

WASHINGTON

perspectives

An Analysis and Commentary on Federal Health Care Issues by Larry Goldberg

November 5, 2024

CMS Finalizes CY 2025 HHA PPS Update; Incudes Behavior Offset of 1.975 Percent



The Centers for Medicare and Medicaid services (CMS) have issued a final 316-page rule to update the home health agency (HHA) Prospective Payment System (PPS) for calendar year (CY) 2025. A display copy is currently available at: https://public-inspection.federalregister.gov/2024-25441.pdf. The rule is scheduled for publication in the **Federal Register** on November 7.

This final rule sets forth routine updates to the Medicare home health payment rates; the payment rate for the disposable negative pressure wound therapy (dNPWT) devices; and the intravenous immune globulin (IVIG) items and services payment rate.

The final home health payment update percentage for CY 2025 is 2.7 percent.

In addition, the rule finalizes the recalibrated PDGM case-mix weights and updates the low-utilization payment adjustment (LUPA) thresholds, functional

impairment levels, and comorbidity adjustment subgroups under section 1895(b)(4)(A)(i) and (b)(4)(B) of the Act for 30-day periods of care; finalizes the proposal to adopt the most recent Office of Management and Budget (OMB) Core-Based Statistical Area (CBSA) delineations for the home health wage index; and finalizes an occupational therapy (OT) LUPA add-on factor and updates the physical therapy (PT), speech-language pathology (SLP), and skilled nursing (SN) LUPA add-on factors. Additionally, the rule updates the CY 2025 fixed-dollar loss ratio (FDL) for outlier payments (so that outlier payments as a percentage of estimated total payments are projected not to exceed 2.5 percent, as required by section 1895(b)(5)(A) of the Act).

The rule finalizes a crosswalk for mapping the Outcome and Assessment Information Set-D (OASIS-D) data elements to the equivalent OASIS-E data elements for use in the methodology to analyze the difference between assumed versus actual behavior change on estimated aggregate expenditures and finalizes a permanent adjustment to the CY 2025 home health base payment rate.

The rule updates the CY 2025 fixed-dollar loss ratio (FDL) for outlier payments (so that outlier payments as a percentage of estimated total payments are projected not to exceed 2.5 percent, as required by section 1895(b)(5)(A) of the Act).

Comment

As usual, we are adding page numbers.



The following CMS summary reflects many of the changes.

Summary of Costs, Transfers, and Benefits

Provision Description	Costs and Cost Savings	Transfers	Benefits
CY 2025 HH PPS Payment Rate Update		The overall economic impact related to the changes in payments under the HH PPS for CY 2025 is estimated to be \$85 million (0.5 percent). The \$85 million increase in estimated payments for CY 2025 reflects the effects of the CY 2025 finalized home health payment update percentage of 2.7 percent (\$460 million increase), an estimated 1.8 percent decrease* that reflects the effects of the permanent behavior assumption adjustment (\$305 million decrease) and an estimated 0.4 percent decrease that reflects the effects of an updated FDL (\$70 million decrease). *The estimated 1.8 percent decrease related to the finalized behavior assumption adjustment includes all payments, while the finalized -1.975 percent BA adjustment only applies to the national, standardized 30-Day periodpayments and does not impact payments for 30-day periods which are LUPAs.	To ensure that home health payments are consistent with statutory payment authority for CY 2025.
HH QRP		The total economic impact of these proposals including the addition of oneLiving Situation item, two Food items, and one Utilities item, and the modification of the current Transportation item finalized for implementation in CY 2027 is an estimated increase of \$12,604,894.62	Collection of the new SDOH items will also permit us to develop the statistical tools necessary to maximize the value of Medicare data, reducing costs and improving the quality of care for all beneficiaries.
Expanded HHVBPModel		There are no transfers related to the RFI or the health emergency (HE) update.	The purpose of the RFI and HE updates isto obtain feedback on potential new performance measures and measure concepts for potential future rulemaking.
CY 2025 Home IVIG Items and Services Payment Rate Update		The overall economic impact for CY2025 is an estimated increase of \$250,000 in total costs to Medicare fee-for-service (FFS).	To update the items and services payment under the home intravenous immune globulin benefit in accordance with section4134 of the Consolidated Appropriations Act, 2023 (CAA, 2023).
Home Health CoPChanges	To develop, implement, and maintainthrough an annual review the acceptance-to-service policy, CMS expects a one-time cost to develop the policy at a total of \$6,156,799 for all HHA's and \$395,800 for an annual review. To make specified information publicly available, CMS estimates a onetime cost of \$199,430 for all HHA's and \$398,860 to update the policy 6 times per year.	No transfers related to this policy.	To improve the referral process and reduce avoidable care delays by helping to ensure thatreferring entities and patients+ can select the most appropriate HHA based on their care needs and to make this information available to the public.



Provision Description	Costs and Cost Savings	Transfers	Benefits
Provider Enrollment Provisions			To strengthen CMS' ability to detect and deter Medicare fraud, waste, and abuse by reactivating providers and suppliers.
Long-Term Care (LTC) Requirements for Acute Respiratory Illness Reporting	To review and update the facility's infection control policies and procedures CMS estimate a cost of \$182 per LTC facility. To electronically report the required data, CMS estimate costs ranging from \$4,732 to \$33,215 per LTC facility depending on the required reporting frequency as determined by the Secretary. The low estimate is based on weekly reporting and the high estimate is based on daily reporting. In total, CMS estimates costs ranging from \$4,914 to \$33,397 per LTC facility to comply with the finalized requirements.		To continue national monitoring of COVID- 19, Influenza, and respiratory syncytial virus (RSV) cases to guide infection control interventions and LTC facility operations that directly relate to resident safety; monitor emerging and evolving respiratory illnesses; guide and motivate community-level disease control interventions; and enhance preparedness and resiliency to improve health system responses to future threats, including pandemics that pose catastrophic risks to resident safety and the health care system.

II. Home Health Prospective Payment System (Page 11)

CY 2025 Payment Adjustments Under the HH PPS

CMS included behavioral change assumptions in the calculation of the 30-day budget neutral payment amount for CY 2020, finalizing a negative 4.36 percent behavior change assumption adjustment ("assumed behaviors"). CMS did not propose any changes for CYs 2021 and 2022 relating to behavior assumptions finalized in the CY 2019 HH PPS final rule, or to the negative 4.36 percent behavior change assumption adjustment, finalized in the CY 2020 HH PPS final rule. (Page 18)

CMS stated in the CY 2024 final rule that it determined for CYs 2020 through CY 2022 a total of -5.779 percent permanent adjustment was needed (after accounting for the -3.925 percent applied to the CY 2023 payment rate). In order to determine behavior changes for only CY 2023. (Page 30)

CMS implemented a payment adjustment of -2.890 percent for CY 2024, rather than the -5.779 percent calculated so the calculations set forth below reflect the remaining adjustments that are still needed. (Page 33)

Using CY 2023 claims data, CMS now says a permanent prospective adjustment of -6.726 percent to the CY 2025 30-day payment rate will be required to offset for such increases in estimated aggregate expenditures for CYs 2020 through 2023. (Page 34)

CMS notes that it could not determine the CY 2025 proposed permanent adjustment, which will include estimated aggregate expenditures in CY 2023, by simply subtracting the -2.890 percent applied in CY 2024 from the total permanent adjustment of -6.726 percent. (Page 34)

CMS has provided a "Final Decision:" section that states "We continue to adhere to the methodology finalized in the CY 2023 HH PPS final rule. However, as in previous years, we are committed to remaining responsive to commenter concern regarding on-going permanent rate adjustments. We



acknowledge that while we must comply with the statutory requirement that CMS ensure the estimated aggregate expenditures under the PDGM are equal to the estimated aggregate expenditures that would have been made under the prior system, we have the discretion to implement any adjustment in a time and manner determined appropriate (emphasis added). Therefore, in response to commenter concerns, we are finalizing a -1.975 percent (half of the proposed -3.95 percent) permanent adjustment for CY 2025." (Page 46)

Comment

To say the least, this item is confusing. It appears CMS is making adjustments every year since the adoption of the PDGM system to ascertain behavioral changes.

