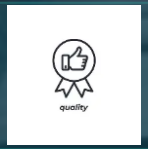
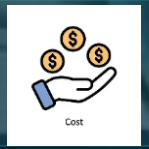
From Visits to Value: Making Sense of Medicare Spending per Beneficiary in Home Health (MSPB)

What Every Home Health Clinician Needs to Know

Presented By: Gira Shah, MBA-HM, PT, CGCP
Sarah Cameron, Principal, Berg Data Solutions

MSPB=  + 

Your care decisions drive quality — and cost.

Objectives

By the end of this session, participants will be able to:

- Describe what Medicare Spending Per Beneficiary (MSPB) measures and how it fits within Home Health Value-Based Purchasing (HHVBP).
- Explain how clinical practice in home health influences downstream utilization and overall Medicare spending.
- Identify key opportunities in daily practice (e.g., assessment, care coordination, and education) that can positively impact patient outcomes and MSPB performance.

Your care decisions drive quality — and cost.

SETTING THE STAGE: WHY MSPB MATTERS

DEFINING THE MEASURE

What Is MSPB?

MSPB measures the **total Medicare cost** associated with a patient's home health episode — including all Part A and Part B services during the HH episode of care and 30 days after HH discharge

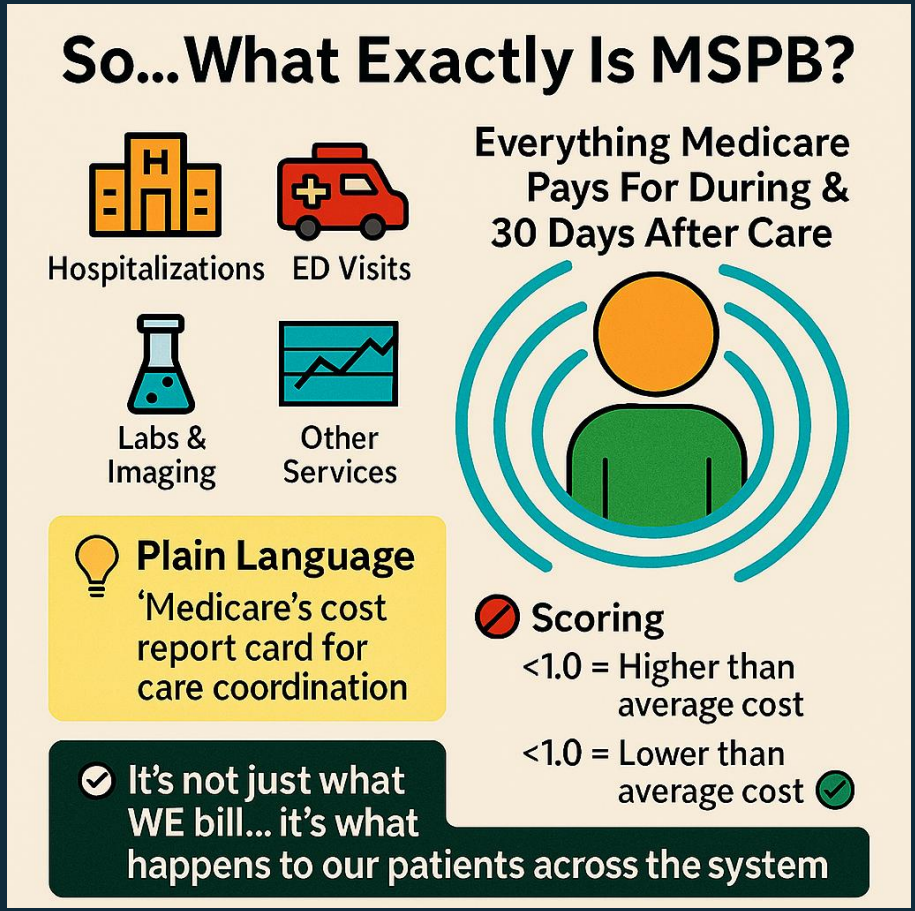
It compares your agency's average spending per patient to the **national median** for all home health providers — so you can see where you stand.

The 1.0 Benchmark

A score **above 1.0** means your agency costs Medicare more than average. A score **below 1.0** means less. Lower is better.

It Affects Your Payment Starting in 2026

Starting this year, MSPB will **directly affect your agency's Medicare payment** through the Home Health Value-Based Purchasing (HHVBP) model.



*This isn't about doing less — it's about doing the **right things** at the **right time.***

