

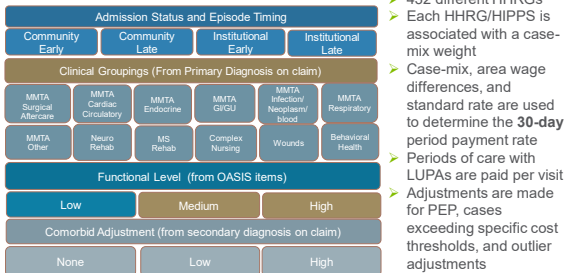


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PDGM Changes

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PDGM HHRG Structure

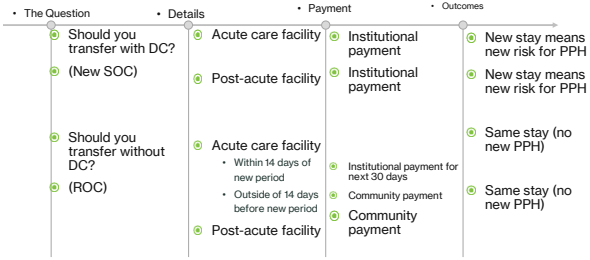


- > 432 different HHRGs
- > Each HHRG/HIPPS is associated with a case-mix weight
- > Case-mix, area wage differences, and standard rate are used to determine the **30-day** period payment rate
- > Periods of care with LUPAs are paid per visit
- > Adjustments are made for PEP, cases exceeding specific cost thresholds, and outlier adjustments

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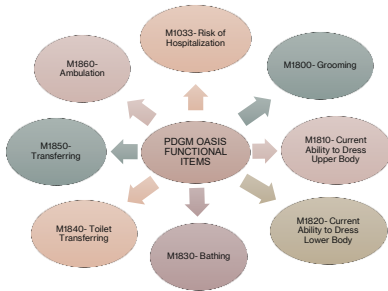
Discharge or Transfer – That is the question

DC must be within 14 days prior to the new period to garner institutional payment



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PDGM OASIS Functional Items



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Points for Functional Item Responses

OASIS Item	OASIS Answer	CY2024	CY2025	CY2026
M1800	0 or 1	0	0	0
	2 or 3	3	3	3
M1810	0 or 1	0	0	0
	2 or 3	5	5	5
M1820	0 or 1	0	0	0
	2	3	3	4
M1830	3	11	11	12
	0 or 1	0	0	0
	2	0	3	2
M1840	3 or 4	7	10	10
	5 or 6	14	18	17
	0 or 1	0	0	0
M1850	2, 3 or 4	6	5	6
	0	0	0	0
M1860	1	3	1	1
	2, 3, 4 or 5	6	4	4
	0 or 1	0	0	0
M1033	2	6	6	5
	3	4	2	1
	4, 5, or 6	20	18	20
M1033	4 or more items checked	11	12	12

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CY 2026 Clinical Group Threshold

Clinical Group	Low 2025	Low 2026	Med 2025	Med 2026	High 2025	High 2026
MS Rehab	0-29	0-31	30-43	32-45	44+	46+
Neuro Rehab	0-33	0-34	34-49	35-52	50+	53+
Wound	0-32	0-33	33-48	34-52	49+	53+
Complex Nursing	0-29	0-31	30-53	32-54	53+	55+
Behavioral Health	0-28	0-31	29-44	32-46	45+	47+
MMTA Aftercare	0-27	0-30	28-40	31-42	41+	43+
MMTA Cardiac	0-27	0-28	28-40	29-43	41+	44+
MMTA Endocrine	0-27	0-27	28-40	28-41	41+	42+
MMTA GI/GU	0-32	0-34	33-47	35-48	48+	49+
MMTA Infection	0-31	0-32	32-44	33-46	45+	47+
MMTA Respiratory	0-32	0-33	33-44	34-46	45+	47+
MMTA Other	0-28	0-30	29-43	31-45	44+	46+
Point Changes						

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CY 2026 Functional Impairment Threshold

