



## *Home Care Technology Association of America*

228 Seventh Street, SE • Washington, DC 20003 • (202) 547-2871 • [www.hctaa.org](http://www.hctaa.org)

October 19, 2011

The Honorable Patty Murray  
Co-Chair, Joint Select Committee on Deficit Reduction

The Honorable Jeb Hensarling  
Co-Chair, Joint Select Committee on Deficit Reduction

The Honorable Max Baucus  
The Honorable Xavier Becerra  
The Honorable Dave Camp  
The Honorable James E. Clyburn  
The Honorable John Kerry  
The Honorable Jon Kyl  
The Honorable Rob Portman  
The Honorable Pat Toomey  
The Honorable Fred Upton  
The Honorable Chris Van Hollen

Members, Joint Select Committee on Deficit Reduction

Dear Co-Chairs and Members:

This letter is being sent to you on behalf of the Home Care Technology Association of America (HCTAA), an alliance of the major companies who have developed advanced technologies that are revolutionizing U.S. health care, including home care. Thank you for your leadership in trying to reduce our government spending and rectify the national deficit. Through this letter we are calling to your attention our recommendation to allow for the increased use of health information technology within the home as a proven approach to saving billions of dollars, reducing the possible incidence of fraud, and improving the quality of patient care.

In fact, acute care hospitalizations due in large part to the intervention of home health agencies have fallen from 29 to 26 percent. The estimated savings is just short of a billion dollars. Many agencies such as the FirstHealth, a nonprofit agency located in the south-central region of North Carolina, have produced even better results with the use

of telehealth. Since 2009, FirstHealth has served more than 1,500 patients. As a result of their telehealth program, acute care hospitalization for this group is at 7.9 percent while the non-telehealth group is at 20.1 percent. In addition, patient satisfaction for the telehealth group exceeds 90 percent, further evidence of the program's success.

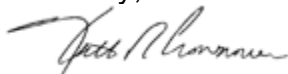
Some Medicare participant home health agencies have been using telehealth as a tool to improve patient care, but many agencies have been hindered in their adoption of telehealth due to the fact that Medicare does not reimburse them for the purchase or deployment of telehealth monitors. HCTAA is proposing that Congress amend its current statute to allow Medicare coverage of telehealth services within the home. Additionally, Congress should require that these telehealth services only be deployed with a physician's certification of need and requisite cost savings to the program.

As an affiliate of the National Association for Home Care & Hospice (NAHC) it is also our view that Congress should reject a proposal to impose a copayment on the Medicare home health benefit. It was a mistake when Congress included this as part of the original benefit in 1965 which led to its repeal in 1972. We should resist making the same mistake today. The copayment was repealed because of clear evidence that rather than saving money, it actually increased the cost to Medicare. This was true because of administrative costs and because it pushed patients into hospitals and more expensive levels of care. Copayments also lead to increased costs as patients were transferred to the Medicaid program.

We believe it makes sense to create incentives for the use of home care since it is one of the least costly forms of health care and the one most appreciated by Medicare patients. We view home care providers as one of the most sophisticated users and earliest adopters of technologies. Home care providers are using technologies today to improve patient self-management, reduce hospital readmissions for high-cost chronically ill patients, improve care coordination among physicians and the medical team, and also provide much valued clinical data for more efficient and timely care interventions.

In closing, we would like to thank you for your leadership efforts to restrain expenses and reduce the overall budget deficit and for your efforts to protect the programs such as Medicare and Medicaid that millions of Americans both today and in the future will depend upon for their health care and well-being. We hope that you will take this opportunity to make further investments in a provider segment that is a technologically sophisticated, low cost option to other forms of healthcare delivery.

Sincerely,



Keith Crownover  
Chairman