Texas Association for Home Care & Hospice

Protect Home Health Care in Texas

Oppose the Proposed 2026 Medicare Home Health Payment Cuts

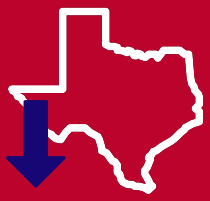
The Centers for Medicare & Medicaid Services' (CMS) proposed 2026 Medicare home health rule would cut payment rates by 9% and reduce funding to home health agencies by over $1 billion, putting essential care for older adults and people with disabilities in Texas and nationwide at risk. **CMS's proposed cuts would severely impact access to lifesaving home-based care, while failing to fix real issues in the system, like fraud, waste, and abuse.**

488

home health agencies have shut down since 2019, with even more at risk of closing their doors

~233,285

home health patients have already lost access to home health since 2019



32% less

agencies providing care since 2019

49%

of patients referred to home health following a hospitalization never received it due to agency capacity constraints and workforce shortages

Home care saves lives.
When home health agencies shut down, patients lose access—driving up ER visits, hospital stays, health care costs and worsening patient outcomes.

We Need Congress To:

- **Oppose** the proposed 2026 Medicare Home Health Rule.
- **Urge CMS** to rescind cuts and preserve critical access to care for patients and families that need it.
- **Cosponsor H.R. 5142 the Home Health Stabilization Act of 2025,** introduced by Representatives Kevin Hern (R-OK) and Terri Sewell (D-AL), which would pause CMS' cuts for two years.

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National Alliance for Care at Home

4 Reasons to Oppose the Proposed Medicare Home Health Rule

1. The Access Crisis Hurts Texas Seniors

- Fifty percent of all U.S. counties lost at least one home health agency since 2020, and 80%+ of counties are treating fewer traditional Medicare patients. - *CMS Market Saturation Data and Trella Health*
- Rural communities will be hit the hardest, and these regions already face long wait times and provider shortages. Over 700 rural hospitals (one-third of all rural hospitals) are at risk of closing in the near future. - *Center for Healthcare Quality and Payment Reform*

2. It Drives Up Healthcare Costs

- Home health reduces costs following a hospital discharge. Home health is more affordable – and it's where patients want to receive care whenever possible.
- Cutting home health drives up overall costs, resulting in increased readmissions, emergency department use, and mortality, and forces patients into high-cost settings. - *CareJourney*

For patients who were referred but did not receive home health care after hospitalization:

Readmissions were	Emergency department use was	Mortality rates were	Total spending was
↑35%	**↑16%**	**↑43%**	**↑5.4%**

3. Fraud and Abuse and Flawed Methods are Causing Unsustainable Payment Cuts

- These cuts are based on flawed data and methodology that fail to distinguish between legitimate providers and fraudulent actors.
- In Los Angeles County alone, more than 1,400 new home health agencies have enrolled since 2020—despite declining patient need—accounting for 9.4% of national Medicare home health spending.
- The entire state of TX Medicare Home health spend is 8.4%
- These Fraudulent providers manipulate coding, cost reports, and quality metrics, inflating reimbursement and skewing national payment models.
- CMS failed to uphold Congress's instruction that overall payments to home health services not increase or decrease due to the new payment system implemented in 2020.
- CMS's math doesn't add up. Medicare's home health spending has gone DOWN since 2020.

4. It Would Force More Closures and Leave Patients Without Care

- Medicare spending and use of home health has already declined by over 12% and 8% between 2019 and 2023, respectively. - MedPAC
- Additional home health agencies will be at heightened risk of closing or scaling back due to underpayment and workforce strain – on top of over 1,000 agencies that have closed since 2019.