National Rural Health Association

August 26, 2024

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare and Medicaid Services
7500 Security Blvd.
Baltimore, MD 21244

RE: CMS 1803-P; Medicare Program; Calendar Year (CY) 2025 Home Health Prospective Payment System (HH PPS) Rate Update; HH Quality Reporting Program Requirements; HH Value-Based Purchasing Expanded Model Requirements; Home Intravenous Immune Globulin (IVIG) Items and Services Rate Update; and Other Medicare Policies.

Submitted electronically via regulations.gov.

Dear Administrator Brooks-LaSure,

The National Rural Health Association (NRHA) is pleased to offer comments on the Centers for Medicare and Medicaid Services (CMS) calendar year (CY) 2025 Home Health Prospective Payment System (HH PPS) proposed rule. We appreciate CMS' continued commitment to the needs of the more than 60 million Americans that reside in rural areas, and we look forward to our continued collaboration to improve health care access throughout rural America.

NRHA is a non-profit membership organization with more than 21,000 members nationwide that provides leadership on rural health issues. Our membership includes nearly every component of rural America's health care, including rural community hospitals, critical access hospitals, doctors, nurses, and patients. We work to improve rural America's health needs through government advocacy, communications, education, and research.

II. Home Health Prospective Payment System.

C. Proposed CY 2025 Payment Adjustments Under the HH PPS.

CMS proposes to update the HH PPS rate by –1.7% which would reduce payments by $280 million. This steep cut to home health agencies (HHAs) is a product of a market basket update decreased by a productivity adjustment and a statutorily required permanent behavior adjustment due to the implementation of the budget neutral Patient Driven Groupings Model (PDGM) that began in 2020.

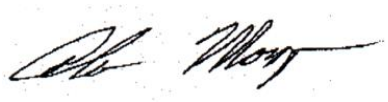
While NRHA understands that Congress mandated that PDGM be implemented in a budget neutral manner, **we urge CMS to mitigate the impact of this payment cut**. In the CY 2023 and CY 2024 rules CMS finalized only half of the permanent behavior adjustments to ease the reductions on HHAs. **NRHA asks that CMS consider phasing in the PDGM permanent adjustment again**. Further, the proposed payment cut combined with the end of the rural home health add-on payments will strain rural HHAs and limit access to these services in rural areas. While MedPAC found that almost all beneficiaries live in a ZIP code served by least one HHA, rural beneficiaries are more likely to live in

an area not served by an HHA.[1] Over 20% of urban HHAs have a patient population of at least 10% rural beneficiaries, signaling that access is limited for certain rural beneficiaries. **Inadequate Medicare payment will reduce the service area of, or close, rural HHAs and further restrict access.**

Rural home health patients require more complex care and are generally more fragile or severely ill than their urban counterparts.[2] In addition, they are also more likely than their urban counterparts to have more risk factors for hospitalization, need respiratory treatments and therapies, and have a surgical wound requiring treatment.[3] As such, rural HHAs need adequate payment to cover the costs of providing care.

Thank you again for the chance to comment on this proposed rule. We look forward to continuing to work together to meet the needs of rural beneficiaries. If you would like more information, please contact NRHA's Government Affairs and Policy Director, Alexa McKinley Abel (amckinley@ruralhealth.us).

Sincerely,



Alan Morgan
Chief Executive Officer
National Rural Health Association

[1] MEDICARE PAYMENT ADVISORY COMMISSION, MARCH 2024 REPORT TO THE CONGRESS: MEDICARE PAYMENT POLICY 206-07 (2024).
[2] Janice C. Probst & Grishma P. Bhavsar, *Differences in Case-Mix between Rural and Urban Recipients of Home Health Care*, South Carolina Rural Health Research Center 1 (Sept. 2014)
[3] *Id.*