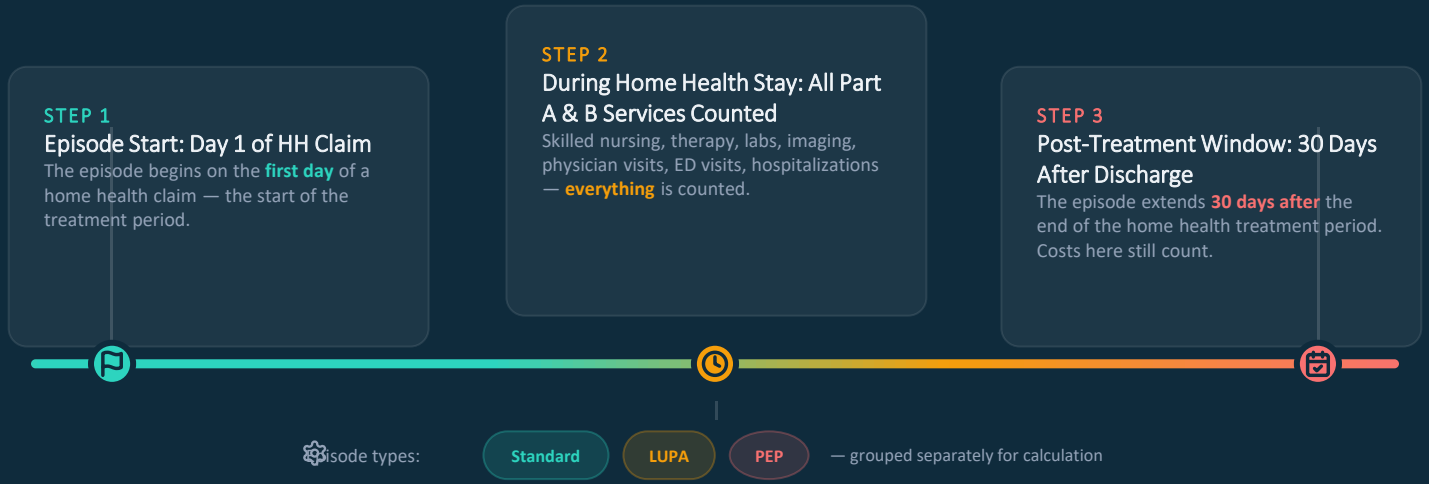
VBP Scorecard

40.03	55%	Total Performance Score (TPS) and Rank	Datasheet

Value Based Purchasing (VBP) Measures		Your SHP Score (03/2025 - 02/2026) Eligible	Your SHP Score (03/2025 - 02/2026) Score	CMS Large-Volume Baseline Threshold* (Median)	CMS Large-Volume Baseline Benchmark* (90th% Avg)	Your CCN Baseline Score**	Points Achievement	Points Improvement	Points Care Points	Points National Rank	Weight	Weighted Care Points
Discharge Function Score		1,589	70.23%	62.35%	83.18%	No Baseline	3.78	-	3.78	30%	15.00%	5.68
Improvement in Dyspnea	(Risk Adj)	1,322	86.91%	89.67%	99.42%	98.50%	0.00	0.00	0.00	16%	7.00%	0.00
Improvement in Mgmt of Oral Meds	(Risk Adj)	1,434	84.36%	85.18%	98.75%	99.70%	0.00	0.00	0.00	16%	11.00%	0.00
Improvement in Bathing	(Risk Adj)	1,459	88.83%	89.63%	99.26%	96.70%	0.00	0.00	0.00	19%	3.50%	0.00
Improvement in Upper Body Dressing	(Risk Adj)	1,456	86.98%	88.97%	98.57%	No Baseline	0.00	-	0.00	20%	1.75%	0.00
Improvement in Lower Body Dressing	(Risk Adj)	1,457	85.40%	87.39%	98.21%	No Baseline	0.00	-	0.00	19%	1.75%	0.00
OASIS-Based Total									**3.78**	**10%**	**40.00%**	**5.68**
Potentially Preventable Hospitalization		446	5.61%	10.00%	6.30%	5.84%	10.00	0.00	10.00	99%	15.00%	15.00
Discharge to Community	(Risk Adj)	*(CC 01/26)*	*94.81%*	85.16%	95.09%	91.86%	9.72	8.22	9.72	96%	15.00%	14.58
Medicare Spending Per Beneficiary	(Risk Adj)	*(CC 01/26)*	*0.89*	0.99	0.78	0.90	4.78	0.78	4.78	89%	10.00%	4.78
Claims-Based Total									**24.50**	**98%**	**40.00%**	**34.36**
% who Rated Agency 9,10		254	76.96%	86.33%	94.69%	87.00%	0.00	0.00	0.00	25%	10.00%	0.00
% who would Recommend		251	66.17%	80.23%	91.39%	82.00%	0.00	0.00	0.00	28%	10.00%	0.00
HHCAHPS-Based Total									**0.00**	**17%**	**20.00%**	**0.00**
Total Performance Score (TPS)												**40.03**

The Home Health MSPB Episode Window

Understanding what gets measured — and when



Every ED visit, every hospitalization, every duplicative test during this window adds to your agency's MSPB score.

How Your Agency's MSPB Score Is Calculated

Five steps from raw claims data to your final score

1

Standardize Costs

Medicare adjusts each episode's spending to remove geographic wage differences, creating an apples-to-apples comparison.

2

Risk-Adjust

Each episode gets an "expected" cost based on the patient's diagnoses and clinical complexity — so sicker patients are accounted for.

3

Calculate the Ratio

Actual spending ÷ expected spending gives you the episode ratio.

Example:
$1,000 actual ÷ $900 expected = 1.1 ratio

4

Average Across All Episodes

Your agency's average ratio across all patients over a 2-year data window.

Example: 4 patients
1.1 + 0.8 + 1.3 + 1.2 = avg 1.1

5

Compare to National Median

Agency average × national average spending, compared to the national median.

Above median = higher cost
Below median = lower cost ✓

You don't need to memorize this formula — just know that **every care decision moves the needle.**

Scoring Example

The Agency's Medicare Spending is Higher Than National Average

1. The Agency's Medicare **Scored $1,500 = $11,975 MSPB SCORE**
2. The agency's amount is divided by the provider has four patients and **$5,000**
3. The agency's average is then multiplied by the average spending for all home health agenc

IMPACT & ACCOUNTABILITY

Where MSPB Shows Up — and Why It Matters Now

HHVBP Payment Adjustments

MSPB is proposed at **10% weight** in the 2026 HHVBP model. This directly increases or decreases your agency's Medicare reimbursement.

