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February 4, 2000

VIA FACSIMILE

(202) 690-6262

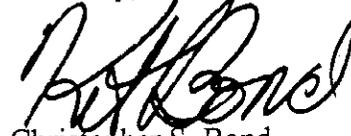
The Honorable Nancy-Ann Min DeParle
Administrator
Hubert H. Humphrey Building
200 Independence Ave., SW
Washington, DC 20201

Dear Administrator DeParle:

The purpose of this letter is to express concern with the Health Care Financing Administration's (HCFA) failure to respond to my letter dated December 16, 1999. In that letter I asked a series of questions about HCFA's policy announcement that nursing homes with repeat inspection violations will face immediate mandatory penalties. HCFA failed to respond by January 4, 2000, and, despite repeated verbal inquiries, has yet to supply the requested information or request a reasonable extension.

In light of this situation, I request that HCFA immediately provide the requested information, in addition to an explanation for the delayed response. Thank you for your prompt attention to this matter. Please have your staff contact Dan Donovan at (202) 224-5175 with any questions.

Sincerely,



Christopher S. Bond
Chairman

Enclosure

cc: Don Johnson
Deputy Director
Office of Legislation
(202) 690-8168

CHRISTOPHER S. BOND

MISSOURI

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United States Senate

WASHINGTON, DC 20510-2503

December 16, 1999

Nancy-Ann Min DeParle
Administrator
Health Care Financing Administration
Hubert H. Humphrey Building
200 Independence Ave., SW
Washington, DC 20201

Dear Ms. DeParle:

As you know, over the last two months I have been conducting a preliminary review of quality in Missouri nursing homes and how effective regulators in the state government and at the Health Care Financing Administration (HCFA) are in ensuring high-quality care. I thus noted with interest HCFA's December 14 policy announcement that expands the number of nursing homes that will be subject to immediate fines for repeated deficiencies in care that resulted in harm to patients. In addition to the information on nursing home and related issues that I have previously requested from the HCFA Kansas City regional office, I have a number of questions pertaining to this new policy.

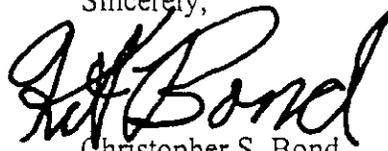
First, since you are expanding HCFA's existing policy that imposes immediate fines on nursing homes in certain circumstances, I presume you have data that shows how much nursing home quality improved following the *initial* implementation of these fines. I would appreciate your thoughts and HCFA's position on the general efficacy of these fines and why expanding fines is the right thing to do. It has been suggested that the difficulty in collecting fines and the potential impact of the lost funding on patient care indicate that fines may not be the most effective way to ensure high-quality care. Some have suggested that a phased process that begins with a moratorium on new patients in a specific nursing home and possibly expands to a prohibition on all public-pay patients may produce better results.

Second, I would appreciate any information you have on how widespread the fines have been in Missouri under the existing policy, and how widespread you expect them to be under the new policy. For example, HCFA has stated that approximately 1 percent of nursing homes nationally have been subject to these penalties, but that as many as 12 percent of all nursing homes may be subject to immediate fines under the new policy. What are the existing and expected numbers for Missouri nursing homes, and are they higher or lower than the national figures?

Finally, I would also appreciate information about how thoroughly the State is employing these fines currently. Specifically, how many nursing homes in Missouri have violations on their last two state surveys that involved a pattern of harm to multiple residents (i.e. the criteria for assessing mandatory immediate fines before the Dec. 14 policy was announced)? How many of these nursing homes were actually fined, and were these fines actually collected? How many of these fines were appealed, and did the state pursue each fine through the appeals process?

Thank you in advance for a response to this request for information by Tuesday, January 4. In order to ensure that we receive the materials we have requested, my staff will contact Don Johnson in the HCFA Legislative Affairs within the next few days. I look forward to continued work with you to ensure that Missourians, and all Americans, receive the high-quality nursing care they deserve.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Bond", written in a cursive style.

Christopher S. Bond
United States Senator