U.S. House Committee on Ways and Means
Health Subcommittee Hearing
"After the Hospital: Ensuring Access to Quality Post-Acute Care"

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Mr. Chairman, Ranking Member, and Members of the Committee,

Thank you for holding this important hearing on post-acute care in America. I am the President of the Post-Acute and Long-Term Care Medical Association (PALTmed), the only medical association representing the community of medical directors, physicians, nurse practitioners, physician assistants, and other clinicians in the post-acute and long-term care (PALTC) settings. PALTmed's members work in skilled nursing facilities, long-term care and assisted living communities, CCRCs, home care, hospice, PACE programs, and other settings. PALTmed leads the way in empowering compassionate and skilled clinicians to deliver person-centered care in the post-acute and long-term care continuum.

We would like to bring to your attention several critical issues affecting clinicians in the PALTC setting, particularly with respect to workforce challenges, health information technology, telehealth, Medicare payment reform, nursing home survey reform, and alternative payment models. These issues are vital to improving the quality of care for some of our nation's most complexly ill and vulnerable populations.

Workforce Challenges

The workforce crisis in post-acute and long-term care is perhaps the most pressing issue facing the sector. With a shortage of trained and qualified physicians, advanced practice providers (APPs), nurses, aides, and other essential clinicians, our healthcare system risks being unable to meet the growing demand for services. Many clinicians entering the PALTC field are not optimally prepared to care for older adults, particularly the frailest elders, due to a lack of training in geriatrics. Medical and nursing schools typically do not provide in-depth training or rotations in this field, and in many cases, the first time a clinician cares for a patient in a nursing facility is also the first time they have entered one.

Addressing the direct-care workforce remains a challenge that requires both short-term solutions, such as increasing pay and benefits, and long-term strategies to improve recruitment, retention, and training in the PALTC field. Additionally, investing in education and training programs for the next generation of healthcare professionals, as well as offering support to current workers, is essential for building a sustainable workforce. We ask that Congress take decisive action to support PALTC workforce development, including enhancing funding for workforce programs and creating incentives for workers to enter this essential field.

Health Information Technology

Clinicians who practice in PALTC settings often visit multiple sites, and according to many PALTmed surveys, nearly 47 percent maintain private practices outside of their PALTC responsibilities. Given that PALTC facilities were originally left out of the Meaningful Use incentive program under the Health Information Technology for Economic and Clinical Health (HITECH) Act of 2009, the adoption of certified electronic health records varies greatly. Many clinicians work with multiple health IT systems and must maintain their own records for quality reporting, billing, and patient tracking purposes. Unlike the hospital setting, where there are two major vendors, the PALTC setting has many more. These physicians continue to be unable to meet the majority of meaningful use requirements for their PALTC patients. Despite these challenges, current regulations impose penalties on PALTC physicians practicing in these settings.

Furthermore, we risk significant patient harm when care settings, physician practices, and pharmacies are unable to communicate with one another. Despite years of work, true interoperability remains out of reach. It is well beyond time for a Health IT "moonshot" that connects all systems so that patients traveling through the healthcare continuum have one comprehensive record accessible by their providers and authorized caregivers. It is imperative that such a system be accessible to all PALTC facilities, providers, and health systems to ensure adequate data transfer, particularly during transitions between settings. Medication errors, incomplete discharge summaries, or summaries that do not distinguish between the latest data and historical information must become a thing of the past.

Additionally, improving Health IT interoperability will also lead to cost savings by minimizing redundant tests, reducing hospital readmissions, and streamlining administrative processes. If moving to a more value-based and quality-focused payment model in the future, progress in Health IT and interoperability is necessary to ensure optimal functioning of APMs. Congress must provide the funding and infrastructure to ensure that true interoperability – covering all areas of healthcare, not just acute care – is achieved in the near future.

Telehealth Expansion

The COVID-19 pandemic demonstrated the potential of telehealth to improve access to care for patients in remote or underserved areas. However, telehealth policies must be expanded and permanently integrated into the healthcare system, particularly for those in post-acute and long-term care. Ensuring Medicare reimburses telehealth services, especially in skilled nursing facilities, will bridge the care access gap and ease the strain on our healthcare system. Telehealth enables vulnerable, complex patients in these settings to access a broader range of specialty care without needing to relocate. This access allows them to utilize various healthcare resources, including consultations with specialists, mental health services, and chronic disease management, all from the comfort of their current location.

