January 23, 2017

The White House

1600 Pennsylvania Ave NW,

Washington, DC 20500

Dear President Trump,

 I have written you several times, voted for you and contributed to your campaign. I have tried contacting Sam Clovis, Jared Kushner, Kellyanne Conway and sent you my books, still no response. My expertise is health care delivery and payment methods for Medicare and Medicaid. Tom Price, your selection for Secretary of HHS is fine but is he informed on the primary problem when you repeal Obama Care. That is the current method of paying the providers with no price constraints or accountability.

**Hospitals** are paid for an average rate per day for a grouping of diagnoses called DRG’s. This is an input factor not output (outcome) result. Thus, we are paying for diagnostic guesses not specific approaches or interventions for specific patient problems and prognosis. Out Patient services are paid on an average rate for a treatment or test called OPPS. This allows the hospitals to avoid any accountability for quality of life outcomes or benefits provided. For example, hospitals are paid 4.5 days for treating a stroke patient and usually discharges them early to make more money.

This gets worse with **physicians** who are paid an average rate for encounters called RVU’s. This is an input factor not output result. As with hospitals we aren’t getting any benefit other than treatments, drugs, tests with no deliverable outcome. This allows the doctors to avoid any accountability for quality of life outcomes or benefits provided. Every billing department is looking for the best code to bill.

Even worse with **skilled nursing homes** who are paid an average rate for assessed deficits of daily living called RUG’s not restorative care. As with the primary providers we aren’t getting any benefit other than housing, medications, tests and re-hospitalizations. This allows the nursing homes to avoid any accountability for quality outcomes or prevention of further chronic illnesses.

Next is **skilled nursing and therapy home care** provided by Home care companies who are paid an average rate for encounters called OASIS not rehabilitation. As with the primary providers we aren’t getting any benefit other than high cost travel expenses and re-hospitalizations. This allows the Home Care providers to avoid any accountability for quality outcomes or prevention of further chronic illnesses. Re-hospitalizations and ER visits are trending upward as hospitals own their own Home Care businesses.

Finally, **Hospice** care at home or in nursing homes are paid an average rate per day for presumed services called HOSPICE for end of life care. Same problem here … they are paid on an average rate with no accountability for quality of life outcomes or compliance with the six month limitation on coverage and billing.

Regardless of your success in reworking the insurance coverage problems the real bottom-line will not be served until this ridiculous payment for services, to all health care providers, is corrected. Billions and trillions will continue to be wasted on inductive guessing, treatment, testing and pill pushing rather than the pursuit of deductive outcomes. Including prevention of chronic diseases and preservation of health where the beneficiaries are paying the bills not government.

These problems are presented with solutions in my self-health books. Enclosed is “The Boomers are Coming” and others you can refer to “America in the Red Zone”, “Restore Elder Pride”, “Failing Government Taketh Away”. I suggest that I be a consultant in the process of reworking the Institutional model of health care so it is an Enterprise Model and serves the people not the Government.

Sincerely, Jerry L. Rhoads

CPA, LNHA, FACHCA,

 847/309-3946,

jerry.l.rhoads@gmail.com,

2 Westwind Court, Hawthorn Woods, IL 60047 (Chicago suburb)

CC: Secretary Tom Price appointee of President Trump

The U.S. Department of Health & Human Services
[Hubert H. Humphrey Building](https://www.hhs.gov/about/hhs-headquarters/index.html)

200 Independence Avenue, S.W.
Washington, D.C. 20201