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Wisconsin Association for Home Health Care: Statement on reimbursement increases

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MADISON – Today, the Governor's Task Force on Caregiving held a public hearing its policy proposals aimed at strengthening Wisconsin's direct care workforce. While the proposed policies encapsulate a wide range of policy initiatives, including various increases in reimbursement rates, the task force has not yet proposed an increase in Medicaid rates for home health care services. Wisconsin Association for Home Health Care (WiAHC) members Greg Von Arx, CEO of Recover Health, and Leah Perras, Executive Director of Transitions at Home, testified at today's public hearing to request the task force propose an increase in rates, which have remained stagnant for over a decade. "Wisconsin is lagging behind the nation in ensuring home health can adequately compete for staffing against other sectors of the healthcare industry despite growing demand for home health care services," Perras said. "Due to Medicaid rates in Wisconsin, home health agencies pay below the state average for the same position across other sectors of the medical industry. As growth in the utilization of home health care services continue, today's workforce challenges will only get worse." Wisconsin is well below the national average when it comes to RNs working in home health settings. RNs working in home health settings make up just 6% of the total nursing workforce in the state, according to the Wisconsin Center for Nursing. Nationally, RNs working in home health settings make up nearly 13% of the total nursing workforce, according to the Bureau of Labor Statistics. Unfortunately, home health agencies regularly lose highly skilled nurses to other sectors, mostly due to compensation potential. According to CMS, patients' homes are considered the ideal care setting, which is causing rapid growth in the industry, faster than most other health care categories since 2013. Increased utilization will also be necessary for the aging Baby Boomer generation.

“While healthcare inflation has grown 32.3% and Low Utilization Payment Adjustment (LUPA) rates, which are federally averaged Medicare rates, have increased by 26%, Wisconsin’s Medicaid reimbursement rate for home health services has increased 0% over the last ten years,” Von Arx told the task force. During the 2019-20 legislative session, WiAHC worked with a large bipartisan group of lawmakers on legislation to increase the Medicaid home health visit rate by 10 percent. The bill, Senate Bill 416/Assembly Bill 447,
received a public hearing in the Senate Health Committee and had considerable support in both the Senate and Assembly. WiAHC is hopeful a recommendation from the task force would assist in increasing awareness on the urgency of the issue facing Wisconsin’s home health agencies. The Wisconsin Association for Home Health Care (WiAHC) is a membership-based association that represents home health care agencies and their staff. WiAHC helps to support the common interests of its members to promote home health care as a quality, cost-effective health care option in our state. Home health care services
are not the same as personal care services. Home health care services are medical, skilled nursing services as opposed to personal care services administered by non-health care professionals.