While **we appreciate the recent telehealth statutory extension through the end of the fiscal year thus reflecting the value of this clinical intervention, we again urge you to support legislation that permanently removes barriers to telehealth access and reimbursement for**

PALTC clinical providers. Again, this has the potential to not only benefit the patients in PALTC settings but also reduce unnecessary hospitalizations and the associated waste of healthcare dollars.

Medicare Payment Reform

Medicare reimbursement rates for services provided in the PALTC setting remain a significant concern. Many clinicians are struggling with reimbursement rates that fail to keep pace with the rising costs of providing care. This is especially true for clinicians who provide care in the PALTC setting for some of the frailest and at-risk patients in the health care system. We urge Congress to implement a permanent, annual inflation-based update to Medicare payments tied to the Medicare Economic Index (MEI).

According to both the Medicare Trustees and the Medicare Payment Advisory Commission (MedPAC), failure to adjust clinician payments will lead to significant access issues for Medicare-participating clinicians in the future. In their 2024 report, the Medicare Trustees reiterated concerns that, without Congressional action to reform the delivery system or increase payment updates, "access to Medicare-participating physicians is expected to become a significant issue long-term."

At a minimum, we urge you to reverse the 2.83% Medicare fee schedule cut that went into effect on January 1. We encourage Congress to address this clinician cut through a retrospective solution as the first step in Medicare payment reform.

PALTmed encourages Congress to seek legislative **relief under the reconciliation process**, which would help CMS prioritize high-quality care for Medicare beneficiaries while mitigating the risks of market consolidation and inadequate access to care. These concerns stem from the ongoing disparity between Medicare's clinician payment rates and the true costs of delivering high-quality care in the PALTC setting. As we know, Medicare beneficiaries carry a high risk of disease burden and hospitalization. Ensuring that clinicians continue to be adequately reimbursed in this space for the work they do is extremely important. If not, these patients will not receive the care they need or deserve and will be an even bigger strain financially on the healthcare system as a whole.

Nursing Home Survey Reform

Nursing home quality and safety have long been top priorities for both policymakers and providers. However, the nursing home survey process has been criticized for being overly punitive and focused primarily on deficiencies, rather than supporting quality improvement. Reforming the nursing home survey process to emphasize collaboration and constructive feedback would lead to better outcomes for patients and allow providers to focus more on improving care, rather than navigating a complicated regulatory environment. We recommend that Congress work toward improving the survey process to better align it with patient-centered care goals and ensure that nursing homes are equipped with the resources and guidance they need to thrive.

Additionally, it is crucial to include all members of the care team to be a part of the survey team. A multidisciplinary approach, including nurses, medical directors, and clinicians, ensures a comprehensive evaluation of the nursing home's operations and fosters a more supportive environment for continuous improvement.

Alternative Payment Models

Alternative payment models (APMs) offer a promising opportunity to improve the efficiency and quality of care provided in post-acute and long-term care settings. However, these models must be designed in a way that considers the unique needs of this patient population and ensures that providers have the necessary resources to succeed. Policymakers should work to expand and refine APMs that encourage value-based care, including bundled payments and shared savings arrangements, while also considering the financial challenges facing providers. Flexibility within these models is crucial to ensuring that clinicians can deliver high-quality, patient-centered care while remaining financially viable. Clinical practices focused on this population must be able to meaningfully gain share in these value-based arrangements, rather than being an afterthought in a system that rewards them little for doing the most to save Medicare dollars. Due to their clinical and functional complexity, the PALTC population is the costliest to the Medicare system; but with the right incentives and approaches, there are avenues to improve care while saving the system money. PALTmed and its members continue to advocate for novel approaches to this. We continue to welcome the opportunity to assist with these models and provide feedback if necessary.

Conclusion

In closing, the issues we have outlined are of great importance to clinicians working in PALTC settings and the patients they serve. We thank the Health Subcommittee for the opportunity to provide feedback on post-acute policy for some of the most complex elderly individuals residing in long-term care facilities in America.