

What is the Patient Driven Groupings Model (PDGM)?

The Patient-Driven Groupings Model (PDGM) is the most significant change to the home health payment reform in the past 20 years. With roots from the previously proposed Home Health Groupings Model (HHGM), PDGM introduces new payment episode timings and removes therapy visits to determine payment, continuing CMS' goal of better serving all individuals via value versus volume of care. CMS finalized PDGM (mandated to be budget neutral by the Bipartisan Budget Act of 2018) in October.

Among its provisions, PDGM is designed to remove incentives to over-provide therapy services by more strongly weighting clinical characteristics and other patient information, according to CMS. The model also halves the 60-day unit of payment to 30 days, doubling billing requirements for providers. PDGM uses 30-day periods as a basis for payment; 30-day periods are placed into different subgroups for each of the following broad categories:

- Admission source (two subgroups): community or institutional admission source
- Timing of the 30-day period (two subgroups): early or late
- Clinical grouping (twelve subgroups): musculoskeletal rehabilitation; neuro/stroke rehabilitation; wounds; medication management, teaching, and assessment (MMTA) surgical aftercare; MMTA cardiac and circulatory; MMTA endocrine; MMTA gastrointestinal tract and genitourinary system; MMTA infectious disease, neoplasms, and blood-forming diseases; MMTA respiratory; MMTA- other; behavioral health; or complex nursing interventions
- Functional impairment level (three subgroups): low, medium, or high
- Comorbidity adjustment (three subgroups): none, low, or high based on secondary diagnoses



As the CMS Rule's label describes, all clinical processes (and related operational sub-processes) will require improvement initiatives that focus on achieving CMS's Triple Aim Goals - achieving patient satisfaction, quality patient outcomes and cost-effective healthcare delivery. Most notably, PDGM changes the methodology for calculating payments. These changes in computing Medicare payment rates can impact a home health provider's PDGM reimbursement levels when compared to historical PPS payment levels. Other implications can include:

- Increased importance on execution of a well thought out plan of care
- · Higher emphasis on coding patients' condition; greater ability to handle increased billing demands
- · Reimbursement is now based more on patient condition and outcome vs. provided treatment
- · More focus on (and cooperation from) institutional vs. community referral sources
- · Greater consequence for failure to open timely and provide consistent visits to obtain outcomes
- · Greater repercussion for accepting more referrals than an agency can manage

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With an increased need to explore how technology can assist in achieving patient outcomes, home health providers are partnering with Synzi, an innovative, forward-thinking company with an award-winning platform, to be prepared for these changes.

Synzi's virtual care communication platform is helping agencies use virtual visits and ongoing communications (e.g., email, text, SMS, and secure messaging) to improve efficiency and drive better outcomes, preventing lost profitability.

2020 will soon be here; being proactive in understanding and planning for how the PDGM Rule will directly impact a home health agency is critical in 2019.