We believe CMS has calculated, Permanent Adjustments as follows:

CY 2020 Claims= -6.52 percent CY 2021 Claims= -1.42 percent CY 2022 Claims= -1.767 percent CY 2023 Claims= -1.125 percent

Permanent Adjustments Applied:

CY 2023 Rate= -3.925 percent CY 2024 Rate= -2.890 percent CY 2025 Rate= -1.975 percent

As we have said many times, CMS has chosen to not make any adjustments for its errors in estimating market basket updates, except for skilled nursing facilities, and outlier payments. Yet, here CMS says it has "the discretion to implement any adjustment in a time and manner determined appropriate."

CY 2025 Home Health Low Utilization Payment Adjustment (LUPA) Thresholds, Functional Impairment Levels, Comorbidity Sub-Groups, Case-Mix Weights, and Reassignment of Specific ICD-10-CM Codes Under the PDGM (Page 47)

Under the HH PPS, LUPAs are paid when a certain visit threshold for a payment group during a 30-day period of care is not met.

CMS is finalizing its proposed updates to the LUPA thresholds for CY 2025 using CY 2023 claims data (as of July 11, 2024). The final LUPA thresholds for the CY 2025 PDGM payment groups with the corresponding Health Insurance Prospective Payment System (HIPPS) codes and the case-mix weights are listed in the rule's table 7 and is also available on the HHA Center webpage, located at https://www.cms.gov/medicare/enrollment-renewal/providerssuppliers/home-health-agency-center.

However, the final rule's table 7 does not contain this information.

CY 2025 Functional Impairment Levels (Page 50)

Under the PDGM, the functional impairment level is determined by responses to certain Outcome and Assessment Information (OASIS) data items associated with activities of daily living and risk of hospitalization; that is, responses to OASIS items M1800-M1860 and M1033.

The final updated OASIS functional points table and the table of functional impairment levels by clinical group for CY 2025 are listed in tables 7 and 8, respectively. (Page 51)



CY 2025 Comorbidity Subgroups (Page 54)

Thirty-day periods of care receive a comorbidity adjustment category based on the presence of certain secondary diagnoses reported on home health claims. These diagnoses are based on a home-health specific list of clinically and statistically significant secondary diagnosis subgroups with similar resource use, meaning the diagnoses have at least as high as the median resource use and are reported in more than 0.1 percent of 30-day periods of care.

For CY 2025, the final updated comorbidity adjustment subgroups include 22 low comorbidity adjustment subgroups as identified in table 9 and 94 high comorbidity adjustment interaction subgroups as identified in table 10. (Page 63)

CY 2025 PDGM Case-Mix Weights (Page 64)

The PDGM case-mix methodology results in 432 unique case-mix groups called home health resource groups (HHRGs). They are as follows:

HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 =	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
			interaction)		
1FC11	Behavioral Health - High	Early - Community	0	1.0912	4
1FC21	Behavioral Health - High	Early - Community	1	1.1535	4
1FC31	Behavioral Health - High	Early - Community	2	1.3028	4
2FC11	Behavioral Health - High	Early - Institutional	0	1.2986	3
2FC21	Behavioral Health - High	Early - Institutional	1	1.3608	4
2FC31	Behavioral Health - High	Early - Institutional	2	1.5101	4
3FC11	Behavioral Health - High	Late - Community	0	0.7431	2
3FC21	Behavioral Health - High	Late - Community	1	0.8053	2
3FC31	Behavioral Health - High	Late - Community	2	0.9546	2
4FC11	Behavioral Health - High	Late - Institutional	0	1.2208	3
4FC21	Behavioral Health - High	Late - Institutional	1	1.2830	3
4FC31	Behavioral Health - High	Late - Institutional	2	1.4323	4
1FA11	Behavioral Health - Low	Early - Community	0	0.8727	3
1FA21	Behavioral Health - Low	Early - Community	1	0.9350	3
1FA31	Behavioral Health - Low	Early - Community	2	1.0843	3
2FA11	Behavioral Health - Low	Early - Institutional	0	1.0801	3
2FA21	Behavioral Health - Low	Early - Institutional	1	1.1423	3
2FA31	Behavioral Health - Low	Early - Institutional	2	1.2916	3
3FA11	Behavioral Health - Low	Late - Community	0	0.5246	2
3FA21	Behavioral Health - Low	Late - Community	1	0.5868	2
3FA31	Behavioral Health - Low	Late - Community	2	0.7361	2
4FA11	Behavioral Health - Low	Late - Institutional	0	1.0023	2
4FA21	Behavioral Health - Low	Late - Institutional	1	1.0645	3
4FA31	Behavioral Health - Low	Late - Institutional	2	1.2138	2
1FB11	Behavioral Health - Medium	Early - Community	0	0.9916	4



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 =	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
			interaction)		
1FB21	Behavioral Health - Medium	Early - Community	1	1.0539	4
1FB31	Behavioral Health - Medium	Early - Community	2	1.2032	4
2FB11	Behavioral Health - Medium	Early - Institutional	0	1.1989	3
2FB21	Behavioral Health - Medium	Early - Institutional	1	1.2612	4
2FB31	Behavioral Health - Medium	Early - Institutional	2	1.4105	4
3FB11	Behavioral Health - Medium	Late - Community	0	0.6435	2
3FB21	Behavioral Health - Medium	Late - Community	1	0.7057	2
3FB31	Behavioral Health - Medium	Late - Community	2	0.8550	2
4FB11	Behavioral Health - Medium	Late - Institutional	0	1.1212	3
4FB21	Behavioral Health - Medium	Late - Institutional	1	1.1834	3
4FB31	Behavioral Health - Medium	Late - Institutional	2	1.3327	3
1DC11	Complex - High	Early - Community	0	0.9871	2
1DC21	Complex - High	Early - Community	1	1.0494	2
1DC31	Complex - High	Early - Community	2	1.1987	2
2DC11	Complex - High	Early - Institutional	0	1.1944	3
2DC21	Complex - High	Early - Institutional	1	1.2567	3
2DC31	Complex - High	Early - Institutional	2	1.4060	3
3DC11	Complex - High	Late - Community	0	0.6390	2
3DC21	Complex - High	Late - Community	1	0.7012	2
3DC31	Complex - High	Late - Community	2	0.8505	2
4DC11	Complex - High	Late - Institutional	0	1.1167	2
4DC21	Complex - High	Late - Institutional	1	1.1789	2
4DC31	Complex - High	Late - Institutional	2	1.3282	2
1DA11	Complex - Low	Early - Community	0	0.8723	2
1DA21	Complex - Low	Early - Community	1	0.9345	2
1DA31	Complex - Low	Early - Community	2	1.0838	2
2DA11	Complex - Low	Early - Institutional	0	1.0796	3
2DA21	Complex - Low	Early - Institutional	1	1.1418	3
2DA31	Complex - Low	Early - Institutional	2	1.2911	3
3DA11	Complex - Low	Late - Community	0	0.5241	2
3DA21	Complex - Low	Late - Community	1	0.5864	2
3DA31	Complex - Low	Late - Community	2	0.7357	2
4DA11	Complex - Low	Late - Institutional	0	1.0018	2
4DA21	Complex - Low	Late - Institutional	1	1.0641	2
4DA31	Complex - Low	Late - Institutional	2	1.2134	3
1DB11	Complex - Medium	Early - Community	0	1.0030	2
1DB21	Complex - Medium	Early - Community	1	1.0652	2
1DB31	Complex - Medium	Early - Community	2	1.2145	2
2DB11	Complex - Medium	Early - Institutional	0	1.2103	3
2DB21	Complex - Medium	Early - Institutional	1	1.2725	3



