\$ 670,032	-12.0%	\$ 760,246	-11.2%
Second lowest nursing visits	415	\$ 843,212	\$ 845,004	0.2%	\$ 863,085	-0.6%
Second highest nursing visits	395	\$ 488,498	\$ 527,058	7.9%	\$ 519,731	7.6%
Highest nursing visits	373	\$ 142,144	\$ 174,913	23.1%	\$ 188,302	22.3%