November 25, 2019

The Honorable Jodey Arrington
1029 Longworth House Office Building
Washington, D.C. 20515

The Honorable Terri Sewell
2201 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Danny Davis
2159 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Brad Wenstrup
2419 Rayburn House Office Building
Washington, D.C. 20515

Dear Members of the Rural and Underserved Communities Health Task Force,

Thank you for the opportunity to submit comments to the Rural and Underserved Communities Health Task Force ("Task Force"). The Texas Association for Home Care & Hospice ("TAHC&H") represents over 1,100 licensed home care and hospice agencies across Texas, many of whom provide Medicare home health services to beneficiaries in Texas. We are pleased that the House Ways and Means Committee and the Task Force clearly recognizes the rural health crisis across the country and is committed to advancing legislation that improves health care outcomes within underserved communities. Our comments will focus specifically on the negative affect the phase down of the rural home health add-on payment is having on access to home health care in rural areas. TAHC&H urges Congress to reconsider this policy and maintain the rural add-on payment at the longstanding 3 percent in order to protect Medicare beneficiaries' access to home health in rural communities.

Patients living in remote or rural areas of the country face a variety of obstacles when it comes to accessing the health care system. From economic issues to cultural and social differences, the provision of home health services in rural areas is unique and very different than in urban areas. In order to serve rural patients, home health agencies are faced with significantly higher costs due to the additional travel time needed to reach patients, and the higher transportation expenses of home health medical professionals having to drive much longer distances to reach a patient. Rural home health agencies operate differently than urban agencies, and have fixed costs that are often spread out over a smaller patient population and fewer visits. The Bipartisan Budget Act of 2018 included a five-year extension of the home health rural add-on, but required a targeted reduction of the add-on payment that hit rural providers at the beginning of 2019. The payment adjustment will be fully eliminated by 2023. Rural home health agencies, which often operate in large geographic areas as the only home health provider, are facing increased financial pressure to keep their doors open and serve Medicare

beneficiaries. There is real concern that if any of these agencies close, rural Medicare patients will no longer have the option to receive medically necessary, cost efficient care in their homes.

As the Task Force is aware, rural hospitals cannot keep their doors open. In Texas, twenty hospitals have closed since 2010, the most of any state. Home health is often the last access point for health care for patients that live in rural areas. Therefore, now is not the time to reduce to payments to home health providers that serve or want to serve rural beneficiaries. I would urge that this Committee consider completely restoring the home health rural adjustment. A loss of access to home care in rural areas negatively impacts patients and often shifts costs to more expensive, less accessible institutional care – since patients may be hesitant to seek needed medical care if it means having to travel far from home. Further, physician shortages and the loss of small, rural hospitals tend to have a greater effect on poor, minorities and elderly patients with chronic health conditions. Home care brings great value to rural residents as it helps prevent the need for urgent care, inpatient hospitalizations, or institutional care that can be a great distance from a patient's home and family.

We look forward to working with you to ensure the sustainability of home health as a care option for Medicare beneficiaries in rural areas. We encourage the Committee to pass legislation that permanently extends the 3 percent rural adjustment and does not include a reduction in payments to rural home health agencies. Home health is by nature a cost-saver to the Medicare program and the preferred care option of patients. Additionally, home health may be the only lifeline to medical services for rural patients and Medicare beneficiaries. Thank you for your consideration of our comments. Please do not hesitate to contact me should you have any questions.

Sincerely,

Rachel Hammon, RN, BSN,
Executive Director, Texas Association for Home Care & Hospice