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 =	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
2DB31	Compley Medium	Early - Institutional	interaction) 2	1.4218	4
	Complex - Medium	· ·	0		
3DB11	Complex - Medium	Late - Community	-	0.6548	2
3DB21	Complex - Medium	Late - Community	1	0.7171	2
3DB31	Complex - Medium	Late - Community	2	0.8664	2
4DB11	Complex - Medium	Late - Institutional	0	1.1325	3
4DB21	Complex - Medium	Late - Institutional	1	1.1948	3
4DB31 1HC11	Complex - Medium	Late - Institutional	2 0	1.3441 1.1133	3 4
	MMTA - Cardiac - High	Early - Community			<u> </u>
1HC21	MMTA - Cardiac - High	Early - Community	1	1.1756	4
1HC31	MMTA - Cardiac - High	Early - Community	2	1.3249	4
2HC11	MMTA - Cardiac - High	Early - Institutional	0	1.3207	4
2HC21	MMTA - Cardiac - High	Early - Institutional	1	1.3829	4
2HC31	MMTA - Cardiac - High	Early - Institutional	2	1.5322	4
3HC11	MMTA - Cardiac - High	Late - Community	0	0.7652	2
3HC21	MMTA - Cardiac - High	Late - Community	1	0.8274	2
3HC31	MMTA - Cardiac - High	Late - Community	2	0.9767	3
4HC11	MMTA - Cardiac - High	Late - Institutional	0	1.2429	3
4HC21	MMTA - Cardiac - High	Late - Institutional	1	1.3051	3
4HC31	MMTA - Cardiac - High	Late - Institutional	2	1.4544	4
1HA11	MMTA - Cardiac - Low	Early - Community	0	0.9102	4
1HA21	MMTA - Cardiac - Low	Early - Community	1	0.9724	4
1HA31	MMTA - Cardiac - Low	Early - Community	2	1.1217	3
2HA11	MMTA - Cardiac - Low	Early - Institutional	0	1.1175	3
2HA21	MMTA - Cardiac - Low	Early - Institutional	1	1.1797	4
2HA31	MMTA - Cardiac - Low	Early - Institutional	2	1.3290	4
3HA11	MMTA - Cardiac - Low	Late - Community	0	0.5620	2
3HA21	MMTA - Cardiac - Low	Late - Community	1	0.6242	2
3HA31	MMTA - Cardiac - Low	Late - Community	2	0.7735	2
4HA11	MMTA - Cardiac - Low	Late - Institutional	0	1.0397	3
4HA21	MMTA - Cardiac - Low	Late - Institutional	1	1.1019	3
4HA31	MMTA - Cardiac - Low	Late - Institutional	2	1.2512	3
1HB11	MMTA - Cardiac - Medium	Early - Community	0	0.9966	4
1HB21	MMTA - Cardiac - Medium	Early - Community	1	1.0589	4
1HB31	MMTA - Cardiac - Medium	Early - Community	2	1.2082	4
2HB11	MMTA - Cardiac - Medium	Early - Institutional	0	1.2039	4
2HB21		,			
	MMTA Cardiac - Medium	Early - Institutional	1	1.2662	4
2HB31	MMTA - Cardiac - Medium	Early - Institutional	2	1.4155	
3HB11	MMTA - Cardiac - Medium	Late - Community	0	0.6485	2
3HB21	MMTA - Cardiac - Medium	Late - Community	1	0.7107	2
3HB31	MMTA - Cardiac - Medium	Late - Community	2	0.8600	2



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 =	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
			interaction)		_
4HB11	MMTA - Cardiac - Medium	Late - Institutional	0	1.1262	3
4HB21	MMTA - Cardiac - Medium	Late - Institutional	1	1.1884	3
4HB31	MMTA - Cardiac - Medium	Late - Institutional	2	1.3377	3
1IC11	MMTA - Endocrine - High	Early - Community	0	1.3283	4
1IC21	MMTA - Endocrine - High	Early - Community	1	1.3906	4
1IC31	MMTA - Endocrine - High	Early - Community	2	1.5399	4
2IC11	MMTA - Endocrine - High	Early - Institutional	0	1.5356	4
2IC21	MMTA - Endocrine - High	Early - Institutional	1	1.5979	4
2IC31	MMTA - Endocrine - High	Early - Institutional	2	1.7472	4
3IC11	MMTA - Endocrine - High	Late - Community	0	0.9802	3
3IC21	MMTA - Endocrine - High	Late - Community	1	1.0424	3
3IC31	MMTA - Endocrine - High	Late - Community	2	1.1917	3
4IC11	MMTA - Endocrine - High	Late - Institutional	0	1.4579	4
4IC21	MMTA - Endocrine - High	Late - Institutional	1	1.5201	4
4IC31	MMTA - Endocrine - High	Late - Institutional	2	1.6694	4
1IA11	MMTA - Endocrine - Low	Early - Community	0	1.1870	4
1IA21	MMTA - Endocrine - Low	Early - Community	1	1.2492	4
1IA31	MMTA - Endocrine - Low	Early - Community	2	1.3986	4
2IA11	MMTA - Endocrine - Low	Early - Institutional	0	1.3943	3
2IA21	MMTA - Endocrine - Low	Early - Institutional	1	1.4566	4
2IA31	MMTA - Endocrine - Low	Early - Institutional	2	1.6059	4
3IA11	MMTA - Endocrine - Low	Late - Community	0	0.8389	3
3IA21	MMTA - Endocrine - Low	Late - Community	1	0.9011	3
3IA31	MMTA - Endocrine - Low	Late - Community	2	1.0504	3
4IA11	MMTA - Endocrine - Low	Late - Institutional	0	1.3166	4
4IA21	MMTA - Endocrine - Low	Late - Institutional	1	1.3788	3
4IA31	MMTA - Endocrine - Low	Late - Institutional	2	1.5281	4
1IB11	MMTA - Endocrine - Medium	Early - Community	0	1.2582	4
1IB21	MMTA - Endocrine - Medium	Early - Community	1	1.3205	4
1IB31	MMTA - Endocrine - Medium	Early - Community	2	1.4698	4
2IB11	MMTA - Endocrine - Medium	Early - Institutional	0	1.4655	4
2IB21	MMTA - Endocrine - Medium	Early - Institutional	1	1.5278	4
2IB31	MMTA - Endocrine - Medium	Early - Institutional	2	1.6771	4
3IB11	MMTA - Endocrine - Medium	Late - Community	0	0.9101	3
3IB21	MMTA - Endocrine - Medium	Late - Community	1	0.9723	3
3IB31	MMTA - Endocrine - Medium	Late - Community	2	1.1216	3
4IB11	MMTA - Endocrine - Medium	Late - Institutional	0	1.3878	4
4IB21	MMTA - Endocrine - Medium	Late - Institutional	1	1.4500	4
4IB31	MMTA - Endocrine - Medium	Late - Institutional	2	1.5993	4
1JC11	MMTA - GI/GU - High	Early - Community	0	1.1012	3



