

Chairman of the Board

228 Seventh Street, SE, Washington, DC 20003 • Ph: 202/547-7424 • 202/547-3540 fax

William A. Dombi, Esq. President

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CMS, Office of Strategic Operations and Regulatory Affairs, Division of Regulations Development Room C4-26-05 7500 Security Boulevard Baltimore, Maryland 21244–1850.

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To Whom it May Concern:

Since 1982, the National Association for Home Care & Hospice (NAHC) has been the leading association representing the interests of home health, hospice and home care providers across the nation, including the home caregiving staff and the patients and families they serve. Our members are providers of all sizes and types -- from small rural agencies to large national companies -- and including government-based providers, nonprofit organizations, systems-based entities and public corporations.

NAHC has a particular interest in the Review Choice Demonstration (RCD) and its impact on home health agencies (HHAs). NAHC continues to have concerns over the cost of the demonstration for both HHAs and the federal government.

Financial burden

The Centers for Medicare & Medicaid Services (CMS) estimates that the costs to the federal government associated with performing review for home health services under the demonstration would be approximately \$443.5 million over the 5-year demonstration period. Additionally, the estimate annual costs for HHAs in the five states currently under the demonstration will be close to \$27 million. The cost would increase to \$49.1 million annually for HHAs if CMS were to expand the demonstration to all the 16 states under Palmetto/JM jurisdiction.

The revised demonstration, RCD, was resumed in Illinois in December 2018, and has expanded to all five states throughout 2019-2021. Although there have been some interruptions in the demonstration due to the COVID-19 public health emergency, CMS should have sufficient data to provide the actual cost of the RCD to HHAs and the federal government. CMS should also be able to provide preliminary data on whether there has been any actual or anticipated cost savings to home health agencies and the federal government related to the demonstration project.

Recommendations: CMS should report the actual annual cost of the RCD for HHAs and the federal government, along with annual updates on the actual and anticipated return on the investment in implementing the RCD.

CMS noted that they have the option to expand the RCD to all states in the Palmetto/JM jurisdiction. This would include the states of Illinois, Ohio, North Carolina, Florida, and Texas, Oklahoma, Tennessee, Louisiana, Georgia, Alabama, Indiana, Mississippi, Kentucky, South Carolina, Arkansas, and New Mexico. CMS also provides an estimated cost for HHAs if the demonstration were to be expanded to all 16 states.

Recommendations: CMS should not expand the RCD further until a full actual accounting of cost and benefits of an expansion has been developed. Additionally, CMS should issue a notice of proposed rulemaking announcing any plans to expand the RCD, and provide not less than 6 months for additional states to prepare.

Thank you for the opportunity to submit these comments.

Sincerely,

Mary K. Carr

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V.P. for Regulatory Affairs