

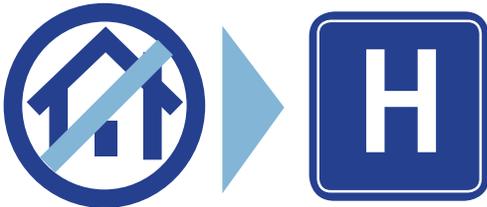
PROPOSED HHPPS RULE:

Home Health Cuts Don't Add Up

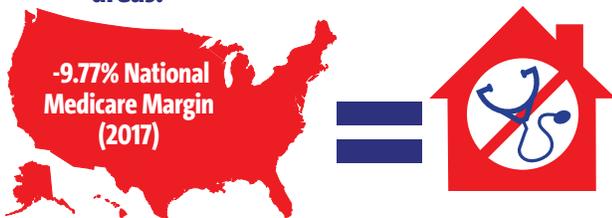
On June 27, the Centers for Medicare and Medicaid Services (CMS) issued its draft Home Health Prospective Payment System (HHPPS) rule for 2014, which proposes deep Medicare funding cuts of 14 percent over the next four years. These funding cuts will directly impact seniors and disabled individuals and their ability to access vital home healthcare services. On behalf of the patients they serve, the home health community strongly objects to the proposed cuts and is highly concerned that CMS' proposed rule does not properly weigh a variety of factors that impact home health agency operations and their ability to ensure quality home health services for more than 3.5 million Medicare beneficiaries.

THE PROPOSED RULE'S IMPACT

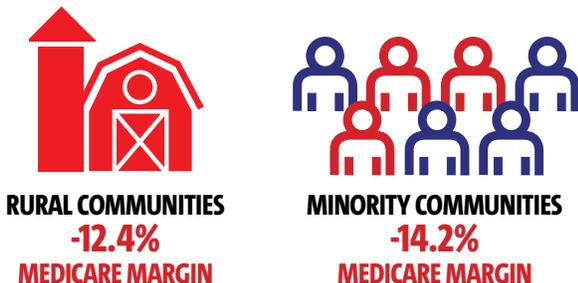
- 1 More cuts will force some of Medicare's oldest, sickest and poorest beneficiaries out of their homes and into more expensive facility-based settings.



- 2 Home health agencies in 47 states will experience negative Medicare margins, making operations unsustainable in many areas.

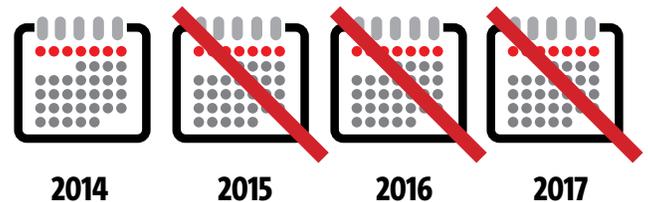


- 3 Rural and minority communities are disproportionately impacted by Medicare cuts, threatening their beneficiaries' access to needed home health services.

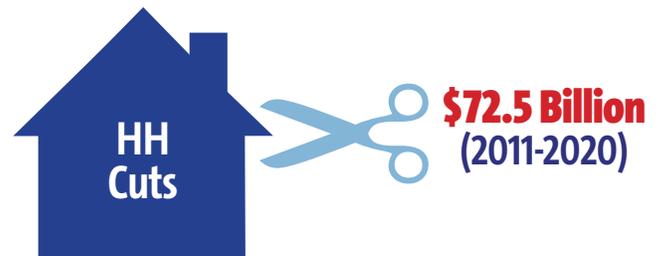


THE PROPOSED RULE'S FLAWS

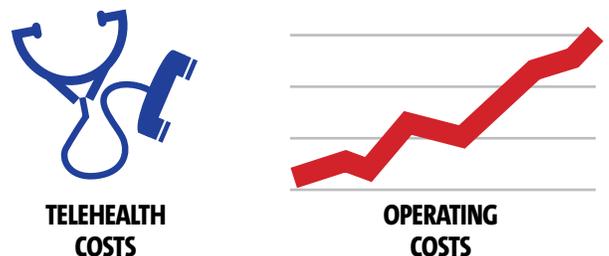
- 4 CMS only analyzed the impact of the rule in one (2014) of the four years (2014-2017) in which the proposed rule would be implemented.



- 5 The Medicare home health benefit has already been hit with deep funding cuts.



- 6 CMS' HHPPS proposed rule excludes key cost data from their calculations.



The home health community urges CMS to reevaluate the proposed rule, examine all routine operating costs, and complete a full 4-year analysis of the proposed funding cuts to ensure that beneficiary access to clinically advanced, cost-effective home healthcare is not jeopardized.