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 =	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
			interaction)		
1JC21	MMTA - GI/GU - High	Early - Community	1	1.1635	3
1JC31	MMTA - GI/GU - High	Early - Community	2	1.3128	2
2JC11	MMTA - GI/GU - High	Early - Institutional	0	1.3085	4
2JC21	MMTA - GI/GU - High	Early - Institutional	1	1.3708	3
2JC31	MMTA - GI/GU - High	Early - Institutional	2	1.5201	3
3JC11	MMTA - GI/GU - High	Late - Community	0	0.7531	2
3JC21	MMTA - GI/GU - High	Late - Community	1	0.8153	2
3JC31	MMTA - GI/GU - High	Late - Community	2	0.9646	2
4JC11	MMTA - GI/GU - High	Late - Institutional	0	1.2308	3
4JC21	MMTA - GI/GU - High	Late - Institutional	1	1.2930	3
4JC31	MMTA - GI/GU - High	Late - Institutional	2	1.4423	3
1JA11	MMTA - GI/GU - Low	Early - Community	0	0.8926	2
1JA21	MMTA - GI/GU - Low	Early - Community	1	0.9548	2
1JA31	MMTA - GI/GU - Low	Early - Community	2	1.1041	2
2JA11	MMTA - GI/GU - Low	Early - Institutional	0	1.0999	3
2JA21	MMTA - GI/GU - Low	Early - Institutional	1	1.1621	3
2JA31	MMTA - GI/GU - Low	Early - Institutional	2	1.3114	3
3JA11	MMTA - GI/GU - Low	Late - Community	0	0.5444	2
3JA21	MMTA - GI/GU - Low	Late - Community	1	0.6067	2
3JA31	MMTA - GI/GU - Low	Late - Community	2	0.7560	2
4JA11	MMTA - GI/GU - Low	Late - Institutional	0	1.0221	3
4JA21	MMTA - GI/GU - Low	Late - Institutional	1	1.0844	3
4JA31	MMTA - GI/GU - Low	Late - Institutional	2	1.2337	3
1JB11	MMTA - GI/GU - Medium	Early - Community	0	1.0124	3
1JB21	MMTA - GI/GU - Medium	Early - Community	1	1.0747	3
1JB31	MMTA - GI/GU - Medium	Early - Community	2	1.2240	2
2JB11	MMTA - GI/GU - Medium	Early - Institutional	0	1.2197	3
2JB21	MMTA - GI/GU - Medium	Early - Institutional	1	1.2820	4
2JB31	MMTA - GI/GU - Medium	Early - Institutional	2	1.4313	4
3JB11	MMTA - GI/GU - Medium	Late - Community	0	0.6643	2
3JB21	MMTA - GI/GU - Medium	Late - Community	1	0.7265	2
3JB31	MMTA - GI/GU - Medium	Late - Community	2	0.8758	2
4JB11	MMTA - GI/GU - Medium	Late - Institutional	0	1.1420	3
4JB21	MMTA - GI/GU - Medium	Late - Institutional	1	1.2042	3
4JB31	MMTA - GI/GU - Medium	Late - Institutional	2	1.3535	3
1KC11	MMTA - Infectious - High	Early - Community	0	1.1383	2
1KC21	MMTA - Infectious - High	Early - Community	1	1.2005	2
1KC31	MMTA - Infectious - High	Early - Community	2	1.3498	2
2KC11	MMTA - Infectious - High	Early - Institutional	0	1.3456	3
2KC21	MMTA - Infectious - High	Early - Institutional	1	1.4079	3



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 =	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
			interaction)		
2KC31	MMTA - Infectious - High	Early - Institutional	2	1.5572	3
3KC11	MMTA - Infectious - High	Late - Community	0	0.7902	2
3KC21	MMTA - Infectious - High	Late - Community	1	0.8524	2
3KC31	MMTA - Infectious - High	Late - Community	2	1.0017	2
4KC11	MMTA - Infectious - High	Late - Institutional	0	1.2679	3
4KC21	MMTA - Infectious - High	Late - Institutional	1	1.3301	3
4KC31	MMTA - Infectious - High	Late - Institutional	2	1.4794	3
1KA11	MMTA - Infectious - Low	Early - Community	0	0.9077	2
1KA21	MMTA - Infectious - Low	Early - Community	1	0.9699	2
1KA31	MMTA - Infectious - Low	Early - Community	2	1.1192	2
2KA11	MMTA - Infectious - Low	Early - Institutional	0	1.1150	3
2KA21	MMTA - Infectious - Low	Early - Institutional	1	1.1772	3
2KA31	MMTA - Infectious - Low	Early - Institutional	2	1.3265	3
3KA11	MMTA - Infectious - Low	Late - Community	0	0.5595	2
3KA21	MMTA - Infectious - Low	Late - Community	1	0.6217	2
3KA31	MMTA - Infectious - Low	Late - Community	2	0.7711	2
4KA11	MMTA - Infectious - Low	Late - Institutional	0	1.0372	3
4KA21	MMTA - Infectious - Low	Late - Institutional	1	1.0994	3
4KA31	MMTA - Infectious - Low	Late - Institutional	2	1.2487	3
1KB11	MMTA - Infectious - Medium	Early - Community	0	1.0079	3
1KB21	MMTA - Infectious - Medium	Early - Community	1	1.0701	2
1KB31	MMTA - Infectious - Medium	Early - Community	2	1.2194	2
2KB11	MMTA - Infectious - Medium	Early - Institutional	0	1.2152	3
2KB21	MMTA - Infectious - Medium	Early - Institutional	1	1.2774	3
2KB31	MMTA - Infectious - Medium	Early - Institutional	2	1.4267	3
3KB11	MMTA - Infectious - Medium	Late - Community	0	0.6597	2
3KB21	MMTA - Infectious - Medium	Late - Community	1	0.7220	2
3KB31	MMTA - Infectious - Medium	Late - Community	2	0.8713	2
4KB11	MMTA - Infectious - Medium	Late - Institutional	0	1.1374	3
4KB21	MMTA - Infectious - Medium	Late - Institutional	1	1.1997	3
4KB31	MMTA - Infectious - Medium	Late - Institutional	2	1.3490	3
1AC11	MMTA - Other - High	Early - Community	0	1.1073	4
1AC21	MMTA - Other - High	Early - Community	1	1.1695	4
1AC31	MMTA - Other - High	Early - Community	2	1.3189	3
2AC11	MMTA - Other - High	Early - Institutional	0	1.3146	4
2AC21	MMTA - Other - High	Early - Institutional	1	1.3769	4
2AC31	MMTA - Other - High	Early - Institutional	2	1.5262	4
3AC11	MMTA - Other - High	Late - Community	0	0.7592	2
3AC21	MMTA - Other - High	Late - Community	1	0.8214	2
3AC31	MMTA - Other - High	Late - Community	2	0.9707	2