Points	MMTA After	MMTA Cardiac	MMTA Endocrine	MMTA GI/GU	MMTA Infection	MMTA MS	MMTA Neuro	MMTA Other	Neuro Rehab	Wound	Complex	MS Rehab	BH
28	Low	Low	Medium	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low
29	Low	Medium	Medium	Low	Low	Low	Low	Low	Low	Low	Low	Low	Low
30	Low	Medium	Medium	Low	Low	Low	Medium	Low	Low	Low	Low	Low	Low
31	Medium	Medium	Medium	Low	Low	Low	Medium	Low	Low	Low	Low	Low	Low
32	Medium	Medium	Medium	Low	Low	Low	Medium	Low	Low	Medium	Medium	Medium	Medium
33	Medium	Medium	Medium	Low	Medium	Low	Medium	Low	Low	Medium	Medium	Medium	Medium
34	Medium	Medium	Medium	Low	Medium	Low	Medium	Low	Low	Medium	Medium	Medium	Medium
35	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium
36	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium
37	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium
38	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium
39	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium
40	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium
41	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium
42	Medium	Medium	High	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium
43	Medium	Medium	High	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium
44	High	High	High	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	High	Medium
45	High	High	High	Medium	Medium	Medium	Medium	Medium	Medium	Medium	Medium	High	Medium
46	High	High	High	Medium	Medium	Medium	High	Medium	Medium	Medium	High	High	Medium
47	High	High	High	Medium	Medium	Medium	High	Medium	Medium	Medium	High	High	Medium
48	High	High	High	Medium	High	High	High	Medium	Medium	Medium	High	High	High
49	High	High	High	High	High	High	High	Medium	Medium	Medium	High	High	High
50	High	High	High	High	High	High	High	Medium	Medium	Medium	High	High	High
51	High	High	High	High	High	High	High	Medium	Medium	Medium	High	High	High
52	High	High	High	High	High	High	High	Medium	Medium	Medium	High	High	High
53	High	High	High	High	High	High	High	High	High	High	Medium	High	High
54	High	High	High	High	High	High	High	High	High	High	Medium	High	High
55	High	High	High	High	High	High	High	High	High	High	High	High	High

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Comorbidity Changes

High Interaction List

- Net gain of 6 new pairings
- 98 total pairings

Low Comorbid List

- 3 New: Heart 5, MS 11, Neoplasms 6
- 5 removed: Endo 3, Neuro 11, Neuro 12, Neo 1, Neo 20

Highlights:
Removed diabetes as a low comorbidity

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2026 Low Comorbidity List

Cerebral 4	Sequelae of Cerebrovascular Diseases, includes Cerebral Atherosclerosis and Stroke Sequelae
Circulatory 10	Varicose Veins and Lymphedema
Circulatory 2	Hemolytic, Aplastic, Other Anemias
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 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

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Loss of Low Comorbid Adjustments

Comorbidity	Rate	Low	High	Total
# Distribution	48	206	123	417
% Distribution	2%	4%	2%	6%
Average Add-On	\$4.36	\$113.90	\$38.44	\$156.70
Lower Add-On	\$1.90	\$23,473.89	\$47,454.74	\$71,928.63
Average	2%	5%	4%	6%

*Average based upon CMS Data for latest available Quarter: 1/3/2025 to 3/31/2025

Low Comorbidity	Comorbidity Description	#	\$
Heart 11	Heart Failure	53	\$6,839.91
Endocrine 3	Type 1, Type 2, and Other Specified Diabetes	44	\$5,916.27
Circulatory 2	Hemolytic, Aplastic, and Other Anemias	35	\$3,486.74
Heart 10	Dysrhythmias, includes Atrial Fibrillation and Atrial Flutter	29	\$3,364.96
Circulatory 7	Arteriosclerosis, includes Peripheral Vascular Disease, Aortic Aneurysms and	14	\$1,568.03
Endocrine 4	Other Combined Immunodeficiencies and Malnutrition, includes graft-versus-host	14	\$1,556.43
Neurological 12	Diabetic neuropathy	9	\$689.89
Neurological 10	Diabetes with neuropathy	9	\$341.89
Neurological 11	Diseases of the Macula and Blindsight/Low Vision	2	\$241.89
Neoplasms 2	Malignant neoplasms of Digestive Organs, includes Gastrointestinal Cancers	2	\$227.92
Circulatory 10	Varicose Veins and Lymphedema	1	\$113.96
Circulatory 9	Other Venous Embolism and Thrombosis	1	\$113.96
Gastrointestinal 2	Intestinal Obstruction and Ileus	1	\$113.96
Neoplasms 1	Malignant neoplasm of Lip, Oral cavity and Pharynx, includes Head and Neck	1	\$113.96
Neoplasms 17	Secondary Neoplasms of Respiratory and GI Systems	1	\$113.96
Neoplasms 18	Secondary neoplasm of urinary and reproductive systems, skin, brain, and bone	1	\$113.96
Skin 1	Cutaneous Abscess, Cellulitis, and Lymphangitis	1	\$113.96
Total		266	\$23,473.89

