



2017 Issue Brief

Improving Chronic Care

Issue

Two-thirds of Medicare beneficiaries have multiple chronic conditions, according to the Department of Health and Human Services (HHS). The issue of how to best care for the chronically ill is not limited to the Medicare program, as Americans with five or more chronic conditions make up 12% of the U.S. population, but account for 41% of total healthcare spending in the U.S., according to the RAND Corporation.

Congress and the Administration must act to improve care and lower costs for this patient population, while ensuring patient access to necessary services.

AMGA Asks Congress to:

Pass the Creating High-Quality Results and Outcomes Necessary to Improve Chronic (CHRONIC) Care Act of 2017, S. 870. This bipartisan legislation, which the Senate passed by unanimous consent in September, would strengthen and improve health outcomes for Medicare beneficiaries living with chronic conditions. This bill includes a number of important provisions endorsed by AMGA to improve care for the chronically ill.

Specifically, this legislation would allow all Medicare Shared Savings Program (MSSP) Accountable Care Organizations (ACOs) to choose prospective attribution, where they know their ACO population at the beginning of the year, or retrospective attribution, where they do not know their ACO population until the end of the year. It is important that all MSSP ACOs have the option of prospective assignment so that providers know who their patients are so they can most effectively manage these populations of patients. This provision would also give the beneficiary the option to align with the ACO in which their main primary care provider is participating.

Second, this legislation would waive the originating site requirement to allow for expanded use of telehealth services for downside risk ACOs only. This is a positive step, though AMGA recommends waiving the originating site requirement for all ACOs regardless whether or not they assume downside financial risk.

Third, this bill incentivizes coordinated care. The legislation incentivizes coordinated care by allowing ACOs to offer a flat payment, of up to \$20 per qualifying primary care service, directly to the Medicare beneficiary.

In addition, S.870 includes important provisions to improve the Medicare Advantage (MA) program, such as expanding supplemental benefits and including telehealth within the MA program.

Finally, the CHRONIC Care Act would extend and expand the Independence at Home Act (IAH) demonstration. The IAH demonstration is designed to test whether providing incentive payments to primary care providers for providing care in a patient's home would reduce costs and increase quality.