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 =	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
			interaction)		
4AC11	MMTA - Other - High	Late - Institutional	0	1.2369	3
4AC21	MMTA - Other - High	Late - Institutional	1	1.2991	3
4AC31	MMTA - Other - High	Late - Institutional	2	1.4484	3
1AA11	MMTA - Other - Low	Early - Community	0	0.9187	3
1AA21	MMTA - Other - Low	Early - Community	1	0.9810	3
1AA31	MMTA - Other - Low	Early - Community	2	1.1303	4
2AA11	MMTA - Other - Low	Early - Institutional	0	1.1260	3
2AA21	MMTA - Other - Low	Early - Institutional	1	1.1883	3
2AA31	MMTA - Other - Low	Early - Institutional	2	1.3376	3
3AA11	MMTA - Other - Low	Late - Community	0	0.5706	2
3AA21	MMTA - Other - Low	Late - Community	1	0.6328	2
3AA31	MMTA - Other - Low	Late - Community	2	0.7821	2
4AA11	MMTA - Other - Low	Late - Institutional	0	1.0483	3
4AA21	MMTA - Other - Low	Late - Institutional	1	1.1105	3
4AA31	MMTA - Other - Low	Late - Institutional	2	1.2598	3
1AB11	MMTA - Other - Medium	Early - Community	0	1.0085	4
1AB21	MMTA - Other - Medium	Early - Community	1	1.0707	4
1AB31	MMTA - Other - Medium	Early - Community	2	1.2200	3
2AB11	MMTA - Other - Medium	Early - Institutional	0	1.2158	4
2AB21	MMTA - Other - Medium	Early - Institutional	1	1.2780	4
2AB31	MMTA - Other - Medium	Early - Institutional	2	1.4273	4
3AB11	MMTA - Other - Medium	Late - Community	0	0.6603	2
3AB21	MMTA - Other - Medium	Late - Community	1	0.7225	2
3AB31	MMTA - Other - Medium	Late - Community	2	0.8718	2
4AB11	MMTA - Other - Medium	Late - Institutional	0	1.1380	3
4AB21	MMTA - Other - Medium	Late - Institutional	1	1.2002	3
4AB31	MMTA - Other - Medium	Late - Institutional	2	1.3495	4
1LC11	MMTA - Respiratory - High	Early - Community	0	1.1204	4
1LC21	MMTA - Respiratory - High	Early - Community	1	1.1826	3
1LC31	MMTA - Respiratory - High	Early - Community	2	1.3319	3
2LC11	MMTA - Respiratory - High	Early - Institutional	0	1.3277	4
2LC21	MMTA - Respiratory - High	Early - Institutional	1	1.3899	4
2LC31	MMTA - Respiratory - High	Early - Institutional	2	1.5392	4
3LC11	MMTA - Respiratory - High	Late - Community	0	0.7723	2
3LC21	MMTA - Respiratory - High	Late - Community	1	0.8345	2
3LC31	MMTA - Respiratory - High	Late - Community	2	0.9838	2
4LC11	MMTA - Respiratory - High	Late - Institutional	0	1.2499	3
4LC21	MMTA - Respiratory - High	Late - Institutional	1	1.3122	3
4LC31	MMTA - Respiratory - High	Late - Institutional	2	1.4615	3
1LA11	MMTA - Respiratory - Low	Early - Community	0	0.9187	3



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 =	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
1LA21	MMTA - Respiratory - Low	Early - Community	interaction) 1	0,9809	3
1LA31	MMTA - Respiratory - Low	Early - Community	2	1.1302	3
2LA11	MMTA - Respiratory - Low	Early - Institutional	0	1.1260	3
2LA21	MMTA - Respiratory - Low	Early - Institutional	1	1.1882	3
2LA31	MMTA - Respiratory - Low	Early - Institutional	2	1.3375	4
3LA11	MMTA - Respiratory - Low	Late - Community	0	0.5705	2
3LA21	MMTA - Respiratory - Low	Late - Community	1	0.6328	2
3LA31	MMTA - Respiratory - Low	Late - Community	2	0.7821	2
4LA11	MMTA - Respiratory - Low	Late - Institutional	0	1.0482	3
4LA21	MMTA - Respiratory - Low	Late - Institutional	1	1.1105	3
4LA31	MMTA - Respiratory - Low	Late - Institutional	2	1.2598	3
1LB11	MMTA - Respiratory - Medium	Early - Community	0	1.0163	4
1LB21	MMTA - Respiratory - Medium	Early - Community	1	1.0786	3
1LB31	MMTA - Respiratory - Medium	Early - Community	2	1.2279	3
2LB11	MMTA - Respiratory - Medium	Early - Institutional	0	1.2236	4
2LB11 2LB21	MMTA - Respiratory - Medium	Early - Institutional	1	1.2859	4
2LB31	MMTA - Respiratory - Medium	Early - Institutional	2	1.4352	4
3LB11	MMTA - Respiratory - Medium	Late - Community	0	0.6682	2
3LB21	MMTA - Respiratory - Medium	Late - Community	1	0.7304	2
3LB31	MMTA - Respiratory - Medium	Late - Community	2	0.8797	2
4LB11	MMTA - Respiratory - Medium	Late - Institutional	0	1.1459	3
4LB21	MMTA - Respiratory - Medium	Late - Institutional	1	1.2081	3
4LB31	MMTA - Respiratory - Medium	Late - Institutional	2	1.3574	3
1GC11	MMTA - Surgical Aftercare -	Early - Community	0	1.1378	3
1GC21	High MMTA - Surgical Aftercare - High	Early - Community	1	1.2000	3
1GC31	MMTA - Surgical Aftercare - High	Early - Community	2	1.3493	3
2GC11	MMTA - Surgical Aftercare - High	Early - Institutional	0	1.3451	4
2GC21	MMTA - Surgical Aftercare - High	Early - Institutional	1	1.4073	4
2GC31	MMTA - Surgical Aftercare - High	Early - Institutional	2	1.5566	4
3GC11	MMTA - Surgical Aftercare - High	Late - Community	0	0.7896	2
3GC21 3GC31	MMTA - Surgical Aftercare - High MMTA - Surgical Aftercare -	Late - Community Late - Community	2	0.8519	2
	High	ŕ		1.0012	
4GC11	MMTA - Surgical Aftercare - High	Late - Institutional	0	1.2673	3
4GC21	MMTA - Surgical Aftercare - High	Late - Institutional	1	1.3296	3
4GC31	MMTA - Surgical Aftercare - High	Late - Institutional	2	1.4789	4
1GA11	MMTA - Surgical Aftercare - Low	Early - Community	0	0.8921	2



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 = interaction)	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
1GA21	MMTA - Surgical Aftercare -	Early - Community	1	0.9544	2
1GA31	Low MMTA - Surgical Aftercare -	Early - Community	2	1.1037	2
	Low	,			
2GA11	MMTA - Surgical Aftercare - Low	Early - Institutional	0	1.0994	3
2GA21	MMTA - Surgical Aftercare -	Early - Institutional	1	1.1617	3
2GA31	Low MMTA - Surgical Aftercare -	Early - Institutional	2	1.3110	3
3GA11	Low MMTA - Surgical Aftercare -	Late - Community	0	0.5440	2
	Low	,			
3GA21	MMTA - Surgical Aftercare - Low	Late - Community	1	0.6062	2
3GA31	MMTA - Surgical Aftercare -	Late - Community	2	0.7555	2
4GA11	Low MMTA - Surgical Aftercare -	Late - Institutional	0	1.0217	2
4GA21	Low MMTA - Surgical Aftercare -	Late - Institutional	1	1.0839	3
	Low				
4GA31	MMTA - Surgical Aftercare - Low	Late - Institutional	2	1.2332	3
1GB11	MMTA - Surgical Aftercare - Medium	Early - Community	0	1.0103	3
1GB21	MMTA - Surgical Aftercare -	Early - Community	1	1.0726	3
1GB31	Medium MMTA - Surgical Aftercare -	Early - Community	2	1,2219	3
	Medium				
2GB11	MMTA - Surgical Aftercare - Medium	Early - Institutional	0	1.2176	3
2GB21	MMTA - Surgical Aftercare - Medium	Early - Institutional	1	1.2799	4
2GB31	MMTA - Surgical Aftercare -	Early - Institutional	2	1.4292	4
3GB11	Medium MMTA - Surgical Aftercare -	Late - Community	0	0.6622	2
3GB21	Medium MMTA - Surgical Aftercare -	Late - Community	1	0.7244	2
	Medium	,			
3GB31	MMTA - Surgical Aftercare - Medium	Late - Community	2	0.8737	2
4GB11	MMTA - Surgical Aftercare -	Late - Institutional	0	1.1399	3
4GB21	Medium MMTA - Surgical Aftercare -	Late - Institutional	1	1.2021	3
4GB31	Medium MMTA - Surgical Aftercare -	Late - Institutional	2	1.3514	4
	Medium				
1EC11	MS Rehab - High	Early - Community	0	1.1768	4
1EC21	MS Rehab - High	Early - Community	1	1.2390	4
1EC31 2EC11	MS Rehab - High MS Rehab - High	Early - Community	0	1.3884	5
2EC11 2EC21	MS Renab - High MS Rehab - High	Early - Institutional Early - Institutional	1	1.3841	5
2EC21 2EC31	MS Rehab - High	Early - Institutional	2	1.5957	5
3EC11	MS Rehab - High	Late - Community	0	0.8287	2
3EC21	MS Rehab - High	Late - Community	1	0.8287	2
3EC21 3EC31	MS Rehab - High	Late - Community	2	1.0402	3



