

Occupational Therapy in Medicare Home Health

Support the *Medicare Home Health Accessibility Act* (H.R. 2013)

Background

Occupational therapists (OTs) and occupational therapy assistants have long been recognized as essential providers of home health care services under Medicare Part A. However, **occupational therapy (OT) is the only skilled service that does not qualify a beneficiary for the Part A home health benefit**. As a result, OT services cannot be provided in a beneficiary's home unless nursing or another therapy service is also ordered at the start of care.

This limitation can prevent Medicare beneficiaries from receiving OT services that would help them remain safely at home and avoid costly rehospitalizations. For example, individuals with low vision, dementia, diabetes, or COPD may benefit significantly from OT, even if they do not require nursing, physical therapy, or speech services.

What the Bill Does

The Medicare Home Health Accessibility Act (H.R. 2013) was introduced by Reps. Lloyd Smucker, Lloyd Doggett, Dr. John Joyce, and Paul Tonko. The bill would allow **OT to be ordered as a stand-alone home health service under Medicare when clinically appropriate**.

OT was originally a qualifying Part A home health service in 1980 but was reclassified in 1981 due to budget constraints. Since then, Medicare's home health payment model has evolved—most recently with the Patient Driven Groupings Model (PDGM) in 2020, which reimburses based on patient characteristics rather than service volume. H.R. 2013 would enhance this model by allowing more tailored care.

The bill does not alter the Condition of Participation requiring nurses to open cases when nursing is ordered. It builds on 2020 legislation that allows OTs to conduct Initial and Comprehensive Assessments when ordered with physical or speech therapy. H.R. 2013 simply **permits OT to be the only service ordered when appropriate**.

Why It Matters

Allowing OT to be ordered independently would expand access to critical services for Medicare beneficiaries—especially those who may not need other therapies but still face functional challenges at home. This change could reduce hospitalizations, improve quality of life, and generate long-term savings for Medicare.

A budget analysis by The Moran Company estimated a **10-year cost of \$223 million**, not accounting for potential savings from avoided hospitalizations. Research has shown that **OT-led home safety evaluations and low-cost modifications** can significantly **reduce disability and healthcare costs**.¹²³⁴

**Please co-sponsor H.R. 2013,
the *Medicare Home Health Accessibility Act*.**

Endorsed by: ADVION, National Alliance for Care at Home, National Association of Rehabilitation Providers & Agencies (NARA), National Rural Health Association (NRHA)

Contact Andy Bopp, abopp@aota.org for additional information.

¹ <https://journals.sagepub.com/doi/10.1177/1077558716666981>

² <https://agsjournals.onlinelibrary.wiley.com/doi/abs/10.1111/jgs.15143>

³ <https://www.healthaffairs.org/doi/10.1377/hlthaff.2016.1305>

⁴ <https://www.healthaffairs.org/doi/10.1377/hlthaff.2016.0140>

Support the Medicare Home Health Accessibility Act

Establishing occupational therapy (OT) as a Medicare home health qualifying service will help seniors avoid costly interventions.

1 in 4 seniors 65+ has



a fall annually

Total = 29 million falls¹



3 million

emergency
department visits¹



950,000

hospitalizations,
or rehab stays¹



32,000

deaths from fall-
related injuries¹

Economic Cost

The US spends \$50 billion annually related to falls.²

Cost-Benefit of OT

A recent study indicated home modifications delivered by OT showed potential to avert \$442 million in direct medical costs and prevent nearly 1/3 of falls among seniors.³ Another study found that OT home assessment reduced falls by 40% in high-risk seniors.⁴

Evidence also shows that OT-led home modifications reduced hospital readmissions, saving \$22,120 per senior over two years.⁵⁻⁶

Further research demonstrates that seniors participating in OT-led home modifications experienced a 30% decrease in disability in basic self-care, as well as reduced depression and pain.⁶⁻⁷

Additionally, a 2023 study found that two OT home modification visits were cost-effective to support successful aging at home compared to paid caregiving or institutional care.⁸

Role of OT in the Home: Fall Prevention

Assess physical, behavioral, and environmental factors and provide intervention to reduce fall and injury risk, improve home safety, and maximize function so seniors remain independent in their homes.⁹

