

**NATIONAL ASSOCIATION FOR HOME CARE AND HOSPICE**  
**Comparison of Key Proposals for Home Health Payment and Regulatory Reform – January 2010**

SENATE - Patient Protection and Affordable Care Act (H.R. 3590) as amended by Manager's Amendment (S.AMDT. 2786)	CBO SCORE (2010-2019)	HOUSE - Affordable Health Care for America Act (H.R. 3962)	CBO SCORE (2010-2019)
<b>MEDICARE HOME HEALTH PAYMENT REDUCTIONS</b>			
1. Beginning in 2011, cap total outliers at 2.5%; impose individual agency outlier cap of 10% (Sec. 3131)	(\$6.2B)	1. No provision	
2. Reduce market basket update by 1 percentage point in 2011, 2012, and 2013 (Sec. 3401, Sec. 10319 of Manager's Amendment)	(\$4.7B)	2. Set market basket index update at 0% for 2010 (Sec. 1153)	(\$7.4B)
3. (a) Rebase starting in 2014 phasing in through 2017; rebasing adjustment limited to no more than 3.5% reduction per year (Sec. 3131, Sec. 10315 of Manager's Amendment). MedPAC shall report by Jan. 1, 2015, on impact of rebasing (Sec. 3131). By March 1, 2011, HHS Secretary must report on home health rebasing and impact on access and quality (Sec. 3131(d))  (b) 3% rural add-on from April 1, 2010 and before January 1, 2016 (Sec. 3131)  (c) No case mix acceleration	(\$23.8B)	3. (a) Rebase in 2011 with a 5% reduction guaranteed (Sec. 1154)  (b) No rural add-on (Sec. 1154)  (c) Combine 2010 and 2011 case mix creep reductions in 2010 (Sec. 1154)	(\$32.9B)
4. Annual productivity adjustment (reduction) beginning 2015 (Sec. 3401)	(\$5.2B)	4. Productivity adjustment (reduction) beginning in 2011 (Sec. 1155)	(\$14.4B)
5. Reduce hospital payments for readmissions (Sec. 3025)		5. Reduce post acute care provider (PAC) payments for hospital readmissions (Sec. 1151)	(portion of \$18.4B total)
6. PAC bundling pilot program established by 2013 (Sec. 3023)	\$0B	6. PAC bundling pilot established no later than January 1, 2011 (Sec. 1152)	\$0B
7. Secretary of HHS shall submit plan for value-based purchasing program for home health agencies to Congress by Oct. 1, 2011 (Sec. 3006)	\$0B	7. No provision	

<p>8. (a) HHS Study and Report: By March 1, 2014, HHS must report results of a study with recommendations for legislative and administrative action, regarding home health agency costs for care provided to low-income beneficiaries or those in medically underserved areas, and those with varying levels of severity.</p> <p>(b) Medicare Demonstration Project: HHS Secretary may provide for a four-year (beginning no later than January 1, 2015) \$500M demonstration project to test whether making payment adjustments based on the study substantially improve access to care for patients with high severity levels of illness or for low-income or underserved Medicare beneficiaries (Sec. 10315 of Manager's Amendment)</p>	\$0.5B	8. No provision	
<b>TOTAL MEDICARE HOME HEALTH PAYMENT REDUCTIONS</b>	<b>(\$39.4B)</b>		<b>(\$54.7B)</b>
<b>INNOVATIONS IN HEALTH CARE/PRIVATE LONG TERM CARE INSURANCE PROGRAM (CLASS)</b>			
9. Establish a Center for Medicare and Medicaid Innovation in CMS; opportunities for chronic care and other initiatives (Sec. 3021)		9. Establishes similar Center with less specificity about models to be tested (Sec. 1907)	
10. Telehealth advancement opportunities through new CMS Innovations Center but no guarantee (Sec. 3021)		10. Telehealth provision is unspecified--for Secretary to determine (Sec. 1191)	
11. Establish voluntary national home and community-based long term care insurance program (CLASS) (Secs. 8001-8002)		11. Same (Sec. 2581)	
<b>PROGRAM INTEGRITY</b>			
12. Require background screening and credentialing of provider and supplier owners and managers, require compliance plans, authorize a temporary moratorium on new providers (Sec. 6401)		12. No provision	

