

VNS Health President and CEO, Dan Savitt on CMS Cuts to Home Health Care Reimbursements

Faced with longer stays, patients with more complex medical needs, and fewer available beds, hospitals are trying to discharge more and sicker patients to home health care agencies. But amidst a severe and persistent workforce crisis, VNS Health and home care agencies across the country are not able to keep up with this rising demand. Last year, agencies had to turn away about 75% of hospital referrals to home health care. The situation is worse in “home health deserts”—areas already suffering from disparate levels of care where the workforce crisis is even more challenging.

Patients who don't get the home health care they need stay longer in the hospital, are more likely to end up back in the hospital and are at greater risk of serious and life-threatening complications. This strains our overburdened hospitals, costs the health care system much more, and hurts families and communities already suffering from poor health the most. That's not good policy, it's not a good use of taxpayer dollars, and it's not good for patients.

Inadequate home health reimbursement rates limit the ability of agencies to recruit and retain nurses and other staff. Yet instead of recognizing and addressing this crisis, CMS is doubling down by enacting a 6.8% rate cut next year – 2.9% starting in 2024 on top of 3.9% we are currently living with. And CMS is not done: they are aiming to cut billions more in

future years.

At a bare minimum, Congress must halt these cuts by the end of the year. What we really need is a fundamental rethinking and reinvestment in home health that provides the support necessary to pay home health clinicians at a level commensurate with what hospitals and other providers pay. Only when there is some semblance of pay equity will we be able to truly realize the value of home health care for patients, hospitals, and our overall system.