
# HHFMA Update with the Experts

Proposed PDGM Comment Outline

August 15, 2018

## NAHC PDGM Support Elements

- **move away from "utilization Domain," i.e. therapy volume**
- **recognition that reimbursement model, HHPPS, has created risk that certain patient populations can have access problems due to under-reimbursement**
- **the need to understand that the scope of the Medicare home health benefit includes individuals who have need for skilled care without regard to whether the patient's condition is acute, chronic, or terminal or that the need for care is short-term or long-term or that the care will improve or maintain the patient's condition**

## PDGM Case Mix Model Concerns

- **HHA impact does not meet CMS goals of improving payment accuracy and fair compensation to HHAs. Some HHAs currently with Medicare FFS losses will lose more and some HHAs with margins in excess of 20% will increase margins.**
- **Case mix adjustment measures on patient characteristics are too weak to support a fair distribution of patients**

## PDGM Case Mix Model Concerns

- **Case mix adjustment measures based on admission source are a poor substitute for measures based on patient characteristics even if there is a greater resource use by post-institutional care patients**
- **The admission source measure creates an undesirable incentive for HHAs to prioritize post-institutional care patients over community admissions**

## PDGM Case Mix Model Concerns

- **Use of cost report data for service by discipline cost analysis applied to case mix weights significantly reduces case mix weights for patients with therapy use. CMS should test the accuracy of the cost report data before switching to such data source over the BLS method use for many years**
- **Too many patients within the MMTA diagnostic group (50%). Should evaluate more focused measures**

## Behavioral Adjustment Concerns

- **Behavioral adjustments only post-behavioral changes. CMS has discretion to do so.**
- **Behavioral adjustment needs to fully display supporting evidence and basis for any assumptions**
- **Need detail on reconciliation process**
- **Must limit an adjustments to change related to PDGM only**
- **Phase-in standards to avoid disruption in access**

## PDGM Structure Concerns

- **LUPA—is a fixed LUPA single threshold an option? What are the objections, if any?**
- **RAP should continue**
- **Outlier approach ok except that NRS should be part of outlier cost calculation**
- **Bundling of NRS with care reimbursement creates risk that high cost NRS patients, e.g. wound care, will face obstacles to care access.**

## Rural Add-On

- **No issues with implementation following Bipartisan Budget Act, but not supporting the new standards**
  - **Rural HHAs in "high utilization: areas also have high costs**
  - **Many rural HHAs depend on the add-on to stay open**

# Other Areas for Comment

- **Physician recertification documentation**
- **F2F/Certification documentation**
- **HHVBP refinements**
- **Home Infusion Therapy transitional benefit**