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 = interaction)	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
4EC11	MS Rehab - High	Late - Institutional	0	1.3064	4
4EC21	MS Rehab - High	Late - Institutional	1	1.3686	4
4EC31	MS Rehab - High	Late - Institutional	2	1.5179	4
1EA11	MS Rehab - Low	Early - Community	0	0.9543	4
1EA21	MS Rehab - Low	Early - Community	1	1.0165	4
1EA31	MS Rehab - Low	Early - Community	2	1.1658	4
2EA11	MS Rehab - Low	Early - Institutional	0	1.1616	4
2EA21	MS Rehab - Low	Early - Institutional	1	1.2238	5
2EA31	MS Rehab - Low	Early - Institutional	2	1.3731	5
3EA11	MS Rehab - Low	Late - Community	0	0.6061	2
3EA21	MS Rehab - Low	Late - Community	1	0.6683	2
3EA31	MS Rehab - Low	Late - Community	2	0.8176	2
4EA11	MS Rehab - Low	Late - Institutional	0	1.0838	4
4EA21	MS Rehab - Low	Late - Institutional	1	1.1460	4
4EA31	MS Rehab - Low	Late - Institutional	2	1.2953	4
1EB11	MS Rehab - Medium	Early - Community	0	1.0370	5
1EB21	MS Rehab - Medium	Early - Community	1	1.0992	5
1EB31	MS Rehab - Medium	Early - Community	2	1.2485	4
2EB11	MS Rehab - Medium	Early - Institutional	0	1.2443	5
2EB21	MS Rehab - Medium	Early - Institutional	1	1.3065	5
2EB31	MS Rehab - Medium	Early - Institutional	2	1.4558	5
3EB11	MS Rehab - Medium	Late - Community	0	0.6889	2
3EB21	MS Rehab - Medium	Late - Community	1	0.7511	2
3EB31	MS Rehab - Medium	Late - Community	2	0.9004	2
4EB11	MS Rehab - Medium	Late - Institutional	0	1.1666	4
4EB21	MS Rehab - Medium	Late - Institutional	1	1.2288	4
4EB31	MS Rehab - Medium	Late - Institutional	2	1.3781	4
1BC11	Neuro - High	Early - Community	0	1.2929	4
1BC21	Neuro - High	Early - Community	1	1.3551	4
1BC31	Neuro - High	Early - Community	2	1.5044	4
2BC11	Neuro - High	Early - Institutional	0	1.5002	5
2BC21	Neuro - High	Early - Institutional	1	1.5624	5
2BC31	Neuro - High	Early - Institutional	2	1.7117	4
3BC11	Neuro - High	Late - Community	0	0.9447	2
3BC21	Neuro - High	Late - Community	1	1.0070	3
3BC31	Neuro - High	Late - Community	2	1.1563	3
4BC11	Neuro - High	Late - Institutional	0	1.4224	4
4BC21	Neuro - High	Late - Institutional	1	1.4847	4
4BC31	Neuro - High	Late - Institutional	2	1.6340	4
1BA11	Neuro - Low	Early - Community	0	1.0413	4



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 =	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
			interaction)		
1BA21	Neuro - Low	Early - Community	1	1.1035	4
1BA31	Neuro - Low	Early - Community	2	1.2528	3
2BA11	Neuro - Low	Early - Institutional	0	1.2486	4
2BA21	Neuro - Low	Early - Institutional	1	1.3108	4
2BA31	Neuro - Low	Early - Institutional	2	1.4601	4
3BA11	Neuro - Low	Late - Community	0	0.6932	2
3BA21	Neuro - Low	Late - Community	1	0.7554	2
3BA31	Neuro - Low	Late - Community	2	0.9047	2
4BA11	Neuro - Low	Late - Institutional	0	1.1709	3
4BA21	Neuro - Low	Late - Institutional	1	1.2331	3
4BA31	Neuro - Low	Late - Institutional	2	1.3824	3
1BB11	Neuro - Medium	Early - Community	0	1.1529	4
1BB21	Neuro - Medium	Early - Community	1	1.2152	4
1BB31	Neuro - Medium	Early - Community	2	1.3645	4
2BB11	Neuro - Medium	Early - Institutional	0	1.3603	4
2BB21	Neuro - Medium	Early - Institutional	1	1.4225	5
2BB31	Neuro - Medium	Early - Institutional	2	1.5718	5
3BB11	Neuro - Medium	Late - Community	0	0.8048	2
3BB21	Neuro - Medium	Late - Community	1	0.8670	2
3BB31	Neuro - Medium	Late - Community	2	1.0163	2
4BB11	Neuro - Medium	Late - Institutional	0	1.2825	4
4BB21	Neuro - Medium	Late - Institutional	1	1.3447	4
4BB31	Neuro - Medium	Late - Institutional	2	1.4940	4
1CC11	Wound - High	Early - Community	0	1.4977	4
1CC21	Wound - High	Early - Community	1	1.5600	4
1CC31	Wound - High	Early - Community	2	1.7093	4
2CC11	Wound - High	Early - Institutional	0	1.7050	5
2CC21	Wound - High	Early - Institutional	1	1.7673	4
2CC31	Wound - High	Early - Institutional	2	1.9166	4
3CC11	Wound - High	Late - Community	0	1.1496	3
3CC21	Wound - High	Late - Community	1	1.2118	3
3CC31	Wound - High	Late - Community	2	1.3611	3
4CC11	Wound - High	Late - Institutional	0	1.6273	4
4CC21	Wound - High	Late - Institutional	1	1.6895	4
4CC31	Wound - High	Late - Institutional	2	1.8388	4
1CA11	Wound - Low	Early - Community	0	1.2850	4
1CA21	Wound - Low	Early - Community	1	1.3473	4
1CA31	Wound - Low	Early - Community	2	1.4966	4
2CA11	Wound - Low	Early - Institutional	0	1.4924	4
2CA21	Wound - Low	Early - Institutional	1	1.5546	4



