**Add your company letterhead**

DATE

Centers for Medicare & Medicaid Services

Department of Health and Human Services

Attention: CMS-1746-P

P.O. Box 8016

Baltimore, MD 21244-8016

I am writing to provide comments on the proposed rule CMS-1746-P - *Medicare Program; Prospective Payment System and Consolidated Billing for Skilled Nursing Facilities; Updates to the Quality Reporting Program and Value-Based Purchasing Program for Federal Fiscal Year 2022* that was published in the Federal Register on April 15, 2021. I specifically want to address the section discussing recalibrating the SNF patient driven payment model (PDPM).  
  
While PDPM expenditures in FY 2020 may not have hit the target perfectly and the model may need to be tweaked, without the new payment system and the various helpful public health emergency (PHE) waivers, [insert name of company] would have been further challenged to respond during the PHE and may not have survived. This would have led to countless Medicare beneficiaries with reduced access to care in the middle of a deadly pandemic and related PHE.   
  
I am concerned how the implementation of a five percent rate cut will impact patient care. [Insert a summary of major impacts of the pandemic on your organization and how a large payment rate reduction would affect your ability to continue to provide high quality care to Medicare beneficiaries; include information about your facilities, operations and your residents].   
  
The COVID-19 pandemic profoundly and permanently impacted how we provide care and the costs to provide care residents regardless of a COVID-positive diagnosis. Many of these additional costs will be permanent due to changes in patient care, infection control, reporting requirements, and other necessary costs. [Insert some examples of how your specific patient care costs for PPE, testing, staffing, etc. have increased, and examples of capital improvements made or planned out for infection control purposes during the PHE; include personal stories about your experience; discuss lost income and the impact of census declines]. Without a fair and predictable SNF PPS payment rate going forward, it will be difficult, if not impossible, to provide the high-quality care that CMS expects while also improving our care delivery processes, and for buildings to reduce the risk of transmission for airborne, communicable disease.  
  
**Given these recent and ongoing challenges during the COVID-19 PHE and that are anticipated as the nation recovers, I encourage CMS to proceed in a thoughtful and deliberate manner and to adopt the following recommendations:**

* **More time is needed to thoroughly evaluate all data related to the pandemic’s impact on SNF utilization in FY2020 before making a final determination of whether a PDPM parity adjustment is warranted, and if so, by how much.**
* **I strongly recommend that if CMS implements a PDPM parity adjustment, that the blended approach is applied, including a delayed implementation of two years, and then a phased-in implementation of no more than a one percent reduction per year be applied until parity is achieved.**

Sincerely,