

# How Medicare Reimbursement Is Impacted by OASIS & Outcome Programs

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PRESENTED BY:

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Chief Executive Officer



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**Melinda A. Gaboury**  
CEO

Melinda A. Gaboury, with more than 30 years in home care, has over 20 years of executive speaking and educating experience, including extensive day to day interaction with home care and hospice professionals. She routinely conducts Home Care and Hospice Reimbursement Workshops and speaks at state association meetings throughout the country. Melinda has profound experience in Medicare PDGM training, billing, collections, case-mix calculations, chart reviews and due diligence. UPIC, RA, ADR & TPE appeals with all Medicare MACs have become the forefront of Melinda's current impact on the industry. She is currently serving as Chair of the NAHC/HHFMA Advisory Board and Work Group and is serving on the board of the Home Care Association of Florida and the Tennessee Association for Home Care. Melinda is also the author of the Home Health OASIS Guide to OASIS-E1 and Home Health Billing Answers, 2025.

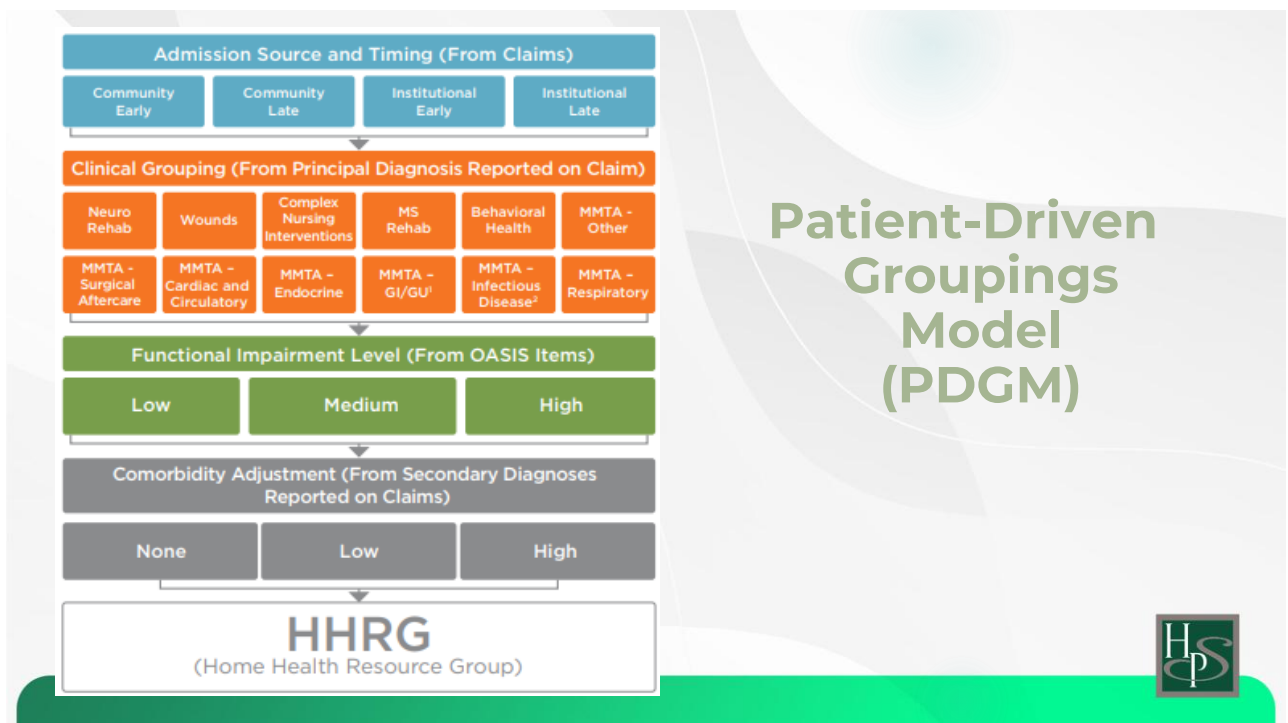


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# PDGM STRUCTURE



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## Patient Driven Groupings Model (PDGM)

Admission Source & Timing (Claims) - (Community Early, Community Late, Institutional Early or Institutional Late)

- ▶ Only the first 30-day period in a SOC will be considered Early and all others late. the payment period could only be considered Early if greater than 60 days has passed since the end of a previous period of care.
- ▶ All subsequent 30-day periods (second or later) in a sequence of 30-day periods are classified as late. A sequence of 30-day periods continues until there is a gap of at least 60-days between the end of one 30-day period and the start of the next. When there is a gap of at least 60-days, the subsequent 30-day period is classified as being the first 30-day period of a new sequence (and therefore, is labeled as early).



