Establishing a Sustainable Rate Methodology for Home Care Services

Problem
Being able to access needed health and home care services, as opposed to in more costly institutional settings, is the preferred option for most Minnesotans in need of these services. Having robust home health and home care services available around the state allows children with disabilities to be at home with their families, supports young adults to live productive lives in the community, and increases the ability of older adults to remain in a setting that they are familiar with and/or with their family.

The current overall Medical Assistance home health and home care payment rate system is outdated, and current reimbursement rates are increasingly unsustainable for providers, limiting access to home care services around the state. This rate is currently less than one-half of the Medicare rate in Minnesota. Additionally, Minnesota’s current skilled nursing rate of $75/visit compares with Wisconsin’s $85.50/visit and Iowa’s $110/visit. In order to ensure access to home health and home care services, Minnesota service providers must cover operational costs as well as attract quality staff in our state’s competitive job market. Increased reimbursement rates are essential to being able to do this.

Solution
Establishing a mechanism to better align home health and home care nursing services with federally established market rate adjustments is essential to ensuring the long-term viability of, and access to, home care services throughout Minnesota.

Support SF 3354/HF 3519 (Senators Relph, Hayden, Hoffman, Utke, Abeler, Representatives Acomb, Schomacker), which establishes a new rate setting methodology to increase the long-term viability of the home health and home care services that support children and adults with disabilities and older Minnesotans to receive the care and services they need to live well in their homes and communities.