



National Alliance
for Care at Home



Protect Home Health Care in New Jersey

Oppose the Proposed 2026 Medicare Home Health Payment Cuts

The Centers for Medicare & Medicaid Services' (CMS) proposed 2026 Medicare home health rule would cut payment rates by 9% and reduce funding to home health agencies by over \$1 billion, putting essential care for older adults and people with disabilities in New Jersey and nationwide at risk. **CMS's proposed cuts would severely impact access to lifesaving home-based care, while failing to fix real issues in the system, like fraud, waste, and abuse.**



4

home health agencies have shut down since 2019, with even more at risk of closing their doors



~50,310

home health patients have already lost access to home health since 2019



8%

loss in Medicare home health payments as compared to what home health agencies should have been paid in 2026



41%

of patients referred to home health following a hospitalization never received it due to agency capacity constraints and workforce shortages

This is about protecting lifesaving care for millions of Americans. When home health agencies shut down and people can't get care where they live, more end up in emergency rooms or back in hospitals, resulting in higher costs and worse patient outcomes.

We Need Congress To:

Oppose the proposed 2026 Medicare Home Health Rule.

Urge 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.

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4 Reasons to Oppose the Proposed Medicare Home Health Rule

1 The Access Crisis Exacerbates Risks to Patients

- Fifty percent of all U.S. counties lost at least one home health agency since 2020, and 80%+ of counties are treating fewer traditional Medicare patients. - *CMS Market Saturation Data and Trella Health*
- Rural communities will be hit the hardest, and these regions already face long wait times and provider shortages. Over 700 rural hospitals (one-third of all rural hospitals) are at risk of closing in the near future. - *Center for Healthcare Quality and Payment Reform*

2 It Worsens Mortality Risk and Drives Up Costs

- Home health reduces costs following a hospital discharge. Home health is more affordable – and it's where patients want to receive care whenever possible.
- Cutting home health drives up overall costs, resulting in increased readmissions, emergency department use, and mortality, and forces patients into high-cost settings. - *CareJourney*

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

Readmissions were

↑ **35%**

Emergency department use was

↑ **16%**

Mortality rates were

↑ **43%**

Total spending was

↑ **5.4%**

3 It Would Force More Closures and Leave Patients Without Care

- Medicare spending and use of home health has already declined by over 12% and 8% between 2019 and 2023, respectively. - *MedPAC*
- Additional home health agencies will be at heightened risk of closing or scaling back due to underpayment and workforce strain – on top of over 1,000 agencies that have closed since 2019.

4 Flawed Methods Are Leading to Payment Cuts that Put Providers and Patients at Risk

- CMS failed to uphold Congress's instruction that overall payments to home health services not increase or decrease due to the new payment system implemented in 2020.
- CMS's math doesn't add up. Medicare's home health spending has gone DOWN since 2020.
- CMS's rationale is outdated and flawed—slashing home health today only to inevitably spike costs tomorrow.
- CMS's methodology includes claims with suspect billing patterns in its calculations, punishing legitimate providers while failing to address the fraudulent actors.

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.

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.