

Medicare's Home Health Benefit

2009	2.75% reduction for case mix adjustment 2% annual reduction for OASIS data submission
2010	2.75% reduction for case mix adjustment 10% cap on outlier claims with 2.5% national cap
2011	1% reduction to Market Basket adjustment 10% cap on outlier claims with 2.5% national cap 3.79% reduction for case mix adjustment
2012	1% reduction to Market Basket adjustment 10% cap on outlier claims with 2.5% national cap 3.79% reduction for case mix adjustment
2013	1.32% reduction for case mix adjustment (projected) 1% reduction to Market Basket adjustment 2% cut due to sequestration
2014	Start of annual rebasing cuts of 3.5 percent for the next four years
2015	0.3% reduction (\$60 million) to market basket adjustment
2016	1.4% total cut (\$260 million) + 3.0% maximum payment cut tied to value-based purchasing program*

Nearly 3.5 million homebound seniors currently receive Medicare home healthcare services and there are an estimated 1.1 million home health professionals providing this specialized care. With nearly 10,000 people per day turning 65 and entering the Medicare system, there will be an increasing number of home health beneficiaries and need for skilled home health clinicians over the next 15 years.

Seniors overwhelmingly prefer home healthcare. The AARP recently stated, "the vast majority of people over 50...want to live in their homes as long as possible." Continuing to provide home healthcare is a priority for AARP and other leading seniors-focused advocacy groups. The majority of seniors who receive the Medicare home health benefit are older, poorer, sicker, female and more likely to be from a minority population.

Deep cuts to home healthcare due to rebasing will result in the loss of home health services in many parts of the country. In the absence of home healthcare services, many beneficiaries will have no choice but to seek post-acute and long-term care in more expensive care settings. Cuts also threaten a once booming job market.

CUTS TO HOME HEALTH = JOB LOSS

- Home health care is ordered by a physician and delivered by nurses, aides, physical, occupation and speech therapists and social workers.
- According to the Centers for Medicare and Medicaid Services (CMS) "**APPROXIMATELY 40%**" of providers will suffer net losses by 2017.
- **465,323 JOBS** are at risk because of rebasing cuts to home health.

CUTS TO HOME HEALTH = REDUCED ACCESS TO CARE AND INCREASED SPENDING

- In some rural areas, home healthcare is the only available medical care, with hospitals and clinics located miles away.
- Unless relief is provided to home healthcare, **1.3 MILLION SENIORS** are at risk for losing access to their home healthcare.
- Home health saves Medicare dollars by reducing hospital admissions and preventing costly readmissions by **KEEPING SENIORS HEALTHY** at home.

* VBP program taking place in 9 states: Arizona, Florida, Iowa, Maryland, Massachusetts, Nebraska, North Carolina, Tennessee, and Washington