1 in 9 seniors 65+ has



Alzheimer's dementia

Total = 6.7 million Americans¹⁰



32%

seniors with
dementia
hospitalized
annually¹⁰



18 billion

hours of care
provided by
informal
caregivers¹⁰



\$340 billion

unpaid care
provided by
informal
caregivers¹⁰

Economic Cost

The US spends \$345 billion annually related to dementia.¹⁰

Cost-Benefit of OT

Evidence shows that an OT-led home support program for seniors with dementia and their informal caregivers: 1) saved \$6,667 in annual medical costs, 2) improved seniors' ability to engage in daily activities, and 3) enhanced caregivers' well-being and skills.¹¹⁻¹² These seniors demonstrated fewer behavioral symptoms, enabling them to live at home longer by reducing triggers for hospital stays, nursing home placements, and excessive medication use.¹¹

Other studies indicate that an OT dementia support program delivered in the home increased seniors' daily functioning and reduced caregiver burden by managing challenging behaviors.¹³⁻¹⁴

Analyses of another OT home program for seniors with dementia and their caregivers improved mood, quality of life, and health status of both seniors and their caregivers, saving an average of \$2,621 over three months.¹⁵⁻¹⁶

Role of OT in the Home: Dementia Care

Train caregivers how to adapt daily routines, modify the environment, use effective communication strategies, and handle challenging behaviors when caring for seniors with dementia.¹⁷

9 in 10 seniors 60+ have



at least 1 chronic condition

Total = 45.6 million Americans¹⁸



1/3

of deaths are caused by heart disease or stroke (leading cause)¹⁹



\$37 billion

spent annually on complications from type 2 diabetes²⁰



41.9%

have obesity, increasing risk for other conditions²¹

Economic Cost

The US spends \$4.1 trillion annually related to chronic conditions.¹⁸

Cost-Benefit of OT

A recent study found that seniors with multiple chronic conditions who participated in an OT-led self-management program saved an average of \$2,548 in healthcare costs over 6 months.²² These seniors also reported improved quality of life and demonstrated increased independence in daily activities.²³

Research also demonstrates that preventative OT is cost-effective; seniors at high risk for poor health because of disparities showed improved mental well-being after modifying their lifestyles in collaboration with an occupational therapist.²⁴

A 2022 review of numerous studies shows that OT interventions focusing on habits and routines are effective in improving the health and quality of life of seniors with chronic conditions or disabilities in a variety of settings, including the home.²⁵

Role of OT in the Home: Chronic Disease

Enable seniors to live healthy, productive lives by addressing social and environmental barriers, increasing awareness of chronic disease through education, enhancing motivation for behavior change, and modifying habits and routines.²⁶

1 in 4 seniors 71+ has



low vision or blindness

(after correction)

Total = 8 million Americans²⁷



90%

of blindness caused by diabetes is preventable²⁸



2x the falls

reported annually by seniors with visual impairment²⁹



30%

of seniors with macular degeneration develop depression³⁰

Economic Cost

The US spends \$134 billion annually related to vision loss.³¹

Cost-Benefit of OT

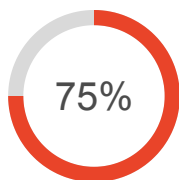
Evidence shows that home-based OT providing low vision rehabilitation and training in adaptive activities increased engagement in daily activities and reduced the incidence of severe depression in high-risk seniors with age-related macular degeneration.³⁰

Another study found that an OT home safety program for seniors with severe visual impairment resulted in 41% fewer falls and was more cost-effective than an exercise program even when combined with vitamin D supplementation.³²

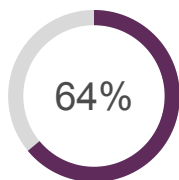
Role of OT in the Home: Low Vision

Assist seniors to modify daily activities, adapt the environment, manage related comorbidities, and learn new skills--such as assistive technology--to cope with progressive vision loss and prevent accidents and injuries.³³

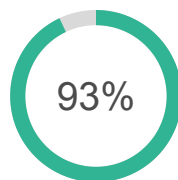
Medicare and Medicaid pay for:



healthcare costs related to falls²



healthcare costs related to dementia¹⁰



healthcare costs related to chronic disease³⁴

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