

PDGM Executive Update: *2020 Proposed Rule*

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CY 2020 HOME HEALTH PROPOSED RULE

- Filed on July 11, 2019
- 60 day comment period ends at 5 p.m. on
September 9, 2019
- Find rule here:
<https://www.federalregister.gov/public-inspection/>

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CMS.gov
Centers for Medicare & Medicaid Services

<https://www.cms.gov/Center/Provider-Type/Home-Health-Agency-HHA-Center.html>

Medicare Medicaid/CHIP Medicare-Medicaid Coordination Private Insurance Innovation Center Regulations & Guidance Research, Statistics, Data & Systems Outreach & Education

Home > Provider Type > Home Health Agency (HHA) Center

Home Health Agency (HHA) Center

Spotlights

- CMS-1711-P
 - [CY 2020 HH PPS Wage Index](#)
 - [CY 2019 HH PPS Case Mix Weights for 60-day episodes into CY 2020](#)
 - [CY 2019-CY 2022-Rural-Add-On-Payment Designations](#)
 - [CY 2020 PDGM Case Mix Weights and LUPA Thresholds](#)
 - [CY 2020 PDGM Grouper Tool](#)
 - [CY 2020 PDGM Agency Level Impacts](#)
 - [CY 2019 Home Infusion Therapy - Geographical Adjustment Factors \(GAFs\)](#)

The Centers for Medicare & Medicaid Services (CMS) issued a proposed rule ([CMS-1711-P](#)) that updates the Medicare Home Health Prospective Payment System (HH PPS) rates and wage index for calendar year (CY) 2020. The proposed rule results in a

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PAYMENT IMPACT, EFFECTIVE JANUARY 1, 2020

- \$ Bundled payment for service + supplies
- \$ Behavioral adjustment increased
- \$ RAPs continue – *for a limited time*
- \$ LUPA category remains – *with significant changes*
- \$ Partial Episode Payment Maintained
- \$ Outlier Policy Maintained

30-DAY UNIT OF PAYMENT

- 30-day period = days 1-30 of a current 60-day episode where “day 1” is the current 60-day episode’s *From Date*. Second period is days 31 and above.
- CMS has calculated a proposed, national, standardized 30-day base payment amount, **\$1,791.73**.
- Going forward will calculate payment amount by updating the preceding year by the HH payment update percentage.

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PROPOSED STANDARDIZED 30 DAY BASE PAYMENT

CY 2020 30-day Budget Neutral (BN) Standard Amount	Wage Index Budget Neutrality Factor	CY 2020 HH Payment Update	CY 2020 National, Standardized 30-Day Period Payment
\$1,754.37	X 1.0062	X 1.015	\$1,791.73

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PROPOSED 2020 PER VISIT RATES

HH Discipline	CY 2019 Per-Visit Payment	Wage Index Budget Neutrality Factor	CY 2020 HH Payment Update	CY 2020 Per-Visit Payment
Home Health Aide	\$66.34	X 1.0065	X 1.015	\$ 67.77
Medical Social Services	\$234.82	X 1.0065	X 1.015	\$239.89
Occupational Therapy	\$161.24	X 1.0065	X 1.015	\$164.72
Physical Therapy	\$160.14	X 1.0065	X 1.015	\$163.60
Skilled Nursing	\$146.50	X 1.0065	X 1.015	\$149.66
Speech-Language Pathology	\$174.06	X 1.0065	X 1.015	\$177.82

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PDGM AND QUALITY EPISODE

- Two 30-day payment periods within one 60-day certification period.
- 60-day timing for certification periods remains unchanged.
- Assessment within 5 days of SOC and, no less than last 5 days of every 60 days unchanged.
- Plan of Care corresponds with 60-day certification.
- OASIS time points remain unchanged.
- Significant Change in Condition is required.

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CASE MIX WEIGHT STRUCTURE

An episode is grouped into one (and only one) subcategory under each category. An episode's combination of subcategories groups the episode into one of 432 different payment groups.

