

MEDICARE HOME HEALTH



Expand Access to Medicare Home Health

Recent policy actions do not align with Medicare beneficiaries' preference to age in place. Medicare home health payments have been cut by almost 10% over the past three years. On top of these cuts, CMS has made clear that billions of dollars of additional cuts are on the horizon. Furthermore, the only growth in home health has been in Los Angeles County with indicators that some of this growth could be due to bad actors. Access to home health services already suffers from referral rejections caused by budget cuts and is compounded by staffing shortages. This trajectory is untenable for older adults and families—and unsustainable for our nonprofit and mission-driven providers. Relief and reform are both needed.

LeadingAge supports opportunities to preserve, reform, enhance, and expand home health including opportunities to tie payment to serving rural and underserved communities to ensure robust access to care and ensuring adequate payment to preserve and support the current array of home health services but also to allow the provision of aide and other supportive services within home health as appropriate.

*“Half of U.S. counties have five or fewer home health agencies per 1,000 square miles, with many rural areas having access to only one agency or no agencies serving more than 10 patients... Between 2019 and 2023, the number of skilled home health agencies that treated more than 10 [fee for service] patients annually **decreased or remained the same in 94.1% of U.S. counties.**”*

Preserve and Expand Access to Home Health:

- Ensure adequate payment for home health services by repealing the requirement that CMS adjust payment in aggregate based on provider behavior, eliminating the temporary retrospective payment adjustments, and examining ways to bolster the permanent baseline.
- Give additional reimbursement to home health providers in rural areas and to explore similar targeted payment adjustments for other underserved populations.
- Expand the Medicare home health benefit to ensure greater access to personal care services. Aides are a vital component of home health care, but downward trends in payment and increased scrutiny on aide utilization makes it challenging for providers to use aides.
- Amend the definitions of homebound and skilled care for a more flexible accessible benefit structure.
- Enact legislation like the CONNECT for Health Act ([S. 2016](#) / [H.R. 4189](#) in the previous Congress) to permanently allow the home to be the originating site for telehealth services, removing telehealth geographic restrictions, and allowing a wider range of providers to bill for telehealth services.

Instruct MedPAC and CMS to Redefine Access and Look for Fraud:

- The current definition of access is based on the number of providers per zip code and is not consistent with the current reality—referral rejections are at an all-time high. We recommend looking at referral rejections and whether certain conditions or demographics are correlated with less access to care.
- Examine and adjust for the impact of Los Angeles County on the Patient Driven Groupings Model (PDGM) and the Home Health Value Based Purchasing Model (HHVBP)

baselines. Many of these agencies have outlier metrics of behavior such as extremely low LUPA rates and no institutional admissions to service – both CMS and MedPAC should examine the validity of the agencies contributing to this growth, calculate their impact on payment, and recommend action to ameliorate any impacts found.

Enact the Medicare Home Health Accessibility Act (H.R.2013) to:

- Change the statutory language defining skilled needs for home health providers to align with other therapies and include occupational therapy as a qualifying home health service.

Protect Medicaid for Older Adults

Medicaid is the primary payer of long-term services and supports provided to older adults. Older adults are eligible for Medicaid due to frailty and an inability to pay for needed supports. If Medicaid is capped or cut, it will further undermine providers' financial viability and in turn, reduce access to long-term services and supports for older Americans. Without Medicaid, families face difficult choices. If they care for their loved one in their homes, it often means someone in the family must forgo work outside the home jeopardizing their own ability to pay their bills. Medicaid is their safety net to ensure their loved ones receive supports for their daily needs and are safe while their family continues to work. Cuts and caps to Medicaid will have ripple effects across the healthcare and aging services sectors, shaking the financial viability of important services and threatening the health and safety of older adults.

Protect Older Adults' Access to Life-Sustaining Services:

- Oppose changes to Medicaid designed to limit federal financial participation either via cost shifting to states or imposing barriers to access services like community participation or work requirements that would cause states significant financial and administrative burden.
- Support ongoing availability of tax-exempt municipal bonds as financing mechanisms for provider service expansion.

¹ [Trella Health Special Report: HOME HEALTH ACCESSIBILITY AMONG MEDICARE FEE-FOR-SERVICE \(FFS\) BENEFICIARIES. \(December 2024\).](#)