What You Should Know About the Patient-Driven Groupings Model for Home Health Services

When implemented January 1, 2020, the Patient-Driven Groupings Model (PDGM) adopted by the US Centers for Medicare and Medicaid Services (CMS) will shift home health payment toward a system that focuses on clinical characteristics and other patient information, and away from therapy service visit thresholds. It is not intended to be used to make treatment or staffing decisions that reduce or compromise patient care.

The PDGM is a patient-centered payment system that places home health periods of care into more meaningful payment categories while eliminating the use of therapy service thresholds for adjusting payment for home health episodes. The system also moves payment from a single 60-day episode to 30-day periods of care, still retaining the 60-day certification and plan of care requirements.

There are several myths about the PDGM. Claims that the need for therapy will be diminished, that only patients discharged from an institutional setting will receive therapy, that the PDGM doesn't support maintenance therapy, and that services cannot be delivered after the first 30 days are false. Similarly, rumors that therapy will be covered only when a patient is assigned a clinical grouping of musculoskeletal rehabilitation or neurological/stroke rehabilitation, that Medicare will dictate which providers are qualified to provide certain types of therapy, and that home health visits will be dictated by the Low Utilization Payment Adjustment (LUPA) claims system are all untrue.

PDGM: What's different, what's not

What will change	What won't change
• Payment driven by the patient's clinical characteristics • Switch from a 60-day episode to 30-day periods of care • Elimination of therapy thresholds as a determinant of payment • 432 case-mix groups • Ability of PTAs to furnish maintenance therapy under the home health benefit within their scope of practice	• Patient needs • Medically necessary care as a baseline standard • Criteria for skilled therapy coverage • Use of clinical judgment in determining appropriate frequency, duration, and modality of services • Home health as a multidisciplinary benefit, with payment bundled to cover all necessary services identified in the plan of care • Annual recalibration of the case-mix weights assigned to each period

APTA advocated to CMS on behalf of the physical therapy profession and our patients when the plan for a payment system change was first presented in 2017. Since that time, we've submitted comments and met in person with CMS representatives and federal legislators, both as an individual organization and as part of therapy organization coalitions. At the same time, we've kept the profession up-to-date with the evolution of the PDGM through our news and social media outlets, webinars, phone-in sessions, and resources on the APTA website. We are committed to helping the physical therapy profession better understand PDGM, and educating employers and other stakeholders in developing responsible approaches to this new system. We'll continue to carefully monitor implementation of the PDGM and advocate for appropriate changes as CMS evaluates the system during the first year of use.

APTA wants to answer your questions about PDGM, and wants to hear about your experiences with the new system. Please contact advocacy@apta.org.

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