Nebraska

Impact of Medicare's Proposed Home Health Cuts

The Centers for Medicare & Medicaid Services (CMS) has proposed a **permanent 7.69% payment cut** to Medicare home health beginning in 2023 and a steep **\$2 billion "clawback" cut** beginning in 2024, with the potential for additional cuts in the years beyond. This cut equates to a **\$1.33 billion cut** from home healthcare in 2023 alone. In total, these cuts could reach **\$18.15 billion** over the next ten years.

Access to Medicare home health services is vital to the health, safety, and rehabilitation of older Americans. If implemented, these payment reductions will jeopardize the stability of this vital sector and risk access to Medicare home health services.





Number of Medicare Home Health Beneficiaries

15,852

Number of Home Health Agencies **64**

Annual Economic Impact of Home Health \$217,185,985

Impact of 7.69% Cut to HH in 2023 **-\$3,544,746**

Impact of \$2B Clawback for Care Provided in 2020 & 2021

-\$8,885,550

Estimated Impact of Clawback for 2022 -\$5,312,611

Total Impact of Cuts in 2023 -\$17,742,906

Impact of Total Cuts as a Percentage of Medicare HH Revenue

21.8% cut out of \$81,230,654

Percentage of Home Health Agencies with Margins Below Zero

48.1%