HIPPS	Clinical Group and Functional Level	Admission Source and Timing	Comorbidity Adjustment (0 = none, 1 = single comorbidity, 2 = interaction)	Recalibrated Weight for 2025	LUPA Visit Threshold (LUPAs have fewer visits than the threshold)
2CA31	Wound - Low	Early - Institutional	2	1.7039	4
3CA11	Wound - Low	Late - Community	0	0.9369	2
3CA21	Wound - Low	Late - Community	1	0.9991	3
3CA31	Wound - Low	Late - Community	2	1.1484	3
4CA11	Wound - Low	Late - Institutional	0	1.4146	3
4CA21	Wound - Low	Late - Institutional	1	1.4768	4
4CA31	Wound - Low	Late - Institutional	2	1.6261	4
1CB11	Wound - Medium	Early - Community	0	1.3804	4
1CB21	Wound - Medium	Early - Community	1	1.4426	4
1CB31	Wound - Medium	Early - Community	2	1.5919	4
2CB11	Wound - Medium	Early - Institutional	0	1.5877	4
2CB21	Wound - Medium	Early - Institutional	1	1.6499	4
2CB31	Wound - Medium	Early - Institutional	2	1.7992	4
3CB11	Wound - Medium	Late - Community	0	1.0322	3
3CB21	Wound - Medium	Late - Community	1	1.0944	3
3CB31	Wound - Medium	Late - Community	2	1.2438	3
4CB11	Wound - Medium	Late - Institutional	0	1.5099	4
4CB21	Wound - Medium	Late - Institutional	1	1.5721	4
4CB31	Wound - Medium	Late - Institutional	2	1.7214	4

CMS is implementing the changes to the PDGM case-mix weights in a budget neutral manner by applying a case-mix budget neutrality factor to the CY 2025 national, standardized 30-day period payment rate of 1.0039.

E. CY 2025 Home Health Payment Rate Updates (Page 89)

The labor-related share will be 74.9 percent, and the non-labor-related share will be 25.1 percent.

Based on updated data from IGI's third quarter 2024 forecast with historical data through the second quarter of 2024, the 2021-based home health market basket percentage increase for CY 2025 is 3.2 percent reduced by a 0.5 percentage point productivity adjustment which results in a final CY 2025 update percentage of **2.7** percent.

Comment

CMS says there is "currently no mechanism to adjust for market basket forecast error in the home health payment update." We ask why not!

Adoption of the CBSA Delineations for the HH PPS Wage Index (Page 97)

CMS proposed to implement new OMB delineations as described in the July 21, 2023, OMB Bulletin No. 23–01 for the HH PPS wage index effective beginning in CY 2025.



CMS says it did not receive any comments on its proposal to adopt the Connecticut planning regions as county equivalents for wage index purposes. CMS is finalizing this policy as proposed. (Page 102)

CMS is finalizing its proposal to redesignate the 54 urban counties listed in table 14 as rural for purposes of the HH PPS wage index beginning in CY 2025. (Page 105)

CMS did not receive public comments on its proposal to redesignate the 54 rural counties listed in table 15 as urban. Therefore, CMS is finalizing the policy as proposed. (Page 106)

Table 16 lists CBSAs that will change in name and/or CBSA number only, but the constituent counties will not change (except in instances where an urban county became rural or a rural county became urban.) (Page 106)

In some cases, all urban counties from a CY 2024 CBSA will be moved and subsumed by another CBSA in CY 2025. Table 17 lists the CBSAs that, under CMS' proposal to adopt the revised OMB statistical area delineations, will be subsumed by another CBSA. (Page 108)

Table 18 lists the 73 urban counties that will move from one urban CBSA to a new or modified urban CBSA. (Page 108)

CMS is finalizing its proposal to adopt the revised OMB delineations from OMB Bulletin 23–01, and will also apply the permanent 5-percent cap on wage index decreases at the county level with the use of a transition code, so that counties impacted by the revised designations will receive a 5-percent cap on any decrease in a geographic area's wage index value from the wage index value from the prior calendar year for CY 2025. (Page 123)

The final HH PPS wage index file applicable for CY 2025 (January 1, 2025, through December 31, 2025) is available on the CMS website at https://www.cms.gov/medicare/enrollment-renewal/providers-suppliers/homehealth-agency-center. (Page 124)

CMS is finalizing its proposal to use the FY 2025 pre-floor, pre-reclassified hospital wage index as the basis for the CY 2025 HH PPS wage index. (Page 129)

CY 2025 Home Health Payment Update (Page 129)

The final CY 2025 National, Standardized 30-Day Period Payment Amount is as follows.

CY 2024 National Standardized 30- Day Period Payment	Permanent Adjustment Factor	Case-Mix Weights Recalibration Budget Neutrality Factor	Wage Index Budget Neutrality Factor	CY 2025 HH Payment Update Factor	CY 2025 National, Standardized 30- Day Period Payment
\$2,038.13	0.98025	1.0039	0.9988	1.027	\$2,057.35

The CY 2025 national standardized 30-day period payment rate for an HHA that does **NOT** submit the required quality data is updated by the proposed CY 2025 home health payment update percentage of 0.5 percent (2.5 percent minus 2 percentage points) as shown below.



CY 2024 National Standardized 30- Day Period Payment	Permanent Adjustment Factor	Case-Mix Weights Recalibration Neutrality Factor	Wage Index Budget Neutrality Factor	CY 2025 HH Payment Update Factor Minus 2 Percentage Points	CY 2025 National, Standardized 30- Day Period Payment
\$2,038.13	0.98025	1.0039	0.9988	1.007	\$2,017.28

CY 2025 National Per-Visit Rates for 30-day Periods of Care (Page 134)

The national per-visit rates are used to pay LUPAs and are also used to compute imputed costs in outlier calculations. The per-visit rates are paid by type of visit or home health discipline. The six home health disciplines are as follows:

- Home health aide (HH aide).
- Medical Social Services (MSS).
- Occupational therapy (OT).
- Physical therapy (PT).
- Skilled nursing (SN).
- Speech-language pathology (SLP).

CY 2025 National Per-Visit Payment Amounts

HH Discipline	CY 2024 Per-Visit Payment Amount	Wage Index Budget Neutrality Factor	CY 2025 HH Payment Update Factor	CY 2025 Per- Visit Payment Amount
Home Health Aide	\$76.23	0.9989	1.027	\$78.20
Medical Social Services	\$269.87	0.9989	1.027	\$276.85
Occupational Therapy	\$185.29	0.9989	1.027	\$190.08
Physical Therapy	\$184.03	0.9989	1.027	\$188.79
Skilled Nursing	\$168.37	0.9989	1.027	\$172.73
Speech-Language Pathology	\$200.04	0.9989	1.027	\$205.22

LUPA Add-On Factors (Page 135)

The table below shows the current LUPA add-on factors and the final LUPA add-on factors.

Current and Final LUPA Add-On Factors For All Disciplines

Discipline	Current LUPA Add-on Factors	Final LUPA Add- on Factors Using Data from CY 2023	Percent Change from Old to New	Average Excess of Minutes for the First Visit in LUPA Periods	Average Minutes for All Non-First Visits in Non- LUPA Episodes
SN	1.8451	1.7200	-6.8%	29.91	41.54
PT	1.6700	1.6225	-2.8%	28.08	45.11
SLP	1.6266	1.6696	+2.6%	31.57	47.15
ОТ	1.6700	1.7238	+3.2%	33.28	45.98

CMS is finalizing its proposal to discontinue use of the PT LUPA add-on factor as a proxy and establish the definitive LUPA add-on factor for occupational therapy to be used in calculating the LUPA add-on



payment amounts. The OT LUPA factor is 1.7238 when occupational therapy is the first skilled visit in a LUPA period that occurs as the only period or an initial period in a sequence of adjacent periods. (Page 141)

Payments for High-Cost Outliers under the HH PPS (Page 141)

The final Fixed Dollar Limit (FDL) ratio for outliers in CY 2025 will be 0.35. The current FDL is 0.27. It's obvious that CY current outliers payments are higher than 2.5 percent

Annual Rate Update for Disposable Negative Pressure Wound Therapy (dNPWT) Device (Page 145)

The final CY 2025 separate payment amount for a dNPWT device will be \$276.57, which reflects the CY 2024 payment amount of \$270.09 updated by a final update percentage of 2.4 percent.

