

REMARKS OF SEN. JOHN HEINZ (R.PA)
PENNSYLVANIA ASSOCIATION OF HOME
HEALTH PROVIDERS
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President (Ruthanne) Nerlick, members of the Pennsylvania Association of Home Health Agencies, thank you very much for those kind words. I am sorry that Jim Potuznik cannot be here with us today, but I know you all join me in wishing him a speedy recovery.

It's particularly gratifying to have Ruthanne highlight my legislative initiatives in the home health area 'for the record,' as the saying goes in that other capital city to the south. Politicians are always suspect of being self service, and when the press learns that Senator John Heinz is the first recipient of The John Heinz Award -- well, Ruthanne, your objective remarks will go a long way in setting the story straight.

I want to congratulate each and every one of you here in this room today for your dedicated service to the thousands of Pennsylvanians in need of health care in their homes. In thinking about my remarks for this afternoon, I was struck by the value of your services not just to this generation of Americans, but to future generations as well.

America is an aging society. In the next forty years, the number of Americans over age 65 will have doubled to 58.8 million, with the 85-plus population as the fastest growing segment of the population.

As home health providers, you play a critical role in our demographic destiny. After all, the family is the single most critical component in our nation's health care system. Two-thirds of all Americans with chronic conditions are cared for by family. More 'children' -- some of whom are grandparents themselves -- provide more care and more difficult levels of care, for longer periods of time, than ever before. Yet without the skills and services available from home health professionals, this preferred and cost-effective setting for care simply would not be feasible for many.

As Chairman of the Senate Special Committee on Aging, I believe medicare's new cost containment system -- the DRGs -- adds a whole new dimension to the traditional role of home health care in America. Home health providers today are the front line M-A-S-H teams, nursing thousands of older patients who are casualties in the Administration's war against escalating hospital expenses.

Just last week, at a hearing before the Committee, we learned that discharges to home health care under the new DRG program have increased by 37 percent. Two home health agency nurses described the professional, emotional and financial anguish of caring for patients with very difficult medical problems, patients who before the DRGs might still be in the hospital.

You've been coping with the same problems too, I know. And you face the dilemma of medical ethics versus profitable practice, knowing full well that the Federal hand squeezing reimbursements to hospitals is also squeezing payments for home health care.

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Congress' challenge is clear. But what about your challenge? I see two very distinct challenges for home health agencies in Pennsylvania and throughout the country.

First, efficiency. The industry should use the one year moratorium on reimbursement cuts to get your own house in order, to cut the fat and streamline your operations on your own initiative -- not under pressure from Washington.

Second, quality. While the temptation may be there to follow the example of hospitals, placing self-interest and profit over self-discipline and commitment to quality, don't give in.

Quality health care in America cannot be dissected and boxed by provider and setting. From hospital, to nursing home, to home health, the continuum must be maintained. We can tame costs together, I feel sure. But we must never lose sight of our first responsibility: to provide the highest quality care to each and every American.