

## Protect Home Health Care

### Oppose Payment Cuts in the CY 2026 Medicare Home Health Proposed Rule

The CY 2026 Medicare Home Health proposed rule would cut the home health payment rate by 9% and reduce payments by over \$1.1 billion to home health agencies (HHAs), threatening access to essential home-based services for older adults and people with disabilities. The Centers for Medicare & Medicaid Services (CMS) proposed cuts will severely impact access to lifesaving care, while failing to take any meaningful action to address real problems in the system, like fraud, waste, and abuse.

The proposed cuts would add to the significant challenges home health agencies have navigated in recent years. CMS' implementation of a new payment system (the Patient Driven Groupings Model) in 2020 along with the nearly 9% payment cuts since CY 2023, has resulted in the closure of over 1,000 home health agencies in the past five years. Fewer patients are able to access home health care as a result; increasing emergency room (ER) visits and hospital readmissions—both more costly forms of care – and increasing mortality rates.

#### What We Need from Congress:

- Oppose the CY 2026 Home Health proposed rule.
- Urge the CMS to rescind cuts and preserve critical access to care for patients and families that need it.
- Support legislation that strengthens—not weakens—home-based care, the preferred choice for patients and the highest-value option for our Medicare trust fund.

#### Key Reasons to Oppose the CY 2026 Medicare Home Health Proposed Rule:

##### 1. What People Are Saying: The Access Crisis Is Already Putting Patients at Risk



**Half of all U.S. counties lost at least one home health agency between 2020–2024**, and in **80%+ of counties**, HHAs are treating fewer traditional Medicare patients. ~CMS Market Saturation Data and Trella Health



**Over one-third of patients referred for home health care never receive it**, often due to capacity constraints and workforce shortages exacerbated by underfunding. For those who do receive care, delays in access have increased by a full day since 2019. **Currently, 10% of referrals are waiting at least 5 days to receive a visit**, with longer wait times more likely in rural areas. ~CareJourney and KNG Health

- As home health agencies lose capacity, acute-care hospitals lose their ability to discharge patients to care, forcing them to board patients ready for discharge, driving up hospital costs and minimizing capacity to admit new patients. ~American Hospital Association
- Rural hospital issues compound when there are difficulties discharging patients to post-acute care. Over 700 rural hospitals (one-third of all rural hospitals) are at risk of closing in the near future – a problem that will be compounded by a lack of discharge partners. ~Center for Healthcare Quality and Payment Reform

##### 2. What the Data Says: The CY 2026 Proposed Rule Undermines Value-Based, Patient-Centered Care

- Home is where patients want to heal – and it's more cost effective. ~AARP
- A rollback in home health access contradicts Medicare's value-based goals that rely on a stable home-based care infrastructure to reduce hospitalizations and other unnecessary higher-cost care.

- For patients who were referred but did not receive home health care after hospitalization:



### 3. *What the Impacts Will Be: Exacerbates Existing Patient Access Problems*

- Home health agencies cannot sustain an additional \$1.1 billion in proposed reduced payments for 2026.
- Since 2019, over 1,000 home health agencies have closed, and thousands of additional agencies will be at heightened risk of closing or scaling back due to insufficient reimbursement across payers and workforce strain.
- The proposed cuts harm ethical providers while failing to target fraud, waste, and abuse.

### 4. *Why CMS's Approach is Wrong: Technically Flawed and Not Aligned with Congressional Intent*

- CMS failed to uphold the law's budget neutrality requirement and has not followed the intent or instructions of the Bipartisan Budget Act of 2018.
- The rate-setting methods used to justify these cuts are based on flawed assumptions, not real-world data.
- Cuts ignore actual expenditure trends and fail to ensure adequate payment.

### For more information, contact:

**Scott Levy**  
225-445-4136  
[slevy@allianceforcareathome.org](mailto:slevy@allianceforcareathome.org)

**Mollie Gurian**  
202-508-1202  
[mgurian@leadingage.org](mailto:mgurian@leadingage.org)

**About the National Alliance for Care at Home (the Alliance):** We are the unified voice for providers delivering high-quality, person-centered healthcare to individuals, wherever they call home. Our members are providers of different sizes and types—from small rural agencies to large national companies—including government-based providers, nonprofit organizations, systems-based entities, and public corporations. Our members include over 1,500 providers representing 10,000 offices and locations, serving over 4 million patients nationwide through a dedicated workforce of over 1 million employees, staff, and volunteers. As an inclusive thought leader, advocate, educator, and convener, we serve as a voice for providers and recipients of home care, home health, hospice, palliative care, and Medicaid home and community-based services throughout all stages of life. Learn more at [www.AllianceForCareAtHome.org](http://www.AllianceForCareAtHome.org).

**About LeadingAge:** We represent more than 5,400 nonprofit aging services providers and other mission-driven organizations serving older adults that touch millions of lives every day. Alongside our members and 36 partners in 41 states, we use advocacy, education, applied research, and community-building to make America a better place to grow old. Our membership encompasses the entire continuum of aging services, including skilled nursing, assisted living, memory care, affordable housing, retirement communities, adult day programs, community-based services, hospice, and home-based care. We bring together the most inventive minds in the field to lead and innovate solutions that support older adults wherever they call home. For more information visit [leadingage.org](http://leadingage.org)