Centers for Medicare &

Medicaid Services, Department of

Health and Human Services, Attention:

CMS–1780–P, P.O. Box 8013, Baltimore,

MD 21244–8013.

Re: CMS–1780–P; RIN 0938–AV03

Thank you for the opportunity to provide comment on the proposed rules within “Medicare Program; Calendar Year (CY)2024 Home Health (HH) Prospective Payment System Rate Update” 88 Fed. Reg. 43654 (July 10, 2023).

[insert name of organization] provides home health services in [list states where org provides home health services]. Specifically, we serve [list primary cities and counties served]. We have been a Medicare participating home health agency since [year] and currently have a patient census of [2022 home health census]. We are very concerned about the likely impact of the proposed payment rate cuts on our ability to continue to serve individuals in our community that need home health services. As such, we hope the following information will be useful as CMS takes steps to finalize the 2024 Medicare home health services payment rates. We understand that CMS has the authority to determine the time and manner of applying any rate adjustments under the payment model, PDGM. We respectfully ask that CMS withhold the imposition of any of the proposed rate cuts in 2024 as doing so will further reduce care access in our community beyond the already reduced access.

[include any of the following paragraphs that fit your agency’s specific circumstances]

Since 2019, we have experienced a significant reduction in our ability to serve home health patients. While there have been a number of factors contributing to the decline in care availability, the reimbursements under PDGM are definitely a major factor. In 2019, we had a patient/referral acceptance rate of \_\_\_\_%. In 2023, that rate has dropped to \_\_\_\_\_%. Staff shortages have been a big factor in that decline with our inability to compete for staff with other health sectors greatly affected by reduced Medicare reimbursements is the main reason. [include an example, if available on specific hiring difficulties such as hospitals offering bonuses or the frequency that nurses have declined a job offer]

1. We have seen our labor costs rise at a level that is unprecedented. For example, our cost of nursing staff in 2021 and 2022 increased by \_\_\_\_\_% over 2020. In 2023, while the cost increase may have slowed, it has done so in the context of the past increases staying in place while reimbursement has not correspondingly increased consistent with our cost increases. Likewise, non-labor costs have also increased far beyond any change in payment rates. [list some examples such as health insurance, workers compensation, office expenses, etc.]
2. To address these and other financial stresses, our agency has had to take steps to reduce costs. However, our only real cost reduction options come at the expense of reduced care access. Over the last two years, we have [include all that is applicable] [delayed admissions of patients into care], [reduced the area we have served], [close admissions periodically], [closed branch offices], [eliminated specialty programs], [dropped remote patient monitoring or telehealth visits], [stopped accepting Medicare Advantage or Medicaid patients], [other steps taken that reduce care access]. The current financial stresses will be greatly exacerbated by the proposed 5.63% rate cut for 2024.
3. We are not the only home health agency facing the financial stresses that are reducing care access. We are aware that other agencies have closed operations or reduced services in our service area or elsewhere in the state. [provide any examples available]. In some cases, there are not home health agencies to fill the resulting gap in care.
4. If the proposed rate cuts are implemented in 2024, this organization will be faced with the difficult decision on whether we remain open at all.

Our services are very valuable to the patients we serve. The reduction and loss in care access has extended hospital stays, pushed patients to institutional care, and left individuals with care. That also has negative consequences for Medicare, we ask that you not institute the proposed rate cuts and work with us to solve the problems in access that are only increasing.