• Losing these 4 comorbidities cuts their comorbidity revenue by more than 1/3.
 • What % of your patients have Endocrine??

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1 + 1 + 1 = 1

- DX – grouper
- DX – 0
- DX – 0
- DX – Low
- DX – Low
- Dx – High
- DX – High



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Comorbidity Adjustment Payment

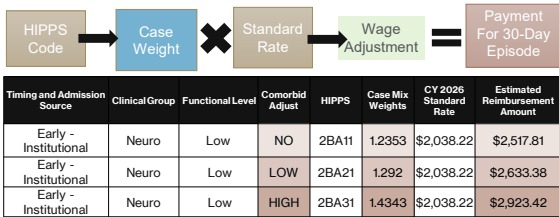
>\$150+ approximate increase in average payment from **none** to **low** adjustment

>\$300+ approximate increase in average payment from **low** to **high** adjustment

>\$400+ approximate increase in average payment from **none** to **high** adjustment

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Steps to Reimbursement – Change in Comorbid Adjustment



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Best Practices

Documentation-Driven Scoring

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Functional Impairment Levels

- Based on 8 OASIS Questions
 - M1800, M1810, M1820, M1830, M1840, M1850, M1860, M1033
- Quality Documentation
- Educate Evaluating Clinicians
- Strong Internal or Outsourced Coding
- Recalibration of Case Mix Weights
- Align Therapy Utilization

Functional Impairment Level (From OASIS Items)			AVERAGE # OF THERAPY VISITS BY FUNCTIONAL LEVEL NATIONAL	
Low	Medium	High	Low	3.15
30.17%	31.73%	38.10%	Medium	3.89
\$1,816	\$2,042	\$2,280	High	4.37

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PDGM Accuracy & Compliance Common Pitfalls

- *Avoiding the Mistakes That Cost You*
- **OASIS Accuracy**
 - Over/under scoring functional items
 - Contradictions between OASIS and clinician documentation
 - Inconsistent responses that lower case-mix weight
 - Data errors that trigger audits or payment adjustments
- **Coding Accuracy**
 - Using symptom codes instead of definitive diagnoses
 - Missing secondary codes affecting comorbidity adjustment
 - Unsupported diagnoses not in physician documentation
 - Upcoding or assigning codes without MD support
- **Reimbursement Integrity**
 - Late or non-compliant F2F encounter
 - Avoidable LUPAs due to missed visits and scheduling gaps
 - Claim errors due to mismatched data entry
 - Missed deadlines for NOA or claims

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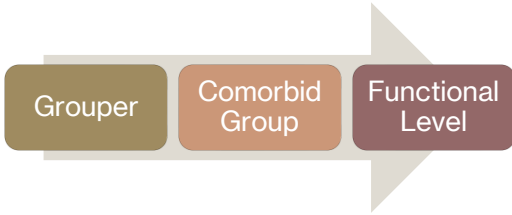
Coding & OASIS Best Practices

- *The Building Blocks of Accurate Reimbursement & Outcomes*
- **Code to the highest specificity** (laterality, acuity, etiology; query to confirm)
- **Capture all relevant comorbidities** that affect the plan of care or prognosis (PDGM comorbidity adjustment depends on claim diagnoses)
- **Score OASIS to reflect true status** – especially the **functional items (M1800 series, M1810/20/30, M1840, M1850, M1860) and M1033** (payment-relevant)
- **Close the loop with audits & feedback** (pre-bill reviews, IRR checks, real-time coaching)
- **Bottom line:** Claims determine **clinical group & comorbidity**; OASIS functional items + **M1033** influence **HIPPS** – so tight coding + precise functional scoring = compliant payment & cleaner outcomes.



