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## United States Senate

SPECIAL COMMITTEE ON AGING WASHINGTON, DC 20510-6400 (202) 224-5364

March 26, 2024

The Honorable Chiquita Brooks-LaSure Administrator U.S. Centers for Medicare & Medicaid Services 7500 Security Boulevard Baltimore, MD 21244

Dear Administrator Brooks-LaSure:

Recent reports about Papa Inc.—a private company that provides "companionship and assistance" to older adults <sup>1</sup>—have detailed troubling allegations about the company's workers providing low-quality care and abusing customers. <sup>2</sup> Papa Inc. (Papa) offers its services primarily as a health plan supplemental benefit <sup>3</sup> and has reportedly partnered with more than 65 health plans, including Medicare Advantage and Medicaid plans, to make its services available to plan enrollees. <sup>4</sup> As demand for home care services that enable older adults and people with disabilities to live at home continues to increase, service providers, insurers, and the Centers for Medicare & Medicaid Services (CMS) must ensure that Medicare and Medicaid enrollees receive safe and high-quality home care. Similarly, care workers deserve to be treated with dignity. I therefore request that CMS provide information about how it oversees providers like Papa and guarantees the responsible use of federal funds for their services.

Papa pairs older adults and other underserved people with individuals (known as Papa Pals) who provide non-medical assistance with daily tasks.<sup>5</sup> Examples of Pal services include

<sup>&</sup>lt;sup>1</sup> Ellen T. Rudy, et al., "A Call for Consistent Measurement Across the Social Determinants of Health Industry Landscape," *Population Health Management* 25, no. 5 (October 2022): 699, <a href="https://www.liebertpub.com/doi/10.1089/pop.2022.0079?url\_ver=Z39.88-2003&rfr\_id=ori%3Arid%3Acrossref.org&rfr\_dat=cr\_pub++0pubmed">https://www.liebertpub.com/doi/10.1089/pop.2022.0079?url\_ver=Z39.88-2003&rfr\_id=ori%3Arid%3Acrossref.org&rfr\_dat=cr\_pub++0pubmed</a>.

<sup>&</sup>lt;sup>2</sup> Priya Anand, "Assault Allegations Plague a \$1.4 Billion Home Eldercare Startup," *Bloomberg* (May 30, 2023), <a href="https://www.bloomberg.com/news/features/2023-05-30/papa-eldercare-startup-faces-abuse-claims-by-seniors-caregivers">https://www.bloomberg.com/news/features/2023-05-30/papa-eldercare-startup-faces-abuse-claims-by-seniors-caregivers</a> [hereinafter *Bloomberg Report*].

<sup>&</sup>lt;sup>3</sup> Press Release, Papa Inc., "Papa Broadens its Business with New Impact Programs to Address Social Drivers of Health and Improve CMS Star Rating Measures," PR Newswire (February 5, 2024), <a href="https://www.prnewswire.com/news-releases/papa-broadens-its-business-with-new-impact-programs-to-address-social-drivers-of-health-and-improve-cms-star-rating-measures-302052433.html">https://www.prnewswire.com/news-releases/papa-broadens-its-business-with-new-impact-programs-to-address-social-drivers-of-health-and-improve-cms-star-rating-measures-302052433.html</a>.

<sup>&</sup>lt;sup>4</sup> Press Release, Papa Inc., "Papa Continues Rapid Expansion to Counteract Loneliness as a Serious Public Health Risk," PR Newswire (October 29, 2021), <a href="https://www.prnewswire.com/news-releases/papa-continues-rapid-expansion-to-counteract-loneliness-as-a-serious-public-health-risk-301411656.html">https://www.prnewswire.com/news-releases/papa-continues-rapid-expansion-to-counteract-loneliness-as-a-serious-public-health-risk-301411656.html</a>.

<sup>&</sup>lt;sup>5</sup> Supra, note 1, "A Call for Consistent Measurement Across the Social Determinants of Health Industry Landscape," Population Health Management.

grocery shopping, pet help, light household chores, and transportation. Pals also provide health reminders (e.g., reminding customers to have their eyes checked or schedule an annual wellness check). These services are facilitated via the company's website, mobile phone application, email exchanges, call-in service, and may be advertised to eligible insurance enrollees via plan benefit documents. Additionally, Papa's recently announced Medicare Advantage 'Star Enhancement' program "focuses on advancing actions that directly impact CMS Star Rating measures" such as coordinating in-home assessments. The company reportedly operates in all 50 states; is recruiting Pals in more than 40 states, including Pennsylvania; and generates tens of millions of dollars in revenue annually.

