



CMS Proposes 8% Rate Cut in New Home Health Pay Model

July 12, 2019

CMS issued a proposed rule with updates to the home health payments rates for calendar year 2020, a new home infusion therapy benefit, and payment and policy changes for home health agencies. CMS projects that Medicare payments to home health agencies in CY 2020 will increase in the aggregate by 1.3% or \$250 million. The proposed rule also includes an 8% rate cut for the new home health pay model (set to go into effect in January), which CMS attributes to changes expected in home health agency behavior under the new system.

Click [here](#) for the CMS Press Release, [here](#) for the Fact Sheet and [here](#) for the Proposed Rule.

Comments are due by September 9, 2019.

The proposed rule also includes:

- Phasing out pre-payments for home health services to reduce fraud; requests for anticipated payment would be phased out in 2020 and eliminated by 2021;
- Allowing therapist assistants to furnish maintenance therapy in accordance with state practice requirements;
- Groups home infusion drugs into three payment categories, each with a single unit of payment in accordance with specified infusion codes and units for such codes under the Physician Fee Schedule; and
- Higher payment amounts for the first home infusion therapy visit with a decrease in the payment amounts for each subsequent visit.

For additional information, please contact our General Counsel Diane Turpin at 202-266-2660 or diane.turpin@shcare.net.