- Admission Source and Timing
- Clinical Grouping
- Comorbidity Adjustment
- OASIS Items-Functional Level

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Patient Driven Groupings Model

1

Admission Source and Timing

- Community Early
- Community Late
- Institutional Early
- Institutional Late

3

Functional Level

- Low
- Medium
- High

2

Clinical Group

- Neuro Rehab
- Wounds
- Complex Nursing Interventions
- MS Rehab
- Behavioral Health

- MMTA - Surgical Aftercare
- MMTA - Cardiac/Circulatory
- MMTA - Endocrine
- MMTA - GI/GU
- MMTA - Infectious Disease/Neoplasms/Blood-Forming Disease
- MMTA - Respiratory
- MMTA - Other

4

Comorbidity

- None
- Low
- High

= HHRG 432

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FUNCTIONAL ITEMS	
Current HH PPS	PDGM
	M1800: Grooming
M1810: Dressing upper body	M1810: Dressing upper body
M1820: Dressing lower body	M1820: Dressing lower body
M1830: Bathing	M1830: Bathing
M1840: Toileting	M1840: Toileting
M1850: Transferring	M1850: Transferring
M1860: Ambulation & locomotion	M1860: Ambulation & locomotion
	M1033: Risk of Hospitalization



NEW! OASIS D1

- Addition of two existing items to the Follow-Up assessment.
- Optional data collection at specific time points for 23 items.
- Effective for M0090 Date Assessment Completed as of January 1, 2020 or later **and**, recertifications on or after December 27, 2019.
- Recerts on or after December 27, 2019: enter the M0090 date of January 1, 2020 and **submit** on January 1, 2020.

Source: CMS OASIS- D1 OASIS Updates for CY 2020
https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/HomeHealthQualityInits/Downloads/OASIS-D1-Update-Memorandum_Revised_May-2019.pdf



DIAGNOSES: CRITICAL CHANGE WITH PDGM

- One of the biggest changes is the clinical groupings of diagnoses.
- Along with that is clarification of what is an acceptable diagnosis as the reason for home health care.
- Some commonly used diagnoses will no longer be accepted.
- Intake staff need to be aware of which diagnoses are no longer accepted.
- Clinicians need to be aware of need to document diagnoses in their assessment and address them on the POC.

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THE CORRECT INFORMATION LEADS TO ACCURATE CODING

Common Coding Practices to Avoid:

- Unspecified codes
- Symptom codes as primary
- Inappropriate acute conditions

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COMMON DIAGNOSES NO LONGER ACCEPTED- UNDER PDGM

Muscle Weakness	Bacteremia
Other abnormalities of gait and mobility	Dysphagia
Unsteadiness of Gait	Dizziness
Repeated falls	Polyneuropathy, unspecified
Low back pain/Back pain unspecified	Rheumatoid Arthritis, unspecified
Pain in r/l hip, shoulder, knee	
Retention of urine	

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FINDING A DIAGNOSIS

Some things to keep in mind:

- Symptoms are not likely to be ok. You need the underlying diagnosis
- Verify the diagnosis is accepted before finishing your processing of the referral
- Determine laterality and location for diagnoses that can be coded to that specificity
- The first diagnosis, or combination code diagnoses, should be the primary reason for home health care
- Probe to determine alternative diagnoses to the non-allowable diagnoses

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FINDING AN ALTERNATIVE DIAGNOSIS

Diagnosis not fitting into a clinical grouping	How to approach
M62.81 Muscle Weakness	Ask for the reason the patient is presenting with muscle weakness. Did the patient have surgery or an injury? If so, the aftercare of the surgery or the injury may be a more appropriate diagnosis
M54.5 Low back pain or M54.9 Back pain, unspecified	Ask for the reason patient is presenting with low back pain. For example, does the patient have a chronic condition like spinal stenosis or a back injury. The chronic condition may be more appropriate reason for referral. Is chronic pain a more appropriate reason for referral?
R13.10 Dysphagia, unspecified	Ask for reason patient is now presenting with dysphagia. For example, does the patient have a chronic condition, like a stroke, that has resulted in the dysphagia. If so, the chronic condition may be the more appropriate reason for referral

FINDING AND ALTERNATIVE DIAGNOSIS, CONT.

Diagnosis not fitting into a clinical grouping	How to approach
Rheumatoid Arthritis, unspecified	Ask the referral source to identify the rheumatoid factor or the specified type (juvenile or idiopathic) and ask the referral source to specify single or multiple locations
Polyneuropathy	Ask the referral source for the reason the patient is now presenting with polyneuropathy. For example, does the patient have a chronic condition, like diabetes, that has resulted in the polyneuropathy. If so the chronic condition may be the correct diagnosis. Or the referral source may need to specify the exact type of neuropathy (ex idiopathic)
Retention of Urine, unspecified	Ask the referral source the reason the patient is presenting with urine retention. For example, does the patient have a chronic condition like BPH that has resulted in urine retention. Use that diagnosis instead

LUPAs

- LUPA thresholds will vary for a 30 day period depending on the payment group to which it is assigned.
- LUPA thresholds range from 2-6 visits.
- LUPA add-on factors will remain the same as current system.
- LUPA thresholds for each PDGM payment group will be reevaluated every year.

