



## **NEWS RELEASE**

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### **Pennsylvania Homecare Association Responds to Misinformation from Nursing Home Advocacy Group**

HARRISBURG (April 9) – The Executive Director of the Pennsylvania Homecare Association (PHA) said today that a claim by nursing home interests that home health care is draining resources from nursing homes is “factually false and destructive to broad-based efforts to make limited public dollars go further in providing medical and health services for all Pennsylvanians.”

Vicki Hoak, the PHA director, said, “The nursing home industry has seen its reimbursement rates climb 22 percent in just the past five years. By contrast, home health care providers have not seen an increase in reimbursement rates for four years. Before that increase, the reimbursement rate had been stagnant for thirteen years.”

Currently, home health professionals receive \$77 dollars in Medicaid reimbursements for each home visit. The Department of Health has estimated that each home health care visit costs about \$104, a figure that rises with each increase in the price of gasoline.

Hoak was responding to published reports Tuesday in which nursing home advocacy groups blame home health care for a perceived funding shortage for institutional care. The Department of Public Welfare has also disputed the nursing home industry’s claim that home health care dollars are draining money from nursing homes.

“Home care professionals save the Commonwealth untold dollars every year,” said Hoak noting that 190,000 Pennsylvanians receive home visits each week. “Home health care costs about \$21,000 a year, as opposed to \$58,000 for nursing home care. Every patient we can keep out of nursing home care saves dollars for those who need institutional care the most.”

Finally, Hoak said that both services are crucial to Pennsylvania, and that one should not be blaming the other for its own perceived funding shortfalls.

“The Rendell Administration saw very early on the advantages of home health care, and specifically, moving more patients to in-home care as opposed to nursing home care,” she said. “But we also realize that nursing homes will continue to play a major role in the health care future of Pennsylvanians. We should be working together, not at odds, to address our financial concerns as the General Assembly works to enact a spending plan for the upcoming fiscal year.”

## **Homecare Fast Facts**

- Home health care provides medical as well as non-medical services so people can recover and be treated for illnesses in the comfort of their home. It has been proven that home health care providers see a lower rate of hospital re-admittance than individuals who are treated in nursing homes.
- Gov. Ed Rendell and his administration have acknowledged the cost effectiveness of home health care and have pledged to lower nursing home numbers and increase the amount of individuals utilizing home healthcare.
- Home health care costs about \$21,000 per year, as apposed to \$58,000 per year for nursing home care.
- A study performed by the Department of Health concluded that each home visit costs about \$104. Currently, only \$77 is reimbursed to a home health agency each medical visit.
- An increase to a \$100 reimbursement for each home health care visit would allow more individuals to experience at-home care, and the personalized treatment they deserve while healing.
- Home health agencies are being forced to close because the overhead costs of providing care, including the rising price of gasoline, workman’s compensation insurance and the cost of nursing professionals well outweigh the reimbursement for care.

- A study conducted by Carnegie Mellon University and Blue Shield of California of 700 patients with congestive heart failure, showed the use of home health care was able to save an estimated \$18,000 per patient, and reduced hospital admissions by 38 percent.
- On average, home health care agencies provide care for more than 190,000 people per week and drive an annual 210 million miles per year to bring health care into the home.

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