DIRECT FINANCIAL IMPACT

Care Compare Public Reporting

MSPB scores have been **publicly visible** on CMS Care Compare since 2017. Referral sources, patients, and hospitals can see your agency's cost efficiency.

VISIBLE TO EVERYONE

Total Performance Score (TPS)

MSPB joins PPH (15%), DTC-PAC (15%), OASIS measures, and HHCAHPS to form your agency's TPS. **Higher TPS = higher payment adjustment.**

PART OF THE BIGGER PICTURE

Referral Relationships

Hospitals and ACOs increasingly choose home health partners based on **cost-efficiency data**. A high MSPB score could cost your agency referrals.

COMPETITIVE ADVANTAGE

Starting in 2026, how efficiently you care will directly affect how much your agency gets paid.

IMPACT & ACCOUNTABILITY

OASIS Accuracy— and Why It Matters Now

Under coding

OASIS under coding complexing lowers the benchmark the agency is judged against.,, so an ED visit or admission looks excessive rather than expected.

Part of the Bigger Picture

VISIBLE TO EVERYONE

Starting in 2026, how efficiently you care will directly affect how much your agency gets paid.

WHY IT MATTERS

Why MSPB Matters to YOU as a Home Health Clinician

For the Patients

- **Better-coordinated care** means fewer ED visits and hospitalizations
- **Patients stay home** — where they want to be
- **Medication errors caught early** prevent cascading complications

For the Agency

- **Strong MSPB performance** protects Medicare reimbursement and job stability
- **Your clinical judgment** is the single biggest lever for cost-efficient outcomes
- **High-performing agencies** attract more referrals, more patients, and more growth

You are already doing the most important work. This measure simply shines a light on the impact of your care decisions.

Action

Patterns CMS is Already Showing us

Starting in 2026, how efficiently you care will directly affect how much your agency gets paid.

BERG DATA

MSPB
HCAW QAPI
June 23, 2026

Data Sources: 2024 Medicare FFS Claims, SSA Medicare Enrollment

WA State 2024: Medicare Spending Per Beneficiary (MSPB) Ratio By Agency

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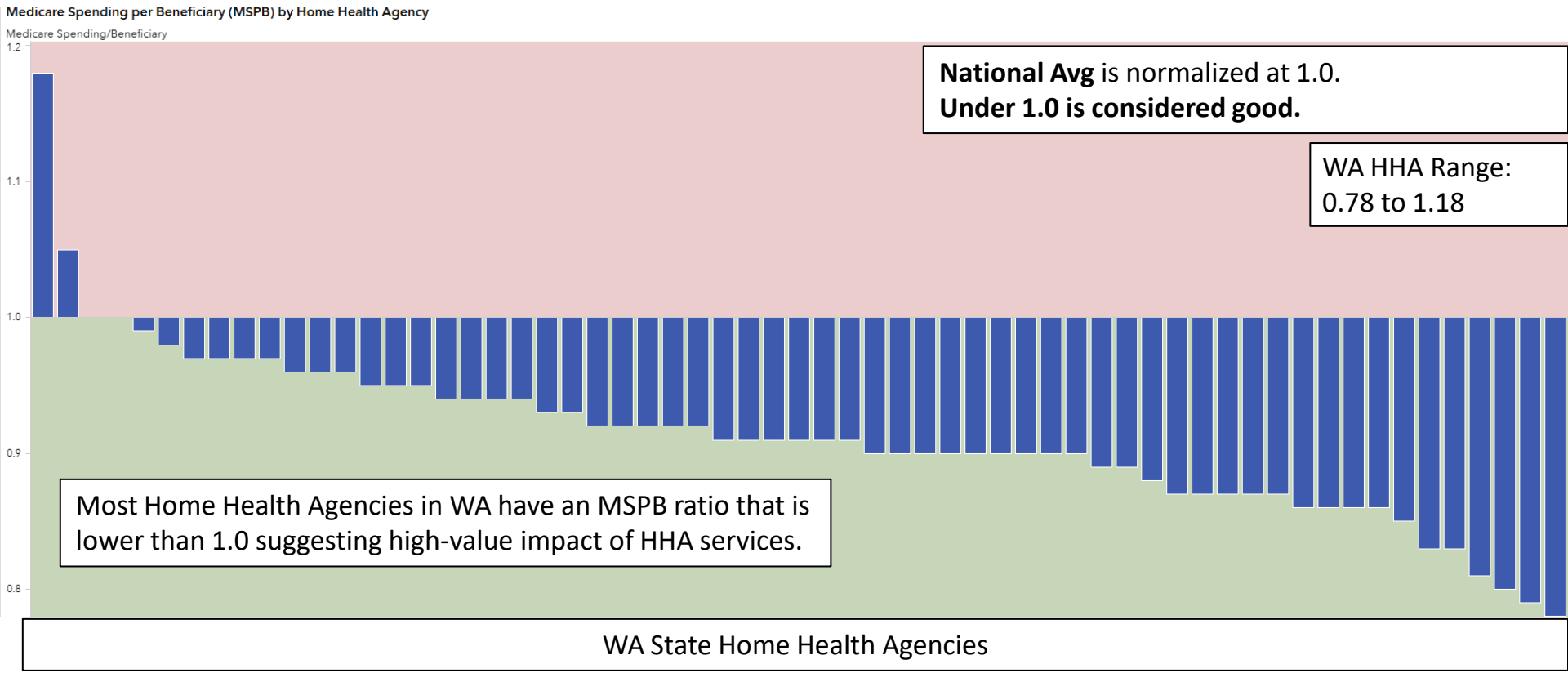

