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SubjectCMS Takes Action to Modernize Medicare Home Health



SPECIAL EDITION

Monday, July 2, 2018

CMS Takes Action to Modernize Medicare Home Health

On July 2, CMS proposed significant changes to the Home Health Prospective Payment System (PPS) to strengthen and modernize Medicare, drive value, and focus on individual patient needs rather than volume of care. Specifically, CMS is proposing changes to improve access to solutions via remote patient monitoring technology, and to update the payment model for home health care.

“Today’s proposals would give doctors more time to spend with their patients, allow home health agencies to leverage innovation and drive better results for patients,” said CMS Administrator Seema Verma. “The redesign of the home health payment system encourages value over volume and removes incentives to provide unnecessary care.”

CMS’s proposed changes promote innovation to modernize home health by allowing the cost of remote patient monitoring

to be reported by home health agencies as allowable costs on the Medicare cost report form. This is expected to help foster the adoption of emerging technologies by home health agencies and result in more effective care planning, as data is shared among patients, their caregivers, and their providers. Supporting patients in sharing this data will advance the Administration's MyHealthEData initiative.

As required by the Bipartisan Budget Act of 2018, this proposed rule would also implement a new Patient-Driven Groupings Model (PDGM) for home health payments. The proposed rule also includes information on the implementation of home infusion therapy temporary transitional payments as required by the Bipartisan Budget Act of 2018. In addition, the proposed rule solicits comments on elements of the new home infusion therapy benefit category and proposes standards for home infusion therapy suppliers and accrediting organizations of these suppliers as required by the 21st Century Cures Act.

Physicians who order home health services for their patients would also see administrative burden reduced under this rule. CMS is proposing to eliminate the requirement that the certifying physician estimate how much longer skilled services would be needed when recertifying the need for continuing home health care, as this information is already gathered on a patient's plan of care.

The proposed rule helps advance the Trump Administration's Meaningful Measures Initiative. CMS is proposing changes to the Home Health Quality Reporting Program (HH QRP). The cost impact related to updated data collection processes as a result of the proposed implementation of the PDGM and proposed changes to the HH QRP are estimated to result in a net \$60 million in annualized cost savings to Home Health Agencies (HHAs), or \$5,150 in annualized cost savings per HHA, beginning in CY 2020.

In the proposed rule CMS is releasing a Request for Information to welcome continued feedback on the Medicare program and interoperability. CMS is gathering stakeholder feedback on revising the CMS patient health and safety standards that are required for providers and suppliers participating in the Medicare and Medicaid programs to further advance electronic exchange of information that supports safe, effective transitions of care between hospitals and community providers.

For More Information:

- [Proposed Rule](#)
- [Fact Sheet](#)
- [Home Health PPS](#) website
- [HHA Center](#) website
- [Home Health Value-Based Purchasing Model](#) webpage
- [Home Health Quality Reporting Requirements](#) webpage

See the full text of this excerpted [CMS Press Release](#) (issued July 2).

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