

goal. I am proud to offer my heartfelt congratulations to Marathon Ashland Petroleum's Illinois Refining Division on reaching the milestone of an OSHA Star designation. Their efforts on behalf of health and safety are deserving of such recognition, and I wish them continued success in the future.

INTRODUCTION OF THE MEDICARE HOME HEALTH ACCESS RESTORATION ACT OF 1999

**HON. WILLIAM J. COYNE**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 1999

Mr. COYNE. Mr. Speaker, today I am introductory the Medicare Home Health Access Restoration Act of 1999. I am introducing this legislation because of the dramatic changes the Interim Payment System (IPS) has made in the way home health care is provided in my home state of Pennsylvania and elsewhere. I am concerned that those changes are making it more difficult for the sickest and most vulnerable Medicare recipients to get the home health services to which they are entitled.

Medicare provides home health services to homebound patients who need skilled nursing care. Many of these patients are recovering from surgery or receiving therapy after a serious illness like a stroke. Home care recipients often suffer from chronic illnesses that require monitoring, like severe diabetes and some mental illnesses. Home health care recipients tend to be the oldest, sickest, and poorest of Medicare beneficiaries. They are disproportionately low-income and over 85. They report being in fair or poor health. Three-fourths of them cannot perform at least one basic activity of daily living, like bathing, cooking, or getting out of bed. Almost half of home care recipients cannot perform 3 or more activities of daily living.

In Pennsylvania, where home care costs and visit frequency have always been lower than the national average, home care visits have declined by over 25 percent since IPS became effective. That means the average home care recipient sees a nurse 11 times less under IPS than she did before, perhaps getting one visit a week instead of two. Over 90 percent of my state's home health agencies reported that they will lose money in the first year of IPS and 6,100 home care workers have been laid off. These changes are causing agencies to provide less care, spend less time caring for patients, and avoid the patients who most need help.

Like most other people who are concerned about the home care benefit, I support the shift to the prospective payment system, which will allow us to pay more accurately for the services beneficiaries receive. But it could be quite a while before PPS is implemented, particularly since the Health Care Financing Administration has temporarily suspended collection of the necessary data. The Interim Payment System is what we have now, and we could have it for a long time. It is affecting patient care now, and I do not believe we can just live with it" for the months or years until the PPS is ready.

The low IPS caps on payments for home health services mean that agencies often can't afford to provide Medicare beneficiaries with the services they need and to which they are entitled. Because the caps are based on individual agency 1994 spending, the problem is particularly serious for historically low-cost agencies. The low-cost agencies were given the lowest caps. Since they have already trimmed the fat from their operations, they are being forced to lay off nurses and cut services. The caps also create wide regional variation, and Medicare beneficiaries in historically efficient areas receiving much smaller benefits.

Because the caps are based on an "average" patient, it is particularly difficult for the sickest patients to access care. The IPS does not acknowledge that some agencies specialize in very sick patients and that some individual patients require so much care that few agencies can afford to serve them. The current system creates an incentive for agencies to avoid admitting the sickest patients or to discharge them early.

The legislation I am introducing today would make several important changes in the IPS. (1) It would gradually move toward a more equitable and reasonable payment level by increasing the payments for efficient agencies, increasing the number of times a home care nurse is allowed to visit a sick patient, and repealing the scheduled 15% cut in payments. (2) It would provide exceptions to the caps for the costliest patients and agencies that specialize in treating them. (3) It would protect beneficiaries from being inappropriately discharged because of the caps.

Medicare's sickest and most vulnerable patients cannot wait much longer for Congress to act. Each day that the current system is in effect, home care agencies close or lay off workers, beneficiaries in states with low caps receive less service than they need, and high-needs patients struggle to find agencies that will serve them. These reductions in the quality and quantity of home care services put patients right back where no one wants them to be—in expensive hospital and nursing home beds.

SUMMARY OF MEDICARE HOME HEALTH ACCESS RESTORATION ACT

Purpose: To restore access to home health services for Medicare recipients whose necessary care has been curtailed or eliminated due to provisions in the 1997 Balanced Budget Act.

MAJOR PROVISIONS

Adjusts per-beneficiary limits to provide fair reimbursement to efficient agencies. The bill would increase the per beneficiary limit for agencies with limits under the national average to 90% of the national average in 1999, 95% in 2000, and 100% in 2001. The bill would also cap payments to providers at 250% of the national average in 1999, 225% in 2000, and 200% in 2001.

Provides exceptions to caps for agencies that specialize in a particular type of hard-to-serve patients AND for individual "outlier" patients. Agencies that can demonstrate to the Secretary that they specialize in treating a much more expensive population will be exempted from the 250% payment cap. All agencies could apply for quarterly "outlier" payments if they treated more costly than average patients. HCFA

will also be required to report back to Congress regarding their implementation of the exceptions policy, to ensure that the provisions are implemented in a timely manner and that the relief is reaching agencies.

Increases the per-visit limit to 110% of the median.

Permanently repeals the 15% cut in IPS home health payments. The bill eliminates the 15% cut from the Interim Payment System.

Protects beneficiaries from inappropriate discharge. The bill provides Medicare beneficiaries with a notice of discharge similar to the one provided to Medicare+Choice hospital patients. It requires HCFA to provide information to physicians about how the IPS affects their patients.

Requires a GAO study on the value of home care to the Medicare program. The bill asks the Comptroller General to document the impact that providing home care (or not providing home care) has on other government spending, including Medicare inpatient services and Medicaid nursing home reimbursement.

50TH ANNIVERSARY OF AMERICAN LEGION POST 273, MADEIRA BEACH, FLORIDA

**HON. C.W. BILL YOUNG**

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 16, 1999

Mr. YOUNG of Florida. Mr. Speaker, I rise today to recognize the 50th anniversary of American Legion Post 273, in Madeira Beach, Florida, which I have the privilege to represent.

Since 1949, American Legion Post 273 has been serving the community of Madeira Beach and Pinellas County. Post 273 has more than 3,100 members, making it the largest post in the Great State of Florida and the 5th largest post in the World. In its 50 years of service, Post 273 has a record of service that is second to none.

Post 273 has many volunteers who perform thousands of hours of volunteer service at the Veterans Affairs Hospital at Bay Pines. Among these activities are an annual Thanksgiving Day dinner for disabled veterans, and a New Years Day luncheon. The Honor Guard at Post 273 has performed at 108 funerals in the past 12 months, and has participated in several other functions including the biannual reading of Madeira Beach's deceased veterans. The Post also provides financial assistance to the families of needy veterans.

The service of Post 273 goes beyond veterans. Post 273 has sponsored 14 students for Boys State, where enterprising young boys are selected in their junior year of high school to go to Tallahassee and participate in a detailed study of Florida's State Government. In addition, Post 273 also sponsors an annual oratorical contest, where boys and girls compete nationwide for more than \$18,000 in scholarships. Post 273 also sponsors activities and events that inform the community's young people about child safety, drug and alcohol abuse, and suicide prevention.

In its service to the community, Post 273 has been active in the Special Olympics, giving mentally challenged youth a chance to