

Medicare's Rural Home Health Population

Delivering care to vulnerable patient population requires increased services and resources

Recent data from The Moran Company demonstrate the unique characteristics of rural home health beneficiaries, underscoring the need for Medicare policies that protect access to home health, which is the lowest cost post-acute care setting. Medicare home health patients residing in rural settings are – on average – older, sicker, and poorer than the general Medicare population.

Meeting the needs of Medicare's rural home health patients results in measurably higher costs for providers, accentuating the need for measures to protect cost-effective care for underserved populations. Seniors living in rural America have far fewer resources and increased health risks, emphasizing the value home healthcare adds by reducing hospitalizations and healthcare costs:

35%

Rural home health beneficiaries living with **7 or more chronic conditions**

49%

Rural beneficiaries receiving assistance with **2+ Activities of Daily Living (ADLs)**

57%

Rural home health beneficiaries at or below **200% Federal Poverty Line (FPL)**

57%

Rural home health beneficiaries over the **age of 75**

100%

Approximate **longer distance to hospital or physician** for rural patients compared to urban patients

Chronic Conditions More Prevalent in Rural Beneficiaries:

- Hypertension
- High Cholesterol
- Diabetes
- COPD
- Cancer
- Heart Failure
- Stroke
- Complete/ Partial Paralysis
- Alzheimer's

Safeguard America's Seniors

Medicare's home health rural safeguard was put in place in 2000 to ensure older Americans living in rural parts of America were not excluded from receiving home health, and therefore increasing costs for patients forced to seek care in the hospital or physician office setting. Data show the cost of providing Medicare home health to patients in rural areas is significantly higher per patient episode compared to patients in non-rural areas due to increased transportation and staffing costs.

Recognizing the increased costs of treating rural beneficiaries, Medicare provides a reimbursement safeguard for services furnished in rural areas. This enables home health agencies to reach these patients, prevent hospital and nursing facility stays, and reduce Medicare costs.

The three percent rural safeguard is set to expire on December 31, 2017, and must be extended to ensure the availability of skilled home health services to seniors who depend on cost-effective, patient-preferred home health services to age in place at home.

CONGRESS: Protect Rural Seniors' Access to Home Healthcare

SOURCE: The Moran Company, Analysis of Medicare Home Health Beneficiaries, March 2017.