



Frank E. Moss

July 17, 2002

Dear Senator:

The Senate is currently considering legislation to improve Medicare by including a prescription drug benefit. I heartily support this idea, and urge you to enact it.

While you are considering new benefits, you also have the opportunity, as the House has done before you, to repair damage done to the home health infrastructure. The House has voted to cancel a further 15 percent cut to the Medicare home health benefit scheduled for October 1, 2002. They have also agreed to extend the 10 percent rural add-on. Significantly the House has wisely chosen not to include a copayment for home health services in their version of this legislation. I am writing to encourage you to do the same.

As you may know, my amendment created the home health Medicare benefit in 1965. Congressman Claude Pepper was the House sponsor. Our original legislation required seniors to pay home health copays. However, studies by the Senate Committee on Aging and the General Accounting Office persuaded me in 1972 to work with Senators Edmund Muskie (D-ME) and Gaylord Nelson (D-WI) to delete the copayment provision. Congress voted to do this in the face of clear and unequivocal evidence that copayments:

- cost Medicare more to collect than they saved the program;
- restricted access to needed care;
- constituted a “sick tax” that fell most heavily on those who could least afford it;
- pushed families into poverty and loved ones unnecessarily into institutions;
- increased costs to the states whose Medicaid programs were asked to pick up the slack; and
- increased costs to Medicare because people delayed care until they required hospitalization.

Copayments were a bad idea in my original bill in 1965 and for the same reason they are a bad idea today. I am writing to urge you not to repeat the mistakes that we made in the past.

As you know, home health represents a small percentage of Medicare, but was saddled with a disproportionate share of the major reductions levied by the Balanced Budget Act of 1997. Home care was targeted for \$16 billion in reductions, but the actual cuts topped more than \$70 billion through 2002. Home care was about nine percent of the Medicare budget in 1997, but now it has been whittled down to only four percent. Fully 30 percent of all Medicare home care providers have been forced out of the program or out of business completely.

Consumers have also been severely hurt. Today some one million fewer Americans are receiving needed home health services than did in 1997. By the time seniors qualify for home care services, they most likely have suffered through a hospital stay with Medicare paying for less than 50 percent of their costs. Massive out-of-pocket expenses have to be paid at a time when seniors are at their weakest and their resources taxed to the limit. The imposition of home health copays on top of these burdens simply makes no sense.

Let's do our best to improve Medicare and make it more and not less responsive to the needs of our seniors. Let's add a reasonable and meaningful prescription drug benefit, and let's repair the home health infrastructure by way of preparing for the future enactment of a long-term home care benefit. It's the right thing to do. And I know you always try to do what is right.

Sincerely,

A handwritten signature in cursive script that reads "Frank E. Moss".

Frank E. Moss
U.S. Senator (ret.)

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