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## Patient Driven Groupings Model (PDGM)

Admission Source & Timing (Claims) - (Community Early, Community Late, Institutional Early or Institutional Late)

- ▶ Admission Source is Community or Institutional – depending on the healthcare setting utilized in the 14 days prior to home health (inpatient acute care hospitalization, skilled nursing facilities, inpatient rehabilitation facility, psychiatric or long-term care hospital)
- ▶ **IMPORTANT:** A post-acute stay (SNF, Rehab, LTCH, or Psych) in the 14 days prior to a late home health 30-day period would not be classified as an institutional admission unless the patient had been discharged from home health prior to post-acute stay



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- Medication Management, Teaching and Assessment (MMTA)
- MMTA – Surgical Aftercare
- MMTA – Cardiac/Circulatory
- MMTA – Endocrine
- MMTA – GI/GU
- MMTA – Infectious Diseases/Neoplasms
- MMTA – Respiratory
- MMTA – Other
- Neuro Rehab
- Wounds
- Complex Nursing Interventions
- Musculoskeletal (MS) Rehab
- Behavioral Health

## PDGM – Clinical Groupings



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## Coding

- ▶ Who is doing your coding?
- ▶ Are you ensuring that your coding staff have access to all medical records?
- ▶ Does coding staff have a valid Face-to-Face Encounter to assist with coding in a Start of Care?
- ▶ Does your coding staff have access to request additional information from physicians, if needed?
- ▶ Do you update the diagnosis codes when there is a change in condition?



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## Change In Condition in 1<sup>st</sup> 30-day Period

- ▶ **IMPORTANT** - - However, if a patient experiences a significant change in condition before the start of a subsequent, contiguous 30-day period, for example due to a fall; a follow-up assessment would be submitted at the start of a second 30-day period to reflect any changes in the patient's condition, including functional abilities, and the second 30-day claim would be grouped into its appropriate case-mix group accordingly



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## Comorbidity Adjustment

- ▶ **Low comorbidity adjustment:** (22 subgroups proposed) There is a reported secondary diagnosis that falls within one of the home-health specific individual comorbidity subgroups associated with higher resource use, or;
  - ▶ 6.22% increase in case-mix from No to Low
- ▶ **High comorbidity adjustment:** (90 subgroups proposed) There are two or more secondary diagnoses reported that fall within the same comorbidity subgroup interaction that are associated with higher resource use.
  - ▶ 14.93% increase in case-mix from Low to High
- ▶ **Overall increase for a High Comorbidity adjustment = 21.15%**



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TABLE 22: LOW COMORBIDITY ADJUSTMENT SUBGROUPS FOR CY 2026

Low Comorbidity Subgroup	Description
Cerebral 4	Sequelae of Cerebrovascular Diseases, includes Cerebral Atherosclerosis and Stroke Sequelae
Circulatory 10	Varicose Veins and Lymphedema
Circulatory 9	Other Venous Embolism and Thrombosis
Endocrine 4	Other Combined Immunodeficiencies and Malnutrition, includes graft-versus-host-disease
Gastrointestinal 2	Intestinal Obstruction and Ileus
Heart 10	Dysrhythmias, includes Atrial Fibrillation and Atrial Flutter
Heart 11	Heart Failure
Heart 5	Atherosclerotic Heart Disease with Angina
Musculoskeletal 1	Lupus
Neoplasms 1	Malignant Neoplasms of Lip, Oral Cavity and Pharynx, includes Head and Neck Cancers
Neoplasms 17	Secondary neoplasms of respiratory and GI systems.
Neoplasms 18	Secondary Neoplasms of Urinary and Reproductive Systems, Skin, Brain, and Bone
Neoplasms 2	Malignant Neoplasms of Digestive Organs, includes Gastrointestinal Cancers
Neoplasms 6	Malignant neoplasms of trachea, bronchus, lung, and mediastinum
Neurological 10	Diabetes with neuropathy
Neurological 5	Spinal Muscular Atrophy, Systemic atrophy and Motor Neuron Disease
Neurological 7	Paraplegia, Hemiplegia and Quadriplegia
Skin 1	Cutaneous Abscess, Cellulitis, and Lymphangitis
Skin 3	Diseases of arteries, arterioles and capillaries with ulceration and non-pressure chronic ulcers
Skin 4	Stages Two-Four and unstageable pressure ulcers by site

