



# PROTECT RURAL TEXAS VETERANS



Texas Association for Home Care & Hospice  
Leading ★ Advancing ★ Advocating

## Stop VA Rate Cuts for Veterans

### The Problem

A 49% reduction in total reimbursement rates would impose severe financial strain on providers, significantly limiting their capacity to deliver care to the Veterans who depend on these services

More than one million Texas Veterans face potential loss of vital home-care services under current funding conditions.

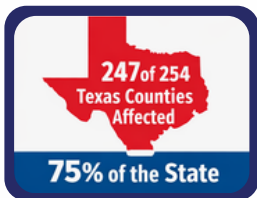
Persistent funding shortfalls threaten the viability of rural providers that deliver critical services to Veterans, undermining their ability to maintain consistent, high-quality care.



### VA Rate Cuts Threaten Care for Over One Million Texas Veterans

As of January 1, the U.S. Department of Veterans Affairs implemented new reimbursement rates for home health services in rural Texas, resulting in a nearly 49% total reduction when combined with an earlier CY2025 cut. This policy threatens home care access for over one million Texas veterans in rural areas where healthcare options are already limited, while also jeopardizing the financial viability of rural home health providers who face higher operating costs.

### Impact on Texas Veterans



- Affects 247 of Texas's 254 counties, with roughly 75% of the state classified as rural.
- Total financial impact equals a 49% reduction in reimbursement (43% new rate cut plus a previous 10% cut).
- Loss of home-based services places Veterans at higher risk of avoidable hospitalizations and nursing home placement.
- Reduced access to home care threatens Veteran independence, health stability, and ability to remain in their communities.

### Consequences for Care Delivery

- **Cost-effectiveness weakened:** Home care reduces hospitalizations and institutional care at lower overall cost, but payment cuts undermine that value.
- **Undermined ROI:** Cutting rates for cost-saving services drives up overall healthcare spending.
- **Provider viability strained:** Rising operating costs—travel, workforce shortages, and wage pressures make the new rates unsustainable.
- **Rural providers hit hardest:** Thin margins and large geographic service areas heighten the risk of rural agency closures.
- **Access to care threatened:** Provider closures and reduced capacity directly limit Veterans' and rural residents' access to essential home care services.

### Contact VA Secretary Doug Collins and urge him to reverse this decision emphasizing

- 1 The immediate threat to healthcare access for rural Texas veterans who already face significant barriers.
- 2 These cuts will drive care to more expensive settings, ultimately increasing VA costs.
- 3 The unsustainable financial burden on rural home health providers, which will lead to closures, reduced access and a diminished quality of life for the veterans who have served our nation.

