

# Congress Must Act to Prevent Home Health Cuts that Will Devastate Access to Care



Home health agencies strongly oppose CMS's CY2023 proposed payment rule. It will devastate access to home health services, in particular for rural and medically underserved patients. The home health community urges Congress to take action to stop CMS's proposed Medicare cuts.

## NEW CMS PAYMENT RULE PROPOSES BILLIONS IN STEEP CUTS TO HOME HEALTHCARE

-7.69% cut =  
**\$1.33 billion cut**  
in 2023 alone.

**\$2 billion** in cuts as a  
"clawback" for services  
provided in 2020 and  
2021.

**\$1 billion**  
"clawback" for 2022  
services.

**-4.36%** behavioral  
change cut that has  
reduced payments since  
2020 and will continue in  
perpetuity.

**> \$4 billion cumulative impact = Massive cut on a \$17 billion baseline.**

## MASSIVE CUTS THREATEN AMERICA'S SENIORS AND PEOPLE WITH DISABILITIES



Care in the home is the safer and overwhelmingly preferred choice for seniors and people with disabilities. 94% of Medicare beneficiaries say they would prefer to receive post-hospital care at home.



Reducing payments to home health threatens access to vital care in the home. Overall costs of care will go up due to increased hospital readmission rates, unnecessary hospitalizations, and increased use of short-term skilled nursing stays.



Cuts will negatively impact the high demand for care in the home. While strong demand for home health has resulted in a 33% increase in referrals, home health admission rates have declined by 15% over the same period due to labor cost pressures and staffing challenges.



Home healthcare providers and caregivers have been hit hard by the impact of the pandemic. Additional payment cuts will exacerbate the home health community's ability to address the workforce crisis, record inflation rates, and increased fuel costs.

## CONGRESS HAS CALLED FOR STABILITY IN THE MEDICARE HOME HEALTH PROGRAM

In 2018, Congress insisted on **budget neutrality** when transitioning from the previous home health payment system to the Patient Driven Groupings Model. Congress clearly intended for stability in this transition, aiming to avoid cuts to home healthcare. Instead of budget neutrality, CMS has instituted an **unauthorized rebasing** of home health payments, resulting in billions of dollars in cuts.

**Congress must take action now to safeguard the Medicare home health program and ensure access to care.**