

March 25, 2015

**RE: H.R.2 - Medicare Access and CHIP Reauthorization Act of 2015**

Dear Member of the NYS Congressional Delegation:

On behalf of LeadingAge New York, I am writing to enlist your support for H.R. 2, which would implement a permanent “doc fix”; renew therapy caps exceptions and extend Medicare Advantage Special Needs Plans, issues that are of major importance to our membership.

LeadingAge NY represents over 500 not-for-profit and public providers of long term and post-acute care (LTPAC) and housing services to elderly and disabled individuals of all ages throughout New York State. Our membership includes skilled nursing facilities (SNFs), home health agencies (HHAs), assisted living, adult day services, other community-based programs, housing and retirement communities, as well as provider-sponsored managed care plans.

Since 2002, the Federal government has been promising to develop an alternative to the Medicare Sustainable Growth Rate (SGR), which would result in reductions in physician reimbursement under Medicare Part B of over 20 percent. Each year, Congress has passed a temporary “doc fix” to get providers through another year. LeadingAge NY supports passage of H.R. 2, which would implement a *permanent* replacement to the current SGR methodology.

However, please keep in mind, that post-acute care providers will see a one-year reduction to their Medicare update factors, and we are opposed to any further Medicare or Medicaid cuts to post-acute care services as part of any additional “pay for” measures. In addition, Medicare Advantage Plans have sustained significant rate reductions through the Affordable Care Act and Medicare sequester, and should not see further rate cuts in connection with any further pay for measures.

Importantly, H.R. 2 also includes an extension of the Part B Therapy Caps Exceptions Process through Dec. 31, 2017 and institutes a new medical review component so that beneficiaries can continue to access coverage for needed outpatient therapy services. The financial limitation on Medicare Part B therapy coverage (i.e., the “Therapy Caps”) imposes arbitrary dollar caps on the Part B therapy services Medicare will cover with no consideration of the actual therapeutic needs of the individual. In recognition of its potentially negative impact on beneficiaries, Congress has created an exceptions process based on the clinical and therapeutic needs of the patient. The therapy caps exceptions process is set to expire March 31, 2015, so timely passage of H.R 2 is critical.

Finally, H.R.2 extends authorization for Medicare Advantage Special Needs Plans (SNPs) from 2017 to 2019. SNPs are Medicare-approved, managed care plans designed for people with specific health care needs. SNPs offer coordinated care for specific medical conditions and complex medical needs, helping Medicare beneficiaries stay healthier while lowering overall costs. Under current law, the SNPs are authorized to operate through 2017. If revisions to H.R. 2 are considered, we recommend a minimum five-year extension of the SNP program to promote more predictability for beneficiaries and a more stable operating environment for the plans.

Thank you in advance for assisting LeadingAge NY’s members and the estimated 500,000 elderly and disabled New Yorkers they serve each year through your support of H.R. 2. Please contact us at LeadingAge NY if you would like to discuss this issue or require more information.

Sincerely,



Daniel J. Heim

Executive Vice President