Source: CY 2024 Home Health Claims Data, Periods that end in CY 2024 accessed on the CCW March 13, 2025.



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## Patient Driven Groupings Model (PDGM)

Functional Level (OASIS Items) – (Low, Medium, High)

- ▶ Anticipates roughly 33% of periods of care will fall into each of the categories.
- ▶ M1800-M1860 (NOT M1845) and M1033 are OASIS-E Items will continue to determine the Functional Level
- ▶ GG items are not the same as the 1800 items - it is expected that they will eventually replace the M1800 items on the OASIS and in the PDGM calculations.
- ▶ GG items are currently used in RISK adjustment for outcomes calculations



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OASIS Points Table – FINAL Rule 2026		Response	2025 Points	2026 FINAL	% of Periods
M1800: Grooming		2,3	3	3	76.8%
M1810: Current Ability to Dress Upper Body		2,3	5	5	82.4%
M1820: Current Ability to Dress Lower Body		2	3	4	64.2%
		3	11	12	27.3%
M1830: Bathing		2	3	2	9.3%
		3,4	10	10	48.7%
		5,6	18	17	39.8%
M1840: Toilet Transferring		2,3,4	5	6	40.6%
M1850: Transferring		1	1	1	17.2%
		2,3,4,5	4	4	81.8%
M1860: Ambulation		2	6	5	13.0%
		3	2	1	66.3%
		4,5,6	18	20	17.8%
M1033: Risk of Hospitalization	4 or more marked	1-7	12	12	43.6%



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## Compliance with the Home Health Quality Reporting Program



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## Compliance with OASIS

- ▶ **Beginning July 1, 2025 – Mandatory OASIS All-Payer Data Collection and Submission** - For patients with any pay source who are not exempt from OASIS data collection, and who begin receiving home health care services with an OASIS SOC M0090 date on or after July 1, 2025, OASIS data collection and submission to the internet Quality Improvement Evaluation System (iQIES) are required. This includes the SOC OASIS as well as any subsequent OASIS time point assessments relevant to the patient's home health stay (that is, resumption of care, recertification, other follow up, transfer, discharge, and death at home).



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## Compliance with OASIS

- ▶ Compliance with the pay-for-reporting performance requirement can be measured through the use of an uncomplicated mathematical formula. CMS have titled this formula the "Quality Assessments Only" (QAO) formula because only those OASIS assessments that contribute, or could contribute, to creating a quality episode of care are included in the computation. The formula based on this definition is as follows:

$$\text{QAO} = \frac{\# \text{ Quality Assessments} \times 100}{\# \text{ Quality Assessments} + \# \text{ Non-Quality Assessments}}$$

- ▶ We require all HHAs to achieve a quality reporting compliance rate of 90 percent or more, as calculated using the QAO metric illustrated above.



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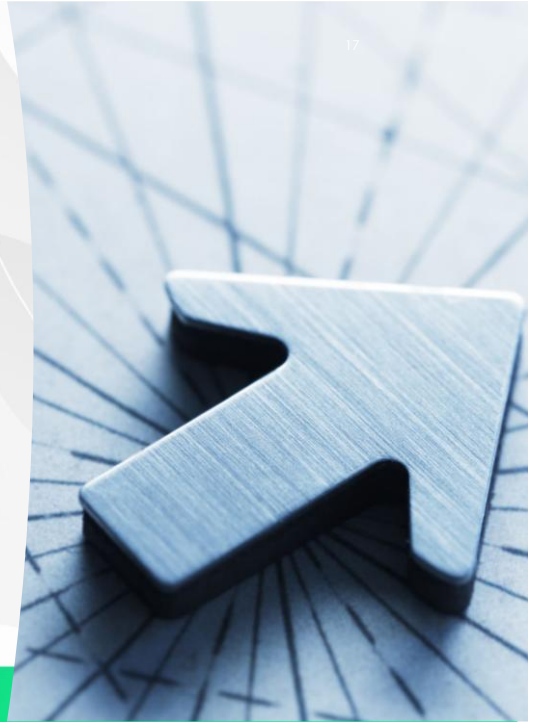
## HHCAHPS as a Measure of Satisfaction

