



Working Together for an Affordable Future

May 21, 2015

The Honorable Diane Black
United States House of Representatives
Washington, DC 20515

The Honorable Richard Neal
United States House of Representatives
Washington, DC 20515

Dear Representative Black and Representative Neal:

The National Coalition on Health Care (NCHC) is a coalition of health care stakeholder organizations committed to promoting an affordable, high-quality health system in the United States. As the nation's oldest and most diverse group working to achieve comprehensive health reform, we represent more than 100 member organizations, including health care providers, purchasers, payers, and consumers. Collectively, our organizations represent, as employees, members, or congregants, more than 100 million Americans.

I write to applaud your introduction of the *Comprehensive Care Payment Innovation Act*. This legislation would take important steps away from unnecessarily expensive, volume-driven medicine and enhance lower-cost, higher quality care in Medicare and across the health system.

The current fee-for-service (FFS) payment model in health care not only encourages volume and drives up health care costs in the United States, but also provides little incentive for care coordination and quality care. By contrast, episodic bundled payment models can improve patient care, creating a more cost-effective health care system. Medicare bundling pilots and demonstrations, such as Geisinger Health's ProvenCare program¹, Medicare's Acute Care Episode² demonstration in 2009, and the Bundled Payment for Care Improvement Initiative³ have already produced real savings and better care for patients. This bill would enable groups of providers across the country to bring similar value to Medicare beneficiaries.

The *Comprehensive Care Payment Innovation Act* would establish a permanent, voluntary bundled payment model in Medicare, paying physicians, hospitals and other providers for an episode of care from three days prior to an inpatient admission to 90 days following discharge. This new program

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would better align provider incentives with value, while promoting strong standards for the quality of care. As importantly, it would align Medicare with innovative private and public sector health plans that have already taken similar steps.

The *Comprehensive Care Payment Innovation Act* has the potential to improve the coordination, quality, and efficiency of patient care while curbing the rising cost of health care. We look forward to working with you to advance this important legislation.

Sincerely,



John Rother
President and CEO

¹ Casale AS, et al. ProvenCare: A Provider-Driven Pay-for-Performance Program for Acute Episodic Cardiac Surgical Care. *Ann Surg.* 2007; 246(4): 613-623.

² Centers for Medicare & Medicaid Services. Medicare Acute Care Episode Demonstration Final Evaluation Report [internet]. Baltimore (MD): IMPAQ International; 2013. Available from: <http://downloads.cms.gov/files/cmimi/ACE-EvaluationReport-Final-5-2-14.pdf>

³ Centers for Medicare & Medicaid Services. CMS Bundled Payment for Care Improvement (BPCI) Initiative Models 2-4: Year 1 Evaluation and Monitoring Annual Report [internet]. Falls Church (VA): Lewin Group; 2015. Available from: <http://innovation.cms.gov/Files/reports/BPCI-EvalRpt1.pdf>