

VNS Health CEO Dan Savitt Advocates Against Cuts to Medicare Home Health Reimbursements

VNS Health has seen referrals to its programs continue to rise, even though the capacity to take those referrals continues to decrease due to Medicare cuts.

Medicare cuts to home care reimbursements are expected to total nearly 10% for 2023 and 2024, with more potential cuts on the horizon. In his continuing role as a leading advocate against these cuts, VNS Health President and CEO Dan Savitt recently gave an in-depth Q&A to *Crain's Health Pulse*. In the interview, Savitt warned that these reductions are threatening the survival of home health care organizations and making home care services less accessible to underserved populations.

"As people age, the need for home- and community-based care increases, that's the simple math," Savitt told *Crain's*. "We've seen referrals to our programs across our communities continue to rise, even though the capacity to take those referrals for needed care continues to decrease."

Savitt went on to outline the reasons for the decrease. "Reimbursement already does not fully cover the cost of delivering these services, especially in those areas that experience the most health disparities," he observed. "And then you have a major shortage of nursing capacity on top of that. The result is we take less of the referrals that come

in. So there's less care for the community." These factors are also resulting in significant financial losses for home care providers, he added.

Ultimately, Savitt concluded, the issue comes down to priorities. Although the state and federal governments are expressing a desire to close the health equity gap, he noted, "the payment mechanisms and budgeting are not aligned with reducing health disparities. We continue to see disparities widen in these communities, and we need to do something about it as a health care system—not just the home care community. We need the hospitals and physicians to step up and say, 'My patients are not getting access to care.' And we need our partners in the community to help advocate with us to make sure that we have adequate funding for delivering home- and community-based care."

Source

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