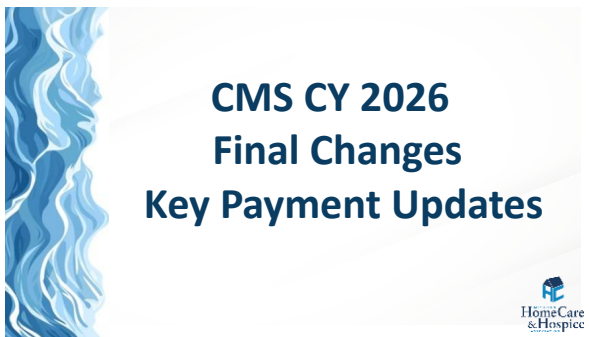



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CMS CY 2026 Final Changes Key Payment Updates


- > Final CMS CY 2026 payment update: +2.4%
- > Permanent behavioral adjustment: approx -0.9%
- > Temporary 2026-only adjustment: -2.7%
- > Net aggregate impact: -1.3% (-\$220M) vs CY 2025
- > CMS finalizes recalibrated PDGM case-mix weights, updated LUPA thresholds, functional impairment levels, and comorbidity groupings for CY 2026.




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Expanded HHVBP Model Final 2026 Changes




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Expanded HHVBP Model Final 2026 Changes

- > Removal of three HHCAPHS survey-based measures, due to the revised HHCAPHS survey no longer supporting calculation of these measures.
- > Addition of four new measures:
 - > MSPB-PAC (Medicare Spending Per Beneficiary – Post-Acute Care)
 - > Improvement in Bathing (OASIS)
 - > Improvement in Upper Body Dressing (OASIS)
 - > Improvement in Lower Body Dressing (OASIS)
- > Revised weighting across measure and category scores to reflect the adjusted measures




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Expanded HHVBP Model Final 2026 Changes

- Key Performance Indicators (KPIs) used for objective assessment
- Care areas determined as Targets based on PDGM-VBP
- Weekly KPI tracking & analysis meetings w VBP goals for staff
- Monthly clinical staff meetings to assess realtime success
- Manage HH as inpatient providers manage care and staff
- Why not 24-hr SOCs? Why under-productive staff? Falls? Readmits?
- How do we rewire our agency to address these areas for success?
- How do we raise all boats??




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HH Quality Reporting Program (HHQRP) Final 2026 Changes




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HHQRP Final 2026 Changes

- Removal of COVID-19 Vaccine "Up-to-Date" Quality Measure 4/1
- Removal of 4 Social Determinants of Health (SDOH) OASIS items
- Living Situation, two Food items, one Utilities item
- Revised HHCAHPS Survey
 - Total VBP TPS weighted percentage = 20%
 - % who would recommend =10%
 - % who rated agency 9,10 =10%
 - 25 total questions, 3 new questions; 8 removed
 - Goes into effect beginning April 2026




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Operational & Compliance Changes, Effective Dates, Miscellaneous Items




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Operational & Compliance Changes, Effective Dates


- Face-to-Face (F2F) Encounter Requirements broadened
- Aligns with CARES Act
- Expanded list of qualified practitioners allowed to perform encounter
- Large Cohort – OASIS-Based (40%), Claims-Based (40), HHCAHPS (20)
- Small Cohort – OASIS-Based (50%), Claims-Based (50), HHCAHPS (0)
- Effective Dates:
 - January 1, 2026 — All payment, PDGM recalibration, PDGM behavior adjustment, DMEPOS changes effective.
 - April 1, 2026 — HHCAHPS survey revision, OASIS measure removals, COVID vaccine measure removal effective




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Medicare Spending Per Beneficiary Post-Acute Care (MSPB-PAC)




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Medicare Spending Per Beneficiary (MSPB-PAC)