WA State 2024: Average HHA Payment per Visit

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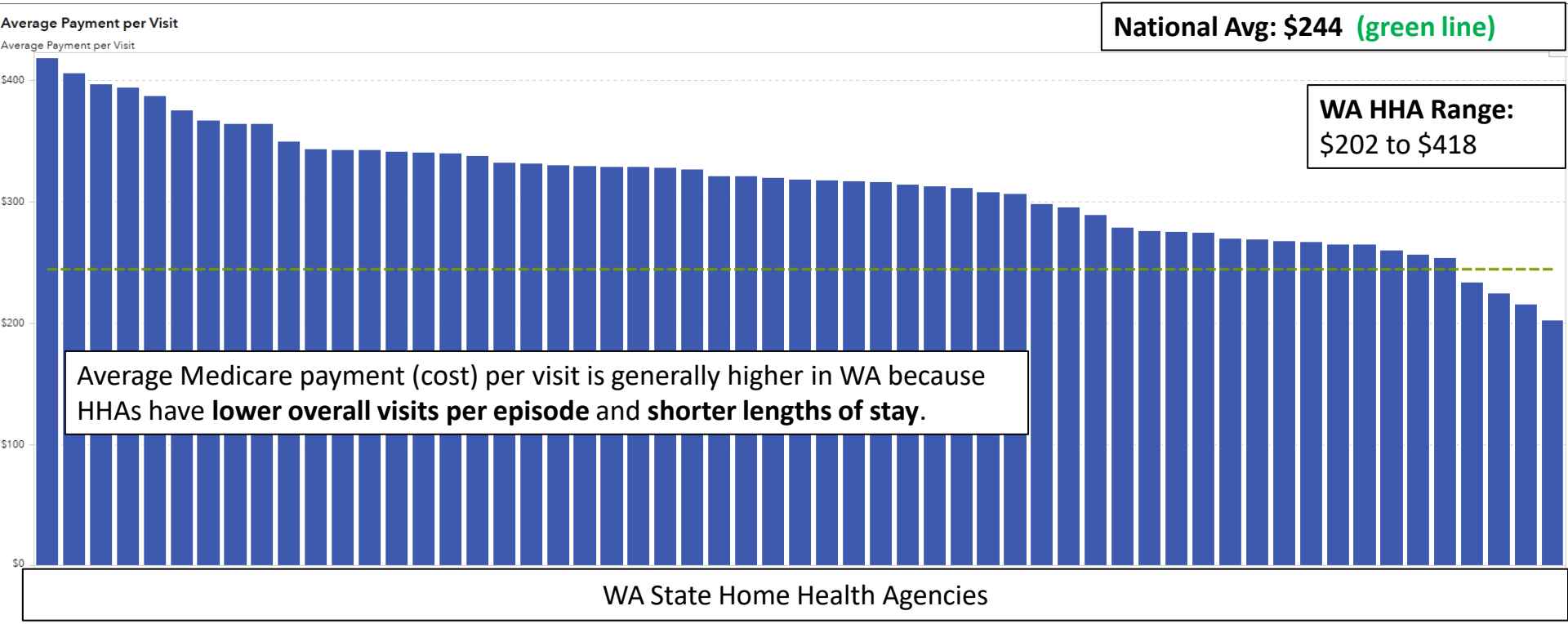

WA State 2024: Total Hospitalizations per 100 Home Health Admits During HH Stay

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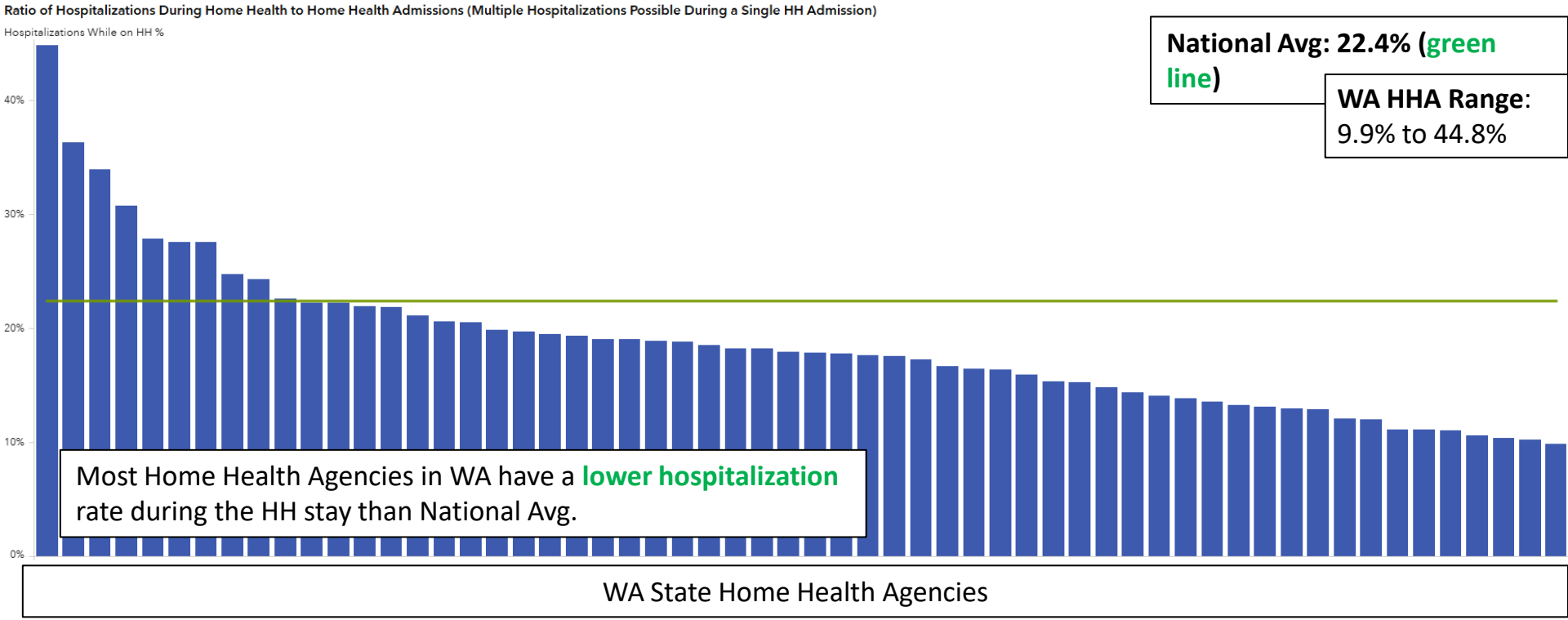

