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CONGRESSMAN ROB SIMMONS
HOUSE OF REPRESENTATIVES
SECOND DISTRICT, CONNECTICUT

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SUBCOMMITTEE ON COAST GUARD AND
MARITIME TRANSPORTATION
VETERANS' AFFAIRS COMMITTEE
SUBCOMMITTEE ON HEALTH
CHAIRMAN

September 3, 2003

The Honorable J. Dennis Hastert
Speaker of the House
U.S. House of Representatives
Room H-232, The Capitol

Dear Speaker Hastert,

Denny:

Today I write to express my concerns about the impact of H.R. 1, the "Medicare Modernization and Prescription Drug Act," on home health agencies.

On August 21st, at a forum sponsored by the Connecticut AFL-CIO, Service Employees International Union Local 2001 and the Connecticut State Employees Association, I listened to several concerns participants had regarding home health care and promised to relay those concerns to you.

H.R. 1 cuts the home health market basket by 0.4% while imposing a \$40 to \$50 co-payment per home health care episode on patients. According to the Congressional Budget Office, this amounts to a \$7 billion reduction over ten years. Combined with the 15 percent cut implemented last October and previous payment reductions, home health providers can ill-afford additional cuts in reimbursement while maintaining quality care.

Already, home health agencies have already experienced a disproportionate amount of cuts in reimbursement as a result of Balanced Budget Act of 1997. As a result, the number of Medicare beneficiaries receiving home health care has dropped by 1.3 million in the last five years. For Connecticut home health agencies, the implications of H.R. 1 go beyond Medicare beneficiaries. Medicare plays a crucial role in supporting home health agencies that lose money caring for high cost "outlier" patients and inadequately reimbursed Medicaid patients. Anything that undermines Medicare ultimately undermines access for these two constituencies as well.

As the Conference Committee meets to reconcile the differences between the House and Senate passed prescription drug bills, I strongly encourage you accept the home care provisions in the Senate version.

All the best,

RS
Rob Simmons
Member of Congress
Second District, Connecticut

*We appreciate all you
do for the Nation.*