

Protect and Strengthen Medicare

Medicare Coverage Gaps: Care Inside the Home and DME in the Community



The Problem

Medicare does not cover most long-term services and supports (LTSS) or durable medical equipment for use outside of the home. While home health should be more widely available, beneficiaries often find coverage inaccessible because of information gaps and onerous requirements, and the benefit is not integrated into other care and supports that people need in their homes. This results in patchworks of coverage that are difficult to manage, confusing and inefficient.

Background

Medicare is vital for older adults and people with disabilities and their families. But the Medicare program leaves some beneficiaries behind by not covering needed services. Lack of LTSS means that many people who need these services either **try to muddle through without the help they need** or burn through their resources paying out-of-pocket until they eventually are eligible for Medicaid. Meanwhile, people with Medicare may be missing out on opportunities to retain their best functioning and to receive care and support through Home- and Community-Based Services, which allow people with significant physical and cognitive limitations to live in their home or a home-like setting and remain integrated with the community. Further, lack of access to **durable medical equipment** for use outside of the home leaves too many Medicare beneficiaries without the resources to fully participate in their communities and pushes people into institutional settings against their wishes.

Case Studies

Mr. F, a Medicare Rights client, struggles to make his doctor's appointments because his portable oxygen concentrator's battery does not last long enough for him to complete his travel. The restrictions on durable medical equipment (DME) do not allow him to get a bigger battery because DME is only covered for in-home use.

Mr. P has Parkinson's and polio. His doctor approved him for 35 hours from a home aid weekly, including hours over the weekend. However, his plan only gave him 12 hours, and claimed there was in-network provider who could give more hours and no possibility of weekend care. When they asked to go out-of-network, the plan ignored their request.

Mr. B exhausted his Medicare coverage of his skilled nursing facility and did not qualify for a new benefit period. He filed an appeal and was denied. But Mr. B could not return home because of a serious bedsore which requires further care before discharge. His family paid \$700 per day while trying to get Mr. B sent home with provisions for a visiting nurse and physical therapy.

Possible Solutions

- **Increase Parity.** Increase parity between traditional Medicare and Medicare Advantage by expanding the availability of supplemental benefits to traditional Medicare. People with traditional Medicare have been left behind, without valuable supports and services that could help them stay in their homes and out of emergency, acute, or long-term institutions.
- **Extend LTSS.** Extend long-term services and supports to Medicare beneficiaries as a standard benefit. Currently, Medicare saves money in the short term by abandoning beneficiaries with long-term care needs to go it alone and suffer potentially harmful (and more expensive) consequences or to seek coverage through the Medicaid program. This does not save the federal government money overall and may, instead, lead to more need for acute or emergency services as Medicare beneficiaries attempt to stay in their homes without necessary care. In addition, Medicaid does not guarantee access to home- and community-based services in all states, resulting in increased institutionalization.

- **Expand Home Health.** Eliminate the requirement that Medicare beneficiaries be “homebound” and that they meet several other technical requirements to receive care at home. Congress should expand Medicare coverage for homecare and home health care services, both to reduce overall costs and to allow older adults and people with disabilities to stay in their homes and communities safely.
- **Expand DME.** Revise durable medical equipment (DME) coverage criteria in the Medicare program to include DME that is needed outside the home. Coverage should be based on the functional requirements of the individual living in their chosen setting, but current limitations restrict access to DME for some who are in skilled nursing facilities and altogether ignore a beneficiary’s need to safely navigate in the community.
- **Help Families.** Create a caregiver tax credit and pass federal paid family and medical leave that recognizes how family caregivers provide vital care for relatives, friends, and neighbors of all ages.

Medicare and Medicaid often work together to provide coverage for beneficiaries. This means improvements to the Medicaid program will help millions of people with Medicare as well:

- **Require HCBS Coverage.** Make HCBS a required Medicaid benefit at least on par with current institutional care. Currently, states may choose to limit or deny HCBS coverage because it is an optional benefit established through waiver programs.
- **Improve HCBS Coverage.** Expand HCBS coverage and access through legislation similar to the [Better Care Better Jobs Act \(S.2210\)](#) to expand eligibility, strengthen the HCBS workforce, and improve the quality and accountability of HCBS in states.
- **Make Medicaid Programs Permanent.** Make permanent the Medicaid Money Follows the Person program funding which helps to transition beneficiaries out of institutions into the community and make permanent the Medicaid HCBS spousal impoverishment protections which help to protect beneficiaries who receive care in their homes.