

June 30, 2023

-2.2% Home Health 2024 Rate Proposal

\$2 B Agency Recoupment Punted While CMS Provides IVIG and DME Policy

Relevant Companies



Today, CMS released the proposed 2024 home health agency (HHA) rates in their rule [here](#). Payments to Home Health Agencies (HHAs) are not great for CY 2024 with an estimated - \$375 M decrease.

»» Our Take & Next Up

Rates aren't great for home health agencies in CY24 (proposed). CMS estimates Medicare payments to HH to decrease by -2.2%, a negative for agencies (AMED, UNH, LHCG, HUM). CMS also decided not to recoup \$2.1 B at this time. Legislation to undo CMS payment reductions has been introduced. See details below. Comments will be accepted before final rates are published around Nov 1, 2023. New policies take effect Jan 1, 2024.

»» Key Points

The puts and takes. The -2.2% decrease reflects the effects of the proposed CY 2024 home health payment update of +2.7% (\$460 M increase), an estimated -5.1% from the effects of the permanent behavior adjustment (\$ 870 M decrease), and an estimated +0.2% increase from an update to the fixed-dollar loss ratio (\$ 35 M increase). Proprietary home health agencies' (HHAs) payments projected to decrease -2.3% ...

Contact us to keep reading and learn more.

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