

# STATE BY STATE

## Medicare Rebasing, Access & Jobs

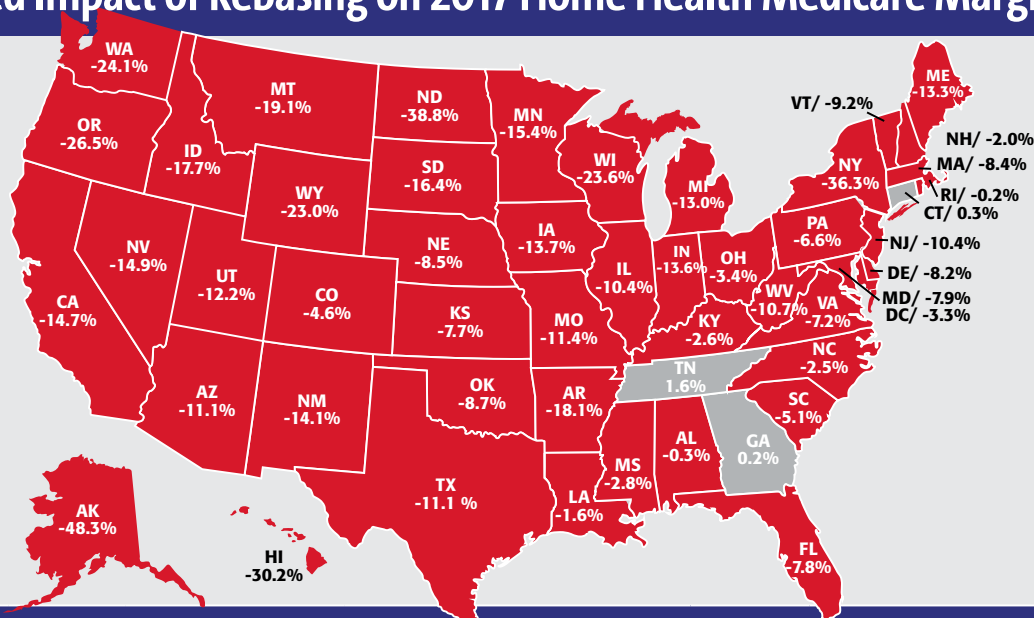
### Proposed Medicare Cuts of 14% Put Patients' Access to Home Healthcare at Serious Risk

In its draft Home Health Prospective Payment System (HHPPS) rule for 2014, the Centers for Medicare and Medicaid Services (CMS) proposes to cut Medicare home health funding by 3.5% each year from 2014 to 2017, which would total a full **14% cut to the Medicare home health benefit**. Such an outcome would **endanger seniors' and disabled individuals' access to the clinically-advanced and cost-effective home-based care that is medically necessary for homebound patients**. Today, nearly 3.5 million seniors and disabled individuals depend on the Medicare home health benefit for skilled nursing care, physical therapy, speech-language pathology, and occupational therapy services.

According to detailed analyses using Medicare cost reports, the proposed 14% cut in Medicare funding would cause nearly three-quarters of all home health agencies nationwide to experience net operating losses, the national average Medicare margin will drop to -9.77% and the sector will experience **negative Medicare margins in 47 of 50 U.S. States by 2017**. Such low Medicare margins, in addition to affecting vulnerable patients, negatively impact the healthcare jobs market.

Already struggling to adjust to deep Medicare cuts totaling \$72.5 billion that have been made since 2009, any new cuts made through rebasing would directly impact vulnerable seniors and disabled individuals, especially in rural and underserved areas.

### Projected Impact of Rebasing on 2017 Home Health Medicare Margins



#### PERCENTAGE OF HOME HEALTH AGENCIES WITH NEGATIVE MEDICARE MARGINS (2017)

Alabama	66.1%	Illinois	76.3%	Montana	89.7%	Rhode Island	38.1%
Alaska	91.7%	Indiana	79.8%	Nebraska	74.6%	South Carolina	70.9%
Arizona	70.0%	Iowa	80.8%	Nevada	84.8%	South Dakota	71.0%
Arkansas	74.4%	Kansas	69.2%	New Hampshire	65.5%	Tennessee	51.2%
California	80.0%	Kentucky	64.7%	New Jersey	81.0%	Texas	75.3%
Colorado	56.0%	Louisiana	59.7%	New Mexico	78.0%	Utah	71.4%
Connecticut	47.1%	Maine	84.0%	New York	89.9%	Vermont	83.3%
Delaware	80.0%	Maryland	80.0%	North Carolina	60.6%	Virginia	65.7%
District of Columbia	46.7%	Massachusetts	63.5%	North Dakota	80.0%	Washington	76.5%
Florida	72.2%	Michigan	77.2%	Ohio	52.1%	West Virginia	65.2%
Georgia	58.3%	Minnesota	64.0%	Oklahoma	76.6%	Wisconsin	78.8%
Hawaii	100.0%	Mississippi	52.4%	Oregon	87.2%	Wyoming	81.5%
Idaho	84.6%	Missouri	74.8%	Pennsylvania	61.3%		

**Millions of patients depend on high-quality, low-cost home healthcare services. Please stand with homebound and chronically ill seniors and disabled individuals by preventing deep home health cuts.**