## Protect Home Health Access for Rural Beneficiaries

Home Health Annual

Spend Per Beneficiary:

All Post-Acute Care

Services Annual Spend

Per Beneficiary:

S13.259

For Medicare beneficiaries living in rural America, the Medicare home health benefit is an incredibly valuable healthcare offering, which allows seniors to remain in the home and more easily access healthcare services. In addition to being a leading care setting choice of Medicare beneficiaries, home health reduces Medicare spending by preventing hospital admissions and facility-based care that drive up Medicare expenditures.

A new analysis by The Moran Company shows annual Medicare spending per

beneficiary is lowest for home health compared to all other post-acute care services. Despite the lower cost, data show fewer beneficiaries receive home health services in rural counties compared to beneficiaries living in urban counties, underscoring the importance of policy measures to improve access to efficient and clinically effective home-based care.

## What is the Rural Safeguard?

The rural safeguard provides a three percent payment differential to home health providers operating in rural settings. This safeguard is especially important for seniors residing in rural communities who are in **poorer health** and who have **reduced access** to healthcare compared to their urban counterparts.

The delivery of home health services in rural areas costs more due to higher travel and staffing costs. A rural safeguard enables providers to overcome cost disparities and ensures the availability of rural home health services.

## **Reinstate Rural Safeguard for Home Health**

Since 2000, Congress has repeatedly recognized the need for a rural safeguard by extending it through various measures, however it is set to expire on December 31, 2017.



Travel cost per episode for patients in rural areas is **36 percent higher** than in non-rural areas (\$229 vs. \$168).



Rural Medicare beneficiaries live more than **twice as far** from their doctor and **nearly twice as far** from the nearest hospital compared to beneficiaries in an urban setting.



Home health agencies (HHAs) in rural areas are usually smaller than their urban counterparts, which means that costs are higher due to smaller scale operations.



In rural areas, **HHAs often serve as the primary caregivers** for their patients who are homebound and have limited access to transportation, requiring more resources than patients in urban areas.

2000

2003

2006

2010

2015

Benefits Improvement and Protection Act (BIPA)

Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA)

Deficit Reduction Act of 2005 (DRA) Patient Protection and Affordable Care Act (ACA) Medicare Access and CHIP Reauthorization Act (MACRA)

CONGRESS: Extend the three percent rural safeguard to protect home health services for America's rural communities