

Mandated report: Impact of Bipartisan Budget Act of 2018 changes to the home health prospective payment system

ISSUE: The Bipartisan Budget Act of 2018 mandated two changes to home health payments, which CMS implemented in 2020: a 30-day unit of payment and elimination of therapy visits provided during an episode as a payment factor. BBA 2018 requires that MedPAC submit an initial analysis of these changes by March 15, 2022.

KEY POINTS: The onset of the COVID-19 public health emergency (PHE) significantly disrupted the operations of home health agencies in 2020 and the care received by beneficiaries. In addition, the PHE prompted CMS and the Congress to implement several additional policy changes that could also affect the volume and type of home health services provided in 2020. Reviewing the data for the first year of the BBA-mandated changes provides some indications of their effect, but it is difficult to disentangle these effects from those of the PHE.

ACTION: The Commissioners will review and discuss the findings.