Congress of the United States

Washington, DC 20515

February 3, 2025

President Donald J. Trump The White House 1600 Pennsylvania Avenue NW Washington, D.C. 20500

Dear President Trump:

We write to you regarding the Ensuring Access to Medicaid Services Final Rule (Access Rule) finalized by the Centers for Medicare & Medicaid Services (CMS) in April of 2024. While there are several provisions within the rule that make positive changes to the Medicaid program, we are concerned about the payment adequacy provision, which will require that at least 80 percent of all Medicaid payments for personal care services go to the compensation of the direct care workers (DCW). We urge you to prioritize the reversal of this provision to reduce unnecessary burden on the federal budget, state Medicaid programs, Medicaid-based home care providers and ultimately, the individuals on Medicaid who likely will experience significant care disruptions if the rule is implemented.

Over a thousand comments to this rule were submitted by state Medicaid agencies, providers and other stakeholders, the vast majority of which clearly expressed opposition to the payment adequacy proposal, commonly referred to as the 80/20 rule. States throughout the country commented that mandating a threshold wage payment for home-and community-based services (HCBS) would reduce the number of personal care services providers. In their comments to the proposed regulation, states have outlined that access to services for beneficiaries will be immediately reduced by the implementation of this proposal, that rural and small providers will face some of the greatest challenges, that the requirement would create more Medicaid imbalance among states through a universal requirement as it disregards variability in state waivers and reimbursement rates, and that states do not have the resources to incur the significant costs of this proposal, which could create shortfalls for state budgets.

The untested, one-size fits all approach of the 80/20 rule will reduce, not expand, Medicaid access. The 80/20 rule was introduced without a basis in data, actual experience, or an understanding of costs associated with the provision of home-based care, nor was it the result of legislation. The requirement simply assumes that that state-determined Medicaid payment rates to providers are adequate to require allocating 80 percent to workers and, further, would create stability in or perhaps even expand the workforce. Without data to support that assumption and the viability of an 80 percent reimbursement pass-through to direct care workers, the requirement would instead reduce access to home care services.

Without personal care services delivered in their homes, beneficiaries would be unnecessarily forced into nursing homes, and the elimination of autonomy at a much higher cost to Medicaid, impacting both state and federal budgets. Instead of mandating an unsustainable payment pass through, we request that the Administration work quickly to rescind this component of the Access Rule and instead turn the focus towards working with stakeholders to address the fundamental issues driving workforce shortages and the resulting lack of access for consumers.

We welcome the opportunity to work with your Administration to more closely examine the totality of the Access Rule and to eliminate the unnecessary and harmful 80/20 rule.

Sincerely,

Earl L. "Buddy" Carter

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Member of Congress

John Joyce, M.D. Member of Congress

Troy Balderson
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