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BEHAVIORAL ADJUSTMENT TO PAYMENT

Behavior Assumption	30-day Budget Neutral (BN) Standard Amount	Percent Change from No Behavior Assumptions ¹
No Behavior Assumptions	\$1,907.11	
LUPA Threshold (1/3 of LUPAs 1-2 visits away from threshold get extra visits and become case-mix adjusted)	\$1,871.67	-1.86%
Clinical Group Coding ² (among available diagnoses, one leading to highest payment clinical grouping classification designated as principal)	\$1,794.42	-5.91%
Comorbidity Coding (assigns comorbidity level based on comorbidities appearing on HHA claims and not just OASIS)	\$1,900.05	-0.37%
Clinical Group Coding + Comorbidity Coding + LUPA Threshold	\$1,754.37	-8.01%

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AGENCY BEHAVIOR ASSUMPTIONS

1. Clinical Group Coding: Coding to maximize payments.
2. Comorbidity Coding: More 30 day periods will receive comorbidity adjustment.
3. LUPA Threshold: 1-2 extra visits will be made to receive the full 30 day payment.

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REQUEST FOR ANTICIPATED PAYMENT (RAP)

January 1, 2020:

- Agencies certified on/after January 1, 2019 submit a “No Pay” RAP at beginning of care and every 30 days in PDGM.
- Agencies certified before January 1, 2019, continue to submit RAP and receive split payment of 20% RAP and 80% final claim.

January 1, 2021

- All certified providers submit a one-time submission of a notice of admission within 5 calendar days of the start of care. RAP is eliminated.

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NOTICE OF ADMISSION (NOA)

- Submitted only at the beginning of the first 30-day period of care
- If d/c'd then readmitted, new NOA would need to be submitted within 5 calendar days of start of care
- Penalty for not submitting a timely NOA: 1/30th of payment each day NOA is not received

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PDGM ESTIMATED IMPACTS

Facility Location: Region of the Country (Census Region)	Number of Agencies	CY 2020 Wage Index	CY 2020 Rural Add-On	CY 2020 Case-Mix Weights (PDGM)	CY 2020 HH Payment Update Percentage	Total
New England	351	-0.7%	-0.1%	2.4%	1.5%	3.1%
Mid Atlantic	466	-0.2%	-0.1%	3.0%	1.5%	4.2%
East North Central	1,890	-0.1%	-0.1%	-0.8%	1.5%	0.4%
West North Central	680	0.5%	-0.3%	-4.2%	1.5%	-2.5%
South Atlantic	1,605	-0.2%	-0.1%	-5.3%	1.5%	-4.1%
East South Central	410	0.1%	-0.4%	0.6%	1.5%	1.8%
West South Central	2,567	0.2%	-0.2%	4.5%	1.5%	6.0%
Mountain	685	0.1%	-0.1%	-5.8%	1.5%	-4.3%
Pacific	1,426	0.0%	0.0%	3.8%	1.5%	5.3%
Outlying	44	-0.5%	-0.3%	10.5%	1.5%	11.3%

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PDGM ESTIMATED IMPACT

Facility Size (Number of 60-day Episodes)	Number of Agencies	CY 2020 Wage Index	CY 2020 Rural Add-On	CY 2020 Case-Mix Weights (PDGM)	CY 2020 HH Payment Update Percentage	Total
< 100 episodes	2,747	0.2%	-0.1%	2.1%	1.5%	3.6%
100 to 249	2,157	0.1%	-0.1%	0.9%	1.5%	2.4%
250 to 499	2,127	0.1%	-0.1%	0.6%	1.5%	2.0%
500 to 999	1,629	0.0%	-0.2%	-0.4%	1.5%	0.9%
1,000 or More	1,464	-0.1%	-0.2%	-0.2%	1.5%	1.1%

Source: CY 2018 Medicare claims data for episodes ending on or before December 31, 2018 for which we had a linked OASIS assessment.

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LEADERSHIP'S CHECKLIST

- ✓ Prepare using Strategic Management Model.
- ✓ Analyze using your organization's 2018 performance data.
- ✓ Generate Buy-In: Educate each team of leaders and staff.
- ✓ Work out each key workflow. Set up standard work often.

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