

December 23, 2019

Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-2393-P
P.O. Box 8016
Baltimore, MD 21244

Re: Comments on Proposed Medicaid Program; Medicaid Fiscal Accountability Regulation

To Whom It May Concern:

On behalf of Lorien Health Services, please accept our letter of comment on the recently proposed rule, *"Medicaid Program; Medicaid Fiscal Accountability Regulation."* As explained below, the proposed rule's changes would have a very negative impact on our organization's nursing centers. Further, the proposed rule would also have a broad negative impact on Maryland's Medicaid budget which, in turn, would adversely impact all of the state's nursing providers and beneficiaries.

Lorien Health Services owns and operates eight (8) skilled nursing and rehabilitation centers throughout central Maryland. Collectively, our centers have an average rating of 4.1 stars under the Centers for Medicare & Medicaid (CMS) Five-Star Rating System. We provide more than 230,000 days of care across all payer sources annually to Marylanders in need, including more than 150,000 days of Medicaid care to people who would otherwise be cared for in hospitals, at a higher cost, and farther away from home.

Along with other skilled nursing and rehabilitation centers across Maryland, we are committed to providing high quality care and continually strive to do the best for the people we serve. In this regard, Maryland nursing centers have been highly rated in key areas and continue to improve. For example, long stay antipsychotic use has dropped from 18.2% in 2012 to 12.4% in 2018 and the rehospitalization rate has dropped from 19.4% in 2012 to 15.6% in 2018.

The changes to provider taxes being proposed in this rule would negatively impact access to high quality care for beneficiaries and would hit nursing facilities, a major employer across the country, particularly hard. This funding mechanism plays a vital role across states, allowing nursing facilities to:

- Increase staffing;
- Increase wages and benefits for staff;
- Better compete in an extremely competitive labor market and fill open positions;
- Reduce turnover;
- Implement new technologies;

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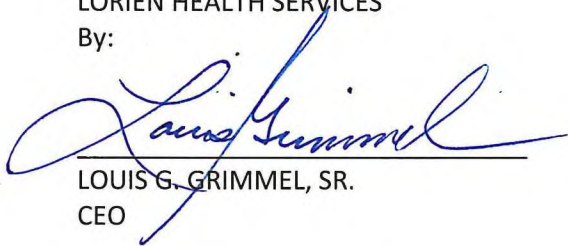
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- Improve and expand staff training and education programs;
- Improve quality;
- Implement value-based purchasing; and
- Make capital improvements to improve the physical setting for our residents.

We are passionate about the care we provide to our residents. We believe strongly that if CMS moves forward with the proposed rule as drafted, it will have a very negative impact on patient care and quality of services. We therefore oppose adoption of the proposed rule as drafted.

Thank you for your time in reviewing and considering our comments.

Sincerely,
LORIEN HEALTH SERVICES
By:



LOUIS G. GRIMMEL, SR.
CEO

LGG / jaf

cc: Joseph DeMattos, President and CEO, Health Facilities Association of Maryland, jdemattos@hfam.org
Ms. Hope Morris, Health Facilities Association of Maryland, hmorris@hfam.org