To become a Pal, the company requires that applicants be 21 years or older and able to pass background checks facilitated by a third-party company, although Pals are not required to have health care experience or training. <sup>13</sup> I have raised concerns in the past about the adequacy of Papa's vetting process. <sup>14</sup> Recent reporting by *Bloomberg* revealed Papa logged over 1,200 complaints during a four year period. <sup>15</sup> These complaints included harassment of both customers and caregivers, allegations of sexual harassment and assault, as well as reports of theft and unsafe work environments.

The Senate Special Committee on Aging has jurisdiction over the problems older adults face, including matters of maintaining older adults' health and their ability to obtain care or assistance. <sup>16</sup> As Chairman, I have an interest in ensuring that older adults and people with disabilities are receiving high-quality care that is free from abuse, and that Medicare and Medicaid are receiving good value for taxpayer dollars. I therefore request your assistance in

<sup>&</sup>lt;sup>6</sup> "Understanding Visit Tasks," Papa Inc., <a href="https://www.papa.com/resources/hub-papa-visits/understanding-visit-tasks">https://www.papa.com/resources/hub-papa-visits/understanding-visit-tasks</a>.

<sup>&</sup>lt;sup>7</sup> Pardo v. Papa, Inc., 2023 U.S. Dist. LEXIS; "End User Agreement" End User Agreement, Papa Inc., last modified January 18, 2023, <a href="https://www.papa.com/end-user-agreement">https://www.papa.com/end-user-agreement</a>.

<sup>&</sup>lt;sup>8</sup> For example, a Cigna Medicare Advantage 2023 Supplemental Benefits Guide states that plans may include an "in-home support services benefit" managed through Papa. The Guide provides instructions for enrolling with Papa. Accessed March 18, 2024, *available at* <a href="https://www.cigna.com/static/www-cigna-com/docs/medicare/plans-services/2023/benefit-guide-h4513-061-004.pdf">https://www.cigna.com/static/www-cigna-com/docs/medicare/plans-services/2023/benefit-guide-h4513-061-004.pdf</a>.

<sup>&</sup>lt;sup>9</sup> Papa, "Papa's New Impact Programs Add Value for Health Plans," *Fierce Healthcare* (February 12, 2024), <a href="https://www.fiercehealthcare.com/sponsored/papas-new-impact-programs-add-value-health-plans">https://www.papa.com/sponsored/papas-new-impact-programs-add-value-health-plans</a>. "Enhance CMS Star Ratings," Papa Inc., <a href="https://www.papa.com/star-enhancement-program">https://www.papa.com/star-enhancement-program</a>.

<sup>&</sup>lt;sup>10</sup> Andrew Donlan, "After Layoffs, Papa CEO Lays Out Vision For Company's Future," *Home Health Care News* (August 30, 2022), <a href="https://homehealthcarenews.com/2022/08/after-layoffs-papa-ceo-lays-out-vision-for-companys-future/">https://homehealthcarenews.com/2022/08/after-layoffs-papa-ceo-lays-out-vision-for-companys-future/</a>.

<sup>11 &</sup>quot;Locations," Papa Inc., https://www.papa.com/locations.

<sup>&</sup>lt;sup>12</sup> Supra, note 2, Bloomberg Report.

<sup>&</sup>lt;sup>13</sup> "Be a Papa Pal," Papa Inc., <a href="https://www.papa.com/pals">https://www.papa.com/pals</a>. "Basics," Papa Inc., <a href="https://www.papa.com/pals-central/pal-basics">https://www.papa.com/pals</a>. "Basics," Papa Inc., <a href="https://www.papa.com/pals-central/pal-basics">https://www.papa.com/pals-central/pal-basics</a>.

<sup>&</sup>lt;sup>14</sup> Senate Special Committee on Aging, "Casey Presses Caregiving Tech Company to Ensure Older Adults and Workers Aren't Being Abused," Press Release, July 13, 2023, <a href="https://www.casey.senate.gov/news/releases/casey-presses-caregiving-tech-company-to-ensure-older-adults-and-workers-arent-being-abused">https://www.casey.senate.gov/news/releases/casey-presses-caregiving-tech-company-to-ensure-older-adults-and-workers-arent-being-abused</a>.

<sup>&</sup>lt;sup>15</sup> Supra, note 2, Bloomberg Report.

