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|----------------------------------------------|-----------------------------------------------------------|
| <b>CMS Manual System</b>                     | <b>Department of Health &amp; Human Services (DHHS)</b>   |
| <b>Pub 100-04 Medicare Claims Processing</b> | <b>Centers for Medicare &amp; Medicaid Services (CMS)</b> |
| <b>Transmittal 13974</b>                     | <b>Date: September 30, 2026</b>                           |
|                                              | <b>Change Request 14631</b>                               |

**SUBJECT: Quarterly Update to Home Health (HH) Grouper**

**I. SUMMARY OF CHANGES:** The purpose of this Change Request (CR) is to provide the January 2027 update to the HH Grouper software. This recurring update notification applies to chapter 10, section 80.

**EFFECTIVE DATE: January 1, 2027**

*\*Unless otherwise specified, the effective date is the date of service.*

**IMPLEMENTATION DATE: January 4, 2027**

*Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.*

**II. CHANGES IN MANUAL INSTRUCTIONS:** (N/A if manual is not updated)

R=REVISED, N=NEW, D=DELETED-Only One Per Row.

| <b>R/N/D</b> | <b>CHAPTER / SECTION / SUBSECTION / TITLE</b> |
|--------------|-----------------------------------------------|
| N/A          | N/A                                           |

**III. FUNDING:**

**For Medicare Administrative Contractors (MACs):**

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

**IV. ATTACHMENTS:**

**Recurring Update Notification**

# Attachment - Recurring Update Notification

|             |                    |                          |                       |
|-------------|--------------------|--------------------------|-----------------------|
| Pub. 100-04 | Transmittal: 13974 | Date: September 30, 2026 | Change Request: 14631 |
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## II. GENERAL INFORMATION

**A. Background:** The HH Grouper assigns each claim to a Home Health Resource Group (HHRG) based on the reported claim and patient assessment information, including diagnosis codes. The International Classification of Diseases, Tenth Revision, Clinical Modification (ICD-10-CM) code set is updated annually, effective October 1. Each year, the Grouper contractor, Solventum, develops a new HH Grouper software package to reflect these updates.

Additional HH Grouper updates may be needed in quarterly releases when HH rulemaking changes the case-mix grouping policies or if additional ICD-10-CM diagnosis codes are created throughout the year. CR 14509 provided the October 2026 updates. This CR provides the January 2027 changes to reflect the Home Health Prospective Payment System final rule.

The HH Grouper and related documentation for each update is located on the Centers for Medicare & Medicaid Services (CMS) web page at <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/HomeHealthPPS/CaseMixGrouperSoftware>. Current instructions regarding the HH Grouper are available in the Claims Processing Manual publication 100-04, chapter 10, section 80.

**B. Policy:** Version 08.0.27 of the HH Grouper shall be effective for claim From dates on or after January 1, 2027.

## III. BUSINESS REQUIREMENTS TABLE

*"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.*

| Number  | Requirement                                                                                                                                                           | Responsibility |   |     |            |                           |     |     |     |       |
|---------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|---|-----|------------|---------------------------|-----|-----|-----|-------|
|         |                                                                                                                                                                       | A/B MAC        |   |     | DME<br>MAC | Shared-System Maintainers |     |     |     | Other |
|         |                                                                                                                                                                       | A              | B | HHH |            | FISS                      | MCS | VMS | CWF |       |
| 14631.1 | The contractor shall process HH claims (Type of Bill 032x other than 32A or 320) with claim From dates on and after January 1, 2027, using HH Grouper version 08.0.27 |                |   |     |            | X                         |     |     |     |       |

| Number | Requirement | Responsibility |   |     |            |                           |     |     |     |       |
|--------|-------------|----------------|---|-----|------------|---------------------------|-----|-----|-----|-------|
|        |             | A/B MAC        |   |     | DME<br>MAC | Shared-System Maintainers |     |     |     | Other |
|        |             | A              | B | HHH |            | FISS                      | MCS | VMS | CWF |       |
|        | software.   |                |   |     |            |                           |     |     |     |       |

#### IV. PROVIDER EDUCATION

Medicare Learning Network® (MLN): CMS will develop and release national provider education content and market it through the MLN Connects® newsletter shortly after we issue the CR. MACs shall link to relevant information on your website and follow IOM Pub. No. 100-09 Chapter 6, Section 50.2.4.1 for distributing the newsletter to providers. When you follow this manual section, you don't need to separately track and report MLN content releases. You may supplement with your local educational content after we release the newsletter.

**Impacted Contractors:** A/B MAC Part HHH

#### V. SUPPORTING INFORMATION

**Section A: Recommendations and supporting information associated with listed requirements:** N/A

*"Should" denotes a recommendation.*

| X-Ref Requirement Number | Recommendations or other supporting information: |
|--------------------------|--------------------------------------------------|
|--------------------------|--------------------------------------------------|

**Section B: All other recommendations and supporting information:** N/A

#### VI. CONTACTS

**Post-Implementation Contact(s):** Contact your Contracting Officer's Representative (COR).

#### VII. FUNDING

##### **Section A: For Medicare Administrative Contractors (MACs):**

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**ATTACHMENTS: 0**