



How Will the Recent Home Health Proposed Rule Affect the PAC Industry?

NOW WHAT?

PDGM (Patient-Driven Groupings Model) was recently announced in July as part of the Proposed Rule published by CMS and is anticipated to be **THE** biggest change in home health reimbursement 20+ years!

SO WHAT?

The impact from PDGM is expected to significantly shift service delivery for all levels of the care continuum and will change the structure of home health reimbursements. Changes include:

- 60-day payment episodes will change to 30-day episodes but keeps OASIS cycle intact
- A shift to a calculated episodic payment, eliminating therapy-driven bumps in payment
- Payment will vary based on timing of episode and admission source

***NOTE:** Reimbursement will largely depend on coding competencies. Specifically, reimbursements will be impacted by ICD-10 coding (for clinical groupings and comorbidities) and OASIS coding (for functional levels).

WHAT'S NEXT for Home Health Agencies?

Start by asking whether current processes exist to support:

- Competent coders completing the ICD-10 coding functions
- Evaluation of coding trends for overuse of "general" codes
- Capture of all comorbidities via comprehensive medical histories
- Reconciliation of ICD-10 codes prior to claims submissions
- OASIS competency programs for clinicians
- Systems in place for cross-functional teams to collaborate/ensure accuracy RE: OASIS functional items
- Utilization of a 5-day window allowed by CMS to ensure most accurate OASIS assessment is captured

***NOTE:** The Final Rule is to be published October 2018, with implementation expected **January 2020**.

WHAT'S NEXT for Post-Acute Care Partners?

SNFs and Senior Living will be impacted by PDGM. HealthPRO® Heritage Clinical Strategies Division's [Kristy Yoskey](#), SVP, offers a big picture perspective: "Remarkable changes are underway for our industry. An important trend relates to an overall reduction in administrative burden, coupled with focus on value based care and bolstering clinical competencies for higher acuity patients. This holds true across all care settings."

***NOTE:** Strategies related to this critical shift for PAC industries is forthcoming. Find it right here on HealthPRO® Heritage's [blog page](#). Stay tuned.

In the meantime, [click here](#) to learn more about Clinical Strategies services and to talk with our consulting experts.

FOR YOUR REFERENCE

Home health providers, read [PDGM Coding Guidelines](#) for specifics from the Proposed Rule RE: coding considerations.

SEEK SUPPORT

Our Home Health Division, HealthPRO® Heritage at Home, is focused on supporting home health providers with consulting, management, and staffing services.