



January 26, 2016

The Honorable Orrin Hatch  
Chairman  
Committee on Finance  
United States Senate  
Washington, DC 20510

The Honorable Ron Wyden  
Ranking Member  
Committee on Finance  
United States Senate  
Washington, DC 20510

The Honorable Johnny Isakson  
United States Senate  
Washington, DC 20510

The Honorable Mark Warner  
United States Senate  
Washington, DC 20510

**RE: Bipartisan Chronic Care Working Group Policy Options Document**

Dear Chairman Hatch, Ranking Member Wyden, Senator Isakson and Senator Warner:

The Alliance of Community Health Plans (ACHP) appreciates the opportunity to respond to the policy options document developed by the Senate Finance Committee chronic care working group. We would like to thank the Committee and staff for your efforts to explore ways to improve the care of Medicare beneficiaries with chronic conditions and for engaging with ACHP, our member plans and other stakeholders throughout the process.

ACHP is a national leadership organization representing community-based and regional health issuers and provider organizations. ACHP's member health plans provide coverage and care for more than 18 million Americans. Our members are not-for-profit health plans or subsidiaries of not-for-profit health systems; most cover substantial numbers of Medicare Advantage (MA) enrollees. Eight of the twelve 5-star rated MA plans are offered by ACHP members. Our member plans share longstanding commitments to their communities, close partnerships with providers, and substantial investments in the innovative approaches and infrastructure necessary to provide health care that is coordinated, affordable and high quality.

ACHP appreciated the opportunity to highlight the innovative, patient-centered care models developed by our member plans in a briefing for Senate staff last spring and roundtable discussions with House and Senate staff. We are also pleased that the issues raised in two recent ACHP publications, "[Taking Better Care: Supporting Well-Being for an Aging Population](#)" and "[Telehealth: Helping Patients Access Care When and Where They Need It](#)" have been reflected in the policy options document.

**MAKING HEALTH CARE BETTER**

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We offer comments on several policy options outlined by the working group.

### **Adapting Benefits to Meet the Needs of Chronically Ill Medicare Advantage Enrollees**

The chronic care working group is considering giving MA plans the flexibility to establish a benefit structure that varies based on chronic conditions of individual enrollees. ACHP fully supports this policy option. The flexibility described by the working group is similar to the value-based insurance designs (VBID) that have been used in the commercial market with promising results and the VBID model that was recently launched by the CMS Center for Medicare and Medicaid Innovation.

We believe that MA plans should be allowed to develop, and beneficiaries to choose, coverage options that are designed specifically to improve care for their chronic conditions and prevent further progression of the disease. We support the flexibilities the working group outlined, including allowing MA plans to offer additional benefits, reduce cost-sharing for certain items and services, adjust provider networks, and offer care improvement and wellness programs that are tailored to specific chronic conditions. Although not mentioned in the document, we also want to voice our strong support for allowing MA plans to reduce cost-sharing for enrollees who are treated by high quality providers.

The working group seeks feedback on what requirements MA plans should be required to meet to ensure changes to benefit design improve care for chronically ill beneficiaries and do not disrupt care for those who do not have a chronic condition. ACHP believes there are several principles that should be considered in developing parameters that ensure tailored benefit structures are effective in treating and managing chronic conditions:

- **Beneficiary engagement and protections:** Active and informed beneficiary engagement is critical to the success of this policy option. For example, beneficiary participation in health risk assessments and shared decision-making will help plans better understand the needs of the beneficiary, and the beneficiary will have a more informed understanding of evidence-based practices to manage their conditions.
- **Benefit design based on clinical information:** Value-based design to meet the needs of chronically ill MA enrollees moves away from Medicare's "one size fits all" approach under which cost sharing for certain services must be uniform across beneficiaries. However, it is important that criteria be put in place to assure that there is sound clinical evidence and demonstration of provider quality for promoting certain services and providers. Criteria based on clinical information are also important in discouraging use of services and providers considered to be less effective and efficient in treating patients with chronic conditions. An appropriate exceptions process should be included as a further beneficiary protection.
- **Careful measurement and evaluation:** There should be metrics in place to carefully assess beneficiary understanding, access, quality, and service of tailored benefit structures.

## **Increasing Convenience for Medicare Advantage Enrollees through Telehealth**

ACHP appreciates the working group's consideration of permitting MA plans to include certain telehealth services in their annual bids to provide core Medicare benefits. We urge you to include in legislation the authority for MA plans to cover Medicare services that are provided through, or enabled by, telehealth and related technologies, consistent with state practice laws. Eliminating these barriers holds great promise to improve access and timeliness of needed care for Medicare beneficiaries; our member plans already see those gains for private plan enrollees and, where permitted, Medicaid enrollees. As beneficiaries use and appreciate telehealth-enabled care in their individual or group health plans, they will expect the same access to these services when they age-in to the Medicare program.

