



DEPARTMENT OF DEFENSE

Office of the Secretary

Termination of Home Health Value-Based Purchasing Demonstration

AGENCY: Defense Health Agency (DHA), Department of Defense.

ACTION: Notice of termination of the DHA's Home Health Value-Based Purchasing Demonstration.

SUMMARY: This notice is to advise interested parties of the termination of the DHA's Home Health Value-Based Purchasing (HHVBP) Demonstration. On November 9, 2021, the Centers for Medicare and Medicaid Services (CMS) published a final rule announcing the termination of the original Medicare HHVBP Model one year early for home health agencies (HHAs) in the nine original model states. This serves as formal notice that DHA also terminated the HHVBP demonstration applicable in the original nine model states. Due to the limited time this demonstration was active, there was insufficient data to draft a report detailing findings.

DATES: DHA's current HHVBP model ended December 31, 2021.

FOR FURTHER INFORMATION CONTACT: Duncan Moskowitz, 303-676-3582, duncan.p.moskowitz.civ@health.mil. Questions regarding payment of specific claims should be addressed to the appropriate TRICARE contractor.

SUPPLEMENTARY INFORMATION: On September 25, 2019, the DHA published a Federal Register notice ("TRICARE; Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); Adoption of Medicare's Home Health Value-Based Purchasing (HHVBP) Adjustments for Reimbursement Under TRICARE's Home Health Prospective Payment System Demonstration") adopting CMS' HHVBP Model as a demonstration for the TRICARE program (84 FR 50416). The purpose of the HHVBP demonstration was to improve the quality and delivery of home healthcare, and incentivize those HHAs that provide higher quality, more efficient care, as well as evaluate the administrative feasibility of adopting HHVBP adjustments

under the TRICARE program. It was expected that adoption of the HHVBP model would strengthen the impact of the incentives included within the model by adding TRICARE's market share to CMS'.

DHA's adoption of CMS's HHVBP was consistent with section 705(a) of the National Defense Authorization Act for Fiscal Year 2017. The adoption of this model established a new value-based demonstration within the TRICARE program, based on CMS' similar model.

The notice stated that DHA's HHVBP demonstration would be effective January 1, 2020, through December 31, 2022, unless terminated earlier by CMS or by TRICARE. On November 9, 2021, the CMS published a final rule (86 FR 62240) in the Federal Register announcing the termination of the original Medicare HHVBP Model one year early for HHAs in the nine original model states. Director, DHA hereby gives notice that the DHA's original HHVBP demonstration ended December 31, 2021. Due to the limited time this demonstration was active, there was insufficient data for DHA to draft a report detailing the findings of this demonstration and potential next steps.

Dated: June 25, 2025.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer,

Department of Defense.

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