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Coding Affects



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What if the Primary is Wrong? → Grouper Change

HIPPS	Clinical Group	Fx Level	Adm Source and Timing	LUPA	Case Mix 2026	Estimated 30-day Payment
2GC21	MMTA AFTER	High 43 pts	Early Institutional	4	1.4091	\$2872.06
2EB21	MS Rehab	Med 43 pts	Early Institutional	5	1.2875	\$2624.21
3GC21	MMTA AFTER	High 43 pts	Late Community	2	0.8724	\$1778.14
3EB21	MS Rehab	Med 43 pts	Late Community	2	0.7508	\$1530.30

\$248 difference per 30 days and Lower LUPA Threshold in first 30!

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Coding Comorbidities-

• It pays to completely and correctly capture all active/relevant diagnoses

Original Level	Original Comorbidity	Coding Change	Changed Comorbidity Level	Comorbidity	Financial Impact
None	-	+ L89.154 (PU)	Low	Skin 4	\$112.68
None	-	+I95.1	Low	Circulatory 7	\$129.99
Low	I50.9-Heart 11	Z86.711→I26.99	High	Circ 4 + Circ 9	\$312.02
Low	E11.42-Neuro 10	+I89.0	High	Neuro 10, Circ 10	\$347.37

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M1033 Risk for Hospitalization

\$ SOC
ROC
RCT

Item Intent: Identifies patient characteristics that may indicate the patient is at risk for hospitalization

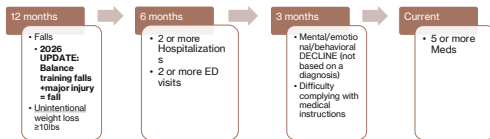
- (M1033) Risk for Hospitalization:** Which of the following signs or symptoms characterize this patient as at risk for hospitalization? (Mark all that apply.)
- > Select all items that apply
 - 1 - History of falls (2 or more falls – or any fall with an injury – in the past 12 months)
 - 2 - Unintentional weight loss of a total of 10 pounds or more in the past 12 months
 - 3 - Multiple hospitalizations (2 or more) in the past 6 months
 - 4 - Multiple emergency department visits (2 or more) in the past 6 months
 - 5 - Decline in mental, emotional, or behavioral status in the past 3 months
 - 6 - Reported or observed history of difficulty complying with any medical instructions (for example, medications, diet, exercise) in the past 3 months
 - 7 - Currently taking 5 or more medications
 - 8 - Currently reports exhaustion
 - 9 - Other risk(s) not listed in 1 - 8
 - 10 - None of the above
 - > Only items 1-7 qualify for adjustment
 - > At least 4 or more count towards functional scoring



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M1033 Documentation Gaps

Timeframe



Missing documentation

- Intake process
- Referral sources

Incomplete patient interview

- Ask the questions

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M1800, M1810, M1820 Documentation Gaps

Grooming/Upper Body/Lower Body Dressing

General Conventions

- If the patient's ability or status varies on the day of the assessment, report what is true greater than 50% of the time period under consideration, unless the item specifies differently.
- If the patient's ability varies between the different tasks included in a multi-task item, report what is true in a majority of the included tasks, giving more weight to tasks that are more frequently performed. (M1800/M1810/M1820)

Balance

- Bending to pull up bottoms
- Reaching over head
- Standing at sink

Usual routine/clothing

- TED hose ≠ majority of tasks

Medical restrictions

- Hip precautions

Location

- Where are clothing items stored?
- Ambulation assist?

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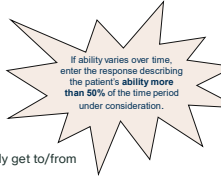
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M1840 Documentation Gaps

Toilet Transfer

Observe

- Environment
- Transfers/ambulation
- Balance, strength, dexterity, pain, etc.
- Equipment (BSC, bedpan, urinal)



Document

- Level of assistance needed by the patient to safely get to/from and on/off the toilet/commode.
- Environmental barriers/limitations
- Use of equipment
 - Convenience/only at night # 2 or 3
 - BSC over toilet # response 2
 - Able to place bedpan, not able to remove/empty # response 3.

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M1840 Documentation Gaps

Toilet Transfer



0 Able to get to and from the toilet and transfer independently with or without a device.



1 When reminded, assisted, or supervised by another person, able to get to and from the toilet and transfer. Patient has to participate.