The working group seeks feedback on whether additional telehealth services, beyond those allowed under limited circumstances in the traditional Medicare program, be permitted and, if so, which ones. ACHP wants to reiterate that telehealth is not a separate and distinct service, but rather a modality that enables providers to deliver already covered care in a way that improves health and lowers the cost of care without increasing utilization. Therefore, we caution against an approach that is overly prescriptive in listing specific services that are permitted and not permitted. Our concern is that statutory definitions would not keep up with changing technology and innovations that improve care and patient access. We recommend that Medicare recognize the use of remote technologies for all Medicare covered services for which those technologies are shown to be clinically effective.

## **Incorporating Hospice Benefits in Medicare Advantage**

The working group has raised the question of whether hospice benefits should be incorporated into the Medicare Advantage benefit package, with appropriate adjustments to the capitation rate and adoption of quality measures. ACHP member plans support providing the continuum of services to beneficiaries, and adding hospice benefits would be consistent with improving the coordination and management of care across providers and settings. We believe this proposal should be developed further, but should not be subject to legislation at this time. Of primary concern is calculating a sufficient increase in the capitation rate to cover hospice services, recognizing also that there is significant variation in costs. Also, quality measures would have to be developed that reflect the health plan's management of hospice patients. We suggest that the working group consider directing CMS and/or other entities to study the issues of hospice and MA, and that any change in the benefit package be deferred.

## **Addressing the Need for Behavioral Health among Chronically Ill Beneficiaries**

ACHP supports the development of policies that improve the integration of care for Medicare beneficiaries with a chronic disease combined with a behavioral health disorder. Current Medicare regulations act as barriers to integrated care for physical health and behavioral health conditions. For example, as the working group mentioned in the policy options document, Medicare does not cover certain outpatient mental health services. We believe that a chronic care bill should extend coverage for those services.

Below are examples from two ACHP member plans demonstrating how they integrate care for physical and mental health conditions in the commercial market and Medicaid. The focus of these efforts is ensuring that patients receive consistent, coordinated care from providers, case managers, and community organizations involved in their treatment. We hope these examples help to inform the working group as you continue to develop potential policy options in the Medicare program:

- Capital District Physicians' Health Plan (CDPHP) in Albany, N.Y., created a program to improve coordination between mental and physical health care for individuals with serious mental illness and substance use disorders, which are some of the most difficult conditions to treat. To help manage the treatment and health status of these patients, CDPHP embeds a behavioral health case manager into primary care offices. The case manager has two core responsibilities: working with primary care and mental health providers to coordinate and synchronize care plans, and working with patients to engage them in their care. Case managers also work with patients to develop treatment plans and self-management goals, link patients with community organizations that provide support services and coordinate the involvement of family members and loved ones in the patient's care. Following the intervention of a case manager, 83 percent of individuals did not have another hospital admission in the next year and 76 percent saw a reduction in emergency room visits.
- UPMC Health Plan in Pittsburgh, Pa., and its partner organization, Community Care Behavioral Health Organization (CCBH), worked with the Pennsylvania Department of Public Welfare and Allegheny County (Pittsburgh, Pa.) in 2009 to form Connected Care, a program integrating behavioral and physical health care for Medicaid enrollees with serious mental illness. Using claims data to identify high-needs patients, UPMC and CCBH deploy multiple strategies to enroll patients in the program. Once a patient enrolls, he or she is engaged by a care manager who conducts a comprehensive assessment to identify behavioral health and medical and social needs and helps tailor a personalized treatment plan. A team is assembled for each individual with complex needs to conduct multidisciplinary case review meetings. Throughout the program, patients are linked to a medical home, through which they receive continuing education for self-management, and detailed discharge instructions when they leave the hospital or a medical appointment. Participants showed statistically significant reductions in emergency room use and 30-day readmission rates.

Elected officials and many others have often cited ACHP member plans for their innovative approaches to care management, integration of services, value-based benefit designs, and alternative payment models. If they are included in legislation, proposals developed by the working group will reinforce the transformation of care that ACHP members and others have initiated and strengthen the capacity of both Medicare Advantage plans and traditional Medicare providers to care for the increasing number of beneficiaries with chronic illnesses. ACHP appreciates the thoughtful, inclusive and bipartisan approach taken by the working group in developing the options document. We look forward to working with you to enact a strong bill this year.

Thank you for the opportunity to provide comments. If you have any questions or need additional information, please contact Holly Bode, ACHP's Director of Public Affairs, at [hbode@achp.org](mailto:hbode@achp.org).

Sincerely,

A handwritten signature in cursive script that reads "Ceci Connolly".

Ceci Connolly  
President and CEO  
Alliance of Community Health Plans