III. Home Health Quality Reporting Program (HH QRP) (Page 151)

The HH QRP currently includes 19 measures for the CY 2024 program year.

Proposal to Collect Four New Items as Standardized Patient Assessment Data Elements and Modify One Item Collected as a Standardized Patient Assessment Data Element Beginning with the CY 2027 HH QRP (Page 154)

CMS proposed to add four new items to be collected as standardized patient assessment data elements under the social determinants of health (SDOH) category HH QRP: Living Situation (one item); Food (two items); and Utilities (one item). CMS is also proposed to modify one of the current items collected as standardized patient assessment data under the SDOH category (the Transportation item).

CMS is adopting these measures.

Proposal to Update OASIS All-Payer Data Collection (Page 174)

To clarify expectations around the start of OASIS all-payer data collection CMS proposed to establish a change from data collection beginning with the OASIS discharge time point to using the start of care (SOC) time point.

CMS is finalizing its proposal to update requirements for OASIS all-payer data collection beginning January 1, 2025. (Page 179)

IV. The Expanded Home Health Value-Based Purchasing (HHVBP) Model (Page 188)

In the CY 2022 HH PPS final rule CMS finalized the decision to expand the HHVBP Model to all Medicare certified HHAs in the 50 States, territories, and District of Columbia beginning January 1, 2022. CY 2022 was a pre-implementation year. The first payment year is CY 2025 based on the first performance year which was CY 2023. CMS' codified policies for the expanded HHVBP Model can be found in our regulations at 42 CFR part 484, subpart F, §§ 484.300 through 484.375.

There are no proposed changes to the expanded HHVBP Model for CY 2025.

V. Medicare Home Intravenous Immune Globulin (IVIG) Items and Services (Page 202)

Section 1842(o) of the Act provides the authority for the development of a separate bundled payment for Medicare-covered items and services related to the administration of intravenous immune globulin to



an individual in the patient's home during a calendar day, in an amount that the Secretary determines to be appropriate.

CMS proposed a CY 2025 home IVIG items and services payment rate would be the CY 2024 IVIG items and services payment rate of \$420.48 updated by the proposed home health payment update percentage of 2.5 percent (\$420.48 * 1.025 = \$430.99). (Page 215)

CMS is finalizing the CY 2025 home IVIG items and services payment rate of \$431.83 (\$420.48 updated by the final home health payment update percentage of 2.7 percent (\$420.48 * 1.027 = \$431.83)). (Page 216)

VI. Home Health CoP Changes and Long Term (LTC) Requirements for Acute Respiratory Illness Reporting (Page 218)

In accordance with the requirements of \S 484.105(f)(1), each HHA must furnish skilled nursing services and at least one other therapeutic service (physical therapy, speech-language pathology, occupational therapy, medical social services, or home health aide services) on a visiting basis and in a place of residence that is used as a patient's home.

CMS proposed, at § 484.105(i)(1)(i) through (iv), to require that the policy be reviewed annually and address, at minimum, the following criteria related to the HHA's capacity to provide patient care: the anticipated needs of the referred prospective patient, the HHA's case load and case mix, the HHA's staffing levels, and the skills and competencies of the HHA staff.

These proposed elements were designed to inform an HHA's assessment of its capacity and determine its suitability to meet the anticipated needs of the prospective patient that has been referred for HHA services. CMS also proposed that the patient acceptance-to-service policy be applied consistently to ensure that HHAs only accept those patients for whom there is a reasonable expectation that the HHA can meet the referred patient's needs. (Page 218)

CMS is finalizing the acceptance-to-service policy at § 484.105(i)(1) as proposed. (Page 227)

Long-term Care (LTC) Requirements for Acute Respiratory Illness Reporting (Page 237)

CMS proposed to replace the existing reporting requirements for LTC facilities at \S 483.80(g)(1)(i) through (ix) and (g)(2) with new requirements to report information addressing respiratory illnesses. Beginning on January 1, 2025, CMS proposed to require facilities to electronically report information about COVID-19, influenza, and RSV in a standardized format and frequency specified by the Secretary. proposed to continue weekly reporting through the CDC's NHSN.

The data elements for which reporting would be required include all of the following:

- Facility census (defined as the total number of residents occupying a bed at this facility for at least 24 hours during the week of data collection).
- Resident vaccination status for a limited set of respiratory illnesses including but not limited to COVID-19, influenza, and RSV.
- Confirmed resident cases of a limited set of respiratory illnesses including but not limited to COVID-19, influenza, and RSV (overall and by vaccination status).
- Hospitalized residents with confirmed cases of a limited set of respiratory illnesses including but not limited to COVID-19, influenza, and RSV (overall and by vaccination status).

CMS is finalizing its proposal in a modified form. LTC facilities, in a standardized format and frequency specified by the Secretary, must electronically report information on acute respiratory illnesses, including influenza, SARS-CoV-2/COVID-19, and RSV, facility census (defined as the total number of



residents occupying a bed at this facility for at least 24 hours during the week of data collection), resident vaccination status, confirmed resident cases, and hospitalized residents with confirmed cases. (Page 258)

VII. Provider Enrollment--Provisional Period of Enhanced Oversight (PPEO) (Page 263)

Section 1866(j)(3)(A) of the Act states that the Secretary shall establish procedures to provide for a provisional period of between 30 days and 1 year during which new providers and suppliers--as the Secretary determines appropriate, including categories of providers or suppliers--will be subject to enhanced oversight.

CMS proposed to add a new paragraph (a)(4) to § 424.527 that includes providers and suppliers that are reactivating their enrollment and billing privileges under § 424.540(b). CMS has elected to address this issue via rulemaking in proposed § 424.527(a)(4). However, CMS notes it retains the authority under section 1866(j)(3)(B) of the Act to establish and implement PPEO procedures via subregulatory guidance .

CMS is finalizing its proposed change to § 424.527(a)(4) without modification. (Page 271)

VIII. Collection of Information (Page 272)

IX. Regulatory Impact Analysis (Page 290)

Final Comments

After looking at our comments to the proposed HHA CY 2025 rule, we are copying many of them below. They are still extremely relevant.

Perhaps the most challenging item is the negative rate of increase due to adjustments regarding behavior changes in the shift from 153 HH groups to the 432 PDGM groups. Yes, this adjustment is mandated by statute. However, the adjustment is based on numerous CMS factors and projection, many which are still estimates.

Second, as noted previously, CMS continues to ignore any estimation differences between proposed and final market basket updates. This is inexcusable. Too ignore such means payments have never been accurate, something CMS says it wants to accomplish in many other facets of the rulemaking.

CMS has consistency used an excuse that adjusting "retroactively" for market-based errors is incompatible with a prospective payment system. Questions – why has CMS adopted a correction system for skilled nursing facilities but not for any other PPS program? And, why does any such corrections have to be made retrospectively? These adjustments can and should be made prospectively. That is, a prior year's correction is applied prospectively to next year's update.

There is much in the quality provisions. CMS simply appears to want more and more information with the intent of adjusting payment amounts. Again, one needs to question all the information CMS requests. Is the data really adding to quality outcomes or to negative payment changes?

Finally, as always, there is much unneeded history and redundancy. Seems CMS has to provide a history before proposing any changes to a specific item. This just makes the yearly updates longer and longer and to a degree more confusing. Why can't CMS just cite the changes it needs to make?



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