WA State 2024: Percent of Home Health Discharges with an IP Admit within 30 Days Post HH Discharge

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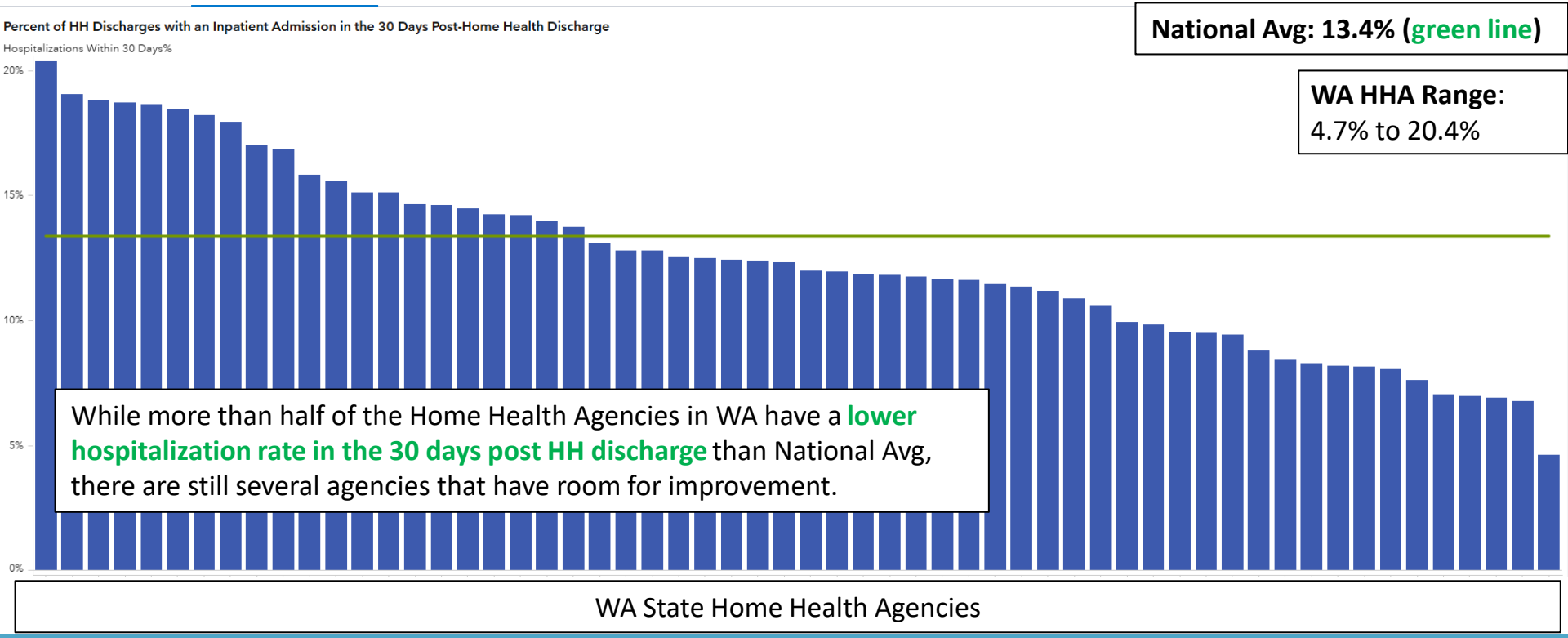

National Avg: 13.4% (green line)

WA HHA Range:
4.7% to 20.4%

While more than half of the Home Health Agencies in WA have a **lower hospitalization rate in the 30 days post HH discharge** than National Avg, there are still several agencies that have room for improvement.

WA State Home Health Agencies

WA State 2024: Percent of Patients Admitted to Hospice within 3 Day of HHA Discharge

