
42 C.F.R. § 484.205

Basis of payment.

- (a) *Method of payment.* An HHA receives a national, standardized prospective payment amount for home health services previously paid on a reasonable cost basis (except the osteoporosis drug defined in section 1861(kk) of the Act) as of August 5, 1997. The national, standardized prospective payment is determined in accordance with § 484.215.
- (b) *Unit of payment—*(1) *Episodes before December 31, 2019.* For episodes beginning on or before December 31, 2019, an HHA receives a unit of payment equal to a national, standardized prospective 60-day episode payment amount.
- (2) *Periods on or after January 1, 2020.* For periods beginning on or after January 1, 2020, a HHA receives a unit of payment equal to a national, standardized prospective 30-day payment amount.
- (c) *OASIS data.* A HHA must submit to CMS the OASIS data described at § 484.55(b) and (d) in order for CMS to administer the payment rate methodologies described in §§ 484.215, 484.220, 484.230, 484.235, and 484.240.
- (d) *Payment adjustments.* The national, standardized prospective payment amount represents payment in full for all costs associated with furnishing home health services and is subject to the following adjustments and additional payments:
- (1) A low-utilization payment adjustment (LUPA) of a predetermined per-visit rate as specified in § 484.230.
 - (2) A partial payment adjustment as specified in § 484.235.
 - (3) An outlier payment as specified in § 484.240.
- (e) *Medical review.* All payments under this system may be subject to a medical review adjustment reflecting the following:
- (1) Beneficiary eligibility.
 - (2) Medical necessity determinations.
 - (3) Case-mix group assignment.
- (f) *Durable medical equipment (DME) and disposable devices.* DME provided as a home health service as defined in section 1861(m) of the Act is paid the fee schedule amount. Separate payment is made for “furnishing NPWT using a disposable device,” as that term is defined in § 484.202, and is not included in the national, standardized prospective payment.
- (g) *Split percentage payments.* Normally, there are two payments (initial and final) paid for an HH PPS unit of
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payment. The initial payment is made in response to a request for anticipated payment (RAP) as described in paragraph (h) of this section, and the residual final payment is made in response to the submission of a final claim. Split percentage payments are made in accordance with requirements at § 409.43(c) of this chapter.

(1) *Split percentage payments for episodes beginning on or before December 31, 2019—(i) Initial and residual final payments for initial episodes on or before December 31, 2019.* (A) The initial payment for initial episodes is paid to an HHA at 60 percent of the case-mix and wage-adjusted 60-day episode rate.

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