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NEWS RELEASE

Homecare in Pennsylvania: A Priority in Peril

Lemoyne, Pa. (April 22, 2024) – Following the issuance of the final Medicaid Access rule by the Centers for Medicare and Medicaid Services (CMS), the Pennsylvania Homecare Association (PHA), joined stakeholders and advocates in expressing deep concerns regarding its potential impact on Home and Community-Based Services (HCBS) payment adequacy and access to crucial care services.

The proposed rule introduces a nationwide Medicaid pass-through requirement, mandating that at least 80% of all HCBS Medicaid payments be directed towards compensating direct care workers. The remaining 20% would be allocated to cover all other HCBS operational expenses, including rent, quality oversight, regulatory requirements, and investment in technology and innovations. Despite its purported aim to enhance care quality, this provision lacks substantiated evidence and poses a threat to access to home-based care for vulnerable individuals nationwide.

Mia Haney, CEO of the Pennsylvania Homecare Association, issued the following response to the final rule:

“Home care providers in Pennsylvania and across the nation are now faced with a rule that will challenge how providers invest in quality and innovation. Home and Community-Based Services vary in both administration and reimbursement significantly from state to state, yet this rule forces one standard across the country without consideration of differences in programs, patient populations, cost of living or regulatory requirements. The rule lacks any actuarial review of impact to these critical services and threatens America’s ability to age at home.”

This proposed mandate will aggravate – rather than improve – homecare services by inadvertently leading to underinvestment in essential support that contributes to patient well-being.

PHA Board President CJ Rambler responded with the following statement:

“Pennsylvania currently ranks among the lowest in Medicaid fee-for-service (FFS) reimbursement rates for personal assistance services (PAS) within a seven-state radius. Before imposing arbitrary thresholds, Congress must consider the impact this rule will have on access to care and quality of care. The fate of many employers across the country depends on our industry’s next steps.”

PHA advocates for higher wages for caregivers and direct care workers, but also for adequate reimbursement and appropriate regulatory policy to empower the industry to achieve innovative solutions for improving patient outcomes while reducing the overall cost of care. PHA opposes efforts that arbitrarily dictate how private sector employers invest Medicaid funds back into their communities. PHA membership will meet over the following weeks to combat the implementation of this rule in an industry already in crisis due to underfunding and severe workforce shortages.

About PHA... The Pennsylvania Homecare Association is a statewide membership organization of more than 700 homecare, home health, and hospice providers. PHA members provide quality care and serve as advocates for their patients and clients on a variety of healthcare-related issues. PHA and its members work to improve professional standards and ensure access to quality home care throughout the Commonwealth. For more information about PHA and its initiatives, visit <http://www.pahomecare.org>. For media inquiries, please contact media@pahomecare.org.

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