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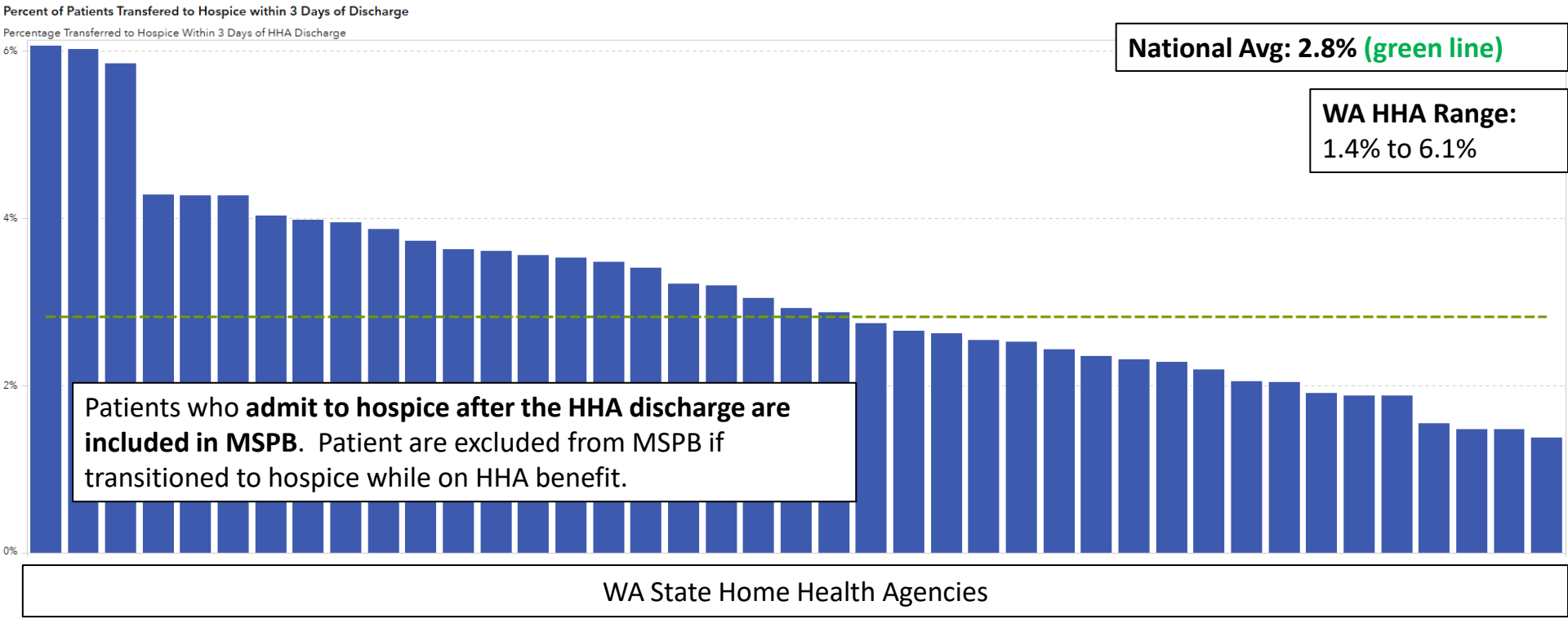

National Avg: 2.8% (green line)

WA HHA Range:
1.4% to 6.1%

Patients who **admit to hospice after the HHA discharge are included in MSPB**. Patient are excluded from MSPB if transitioned to hospice while on HHA benefit.

WA State Home Health Agencies

WA State 2024: Percent of Patients Who Died within 7 Days of HHA Discharge

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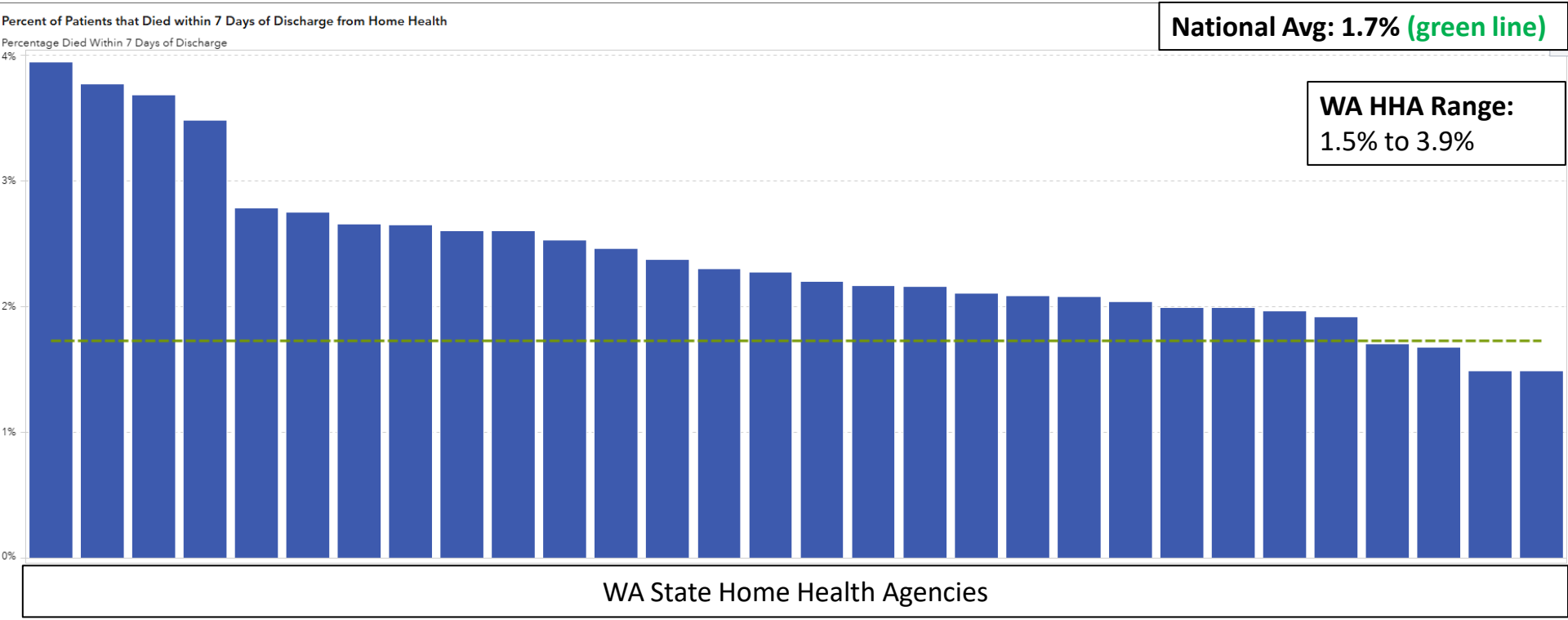


BERG DATA

Contact Information

Sarah Cameron

sarah@bergdatasolutions.com
949-400-2536

Marc Berg

marc@bergdatasolutions.com
360-518-3226

www.BergDataSolutions.com

Take Advantage of your HCAW Member Benefit!

