There's No Place Like Home:
Rural Home Health in Washington State

Health care organizations operate in interdependent relationships, and this is magnified in rural communities. When a rural home health agency lacks capacity to see residents, the local rural hospital experiences effects on length of stay and readmissions. Without home health services, clinicians have fewer alternatives to help patients receive care locally in the least restrictive, and often most preferred environment; home.

Home health agencies in rural communities can provide high-quality care that creates desired outcomes while remaining responsive to patient preferences. Their contribution is critically important if aging residents are to retain independence for as long as possible. One study of hospitalized patients with congestive heart failure found that "Medicare paid about $2,500 in the 30 days after discharge for each patient who received home health care, as compared with $10,700 for those admitted to a SNF and $15,000 for those cared for in a rehabilitation hospital."[1]

Home health in rural areas

A national report in 2017 by the Moran Company offered the following facts based on national Medicare Claims data from 2014.

- Fewer beneficiaries receive home health services in rural counties compared to urban counties.
- The number of episodes per fee-for-service (FFS) beneficiary is lower in rural counties than urban counties.
- Home health Medicare beneficiaries have a greater number of chronic conditions per person than all other Medicare beneficiaries.
- Rural home health beneficiaries are more likely to be below 200 percent of the federal poverty level compared to urban beneficiaries.
- A greater proportion of home health Medicare beneficiaries have disabilities compared to all other Medicare beneficiaries.
- Of home health Medicare beneficiaries, 24 percent are more than 85 years old.
- The Medicare cost per beneficiary is lower for home health than for any other post-acute service.
- Not surprisingly, rural home health beneficiaries travel farther to hospitals and physician offices compared to all home health beneficiaries and urban home health beneficiaries (based on ambulance data).

By 2040 it is estimated that 10 rural Washington counties will have greater than 30 percent of their population age 65 and older. Another 12 rural counties will have 25 percent or more of their populations over age 65.

Washington State Department of Health

Interrelated challenges facing Washington rural home health agencies

Under-use and fragile fiscal sustainability

Moving to value-based payment with rural-relevant quality measures

Administrative burden of Medicare

Workforce shortages

Too far and too few: big geography, low population density and small volumes

Lack of community-based resources to help adults age in the rural community

Key rural strategies

The CMS Rural Strategy released in 2018 offers two ideas particularly important to rural home health:

Apply a rural lens to CMS policies and programs.

Advance telehealth and telemedicine.

Sources

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The Moran Company, Analysis of Medicare Home health Beneficiaries, slides prepared for LHC Group. April, 2017.

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Possible federal solutions for consideration

- Reduce use of homebound status and medical necessity.
- Reduce over-regulation.
- Increase incentives and decrease barriers for home health agencies to integrate telemedicine and home tele-monitoring services.
- Create payment and design services for upstream palliative care.
- Integrate more behavioral health approaches into home health services.
- Evaluate the Outcome and Assessment Information Set (OASIS) measures through a rural lens.
- Employ small data set strategies developed by the National Quality Forum (NQF).
- Use the “value-added”lens to decrease documentation requirements.
- Defer to state scope of practice to allow advanced registered nurse practitioners to certify care, revoke face-to-face requirement.
- Create rural waivers of durable medical equipment (DME) requirements.
- Improve integration of rural home health in existing workforce strategies.
- Continue and increase federal rural subsidy (“Add-on payment”).
- Offer incentives and demonstrate sustainable models for aging in rural communities.
- Integrate home health agencies into Critical Access Hospital (CAH) cost reports, payment.
- Create a policy structure that encourages a prevention role for home health teams for older adults as primary care extenders.

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