A selection of HHCAHPS items are used for three composite, public-facing Star Ratings also

- ▶ Agency must be eligible for public reporting
- ▶ Additionally, must have at least 40 or more completed surveys over the 4-quarter reporting period

The CAHPS based, composite Star Ratings measures are:

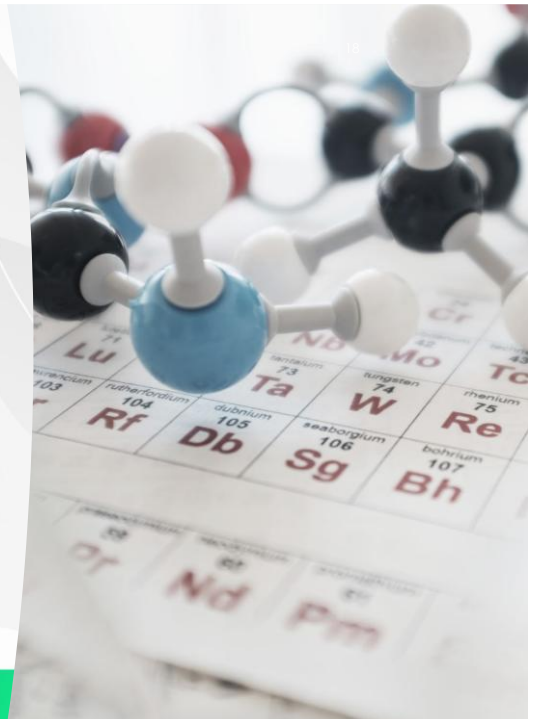
- ▶ Care of Patients
- ▶ Communication Between Providers and Patients
- ▶ Specific Care Issues



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## HHCAHPS as a Measure of Satisfaction

- ▶ The HHCAHPS survey is composed of 25 multiple choice questions
- ▶ Only 2 of them are now used as 2026 HHVBP Quality Measures
  - ▶ Each of the two measures below make up 10% each of the HHCAHPS based measure score, which is 20% of 2026 HHVBP Total Performance score for Large Cohorts
- ▶ The CAHPS-based 2026 HHVBP measures are:
  - ▶ ~~Care of Patients~~
  - ▶ ~~Communication Between Providers and Patients~~
  - ▶ ~~Specific Care Issues~~
  - ▶ Overall Rating of Home Health Care
  - ▶ Willingness to Recommend the Agency



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Planned publicly reported measures with revised survey:\*

Measure	Modified or Unchanged Measure	Item(s) in Updated Survey
Care of Patients	Modified	Q6, Q7, Q10, Q11, Q13
Communications Between Providers and Patients	Modified	Q5, Q8, Q9, Q12, Q16
Talk About Home Safety	Modified	Q2
Review Medicines	Modified	Q3
Talk About Medicine Side Effects	Modified	Q4
Overall Rating	Unchanged	Q14
Willingness to Recommend	Unchanged	Q17



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## HHCAHPS – Measures

### Care of Patients (Q6, Q7, Q10, Q11 & Q13)

- ▶ Q6. In the last 2 months of care, how often did home health staff from this agency seem to be **aware of all the care or treatment** you were getting at home? **Never, Sometimes, Usually, Always**
- ▶ Q7. In the last 2 months of care, how often did home health staff from this agency **treat you with care** – for example, when moving you around or changing a bandage? **Never, Sometimes, Usually, Always**
- ▶ Q10. In the last 2 months of care, how often did home health staff from this agency treat you with **courtesy and respect**? **Never, Sometimes, Usually, Always**
- ▶ Q11. In the last 2 months of care, how often did you feel that home health staff from the agency **cared about you as a person**? **Never, Sometimes, Usually, Always**
- ▶ Q13. In the last 2 months of care, how often have the services you received from this agency **helped you take care of your health**? **Never, Sometimes, Usually, Always**