Part of your member benefit includes **personalized follow-up** on select topics.

Reach out to Sarah and/or Marc and learn more.

LEARNING SCENARIO

Scenario 1: The Missed Medication Reconciliation

Mrs. Patel, 78 — CHF Post-Hospitalization

Mrs. Patel is admitted to home health after a CHF hospitalization. A duplicate diuretic prescription from the hospital discharge was missed.

WITHIN 10 DAYS
Severe dehydration & electrolyte imbalance develop from the duplicate diuretic.

911 CALLED
Her daughter calls 911. Mrs. Patel is taken to the ED.

READMITTED
4-day hospital readmission for a *preventable* complication.

Cost Added to MSPB

ED Visit	~$1,800
Hospital Readmission (4 days)	~$9,400
Total Avoidable Cost	**~$11,200**

15 minutes
is all a thorough med rec takes at SOC

The Takeaway

A thorough medication reconciliation at SOC is one of the **most powerful MSPB levers** in home health. It takes 15 extra minutes — and can prevent **$11,000+** in avoidable spending.

This isn't about blame — it's about building habits that protect patients and your agency.

POSITIVE OUTCOME

Scenario 2: The Proactive Wound Care Nurse

When clinical vigilance turns a potential complication into a success story

Mr. Johnson, 72

Stage 2 sacral wound · Post-hip surgery

Mr. Johnson is receiving home health skilled nursing for a Stage 2 sacral wound post-hip surgery. On **Visit 3**, the RN notices the wound edges are macerated with new periwound redness.

Instead of waiting for the next scheduled visit, she:

- **Photographs** the wound for documentation
- **Calls the physician** and gets a same-day treatment change to a silver alginate dressing
- **Coordinates with pt** to adjust his repositioning schedule

Great MSPB performance starts with great clinical care

OUTCOME

- Wound shows improvement within a week
- No ED visit
- No hospitalization
- No additional imaging or labs

0.82
MSPB Ratio

MSPB IMPACT

Episode spending stays **well below expected** — this patient's ratio: **0.82**

The Takeaway

Early clinical recognition + **same-day physician communication** + **interdisciplinary coordination** = high-value care.

This is what a low MSPB score looks like in practice.

SCENARIO 3

The Uncoordinated Therapy Discharge

WHAT HAPPENED

Ms. Rivera, 81, is discharged from home health PT after 6 weeks of therapy following a fall with hip fracture. The PT documents functional gains and discharges — but **does not communicate** the discharge to the skilled nurse or the patient's PCP.

PROCESS GAPS IDENTIFIED

- ✕ No communication to skilled nurse or PCP about discharge
- ✕ No fall prevention education provided at discharge
- ✕ No medication review for fall-risk drugs (sedating antihistamine)
- ✕ 12 days post-discharge — Ms. Rivera falls again → ED → new compression fracture → 3-day admission

KEY LESSON

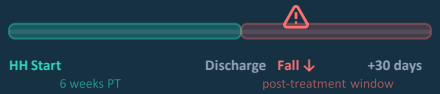
The 30-day post-discharge window is part of your MSPB score. Coordinated discharge planning — including fall prevention, medication review, and PCP notification — extends your impact beyond the last visit.

$ AVOIDABLE COST IMPACT

ED visit + imaging	~$2,600
Hospital admission (3 days)	~$7,800
Total Added to MSPB	**~$10,400**

This cost occurred within the 30-day post-treatment window — it counts against your agency's MSPB.

EPISODE TIMELINE



This is a systems gap, not a clinician failure. Better discharge workflows prevent these outcomes.

POSITIVE OUTCOME

Scenario 4: **The Care Coordination Champion**

MSPB RATIO **0.78**

Mr. Williams, 80, has COPD and CHF and is receiving home health skilled nursing. On a routine visit, the RN notices **increased ankle edema**, a **4-lb weight gain** over 3 days, and **mild dyspnea on exertion**.

RATHER THAN SENDING HIM TO THE ED, SHE:

1. **Called the cardiologist** and reported findings using **SBAR**
2. **Got a same-day order** for an increased diuretic dose and daily weights
3. **Scheduled a follow-up visit** for the next day to reassess
4. **Educated Mr. Williams and his wife** on fluid restriction and when to call the agency vs. 911

Outcome

- ✓ Weight normalizes within 48-hours
- ✓ No ED visit
- ✓ No Hospitalizations
- ✓ Episode costs stay on track

AVOIDED COSTS

$12,000+

in hospitalization prevented

GOLD STANDARD

This is the gold standard of home health care coordination. **Clinical judgment, proactive communication, and patient education** prevented a $12,000+ hospitalization — and kept Mr. Williams where he wants to be: **home.**

BEST PRACTICES

What High-Value Home Health Clinicians Do Differently

Six habits that drive better MSPB outcomes — and better patient care.

