



October 2, 2023

The Honorable Ron Wyden
Chair
Senate Committee on Finance
Washington, D.C. 20510

The Honorable Mike Crapo
Ranking Member
Senate Committee on Finance
Washington, D.C. 20510

RE: September 19 “Aging in Place: The Vital Role of Home Health in Access to Care” Hearing

Dear Chair Wyden and Ranking Member Crapo:

The Healthcare Leadership Council (HLC) thanks you for holding a hearing on, “Aging in Place: The Vital Role of Home Health in Access to Care.”

HLC is a coalition of chief executives from all disciplines within American healthcare. It is the exclusive forum for the nation’s healthcare leaders to jointly develop policies, plans, and programs to achieve their vision of a 21st century healthcare system that makes affordable high-quality care accessible to all Americans. Members of HLC – hospitals, academic health centers, health plans, pharmaceutical companies, medical device manufacturers, laboratories, biotech firms, health product distributors, post-acute care providers, group purchasing organizations, home care providers, and information technology companies – advocate for measures to increase the quality and efficiency of healthcare through a patient-centered approach.

Over the past several years we have seen the value of telehealth in healthcare delivery, especially for vulnerable populations. HLC commends Congress for extending telehealth waivers through the end of 2024 and recommends building upon this foundation by removing the existing prohibitions under Section 1834(m) of the Social Security Act that prevents patients from receiving telehealth services where they are located. Limiting telehealth services to originating sites reduces patients’ ability to receive important care in a setting they prefer. These care options recognize the infrastructure challenges many rural communities face and ensure these patients are not left behind in future care innovations. In considering these additional modes of care delivery, we encourage the Committee to make certain that patients are not unduly burdened by additional hurdles to receive telehealth. We also commend Congress for extending the Acute Hospital Care at Home waiver program that allows patients to receive acute care in the home. These tools have shown the ability to deliver high quality and lower cost care where the patient resides. We encourage Congress to make this waiver and the telehealth waiver permanent.

As Congress further explores home health, it is especially important to address the associated challenges related to workforce shortages and the direct care workforce. The direct care workforce comprises about 4.5 million workers, including nearly 2.3 million home care workers; over 700,000 workers in residential care homes; about 580,000 nursing assistants employed in

nursing homes; and nearly 900,000 workers employed in other settings, such as hospitals.¹ This workforce is the backbone of services and supports in healthcare delivery. They play a critical role in supporting the lives of people who have functional limitations because of age or disability. The physical, emotional, and financial challenges direct care workers face cannot be overstated, and, for many, the challenges have increased in recent years.

At a time when we need to be investing in our home health workforce, the Centers for Medicare & Medicaid Services (CMS) proposed cuts to Medicare home health agencies (HHAs), if finalized, will exacerbate the workforce shortage, and have a lasting negative impact on home health delivery. HHA referrals for Medicare beneficiaries are already increasingly being rejected by HHAs. The average referral rejection rate to HHA reached an all-time high of 76 percent in December 2022, up from 54 percent in 2019.² Rather than address this workforce challenge, CMS' FY 2024 reimbursement proposals for HHA would apply an additional -5.653 percent permanent cut to Medicare's HHA rates, which already reflect a -3.925 percent reduction put in place for CY 2023. As agencies continue to struggle with financial pressures and staffing challenges without sufficient payment support, beneficiaries will continue to face unnecessarily extended hospital stays resulting from delays in accessing necessary post-acute services. HLC urges Congress to apply pressure to CMS to reconsider the annual home health payment update.

There is also a significant economic impact for family caregivers who provide about \$600 billion annually in unpaid care to their loved ones. They face out-of-pocket expenses to assist their family members, as well as foregone potential income and retirement savings. An AARP report found that family caregivers, in 2021, spent 36 billion hours caring for adults with chronic, disabling, or serious health conditions with an estimated economic value of \$600 billion.³ Their assistance helps save taxpayer dollars by delaying or preventing more costly nursing home care and unnecessary hospital stays. HLC urges Congress to reintroduce H.R. 3321/S. 1670, the "Credit for Caring Act" which would create a new, nonrefundable federal tax credit of up to \$5,000 for eligible working family caregivers to help address the financial challenges of caregiving. Eligible working family caregivers caring for loved ones of all ages could receive the credit if the care recipient meets certain functional or cognitive limitations or other requirements. This tax credit would help family caregivers who care for non-dependents or who do not live with the person they are assisting.

In addition, HLC urges Congress to pass H.R. 547/S. 100, the "Better Care Better Jobs Act." The bill would strengthen and expand the home and community-based services (HCBS) workforce. The bill enhances Medicaid funding for HCBS through increasing the Federal Medical Assistance Percentage (FMAP) by 10 percent permanently for states that expand access to HCBS and strengthen the HCBS workforce. To receive the enhanced FMAP, states would need to promote access and improve workforce recruitment and retention; update HCBS payment rates every two years with input from stakeholders; ensure increases in HCBS rates are passed through to workers to improve compensation; ensure rates are incorporated into managed care arrangements; and update, develop, and adopt qualification standards and training opportunities for workers and family caregivers.

¹ Placing a Higher Value on Direct Care Workers, The Commonwealth Fund (2021)

<https://www.commonwealthfund.org/publications/2021/jul/placing-higher-value-direct-care-workers>

² The Evolution of Care: An Annual Care Delivery Report, CarePort Health (2023), https://info.wellsky.com/rs/596-FKF-634/images/2023_Evolution_of_Care_Report.pdf.

³ AARP: Valuing the Invaluable: 2023 Update Strengthening Supports for Family Caregivers (March 8, 2023) [Valuing the Invaluable 2023 Update Strengthening Supports for Family Caregivers - AARP Insight on the Issues](#)

HLC looks forward to working with you on steps to support home health services. HLC looks forward to continuing to collaborate with you on this important issue. If you have any questions, please do not hesitate to contact Debbie Witchey at (202) 449-3435 or dwitchey@hlc.org.

Sincerely,

A handwritten signature in black ink, reading "Mary R. Grealy". The signature is fluid and cursive, with the first name "Mary" and last name "Grealy" being the most prominent parts.

Mary R. Grealy
President