

**Introduction Comments – Colleen Hilton
President, Northern Light Home Care and Hospice
Senate Veterans Affairs Committee Field Hearing
January 26, 2024**

Good afternoon Senator King, I want to thank you for the opportunity to participate in this Senate Veterans Affairs Committee field hearing focused on long term care services for veterans.

My name is Colleen Hilton. I serve as the Northern Light Health Senior Vice President for Home Care, Hospice and the Continuum of Care. I also serve as the Board President for the Home Care and Hospice Alliance of Maine. I am a registered nurse and I have dedicated my professional career to caring for patients in their homes and community-based settings. Northern Light Home Care and Hospice is a member of Northern Light Health, a statewide not for profit integrated health care system. Our home nurses, therapists and hospice clinicians care for patients throughout the State of Maine serving urban and remote rural communities. Our staff travel 3.5 million miles, caring for 11,187 patients annually. Caring for patients living on islands off the coast of Maine requires creative partnerships, lobstermen and women are often a critical transportation resource for our staff.

We are also a unique home care organization providing a number of public health services including vaccinations, homeless shelter nursing services and transportation of fresh food to patients at home addressing Maine's food insecurity challenge.

Maine has the oldest population in the country, this includes an aging veteran's population. Veterans receive home care and hospice services through their veterans' health benefits and/or Medicare insurance coverage. On average we cared for 489 veterans in our home care and hospice programs, these are the services authorized by the Togus VA Medical Center. I know that many of our Medicare patients are also veterans, we don't have a way to precisely quantify this number.

Our home health services focus on recovery, quality of life and independence with the goal to reduce emergency room visits and hospital readmissions. The numbers of patients cared for every day across Maine exceed all the bed capacity in our local hospitals. The level of acuity is also rising as more and more medical interventions are happening on an outpatient basis or a surgical procedure that once resulted in a prolonged hospital stay are now being discharged on the same day.

Hospice care in Maine is growing and that is good news. Where Maine once was lagging in utilization of hospice – in 2021 Maine ranked 13th in the country for hospice utilization. What that means is about half of all dying Mainers die in hospice, remarkable support. Maine has four inpatient hospices across our state, one in Presque Isle, Rockport, Auburn and

Scarborough. I am especially pleased to report that we have housed veterans whose families needed respite at our hospice houses. Using respite allows families and caregivers enough support to enable the patient to return to the home setting to live out the remainder of their life surrounded by their loved ones.

I am deeply concerned that home care services for veterans and all individuals in need is at risk due to the significant payment reductions that the Centers for Medicare and Medicaid Services (CMS) started in 2020 when a new payment model – the Patient Driven Groupings Model (PDGM) was implemented. Congress charged CMS with ensuring budget neutrality and gave the agency authority to change payment rates in the PDGM model.

In November of 2022 CMS finalized a payment methodology that resulted in a permanent - 7.85% percent cut to Medicare home health payments. In the calendar year 2024 proposed rule CMS recommended increases in the cuts to a new total permanent cut of -9.36% and other temporary claw backs. Due to significant outreach and advocacy by the National Association of Home Care and Hospice, state association and home care providers throughout the nation the 2024 final payment rule published by CMS did not have another payment reduction but rather a very minor 0.8% aggregate payment increase. The cuts CMS planned to implement will simply be pushed out to future years. The ongoing threat to home health payments is exacerbated by the Medicare Payment Advisory Commission (MedPAC) annual recommendations to congress for continued cuts. On January 11th, MedPAC voted to recommended that Congress reduce the Medicare payment rates for home health services by 7 % for calendar year 2025. We are stuck in a vicious cycle of industry instability and payment reduction proposals that threaten access to care, we are at an inflection point within the home health delivery system.

In the Senate a bill titled “Save the Medicare Home Health Program” (S2137) will stop CMS from imposing certain cuts and direct MedPAC to consider in their analysis the impact of all payers on access to care for the Medicare home health benefit.

We anticipate that veterans, patient’s and families will experience historic access challenges to home health care. It’s not because there is not a need and demand for home health services, but rather due to a workforce crisis, high inflation impacting the cost of medical supplies, and Medicare payment reductions for home health that impact our ability to hire and retain staff to deliver care in the home. Maine continues to struggle with a statewide shortage of RN’s, currently projected as a shortage of 2250 nurses through 2025. We already have regions in Maine with minimal or no access to home care services. In other regions like Hancock County our home care program has only 1 RN to serve the entire county due to the significant shortage of nurses in that particular region. In responding to payment rates below the cost of providing care providers have reduced service to distant geographic regions and/or reduced the actual number of patients that will be accepted into care.

Due to the rural nature of our service area, we invested 15 years ago in the use of telehealth and remote patient monitoring to broaden our reach in serving seniors across the state of

Maine. On any given day, we are caring for 500 patients from Fort Kent to southern Maine who are taking advantage of this technology. Using technology, we can support people suffering from chronic heart and lung diseases. I believe the pandemic truly demonstrated the value of the vision we've had for the use of technology in the homes. When we were in the midst of the global pandemic, telehealth with video capability was incredibly beneficial.

Managing chronic health conditions can mean frequent trips to the doctor or hospital to monitor vital signs. Northern Light's Telehealth Program does the monitoring right from the patients home. Important health data is then transmitted to our homebased team where registered nurses can advise patients on the best course of treatment. With this support, we can keep many of our patients out of the hospital by early intervention of problematic symptoms all based on protocols established by the primary care provider. In 2023 we have cared for 260 veterans to support their aging in place with the support of telehealth.

Nursing homes in Maine are also experiencing significant challenges that impact veterans access to care. The potential closure of Maine Veterans Home locations highlighted the impact that staffing challenges and inadequate reimbursement is having on long term care. Veterans are cared for in nursing facilities throughout the State of Maine and all are experiencing the same challenge. Approximately 20% of nursing facility beds are empty due to lack of staff, other facilities transition their license to a lower level of care and for the 10-year period (2012-2022) closures resulted in the loss of 833 nursing facility beds. The CMS proposed staffing rule will require facilities to staff RN's 24 hours per day 7 days per week. This rule creates a perfect storm with regulations that require facilities to hire hundreds of nurses that simply don't exist given the shortage of nurses. Should this rule become final nursing facilities in rural and urban communities will close due to lack of RN availability and the predatory pricing practices of temporary staffing agencies that is unsustainable.

The solution to the nursing shortage is supporting Maine's nursing education programs to hire the number of faculty needed to expand student capacity and graduate nurses needed to fully replace the retiring out of our nursing staff. The Maine Nurse Educator Loan Repayment program is helping new faculty to teach full time by paying off master or doctoral degree debt for faculty. Unfortunately the national nurse faculty loan repayment programs managed by HRSA are not a good fit for rural states like Maine. I know Lisa Harvey-McPherson is working with your staff to reach out to HRSA to resolve the barriers.

I urge this committee to focus on the impact that Medicare and Medicaid payment policy is having on veteran access to post acute care services.

Thank you.