



Working Together for an Affordable Future

June 25, 2015

The Honorable John Boehner
Speaker of the House
United States House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
United States House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Speaker of the House
United States House of Representatives
Washington, DC 20515

Dear Speaker Boehner, Leader McCarthy, and Leader Pelosi:

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 urge House passage of S. 971, the Medicare Independence at Home Medical Practice Demonstration Improvement Act of 2015. This legislation will improve quality of care, streamline care coordination, and reduce Medicare costs for beneficiaries living with multiple chronic conditions.

According to the Centers for Medicare and Medicaid Services (CMS), more than two-thirds of Medicare beneficiaries have two or more chronic conditions.¹ The care and treatment of these beneficiaries accounted for almost 93 percent of all Medicare spending in 2011, or about \$276 billion.² With the rapidly growing population of older Americans, the number of people living with multiple chronic conditions will rise, and Medicare costs are expected to increase substantially in the years ahead. Yet

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traditional fee-for-service Medicare provides little incentive for the intensive care coordination and quality of care needed to manage complex patients. There is an urgent need for policies and programs aimed at strengthening chronic care coordination, reducing unnecessary hospital admissions, and slowing the growth in Medicare spending.

The Independence at Home (IAH) model uses home-based primary care teams to improve health outcomes and coordinate care for seniors and disabled beneficiaries. Healthcare providers who succeed in offering high-quality care at lower cost can qualify for incentive payments. Implementation of this model has yielded remarkable results at the Department of Veteran's Affairs and MedStar Washington Hospital Center.³ Just this week, CMS announced first-year results from the ongoing Medicare IAH Practice Demonstration, finding broad improvement on quality metrics and \$3070 in average per beneficiary savings.

The Medicare IAH Medical Practice Demonstration Improvement Act would extend this successful Demonstration for two years. It is our hope that the additional time will enable Congress and the administration to bring this successful model to scale. In the meantime, S. 971 will continue to support a promising model of care that provides improved coordination, quality, and efficiency of care while reducing Medicare expenditures. We urge you to bring this bill before the House and send it on to the President's desk.

Sincerely,



John Rother
President and CEO,

¹ Centers for Medicare & Medicaid Services. Department of Health and Human Services. 2012. Chronic Conditions among Medicare beneficiaries, Chartbook: 2012 edition. Baltimore, MD: CMS.

² Centers for Medicare & Medicaid Services. <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Press-releases/2013-Press-releases-items/2013-03-28.html>

³ De Jonge, Eric, Namirah Jamshed, Daniel Gildea, Joanna Kubisiak, and Stephanie R. Bruce. "Effects of Home-Based Primary Care on Medicare Costs in High-Risk Elders." *Journal of American Geriatrics Society* 62.10 (2014): 1825-31. Web. 12 June 2015. <<http://onlinelibrary.wiley.com/doi/10.1111/jgs.12974/abstract>>