<sup>&</sup>lt;sup>16</sup> "Rules: United States Senate Special Committee on Aging," Senate Special Committee on Aging, <a href="https://www.aging.senate.gov/about/rules">https://www.aging.senate.gov/about/rules</a>.

better understanding how CMS oversees the financing, provision, and utilization of supplemental benefits, including the services provided by Papa, by answering the following questions no later than April 27, 2024:

- 1. In response to *Bloomberg* reporting, CMS shared it has been reviewing and monitoring complaints and grievances involving Papa. <sup>17</sup>
  - a. What steps has CMS taken to review and monitor complaints and grievances involving Papa? What determinations has CMS made regarding the safety and quality of Papa's services based on the review of the complaints and grievances?
  - b. Has CMS taken any steps to communicate with Medicare Advantage and Medicaid managed care organizations about contracting with Papa or taken any other action to address the complaints against Papa's care workers?
  - c. How does CMS ensure that Medicare Advantage organizations and Medicaid managed care organizations do not contract with providers, vendors, or individuals that fail to protect enrollees from harm and/or consistently provide low-quality care?
- 2. Some Medicare Advantage plans categorize Papa's services as in-home support services. <sup>18</sup> According to guidance from CMS, such services "must be provided by individuals licensed by the state to provide personal care services, or in a manner that is otherwise consistent with state requirements." <sup>19</sup>
  - a. Has CMS confirmed that Papa's services are provided to Medicare Advantage enrollees by qualified individuals?
  - b. How does CMS audit or assess generally that in-home support services and other supplemental benefits are provided to Medicare Advantage enrollees by qualified individuals?
- 3. According to CMS, supplemental benefits in Medicare Advantage have grown considerably over the past five years, and per-person payments from CMS to Medicare Advantage organizations for supplemental benefits have more than

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<sup>&</sup>lt;sup>17</sup> Supra, note 2, Bloomberg Report.

<sup>&</sup>lt;sup>18</sup> For example, see the Cigna Medicare Advantage 2023 Supplemental Benefits Guide, accessed March 18, 2024, *available at* <a href="https://www.cigna.com/static/www-cigna-com/docs/medicare/plans-services/2023/benefit-guide-h4513-061-004.pdf">https://www.cigna.com/static/www-cigna-com/docs/medicare/plans-services/2023/benefit-guide-h4513-061-004.pdf</a> and the Dean Health Plan 2023 Medicare Enrollment Guide, accessed March 18, 2024, *available at* <a href="https://www.deancare.com/getmedia/a05539b7-7905-4991-9d72-e5d92db44c0e/Dean-Advantage-2023-Enrollment-Guide.pdf">https://www.deancare.com/getmedia/a05539b7-7905-4991-9d72-e5d92db44c0e/Dean-Advantage-2023-Enrollment-Guide.pdf</a>.

<sup>&</sup>lt;sup>19</sup> Centers for Medicare & Medicaid Services, "Reinterpretation of "Primarily Health Related" for Supplemental Benefits," April 27, 2018, <a href="https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/hpms%2520memo%2520primarily%2520health%2520related%25204-27-18\_207.pdf">https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/hpms%2520memo%2520primarily%2520health%2520related%25204-27-18\_207.pdf</a>.

doubled.<sup>20</sup> Meanwhile, the United States Government Accountability Office found that CMS has limited information on enrollees' use of supplemental benefits.<sup>21</sup>

- a. What factors does CMS consider when determining whether to permit a nontraditional supplemental benefit offering proposed by a Medicare Advantage plan such as services from Papa?
- b. How does CMS evaluate the extent to which Medicare Advantage supplemental benefits—including but not limited to the services provided by Papa—are safe, utilized by enrollees, and improve enrollee health outcomes, thereby ensuring such services are a worthwhile investment for taxpayers and the Medicare program?

Thank you for your commitment to ensuring that the Medicare and Medicaid programs are subject to appropriate oversight. It is imperative that CMS safeguards Medicare and Medicaid enrollees from harm and abuse while ensuring they receive high-quality care.

Sincerely,

Bob Covery

Robert P. Casey, Jr.

Chairman

Senate Special Committee on Aging

<sup>&</sup>lt;sup>20</sup> Centers for Medicare & Medicaid Services, "Submission of Supplemental Benefits Data on Medicare Advantage Encounter Data Records," February 21, 2024, available at https://www.cms.gov/about-cms/informationsystems/hpms/hpms-memos-archive-weekly/hpms-memos-wk-4-february-19-23.

21 Medicare Advantage: Plans Generally Offered Some Supplemental Benefits, but CMS Has Limited Data on

Utilization, GAO-23-105527 (January 2023), https://www.gao.gov/assets/d23105527.pdf.