

Congress of the United States
Washington, DC 20515

June 3, 2013

Marilyn B. Tavenner
Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

RE: CY 2013 Home Health Prospective Payment System Refinements and Rate Update, Hospice Quality Reporting Requirements, and Survey and Enforcement Requirements for Home Health Agencies

Dear Administrator Tavenner:

We write today regarding the recent Centers for Medicare and Medicaid Services (CMS) regulations that updated the Medicare Home Health Prospective Payment System's (HHPPS) reimbursement rates for Calendar Year 2013 (CMS-1358-F). We are concerned that the rural home health payment rates have been set using inaccurate average hourly wage (AHW) data that does not truly represent operating costs for providers throughout the entire state of Oregon.

We appreciate the agency's commitment to setting accurate rates, and the challenges associated with collecting the most up-to-date and accurate data. However, we would hope that CMS would use its authority to recognize and account for various anomalies so that rates truly represent local operating costs.

As you know, Oregon's rural home health provider rates are based on wage index data from seven hospitals throughout the state. It is my understanding that for CY 2013, the AHW rate for one specific Oregon hospital is significantly lower compared to remaining six hospitals used. We believe that the question about these data being accurate is irrelevant to our greater concern: that the data from this single hospital, located on Oregon's coast, reduced the rates for health providers throughout the entire state.

Coos Bay is 178 miles and three hours from Ashland in southern Oregon; 230 miles and four and a half hours from Bend in central Oregon; and 538 miles and 11 hours from Enterprise in eastern Oregon. We hope you would agree that it is imprecise to use such inconsistent data while establishing rates for providers as far as 538 miles away from one another, regardless of whether it amounts to higher or lower payments. In fact, the drive from Enterprise to Coos Bay is longer than the drive from Baltimore, Maryland to Cincinnati, Ohio.

We do not consider this an issue of increasing or decreasing provider reimbursements, but rather one of ensuring that those reimbursement rates are set using data that are not only accurate, but also relevant to local communities. We believe it is in the best interest of Congress and the Administration to do all in its power to ensure health care providers and patients receive the most accurate reimbursement rates.

Therefore, we ask that CMS use its regulatory authority to account for this statistical anomaly and re-sample the data used to calculate this reimbursement rate for CY 2013 to exclude this single hospital in Coos Bay.

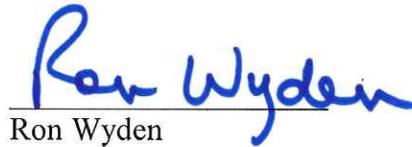
Additionally, we request that you provide us with the date range from which the data were captured to establish these rates, as well as the date ranges from which the rates for the previous three years were calculated.

We greatly appreciate your timely assistance in this matter.

Sincerely,



Greg Walden
Member of Congress



Ron Wyden
United States Senator



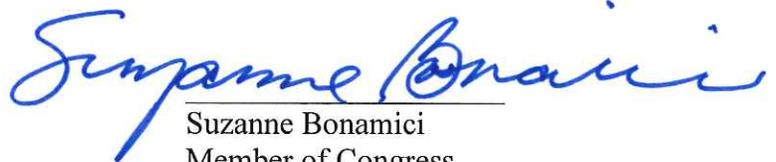
Jeff Merkley
United States Senator



Peter DeFazio
Member of Congress



Kurt Schrader
Member of Congress



Suzanne Bonamici
Member of Congress



Earl Blumenauer
Member of Congress