2 Unable to get to and from the toilet but is able to use a bedside commode (with or without assistance).



3 Unable to get to and from the toilet or bedside commode but is able to use a bedpan/urinal independently.



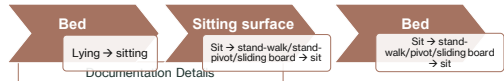
4 Is totally dependent in toileting or equipment is not in the home.



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M1850 Documentation Gap

Transferring bed → chair



- Documentation Details
- Where is nearest sitting surface in relation to bed?
 - What IS the nearest sitting surface?
 - > Recliner, chair, sofa, BSC, wheelchair, stool, etc.
 - Are they ambulatory/chairfast/bedfast?
 - How much assistance do they need to complete the transfer process?
 - Do they use a device? If so, what kind?
 - > Walker, cane, wheelchair, etc.

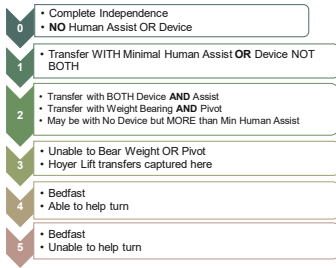
Common Discrepancies

Documentation: Requires 24 hr supervision and ambulates with walker (no mention of environment-sitting surface in relation to bed)

- M1850-1 ✗
- M1850-2 ★

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M1850 Transferring



Did you know?

* Weight bearing and pivoting can be done with arms!

* Ability can be limited by physical, cognitive, and sensory impairments as well as environmental barriers.

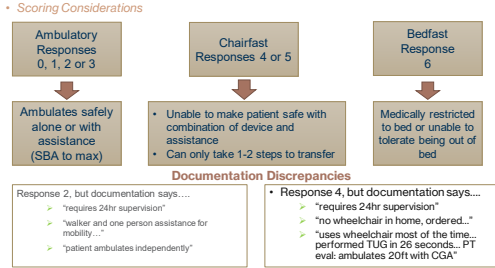
Assistance Defined

*Min Assist: ≤ 25% of helper effort

*Assist may be verbal cues, SBA, physical assist

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M1860 Ambulation/Locomotion



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M1860 Documentation Gaps

Observe the patient walk a reasonable distance, if safe

- Consider all surfaces in patient's environment, assess on steps if routinely used
- Does patient use a device? Correctly and safely? What type?
- Does patient use walls or furniture for support?
- Does patient demonstrate loss of balance or other actions that suggest additional support is needed for safe ambulation?
- Does the patient demonstrate safe gait pattern?

If chairfast, does the patient have a wheelchair?

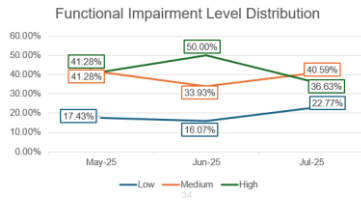
- Power or manual? Do the brakes work properly?
- Can the patient demonstrate ability to wheel the chair independently and as directed? Across the floor? Through doorways? Up/down entrance ramp? Safely?
- Check feet/lower legs for bruises, abrasions

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Data-Informed Clinical Decision Making

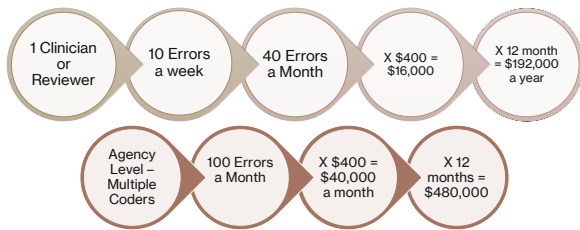
• *Functional Impairment Level Distribution*

- **Shift in Functional Impairment Levels May Indicate Underscoring**
 - Decline in high impairment and rise in medium/low levels suggest potential inconsistencies in scoring accuracy.



