



September 9, 2015

Chairman Fred Upton
House Energy and Commerce Committee
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Ranking Member Frank Pallone
House Energy and Commerce Committee
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Subcommittee Chairman Joe Pitts
House Energy and Commerce Committee
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Ranking Member Gene Green
House Energy and Commerce Committee
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Upton, Subcommittee Chairman Pitts, Ranking Member Pallone, and Subcommittee Ranking Member Green:

Sandata Technologies, LLC appreciates the opportunity to provide a statement for the record for the House Energy and Commerce Subcommittee on Health's hearing on Strengthening Medicaid Program Integrity and Closing Loopholes.

Medicaid personal care services (PCS) provide assistance to the elderly, people with disabilities, and individuals with chronic or temporary conditions so that they can remain in their homes and communities, and avoid moving to more costly facilities. PCS consist of non-medical services supporting activities of daily living, including bathing, dressing, light housework, money management, meal preparation, and transportation. PCS generally are provided by an attendant to vulnerable care-dependent persons, such as the elderly, infirm, or disabled.

PCS, which are currently offered as either a State plan optional benefit or through various demonstrations and waivers in all 50 states represents a significant expense. For example, in 2011, Medicaid costs for PCS totaled approximately \$12.7 billion.

"Between 2006 and August 2012, the Office of Inspector General at the U.S. Department of Health and Human Services (OIG) produced 23 audit and evaluation reports on PCS.6 OIG's audit and evaluation work revealed a pattern of improper PCS payments linked to lack of compliance with State policies and



requirements. Additionally, the work demonstrated that existing program safeguards intended to ensure medical necessity, patient safety, and quality and prevent improper payments were often ineffective. Furthermore, according to the OIG, PCS fraud — including many cases in which the care attendants and the beneficiaries acted as co-conspirators to scam the Medicaid system — is on the rise, representing more cases investigated by State Medicaid Fraud Control Units than any other type of Medicaid fraud.” (Source: <http://oig.hhs.gov/reports-and-publications/portfolio/portfolio-12-12-01.pdf>)

Electronic Visit Verification™ (“EVV™”) supports service delivery and mitigates the potential for fraud, waste and abuse within home care, while preserving the benefits of PCS for those people needing care. EVV prevents fraud BEFORE claims are submitted. EVV captures time, attendance and care plan information entered by the home care worker at the point of care. For example, Sandata’s EVV program saved the State of Florida over \$20 million and cut home care costs by 50% in the first year of the program.

Sandata supports Mr. Guthrie’s bill requiring the use of EVV for PCS, as national adoption of EVV technology supports:

- **Fraud, waste and abuse deterrence:** EVV systems have proven they prevent the most common fraud schemes.;
- **Verification and documentation of visits, including tasks and times:** EVV records the identity of the caregiver, the person receiving care, times, and tasks delivered during the visit and verifies that information against the schedule/authorization.
- **Focus on Quality:** Adoption of EVV solutions allow states to define and focus on quality metrics that make sense for each program. For example, Tennessee’s EVV program focuses on timely care delivery and member satisfaction. The Texas EVV program focuses on accurate and automated visit verification. Each state can identify key metrics to create EVV quality standards that are right for their needs.

We appreciate your time and attention to this matter.

Sincerely,

A handwritten signature in blue ink that reads "Tom Underwood".

Tom Underwood
President and CEO, Sandata Technologies, LLC