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## HHCAHPS – Measures

### Communication Between Providers and Patients (Q5, Q8, Q9, Q12, Q16)

- ▶ **Q5.** In the last 2 months of care, how often did home health staff from this agency keep you informed about **when they would arrive** at your home? **Never, Sometimes, Usually, Always**
- ▶ **Q8.** In the last 2 months of care, how often did home health staff from this agency **explain things** in a way that was easy to understand? **Never, Sometimes, Usually, Always**
- ▶ **Q9.** In the last 2 months of care, how often did home health staff from this agency **listen carefully** to you? **Never, Sometimes, Usually, Always**
- ▶ **Q12.** In the last 2 months of care, did home health staff from this agency **provide your family or friends with information or instructions** about your care as much as you wanted? **Yes, No, I don't know, I did not want or need this**
- ▶ **Q16.** When you contacted this agency's office, did you get the help or advice you needed? **Yes, No**



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## HHCAHPS – Measures

- ▶ **Talk About Home Safety – Q2** - When you first started getting home health care from this agency, did someone from the agency talk about ways to help make your home safer? For example, they may have suggested adding grab bars in the shower or removing tripping hazards. **Yes, No, I don't know, I don't need help with home safety**
- ▶ **Review Medicines – Q3** - Has someone from the agency ever reviewed the prescribed and over-the-counter medicines you were taking? For example, they might have asked you to show them your medicines and talked with you about how and when to take each one. **Yes, No, I don't know, I don't take any medicines.**
- ▶ **Talk About Medicine Side Effects – Q4** - In the last 2 months of care, did home health staff from this agency talk with you about any side effects of your medicines? **Yes, No, I don't know, I don't take any medicines.**



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## HHCAHPS – MEASURES



### Overall rating of home health care/Overall Rating

“Using any number from 0–10, where 0 is the worst home health care possible, and 10 is the best home health care possible, what number would you use to rate your care from this agency’s home health providers?”



### Willingness to recommend the agency/Willing to Recommend

“Would you recommend this agency to your family and friends if they needed home health care?”



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## Home Health Value Based Purchasing



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## Measure Scorecard Tab

Measure Scorecard				
Measure	Your HHA's Care Points	Maximum Possible Points	Measure Weight [a]	Your HHA's Weighted Measure Points [b]
<b>OASIS-based Measures</b>				
Discharge Function (DC Function)	6.318	10.000	20.000	12.636
Improvement in Dyspnea	3.051	10.000	6.000	1.831
Improvement in Management of Oral Medications	4.970	10.000	9.000	4.473
<b>Sum of OASIS-based Measures</b>	<b>14.339</b>	<b>30.000</b>	<b>35.000</b>	<b>18.940</b>
<b>Claims-based Measures</b>				
Discharge to Community – Post Acute Care (DTC-PAC)	0.000	10.000	9.000	0.000
Potentially Preventable Hospitalizations (PPH)	0.000	10.000	26.000	0.000
<b>Sum of Claims-based Measures</b>	<b>0.000</b>	<b>20.000</b>	<b>35.000</b>	<b>0.000</b>
<b>HHCAHPS Survey-based Measures</b>				
Care of Patients	3.121	10.000	6.000	1.873
Communications Between Providers and Patients	4.577	10.000	6.000	2.746
Specific Care Issues	0.000	10.000	6.000	0.000
Overall Rating of Home Health Care	2.188	10.000	6.000	1.313
Willingness to Recommend the Agency	2.277	10.000	6.000	1.366
<b>Sum of HHCAHPS Survey-based Measures</b>	<b>12.163</b>	<b>50.000</b>	<b>30.000</b>	<b>7.298</b>
<b>Sum of All Measures</b>	<b>26.502</b>	<b>100.000</b>	<b>100.000</b>	<b>26.237</b>



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## Measure Scorecard Tab

Total Performance Score (TPS)	
Number of Measures Included	10
Your HHA's Summed Care Points	26.502
<b>Your HHA's Interim TPS</b>	<b>26.237</b>
<b>Percentile Ranking within Your HHA's Cohort [c]</b>	<b>25-49</b>

TPS Statistics for Your HHA's Cohort	
Number of HHAs in Your HHA's Cohort	6,661
25th Percentile	19.053
50th Percentile	30.523
75th Percentile	42.567
99th Percentile	74.321

The percentile ranking is NOT the average.... the 50<sup>th</sup> percentile is the median of scores - - **Interpretation:** 75th percentile ranking means that 75% of agencies in the cohort performed worse than that agency on the quality measures.