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Impact of Inaccurate OASIS (\$400)



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Financial Impact

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National Average Functional Impairment & Comorbidity

July 2024 to June 2025

Indicator	All	Functional Impairment			Comorbidity		
		Low	Medium	High	No	Low	High
General Measures							
% of Total Periods	100%	30.0%	32.2%	37.8%	26.9%	56.8%	16.3%
% LUPA periods	6.8%	6.8%	6.9%	6.7%	6.5%	6.9%	7.2%
Average case-mix per non-LUPA period	1.01	0.87	1.00	1.13	0.93	0.99	1.21
Revenue and Costs (non-LUPA periods)							
Average revenue per non-LUPA period	\$2,065	\$1,816	\$2,042	\$2,280	\$1,938	\$2,019	\$2,433
Total Visits per non-LUPA Period	8.3	7.5	8.2	8.9	7.9	8.2	9.2
Skilled nursing care	4.1	4.0	4.0	4.1	3.6	3.9	5.4
Physical therapy	2.9	2.5	3.0	3.1	3.1	2.9	2.3
Occupational therapy	0.8	0.5	0.8	1.0	0.7	0.8	0.8
Speech pathology	0.1	0.1	0.1	0.2	0.1	0.1	0.1
Medical social worker	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Home health aide	0.4	0.3	0.4	0.5	0.4	0.4	0.5

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National Average Admission Source & Timing

July 2024-June 2025

Indicator	All	Early Institutional	Late Institutional	Early Community	Late Community
General Measures					
% of Total Periods	100%	18.7%	6.0%	11.7%	63.6%
% LUPA Periods	6.8%	8.5%	7.5%	7.7%	6.1%
Average case-mix per non-LUPA period	1.01	1.37	1.35	1.17	0.95
Revenue and Costs (non-LUPA periods)					
Average revenue per non-LUPA period	\$2,065	\$2,748	\$2,712	\$2,411	\$1,748
Total Visits per non-LUPA Period	8.3	10.7	10.7	9.2	7.2
Skilled nursing care	4.1	4.1	5.1	3.7	4.0
Physical therapy	2.9	4.5	3.5	4.3	2.1
Occupational therapy	0.8	1.4	1.3	0.8	0.5
Speech pathology	0.1	0.2	0.2	0.1	0.1
Medical social worker	0.0	0.1	0.1	0.1	0.0
Home health aide	0.4	0.3	0.5	0.3	0.4
Periods by Type					
% Low Functional Impairment	30%	25%	16%	32%	32%
% Medium Functional Impairment	32%	34%	31%	33%	31%
% High Functional Impairment	38%	41%	52%	34%	36%
No Comorbidity	27%	27%	13%	41%	25%
Low Comorbidity	61%	61%	62%	40%	57%
High Comorbidity	16%	12%	25%	10%	18%

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Clinical Groupers – Revenue, Fx Impairment & Comorbidity Differences

July 2024-June 2025

Indicator	All	MMTA - Cardiac	MMTA - Resp.	MMTA - Endo.	MMTA - GI/GU	MMTA - Infect.	MMTA - Surgical	MMTA - Other	MS	Neuro	Wound	BH	Complex
General Measures													
% of Total Periods	100%	16.9%	6.8%	7.2%	5.2%	4.8%	3.5%	4.0%	21.5%	10.8%	14.1%	2.2%	3.1%
% LUPA periods	6.8%	5.4%	6.5%	6.0%	8.0%	7.7%	8.4%	6.1%	6.3%	6.2%	6.8%	5.6%	19.1%
Average case-mix per non-LUPA period	1.01	0.88	0.97	1.06	0.96	0.98	1.06	0.90	1.01	1.05	1.27	0.80	0.78
Revenue and Costs (non-LUPA periods)													
Average revenue per non-LUPA period	\$2,065	\$1,785	\$1,943	\$2,384	\$1,923	\$1,967	\$2,117	\$1,838	\$2,051	\$2,137	\$2,563	\$1,593	\$1,596
Total Visits per non-LUPA Period	8.3	7.4	8.0	10.2	7.9	7.7	8.2	7.5	8.3	8.6	9.5	6.8	6.1
Skilled nursing care	4.1	3.8	3.6	7.3	3.8	3.9	4.3	3.1	2.4	2.6	7.1	2.9	4.1
Physical therapy	2.9	2.4	2.9	1.9	2.6	2.6	2.7	3.1	4.5	3.7	1.5	2.9	1.0
Occupational therapy	0.8	0.6	0.9	0.4	0.8	0.8	0.8	0.8	1.0	1.2	0.5	0.7	0.3
Speech pathology	0.1	0.1	0.1	0.1	0.3	0.1	0.1	0.1	0.1	0.6	0.0	0.3	0.1
Medical social worker	0.0	0.0	0.1	0.0	0.1	0.1	0.0	0.1	0.0	0.1	0.0	0.1	0.0
Home health aide	0.4	0.4	0.4	0.5	0.4	0.4	0.2	0.4	0.3	0.5	0.4	0.4	0.5
Periods by Type													
% High Functional Impairment	38%	38%	39%	37%	36%	39%	39%	37%	40%	36%	36%	36%	40%
% High Comorbidity	16%	13%	13%	10%	18%	17%	13%	13%	9%	11%	12%	12%	26%

