To Whom it May Concern:

My wife Stacy and I are part owners of three facilities in Missouri that we are very proud of. They are the Villages of Jackson Creek, the Estates of Jackson Creek, and the Villages of St. Peter’s. The first two are in Independence and the third is in St. Peters. Together they offer skilled, long term stay, assisted living and dementia care. It gives us great pride to be a part of these three facilities, and we are proud of the care that our operator provides.

I write because of several concerns I have relating to the proposed long term care requirements. I appreciate the opportunity to comment on the proposed rule and appreciate your consideration of these concerns.

Most importantly, I am concerned about the residents. The cost in time and expense from this rule will not show up at the bedside. There is an opportunity cost issue. We work to maximize time focusing on resident’s care, resident satisfaction, reducing unnecessary hospitalizations, and other direct-care issues. But, to the extent we are required to spend funds on administrative requirements, no matter how well intended, there is a cost to our residents.

The burden of implementing these new requirements, when you factor in all the other changes that are already taking place, is simply too much. As a result, I suggest that you phase in these new rules over a five-year period.

We are already undergoing enormous changes in both delivery of care and in reimbursement. Most of these changes are good. They will lead to a heightened focus on quality. But there is a capacity to our ability to implement change within short time frames. Already we face:

- Preparing for VBP and the 2% withhold in 2018
- The advancement of Accountable Care Organizations
- The voluntary bundles in BPCI
- The dual demo projects
- Growth in Medicare Advantage
- The new bundle project (All of these buildings are in the selected MSAs)
- Our commitment to the AHCA Quality Initiative and the four goals it sets

There is a capacity to what we are capable of implementing. As a result, I request a reasoned phase in over at least a five-year period of time.
CMS has estimated a cost at over $700 million, which I am told averages about $50,000 per building. I believe this is a low estimate. There are several provisions that will require new staff. In the area of infection control there is a requirement of a person who would spend more than half time on this role. But in the CMS cost estimate, there is a salary estimate that only assumes 15% of an FTE time on these functions. Frankly, if the requirement is more than 50%, this cost alone will meet the CMS estimate.

While I don’t argue with the importance of infection control, or for that matter many of the other provisions in the rule, how are we supposed to pay for this? There is no funding. As a result, CMS should either pay for these new requirements or at the minimum implement the expensive portions of the rule at the back end of a five-year phase in. That way we can work with Medicaid and others to figure out how to pay for this.

Thanks much for reviewing these comments, and we hope you will act on them.

Sincerely,

Mark Parkinson