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# Annual Payment Adjustment

Performance Year CY 2023  
 Maximum Payment Adjustment Percentage 5.000%  
 Payment Adjustment Application Year CY 2025

**Your HHA's Final TPS-Adjusted Payment Percentage -0.933%**

## Annual Payment Adjustment Calculation

	(C1)	Step 1 (C2)	Step 2 (C3)	Step 3 (C4)	Step 4 (C5)	Step 5 (C6)	Step 6 (C7)	Step 7 (C8)
	Total Performance Score (TPS)	Prior Year Payment	Unadjusted Payment Amount 5% x (C2)	TPS-Adjusted Payment Amount (C1/100) x (C3)	Linear Exchange Function (LEF) Ratio Total (C3)/Total (C4)	Final TPS-Adjusted Payment Amount (C4) x (C5)	TPS-Adjusted Payment Percentage (C6)/(C2)	Final TPS-Adjusted Payment Percentage (C7) - 5%
Your HHA:	23.611	\$12,147,000	\$607,350	\$143,401	3.445	\$494,013	4.067%	-0.933%
Your HHA's Cohort (all HHAs):	29.308	\$16,533,718,824	\$826,685,941	\$239,969,354	3.445	\$826,685,935	5.000%	-

The all HHAs TPS above is the AVERAGE TPS for the entire cohort! This is DIFFERENT than the percentile rankings!



**TABLE 34--CY 2025 AND PROPOSED INDIVIDUAL MEASURE WEIGHTS AND CATEGORY WEIGHTS FOR THE EXPANDED HHVBP MODEL**

Measure	CY 2025 Measure Weights		Proposed Measure Weights	
	Larger-Volume Cohort	Smaller-Volume Cohort	Larger-Volume Cohort	Smaller-Volume Cohort
Improvement in Dyspnea	6.00%	8.57%	7.00%	8.75%
Improvement in Management of Oral Medications	9.00%	12.86%	11.00%	13.75%
Discharge Function Score (DC Function)	20.00%	28.57%	15.00%	18.75%
Improvement in Bathing	-	-	3.50%	4.38%
Improvement in Upper Body Dressing	-	-	1.75%	2.19%
Improvement in Lower Body Dressing	-	-	1.75%	2.19%
<b>Sum of OASIS-based Measures</b>	<b>35.00%</b>	<b>50.00%</b>	<b>40.00%</b>	<b>50.00%</b>
Home Health within-stay Potentially Preventable Hospitalization (PPH)	26.00%	37.14%	15.00%	18.75%
Discharge to Community – Post Acute Care (DTC-PAC)	9.00%	12.86%	15.00%	18.75%
Medicare Spending Per Beneficiary- Post-Acute Care (MSPB-PAC)	-	-	10.00%	12.50%
<b>Sum of Claims-based measures</b>	<b>35.00%</b>	<b>50.00%</b>	<b>40.00%</b>	<b>50.00%</b>
Care of Patients	6.00%	0.00%	-	-
Communication Between Providers and Patients	6.00%	0.00%	-	-
Specific Care Issues	6.00%	0.00%	-	-
Overall Rating of Home Health Care	6.00%	0.00%	10.00%	0.00%
Willingness to Recommend the Agency	6.00%	0.00%	10.00%	0.00%
<b>Sum of HHCAHPS Survey-based measures</b>	<b>30.00%</b>	<b>0.00%</b>	<b>20.00%</b>	<b>0.00%</b>
<b>Sum of All Measures</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>





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**Have any questions?**

Scan the QR Code to schedule a call!

## *Thank You for Joining Us Today!*

*Let us know what we can do to help you!*

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