13. Participating physician requirement regarding care plan certification (Sec. 6405)		13. Same (Sec. 1637)	
14. Face-to-face physician encounter requirement (including telehealth encounter) with patients within a reasonable timeframe as determined by the Secretary under Part A or within six months or a reasonable time as determined by the Secretary under Part B prior to certification or re-certification for home health services as a condition of payment for Medicare and Medicaid; nurse practitioners, clinical nurse specialists, and physician assistants may substitute for physician to meet this requirement (Sec. 6407, Sec. 10605 of Manager's Amendment)		14. Face-to-face physician encounter requirement (including telehealth encounter) with patients 6 months (or some other number determined reasonable by the Secretary) prior to certification or re-certification for home health services under Medicare or Medicaid. (Sec. 1639)	
15. Physician must maintain and provide access to documentation on Medicare home health referrals if requested (Sec. 6406)		15. Physician must maintain and provide access to documentation on Medicare home health referrals if requested (Sec. 1638)	
16. Criminal background check pilot program extension (Sec. 6201)		16. Same (Sec. 1417)	
<b>MEDICAID HOME AND COMMUNITY-BASED SERVICES EXPANSIONS</b>			
17. Community First Choice Option (expanded Medicaid home care through agencies and self-directed care) (Sec. 2401)	\$6.9B	17. Sense of Congress provision only	
18. Removal of barriers to Home and Community based Care (expanded rebalancing requirements and waiver authority and removal of restrictions on waivers) (Sec. 2402)	\$2.3B	18. No provision	
19. Money Follows the Person Demonstration extension (Sec. 2403)	\$1.7B	19. No provision	
20. Spousal impoverishment protection for home care eligibility (Sec. 2404)	\$1.5B	20. No provision	

## EMPLOYER REQUIREMENTS

21. Assess employers with more than 50 employees that do not offer coverage and have at least one full-time employee who receives a premium tax credit a fee of \$750 per full-time employee. Employers with more than 50 employees that offer coverage, but have at least one full-time employee receiving a premium tax credit, will pay the lesser of \$3,000 for each employee receiving a premium credit or \$750 for each full-time employee. Exempt employers with 50 or fewer employees from any of the above penalties. (Sec. 1513)

Require employers with more than 200 employees to automatically enroll employees into health insurance plans offered by the employer. Employees may opt out of coverage.

The term 'full-time employee' means an employee who is employed on average at least 30 hours of service per week.

Require employers that offer coverage to their employees to provide a free choice voucher to employees with incomes less than 400% FPL whose share of the premium exceeds 8% but is less than 9.8% of their income and who choose to enroll in a plan in the Exchange. The voucher amount is equal to what the employer would have paid to provide coverage to the employee under the employer's plan and will be used to offset the premium costs for the plan in which the employee is enrolled. Employers providing free choice vouchers will not be subject to penalties for employees that receive premium credits in the Exchange.

21. Require employers to offer coverage to employees and contribute at least 72.5% of the premium cost for single coverage and 65% of the premium cost for family coverage of the lowest cost plan that meets the essential benefits package requirements or pay 8% of payroll into the Health Insurance Exchange Trust Fund. (Sec. 412)

Eliminate or reduce the pay or play assessment for small employers with annual payroll of less than \$750,000. (Sec. 413)

- Annual payroll less than \$500,000: exempt
- Annual payroll between \$500,000 and \$585,000: 2% of payroll;
- Annual payroll between \$585,000 and \$670,000: 4% of payroll;
- Annual payroll between \$670,000 and \$750,000: 6% of payroll.

Require employers that offer coverage to automatically enroll into the employer's lowest cost premium plan any individual who does not elect coverage under the employer plan or does not opt out of such coverage.

Require a government study of the impact of employer responsibility requirements and recommend to Congress whether an employer hardship exemption is appropriate. (Report due January 1, 2012)