



April 2, 2018

The Honorable Orrin Hatch
Chairman
Committee on Finance
United States Senate

The Honorable Greg Walden
Chairman
Committee on Energy and Commerce
United States House of Representatives

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate

The Honorable Frank Pallone
Ranking Member
Committee on Energy and Commerce
United States House of Representatives

Dear Chairman Hatch, Chairman Walden, Ranking Member Wyden, and Ranking Member Pallone:

The Partnership for Medicaid Home-Based Care (PMHC) would like to take this opportunity to offer its strong support for the reauthorization and extension of the Money Follows the Person Demonstration Program (MFP).

By way of brief background, PMHC was established to advance the delivery of high-quality, cost-effective Medicaid home-based care and services. Our members bring to this important quest their experience as home care providers, associations, managed care organizations, and technology providers. While such a diverse membership is somewhat unique, our members came together due to a shared commitment to support legislative and regulatory efforts that improve the quality, accessibility, and integrity of home and community-based care and services in Medicaid.

PMHC is grateful for the bipartisan, bicameral introduction of the Ensuring Medicaid Provides Opportunities for Widespread Equity, Resources, and Care Act (EMPOWER Care Act) by Senators Portman and Cantwell (S. 2227) and, in the House, by Representatives Guthrie and Dingell (H.R. 5306).

The Money Follows the Person (MFP) demonstration program was first authorized in the Deficit Reduction Act of 2005 with strong bipartisan support. Since that time, MFP has enabled an estimated 75,000 older adults and individuals with physical, intellectual, and developmental disabilities, to transition from institutional settings back to their homes and communities. MFP has also played a key role in developing the infrastructure needed to promote and enhance access to high-quality, low-cost Home and Community-Based Services (HCBS).

Unfortunately, MFP's authorization expired over a year ago, and states have been operating through no-cost extensions. Eight states have already run out of MFP grant funds, and it is projected funds will run out for the remaining participants by the end of 2018. As a result, these states already are currently scaling back their programs and reducing dedicated staff and resources.

The EMPOWER Care Act rectifies this situation by reauthorizing MFP through 2022. In addition, this important legislation improves the MFP program by reducing from 90 to 60 the number of days an

individual must be in a nursing home before becoming eligible to transition to their homes or community settings. In addition, the EMPOWER Care Act enhances the reporting and accountability of MFP funding and requires HHS to conduct a best practices evaluation that will include the most effective strategies for transitioning beneficiaries from institutions to their homes or qualified community settings.

As a result of its attributes, passage of the EMPOWER Care Act will ensure that no individual who could be helped by MFP to live in their homes and communities is instead forced into an institution or to remain segregated in an institution. Of importance, this measure will also enable MFP to continue generating considerable savings for the Medicaid program. As documented by its national evaluation, MFP reduced average annual per person spending during the first year following transition by over \$20,000 for older adults and people with disabilities, and by over \$48,000 for individuals with intellectual and developmental disabilities. All told, savings in excess of \$1 billion were achieved during the first year alone, with additional savings achieved in subsequent years.

For these reasons, PMHC is proud to add its voice to the many others who are endorsing this positive, cost efficient measure and urging its swift passage.

Sincerely,

A handwritten signature in black ink, appearing to read "David J. Totaro". The signature is fluid and cursive, with the first name "David" being the most prominent.

David J. Totaro
Chairman

cc: The Honorable Rob Portman
The Honorable Maria Cantwell
The Honorable Brett Guthrie
The Honorable Debbie Dingell

Members of the Partnership for Medicaid Home-Based Care include Addus HomeCare, Inc., Anthem, Axxess, BAYADA Home Health Care, CareCentrix, Caring Associates, Inc., CellTrak Technologies, Inc., Centene, Council of State Home Care Associations, HHAeXchange, Home Care Association of America, Interim HealthCare Inc., LHC Group, Inc., ResCare Home Care, Rise Services, Inc., Sandata, Simplura Health Group, VNA Health Group, VRI, and WellCare Health Plans.