Thorough SOC Medication Reconciliation

Compare discharge meds against what's in the home. Every. Single. Time.

Proactive Physician Communication

Don't wait for a crisis. Use SBAR to escalate early findings.

Interdisciplinary Coordination

Nurses, therapists, aides, and social workers sharing a care plan — not working in silos.

Patient & Caregiver Education

Teach-back on red flags, medication management, when to call the agency vs. 911.

Discharge Planning That Starts at SOC

Think about safe discharge from Day 1. Include fall prevention, community resources, PCP follow-up.

Post-Discharge Follow-Up

A phone call within 48 hours of discharge can catch issues before they become ED visits.

These aren't extra tasks — they're the standard of care that keeps patients home and costs down.

Key Takeaways

1. **MSPB measures total Medicare spending** during and 30 days after your home health episode — every ED visit, hospitalization, and duplicative test counts.

2. **Starting in 2026, MSPB directly impacts your agency's Medicare payment** through HHVBP — carrying a proposed 10% weight in the Total Performance Score.

3. **Your clinical decisions** — medication reconciliation, early escalation, coordinated discharge — **are the most powerful levers** for MSPB performance.

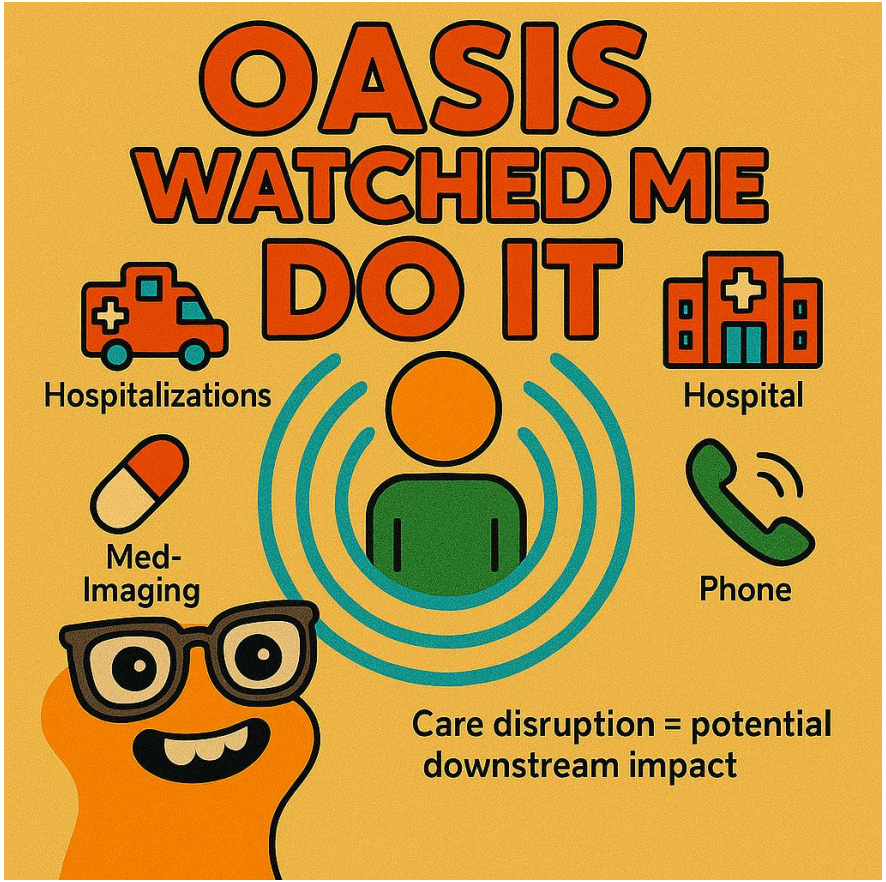
4. **Low MSPB scores protect reimbursement,** strengthen referral relationships, and show up on Care Compare for the world to see.

5. **Great MSPB performance is great patient care.** Keeping patients safe at home IS the goal.

Remember: every care decision you make moves the needle. You're already doing the most important work.

When Pathways Aren’t Clear, the ED Becomes the Safe Choice

- Escalation vs ED Default
- Clear “Who to Call” Protocol- Customized to patient need
- Full set of Vital signs
- Provider notification


OASIS
WATCHED ME
DO IT
Hospitalizations
Hospital
Med-
Imaging
Phone
Care disruption = potential
downstream impact

EVERY VISIT. EVERY CALL. EVERY CARE DECISION.

We Are the MSPB.

THIS WEEK

-Complete a thorough medication reconciliation on your next SOC visit — compare every discharge med against what's in the home.
-OASIS Accuracy

THIS MONTH

Identify one patient at high risk for hospitalization and proactively coordinate with their physician using SBAR.

GOING FORWARD

Start every discharge conversation at SOC. Ask: *What does this patient need to stay safely at home after we leave?*

“We chose home health because we believe patients do better at home. MSPB is simply a measure of how well we deliver on that promise."

THANK YOU FOR THE CARE YOU GIVE EVERY DAY. IT MATTERS MORE THAN YOU KNOW.

EVERY VISIT. EVERY CALL. EVERY CARE DECISION.

References

- Centers for Medicare & Medicaid Services (CMS) – HHVBP Model
- CMS 2026 Home Health PPS Proposed RuleCMS MSPB Measure Specifications
- Medicare Payment Advisory Commission (MedPAC) Reports
- Home Health Quality Reporting Program (QRP)
- Strategic Healthcare Programs (SHP) Data
- National Association for Home Care & Hospice (NAHC)Home Care Association of Washington (HCAW)

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