**Texas Association for Home Care & Hospice’s (TAHC&H)**

**2023 Federal Legislative Priorities**

**Ensure appropriate and adequate reimbursement for Medicare home health services and hospice**

Medicare home health agencies (HHAs) have had to operate with payment rate cuts that exceed any other provider sector. In addition, recent payment changes like the Patient-Driven Groupings Model (PDGM), significantly changed the home health benefit and created additional challenges for providers and patients. CMS continues to apply a presumptive 4.36% behavior adjustment despite lack of real-time data on actual behavioral changes which can lead to unfair rate cuts. Further, the agency has indicated plans to impose a permanent 7.85% cut to Medicare home health agencies over the next two years, along with an additional $3.5 billion in claw backs despite limited data to justify these cuts. A rising referral rejection rate (49% in 2020 to 71% in 2022), likely due to workforce shortages or capacity constraints, means fewer Medicare beneficiaries are able to access home health services post-pandemic. Continued reimbursement reductions will compound these access problems, leading to costlier care and worse outcomes for patients. TAHC&H encourages CMS to work with stakeholders to revise how it rebases payment rates; evaluate how the market basket index is determined so that annual cost increases are considered; and develop an improved wage index approach that is equitably applied to all Medicare providers. **TAHC&H urges against additional reductions to the home health benefit. Further cuts will jeopardize access to home health care, which is broadly preferred by Medicare beneficiaries, and helps patients avoid costly hospital and nursing home stays.**

**Support a well-qualified and reliable home care workforce**

The pandemic has increased reliance on care in the home, and coupled with the demand of a growing aging population, home health agencies (HHA) are confronted with dire shortages of critical front-line nurses and aides. The majority of home health providers are small businesses that cannot compete with the competitive financial offerings of staffing and travel nurse agencies. This is leading to overextended nurses with increased workloads who are ultimately leaving home health for better paying opportunities or because of burn-out, leaving HHAs unable to serve the patient population. The vaccine mandate for health care workers further compounds the staffing crisis, due to vaccine hesitancy and compliance requirements. **TAHC&H urges Congress to consider proactive recruitment and retention policies that ensure that health care providers can address workforce challenges to meet the needs of patients and the rising demand for care in the home.**

**Increase telehealth flexibility in the home health benefit**

Despite some COVID-19 flexibilities to provide virtual care, the home health reimbursement model strongly favors face-to-face visits. And, while in-person care is ideal, telehealth (including telephonic, telemonitoring and video conferencing) enables providers to deliver care safely and effectively. During the pandemic telehealth has minimized exposure to COVID-19 for both clinicians and patients, many of whom have expressed concern regarding clinicians entering their homes. Currently, the Medicare home health benefit does not permit the inclusion of telehealth as a reimbursable service as part of a patient’s plan of care. Yet many HHAs have found great value for their patients by including telehealth services in the delivery of home health care. Telehealth in the home health setting enables patient and clinician contact, care, advice, reminders, training and education, intervention, monitoring, and remote admissions — we urge policymakers to consider allowing HHAs to be reimbursed for the use of this technology as way to improve quality and efficiency in providing care in the home. **TAHC&H supports permanently allowing HHAs to be adequately reimbursed for telehealth when part of a patient’s plan of care. TAHCH encourages CMS to consider payment mechanisms for the utilization of telehealth in the home health benefit after the conclusion of the PHE.**

**New Research Shows Hospice Care Reduces Medicare Costs**

The vast majority of the more than 5,300 Medicare-certified hospices across the nation honor the spirit of the original hospice mission by providing high-quality, holistic care to dying individuals and their families. Sadly, the recent entry of some opportunistic operators unconcerned with patient welfare are taking advantage of gaps in the hospice oversight infrastructure for their own ill-gotten financial gain, defrauding Medicare and harming the most vulnerable beneficiaries in the process. Yet, the value of hospice in Medicare cannot be overstated to the majority of patients and families who access this benefit - hospice care is associated with increased satisfaction and quality of life, improved pain control, and reduced physical and emotional distress. According to new research conducted by NORC at the University of Chicago, hospice care contributed to $3.5 billion in Medicare savings in 2019, and is associated with lower Medicare end-of-life expenditures when hospice lengths of stay are longer than 10 days. Hospice not only improves the lives of patients and their families, but also provides excellent value for the taxpayer. Should Congress consider hospice reforms, TAHC&H encourages targeted program integrity solutions to identify and crack down on those who would intentionally exploit the Medicare hospice benefit, rather than a state-wide moratoria on new hospice licenses which would negatively impact access to hospice in an entrepreneurial state like Texas that is geographically and demographically diverse.

**Create an enhanced home health benefit as an alternative to institutional care.** The pandemic necessitated an increase in the need for skilled medical care in the home, and taught us that care in the home is not only pragmatic and convenient, but safe and cost-effective, as well. TAHC&H urges Congress to consider legislation that creates an add-on to the existing Medicare home health benefit to allow qualifying Medicare patients to receive post-hospital services in their homes. This new benefit would be available for patients that are eligible for both skilled nursing facility (SNF) and home health agency (HHA) care. It includes a 30-day unit of service and up to 24-hour care and medical supervision, with no cost-sharing. It combines the Medicare Home Health Benefit with additional supportive care services, such as personal care; non-emergent transportation; nutritious meals; additional remote patient monitoring and telehealth services; and adaptive equipment for the home. **TAHC&H supports modernizing Medicare’s “post-acute” benefits by building in a clear choice for home-based recovery in qualifying cases, which would save beneficiaries and the Medicare program money, and provide a new alternative post-acute benefit that allows recovery in the most comfortable and cost-efficient setting – the home.**

**Pass legislation to reform Medicare Recovery Audit Contractors (RACs) and United Program Integrity Contractors (UPICs)**

CMS contracts with for-profit companies called RACs to audit and recoup improper payments from Medicare providers; and UPICSs to prevent, detect and deter Medicare fraud. CMS and Congress must undertake comprehensive reform of the audit processes to make it more accurate, fair and transparent. TAHC&H fully supports efforts to ensure ethical billing practices. Yet RACs and UPICs too frequently utilize questionable tactics, faulty data, unreasonable extrapolation practices and sloppy processes resulting in a staggering number of recoupments and provider appeals to the HHS Office of Medicare Hearings and Appeals (OMHA). Inappropriate payment denials leave home health agencies with no other option but to appeal to the Administrative Law Judge (ALJ) that is backlogged over 3 years in order to receive payment for medically necessary services they delivered to Medicare beneficiaries. **TAHC&H urges Congress to continue its oversight of CMS’ audit programs, and consider legislation that encourages a fair and targeted claims auditing process.**