- A claims-based cost measure that evaluates the total Medicare spending associated w each HH episode, for:
 - Services during the home health treatment period
 - All Medicare Part A & Part B services for 30 days after discharge
- Provides a complete picture of the resources a beneficiary uses
- 2026 is the first year it directly impacts payment




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How MSPB-PAC is Calculated




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How MSPB-PAC is Calculated

- CNS uses a multi-step method to evaluate each agency
- Step 1 — Track spending for each episode
 - CMS totals all standardized Medicare spending within the episode window
 - Example from CMS - If the national average spend is \$5,000 and your average ratio is 1.1, your MSPB amount becomes \$5,500
- Step 2 – Compare actual spending to expected spending
 - Actual standardized cost/Expected (risk-adjusted) cost
 - If CMS expected the spending to cost \$900 but actual spending was \$1000, the ratio = 1.11




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How MSPB-PAC is Calculated


- Step 3 — Average the ratios across all episodes in the two-year period
 - CMS collects two complete years of data and averages all episode ratios for that timeframe
 - Example from CMS - If the national average spend is \$5,000 and your average ratio is 1.1, your MSPB amount becomes \$5,500
- Step 4 - What Data Years Are Used?
 - MSPB-PAC uses two years of claims data - Baseline years: 2022 and 2023
- Step 5 — Compare your score to the national median




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What MSPB-PAC means for Home Health Today & Tomorrow




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What MSPB-PAC means for HH Today & Tomorrow


Because MSPB-PAC is claims-based, it does not update in real time, claims must be processed, run out, & fully finalized before appearing in CMS performance reports, meaning your score may lag 2–3 months or more, similar to PPH. However, analytics platforms can provide early trend indications, even if they are not fully mature.



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How HH Agencies should begin preparation

- >Strengthen Care Transitions
 - >Communicate proactively with physicians, SNFs, and hospitals
 - >Ensure patient needs are addressed before discharge
- >Monitor High-Utilization Patients
 - >Identify patients at higher risk for downstream spending
 - >Increase touchpoints and clinical oversight where appropriate
- >Reduce avoidable emergency use
 - >Ensure quick clinical response
 - >Address medication, equipment, or symptom issues before escalation
- >Optimize discharge planning
 - >Ensure patients have safe, clear plans
 - >Review follow-up appointments, medications, and home support



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KPI Establishment: Preparing your Agency for Metric-Based Improvements



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Current Client KPI				
	Baseline	Target	November 2025	December 2025
HHRG 1-30 Day	\$2,696.00	\$2,900.00	\$2,911.08	\$2,875.47
HHRG 31-60 Day	\$1,718.00	\$1,900.00	\$1,935.47	\$1,894.52
Case Mix	1,037	-1.2	1.35	1.35
NTUC	20	14	6	4
LUPA 1-30 Day	6.5	3	2	1
LUPA 31-60 Day	6.6	3	1	3
Missed Visits	254*	0	310	335
Census	380	NA	480	513
Admits/Month - SOC&REC	326	<238	397	411
Episodic %	90%	>70%	91%	91%
Nursing Savings Total			\$ 92,431.92	\$ 196,103.91
SNV/Month	13	5	4.92	4.37
Falls	83*	0	63	52
Rehospitalization Totals	81*	<7%	72	58
VBP Analysis of Public Reported Outcomes				
	Baseline	Target = 90 th % VBP	November 2025	December 2025
Star Rating	4	4.5+	5	5
Timely Initiation of Care	100	100	98.7	100
Oral Needs	93.68	98.75	97	97.4
Ambulation	90.6	95.8	95.9	96.1
Bed Transfer	93.9	95.5	99	96.2
Bathing	93.5	97.4	95.7	96.8
Dyspnea	95.42	99.42	99.2	98.4
PPH	9	6.3	5.7*	3.4*
DPS	88.56	83.18	85.9	89
TPS	49.71	82-90 th %	90.05-98%	88.72-96%
VBP Bonus	2.50%	5%	NA	NA

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