



Congress of the United States
House of Representatives
Washington, DC 20515

Protect Medicare for Seniors in Our Nation's Nursing Homes

Dear Colleague:

Please join us in sending the attached letter to Centers for Medicare and Medicaid Services (CMS) Administrator Donald Berwick urging the agency to delay an exceptionally high proposed Medicare payment cut to skilled nursing facilities that is based upon limited data. Our nation's senior citizens, and their families, rely upon skilled nursing facilities for critical health care services. CMS has a responsibility to ensure that Medicare payment policies are supported by accurate data and implemented fairly in order to protect these vulnerable Medicare patients.

Each year, CMS issues a proposed rule establishing Medicare payments for skilled nursing facilities. Typically, the rule provides a basic payment adjustment that reflects cost of living changes since the prior year. However, in this year's proposed rule, CMS offered one option that would significantly reduce Medicare reimbursement for skilled nursing facilities immediately by 12.8 percent. This option was put forward by CMS to account for a potential error in the new payment system that the agency adopted last year for skilled nursing facilities. In developing this option, CMS considered data from only *three months*, instead of a full year. This is an unprecedented approach that would have negative effects for nursing facilities around the country.

The letter to Administrator Berwick urges the agency to take a more measured approach, and thoroughly consider all appropriate data before making such a deep payment cut for skilled nursing facilities. Financial stability is critical to ensuring sustainable, quality long-term care for the 1.7 million Medicare beneficiaries who turn to our nation's nursing homes each year. The men and women who work in these facilities, approximately 3.1 million Americans, are responsible for serving some of the frailest members of our society. We must ensure that the services they provide to Medicare beneficiaries are preserved.

Please join us in urging CMS to thoroughly consider all of the appropriate data over the course of a year before adopting deep Medicare payment cuts for skilled nursing facilities. For more information, contact Jacob Parker (5-5476) with Rep. Latham at jacob.parker@mail.house.gov or Ann Jablon (5-5601) with Rep. Neal at ann.brozek-jablon@mail.house.gov.



TOM LATHAM
Member of Congress



RICHARD E. NEAL
Member of Congress

June XX, 2011

Administrator Donald Berwick
Centers for Medicare & Medicaid Services
Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Dr. Berwick:

We are writing to express our concern over deep Medicare payment cuts proposed by the Centers for Medicare and Medicaid Services (CMS) for skilled nursing facilities (SNFs). The cuts, which would reduce Medicare reimbursement for SNFs immediately by 12.8 percent, are included as one option that the agency is considering as part of its Fiscal Year 2012 Medicare payment policy for SNFs.

Skilled nursing facilities provide critical health care services for our nation's senior citizens. Over 1.7 million Medicare beneficiaries receive long-term and post-acute care services each year in nursing homes. CMS has a responsibility to ensure that Medicare payment policies for these facilities are supported by accurate data and implemented fairly in order to protect these vulnerable Medicare patients.

It is our understanding that the option for a 12.8 percent payment cut was put forward by CMS in order to account for a potential error the agency believes may have occurred when it implemented changes to the Medicare payment system for SNFs last year. However, CMS has based this option on data obtained from only one fiscal quarter, which we believe is unprecedented. Given the limited timeframe, we are concerned that the agency's proposed option is not based upon accurate data.

Financial stability is critical to ensuring sustainable, quality long-term care for Medicare beneficiaries in nursing facilities. The men and women who work in these facilities, approximately 3.1 million Americans, are responsible for serving some of the frailest members of our society. We must ensure that the services they provide to Medicare beneficiaries are preserved.

On behalf of our constituents who receive care in SNFs, we request the agency take a more measured approach and delay any proposed cuts pending a review of data from a full year. If, after reviewing additional data, CMS ultimately determines that comprehensive information supports the need to adjust payments to SNFs, then it should follow its common practice of implementing the reduction over a period of two or three years in order to reduce the potential impact on nursing facility services.

We appreciate your consideration of these concerns.

Sincerely,

CC:
President Obama
Health and Human Services Secretary Kathleen Sebelius