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September 22, 2006

Mark McClellan, Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Hubert H. Humphrey Building, Room 445-G
200 Independence Avenue, SW
Washington, DC 20201

**Re: File Codes CMS-1304-P.
Sections D. and F.**

Dear Dr. McClellan:

The Medicare Payment Advisory Commission (MedPAC) is pleased to submit these comments on CMS's proposed rule entitled *Medicare program: Home Health Prospective Payment System Rate Update for Calendar Year 2007*, Federal Register Vol. 71, No. 149, pages 44085-44092 (August 3, 2006). In this letter our comments are on measuring quality and the wage index in home health. We appreciate your staff's ongoing efforts to administer and improve the home health payment system, particularly considering the agency's competing demands.

Reporting on Quality

MedPAC supports CMS's plans to expand the quality measure set to include process measures. We have published work that discusses process measures in home health, focusing on fall prevention and wound care practices. (http://www.medpac.gov/publications/congressional_reports/Jun06_Ch05.pdf.) The discussion concludes that the practices listed in Tables 1 and 2 should be considered for development into process measures for the care of falls and wounds.

Table 1. Pressure wound practices

Improve assessment	<ul style="list-style-type: none"> ○ Assess skin from head to toe ○ Assess wound at each visit ○ Photograph wound as part of the record
Improve treatment	<ul style="list-style-type: none"> ○ Offload pressure ulcers ○ Maintain moist wound bed as appropriate ○ Develop a turning schedule or increase mobility as appropriate ○ Use infection control techniques ○ Educate caregivers regarding infection control
Develop physician contact protocols	<ul style="list-style-type: none"> ○ Contact physician at first sign of infection ○ Contact physician if wound does not respond to treatment within 2 weeks

Table 2. Fall prevention practices

Use a standard, multifactor tool	<ul style="list-style-type: none"> ○ Include patients' fall history ○ Include a medication inventory
Use validated techniques to measure fall risk	<ul style="list-style-type: none"> ○ Measure postural hypotension ○ Measure balance deficits by asking patient to stand on one foot for 10 seconds
Link assessment tool to appropriate follow-up activities	<p>Follow-up could include:</p> <ul style="list-style-type: none"> ○ Contacting physician about medications that increase fall risk ○ Referring patient to a physical or occupational therapist ○ Initiating gait training, balance training or strength training

These measures could complement the process measures being developed by CMS and elsewhere for other important health conditions, such as chronic disease or other functions such as medication management.

Home Health Wage Index

The rule proposes to use the pre-floor pre-reclassification hospital wage index for home health as has been done in the past and solicits comments about new methods to establish wage index values for areas without hospitals.

For rural Massachusetts, for example, the rule proposes using last year's value of 1.0216. It also discusses an alternative: the average of the rural wage indexes for the New England Census Division.

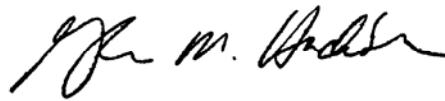
Mark McClellan
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However, these indexes range from .8410 in Maine to 1.1753 in Connecticut. Because this range is so broad, the Census region average does not seem to be a reasonable approximation of the wages in any of the constituent rural areas.

An alternative that CMS could consider is using BLS wage data to derive a ratio of rural Massachusetts' wages to wages in an urban MSA in Massachusetts (Boston, for example) for the mix of workers hospitals employ. That ratio could then be multiplied by the current Boston MSA wage index to derive an estimated wage index for rural Massachusetts.

MedPAC appreciates your consideration of these comments. If you have any questions, or require clarification of our comments, please feel free to contact Mark Miller, MedPAC's Executive Director, at (202) 220-3700.

Sincerely,

A handwritten signature in black ink, appearing to read "Glenn M. Hackbarth". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Glenn M. Hackbarth
Chairman