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Example Revenue Difference

• Functional Level Opportunity - Do you have the correct primary?

Percent Functional Low	66.67%	Percent Functional Low	30.17%
Percent Functional Medium	23.08%	Percent Functional Medium	31.73%
Percent Functional High	10.26%	Percent Functional High	38.10%

Agency Functional Impairment	Agency %	National Functional Impairment	National %	Difference %	% Multiplier	Number of cases	\$ Multiplier	Additional Revenue
Low	66	Low	30			0		\$0.00
Med	23	Med	32	9	0.09	216.00	\$200	\$43,200.00
High	10	High	38	28	0.28	672.00	\$400	\$268,800.00
High	10	4+ Star	45	35	0.35	840.00	\$400	\$336,000.00

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Functional level

• Groupers Vs Points needed to get High Functional

PDGM Clinical Group	% Total Periods	Avg Case-Mix	Avg Revenue	2025 Points to High Fx	2026 Points to High Fx	Difference
Musculoskeletal Rehabilitation	21.31%	1.01	\$2056	44+	46+	2
MMTA: Cardiac/Circulatory	17.54%	0.88	\$1779	41+	44+	3
(Wounds	14.04%	1.26	\$2550	49+	53+	4
Neuro/Stroke	10.88%	1.05	\$2142	50+	53+	3
MMTA: Endocrine	7.1%	1.06	\$2365	41+	42+	1
MMTA: Respiratory	7.06%	0.97	\$1937	45+	47+	2
MMTA: GI/GU	5.09%	0.96	\$1916	48+	49+	1
MMTA: Infectious Disease	4.73%	0.97	\$1959	45+	47+	2
MMTA: Other	3.8%	0.90	\$1841	44+	46+	2
MMTA: Surgical Aftercare	3.42%	1.05	\$2110	41+	43+	2
Complex Nursing	3.1%	0.78	\$1591	53+	55+	2
Behavioral Health Care	2.18%	0.80	\$1585	45+	47+	2

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Change in Functional Level



Timing and Admission Source	Clinical Group	Functional Level	Comorbid Adjust	HIPPS	Case Mix Weights	CY 2026 Standard Rate	Estimated Reimbursement Amount
Early - Community	Neuro	Low	no	1BA11	1.031	\$2,038.22	\$2104.40
Early - Community	Neuro	Medium	no	1BB11	1.1318	\$2,038.22	\$2306.86
Early - Community	Neuro	High	no	1BC11	1.2766	\$2,038.22	\$2601.99

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Summary

- CY 2026 PDGM changes heighten financial risk tied to functional scoring and comorbidity capture, making OASIS and coding accuracy more critical than ever.
- Eight OASIS functional items (M1800–M1860) and M1033 directly influence functional impairment level, HIPPS code, and reimbursement.
- Removal of diabetes as a low comorbidity significantly reduces adjustment opportunities, requiring tighter secondary diagnosis capture on the claim.
- Documentation gaps, and inconsistent and inaccurate OASIS scoring remain the top drivers of inaccurate revenue and poor performance on Quality Measures.
- Bottom line: Precision in both coding and OASIS scoring is essential to protect revenue and outcomes.

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Resources

- <https://qtso.cms.gov/reference-and-manuals/oasis-quarterly-q>
- <https://qtso.cms.gov/providers/home-health-agency-hha-providers/reference-manuals>
- <https://www.cms.gov/files/document/oasis-e1-manualfinal12-9-2024.pdf-0>
- <https://www.cms.gov/regulations-and-guidance/legislation/paperworkreductionactof1995/pralisting-items/cms-10545>

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